Seni Jaya

Connecting brands, connecting people

SENI JAYA CORPORATION BERHAD
Reg. No.:199301025122 (279860-X)

ANNUAL REPORT 2022

Inside This Report

CORPORATE INFORMATION

Board Of Directors

YANG AMAT MULIA TENGKU PANGLIMA RAJA LT. KOL. TENGKU AMIR NASSER IBRAHIM SHAH IBNI AL SULTAN ABDULLAH RI'AYATUDDIN AL-MUSTAFA BILLAH SHAH
Independent Non-Executive Chairman

ONG KAH HOE
Executive Director

DATO' SRI ANNE TEO
Non-Independent Non-Executive Director

DATIN LEE NAI YEE
Non-Independent Non-Executive Director

JULIAN KOH LU ERN
Independent Non-Executive Director

LEE CHIN CHEH
Independent Non-Executive Director

AUDIT COMMITTEE

JULIAN KOH LU ERN
Independent Non-Executive Director
Chairman

DATO' SRI ANNE TEO
Non-Independent Non-Executive Director
Member

LEE CHIN CHEH
Independent Non-Executive Director
Member

REMUNERATION COMMITTEE

LEE CHIN CHEH
Independent Non-Executive Director
Chairman

DATO' SRI ANNE TEO
Non-Independent Non-Executive Director
Member

JULIAN KOH LU ERN
Independent Non-Executive Director
Member

NOMINATION COMMITTEE

LEE CHIN CHEH
Independent Non-Executive Director
Chairman

DATO' SRI ANNE TEO
Non-Independent Non-Executive Director
Member

JULIAN KOH LU ERN
Independent Non-Executive Director
Member

COMPANY SECRETARIES

TAN TONG LANG
(MAICSA 7045482/
SSM PC No. 202208000250)

ANG WEE MIN
(MAICSA 7076022 /
SSM PC No. 202208000334)

REGISTERED OFFICE

B-21-1, Level 21, Tower B,
Northpoint Mid Valley City,
No. 1, Medan Syed Putra Utara,
59200 Kuala Lumpur,
W.P. Kuala Lumpur.
Tel No : +603-9770 2200
Fax No. : +603-9770 2239

PRINCIPAL PLACE OF BUSINESS

A-01-01, Block Allamanda,
10 Boulevard, Lebuhraya Sprint,
Jalan PJU 6A,
47400 Petaling Jaya,
Selangor.
Tel No. : +603-7729 1795

AUDITORS

CAS MALAYSIA PLT
[201606003206 (LLP0009918-LCA)
(AF1476)]
Chartered Accountants

PRINCIPAL BANKERS

RHB Bank Berhad
Malayan Banking Berhad
Public Bank Berhad
Hong Leong Bank Berhad
CIMB Bank Berhad
CIMB Bank Islamic Berhad
Ambank Berhad
United Oversea Bank (M) Berhad

SHARE REGISTRAR

Shareworks Sdn Bhd
No. 2-1, Jalan Sri Hartamas 8,
Sri Hartamas,
50480 Kuala Lumpur,
Wilayah Persekutuan.
Tel No. : +603-6201 1120
Fax No. : +603-6201 3121

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad
Stock name : SJC
Stock code : 9431

CORPORATE WEBSITE

www.senijayacorp.com

INVESTOR RELATIONS

Capital Front Investor Relations
Email : hongee@capitalfront.biz
Tel No : +6014-266 1470

CORPORATE STRUCTURE

Seni Jaya
Connecting brands, connecting people

SENI JAYA CORPORATION BERHAD

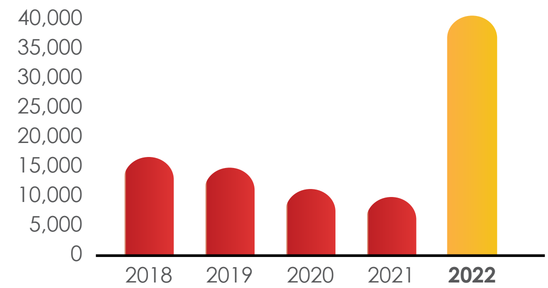
- 100% Seni Jaya Production Sdn. Bhd.
- 100% Seni Jaya Sdn. Bhd.
  - 100% Seni Jaya OOH Sdn. Bhd.
    - 100% Topper Media Sdn Bhd
      - 51% Noisy Sherbert Sdn Bhd
  - 70% Andaman Media Sdn Bhd
  - 70% Tanjong Jernih Sdn Bhd
  - 70% Saakti Billboards Sdn Bhd
  - 70% Seni Jaya Media Utama Sdn Bhd
  - 40% Big Tree Seni Jaya Sdn Bhd
- 100% Mediamart Sdn. Bhd.

FINANCIAL
HIGHLIGHTS

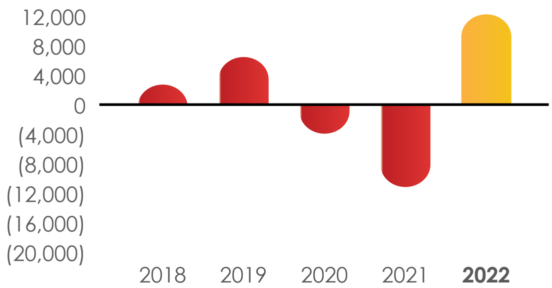
	2018 Restated RM'000	2019 RM'000	2020 RM'000	2021 RM'000	2022 RM'000
Revenue	17,572	14,561	8,824	8,747	37,930
Earnings Before Interest, Tax, Depreciation and Amortisation ("EBITDA")	1,618	7,199	2,925	(10,299)	11,868
(Loss)/Earnings Before Interest and Tax ("EBIT")	(281)	583	(3,861)	(16,758)	7,683
(Loss)/Profit Before Tax ("PBT")	(281)	(98)	(5,212)	(16,969)	7,469
Net (Loss)/Profit Attributable to Owners of The Company ("PATAMI")	(748)	(482)	(5,250)	(17,203)	7,293
Net Assets	53,178	52,696	47,446	46,410	51,931
Shareholders' Equity	53,178	52,696	47,446	46,116	50,562
Net Assets per share (In RM)	1.31	1.30	1.17	0.96	0.27
Basic (Loss)/Earnings per share (In Sen)	(1.85)	(1.19)	(12.95)	(39.72)	10.52*
Diluted (Loss)/Earnings per share (In Sen)	-	-	-	(25.46)	4.37*

* Basic and diluted (loss)/earnings per share has been calculated based on the weighted average number of shares issued due to the conversion of warrants and bonus issue.

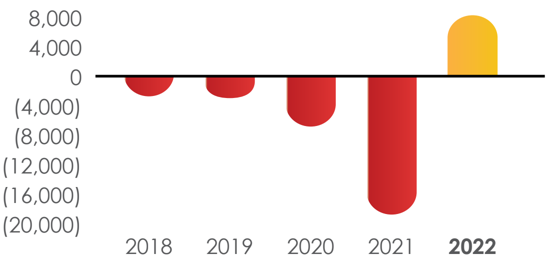
REVENUE



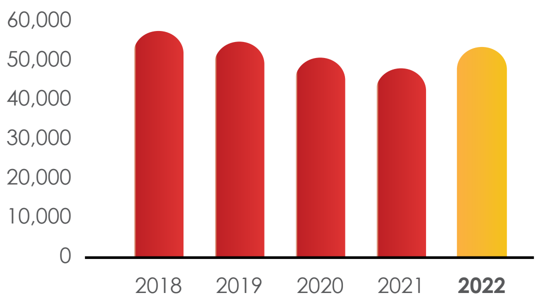
EBITDA



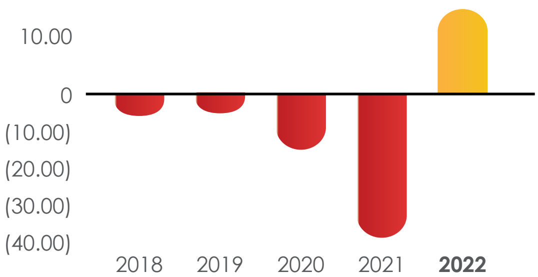
PATAMI



SHAREHOLDERS' EQUITY



EPS (sen)



BOARD OF DIRECTORS

YANG AMAT MULIA TENGKU PANGLIMA RAJA LT. KOL. TENGKU AMIR NASSER IBRAHIM SHAH IBNI AL SULTAN ABDULLAH RI'AYATUDDIN AL-MUSTAFA BILLAH SHAH

36 years of age, Malaysian, Male
Independent Non-Executive Chairman

Yang Amat Mulia Tengku Panglima Raja Lt. Kol. Tengku Amir Nasser Ibrahim Shah Ibni Al Sultan Abdullah Ri'ayatuddin Al-Mustafa Billah Shah ("**Tengku**") was appointed as an Independent Non-Executive Director of the Company on 1 July 2021 and subsequently re-designated as the Independent Non-Executive Chairman of the Company on 19 July 2021.

Tengku graduated from the Oxford Brookes University with a Bachelor of Arts in Business & Marketing Management in 2008.

Tengku started his career as a Project Manager in Property Development with KotaSAS back in 2012 and was exposed to every department. He rose the ranks to lead the organisation and has successfully built thousands of homes which to date, the township of 2,200 acres is still being developed. From his success in KotaSAS, he redesignated to the group level for Tanah Makmur Berhad where he was part of the team which saw the successful listing of the company 2014. The core business of the company is palm oil plantation and has since began its business diversification by expanding into agrobusiness such as durian and pineapple plantation with a total estate land bank of 60,000 acres.

Currently he is the Vice President of The Islamic Religion & Malay Customs Council of Pahang which is an extended government body tasked to govern all matters related to Islamic Administration under the patronage of the Sultan. Several government departments such as Jabatan Mufti Negeri Pahang, Jabatan Agama Islam Negeri Pahang, Jabatan Kehakiman Syariah Negeri Pahang and Jabatan Pendakwaan Syariah Negeri Pahang fall under the purview of this administration.

Within the business world, he continues to serve as Executive Director of Tanah Makmur Berhad Group of Companies, Chairman of MUIP Holdings Group of Companies and an active Director of Gading Sari Holdings Group of Companies with a portfolio of 45 companies in total. Tengku constantly drives the overall strategy and execution of various portfolio of businesses namely Plantation, Property Development, Mining, Power Plant, Engineering, Hospitality, Education, Healthcare and Trading.

Beyond the corporate world, Tengku also sits in the Royal Institute Committee, Jumaah Pangkuan DiRaja Pahang who are responsible for all royal ceremonies, to protect the integrity of Islam and duty bound to serve the rakyat through social welfare engagements. To contribute to the nation, he has been serving the Territorial Army since 2011 and is now the acting Commander of the 505 Regiment, leading 1,435 service men and women.

In terms of Corporate Social Responsibility, he sits on the Board of trustees for Yayasan Al-Sultan Abdullah, which has 4 centres offering Dialysis Treatments and Akademi Menara Gading which is a program specifically catered for orphans that require mentoring in order to secure their tertiary education ambitions. Additionally, within the Education Environment, he sits as Pro Chancellor of University College Yayasan Pahang and College University Islam Sultan Ahmad Shah.

Currently he is an Executive Director of Tanah Makmur Berhad. He has no relationship with any director and/or major shareholder of the Company and has no conflict of interest with the Company.

He has not been convicted of any offences within the past five (5) years other than traffic offences, if any, and has not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 December 2022.

BOARD OF DIRECTORS

ONG KAH HOE

49 years of age, Malaysian, Male
Executive Director

Mr. Ong Kah Hoe was appointed as an Executive Director of the Company on 13 September 2022.

Mr. Ong Kah Hoe graduated from University of Coventry, United Kingdom ("U.K.") in 1997 with a Bachelor Degree (Honours) in Business Administration. Mr. Ong Kah Hoe has nineteen (19) years of experience in property development and construction. He has successfully led and completed numerous residential, commercial and hotel projects. Mr. Ong Kah Hoe has also more than ten (10) years of experience in Billboard & Out-of-Home advertising industry.

Presently, Mr. Ong Kah Hoe is the Group Managing Director of OCR Group Berhad, a company listed on the Main Market of Bursa Malaysia Securities Berhad, where he spearheads the Group's overall strategy and direction in the property development, construction and project management consultation businesses. In addition, he also sits on the board of several private limited companies.

Mr. Ong Kah Hoe is a major shareholder of the Company and he has no family relationship with any other Director and/or major shareholders of the Company nor any conflict of interest in any business arrangement involving the Company.

He has not been convicted of any offences within the past five (5) years other than traffic offences, if any, and has not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 December 2022.

DATO' SRI ANNE TEO

64 years of age, Malaysian, Female
Non-Independent Non-Executive Director
Member of Audit Committee, Remuneration Committee and Nomination Committee

Dato' Sri Anne Teo was appointed as an Executive Director on 18 August 1994 and has been the Managing Director of the Company since 25 March 2005. Dato' Sri Anne Teo was appointed as the Executive Chairman on 15 June 2018 and subsequently re-designated as the Non-Independent Non-Executive Director on 19 July 2021.

In 1981, Dato' Sri Anne Teo graduated with a Bachelor of Commerce degree and in 1982 a Master of Commerce, Hons (Accounting) from the University of Canterbury, New Zealand. She is a member of the Association of Chartered Accountants (New Zealand), a Fellow of CPA Australia (FCPA) and a member of the Malaysian Institute of Accountants. In 1986, she joined Seni Jaya Corporation Berhad Group managing the finance and investments of the Group.

Dato' Sri Anne Teo is the sister-in-law to Datin Lee Nai Yee, the Non-Independent Non-Executive Director of the Company. She does not hold any directorship in other public companies and listed issuers and has no conflict of interest with the Company.

She has not been convicted of any offences within the past five (5) years other than traffic offences, if any, and has not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 December 2022.

BOARD OF DIRECTORS

DATIN LEE NAI YEE

65 years of age, Malaysian, Female
Non-Independent Non-Executive Director

Datin Lee Nai Yee ("**Datin Lee**") was appointed as a Non-Independent Non-Executive Director on 28 August 2017.

Datin Lee graduated with a Bachelor of Arts Degree from Universiti Sains Malaysia in 1981. She started her career in the hotel industry before venturing into the advertising field.

She then left the advertising industry in 1989 to assume responsibility for the management and overall operations of Watchshoppe, a major homegrown watch retail chain which she founded together with her husband, the late Dato Eddie Teo.

She held the position of Executive Director until the business was sold off to a Hong Kong watch industry conglomerate in 2018.

Datin Lee is a major shareholder of the Company and she is the sister-in-law to Dato' Sri Anne Teo. Datin Lee does not hold any directorship in other public companies and listed issuers and has no conflict of interest with the Company.

She has not been convicted of any offences within the past five (5) years other than traffic offences, if any, and has not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 December 2022.

JULIAN KOH LU ERN

61 years of age, Malaysian, Male
Independent Non-Executive Director
Chairman of Audit Committee
Member of Nomination Committee and Remuneration Committee

Mr. Julian Koh Lu Ern ("**Mr Julian Koh**") was appointed as an Independent Non-Executive Director of the Company on 6 May 2021. He is a Chartered Accountant of Malaysia (C.A. (M)). He is also a member of the Chartered Institute of Management Accountants ("CIMA") and the Chartered Global Management Accountants ("CGMA"). In addition, he is a member of the Institute of Corporate Directors Malaysia (ICDM).

Mr. Julian has more than thirty-six (36) years of experience in the fields of strategic planning, human resources, accounting, corporate finance, risk management, managing and controlling information system, taxation and funding in diversified industries including advertising, property development, stockbroking and fund management.

Mr. Julian Koh also sits on the Board of OCR Group Berhad, a company listed on the Main Market of Bursa Malaysia Securities Berhad as Independent Non-Executive Director.

He has no relationship with any director and/or major shareholder of the Company and has no conflict of interest with the Company.

He has not been convicted of any offences within the past five (5) years other than traffic offences, if any, and has not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 December 2022.

BOARD OF
DIRECTORS

LEE CHIN CHEH

51 years of age, Malaysian, Male
Independent Non-Executive Director
Chairman of Nomination Committee and Remuneration Committee
Member of Audit Committee

Mr. Lee Chin Cheh ("**Mr. Lee**") was appointed as an Independent Non-Executive Director of the Company on 2 August 2021. He graduated with Bachelor of Laws (Honours) from the University of Wolverhampton, United Kingdom in July 1994 and subsequently obtained his Certificate of Legal Practice from Malaysia Legal Profession Qualifying Board in December 1995. In the same year, he commenced his pupilage with Messrs. Vincent Lim & Teoh before his admission to the High Court of Malaya as an advocate and solicitor in November 1996.

He then joined Messrs. Nordin Hamid & Co. as a legal associate in 1996 where his main area of practice was in conveyancing and commercial transactions. In 1997, he left Messrs. Nordin Hamid & Co. and establish his own law firm, Messrs. Lee Ong & Partners and took on the position as Managing Partner of the firm, a position which he holds until to-date. He has over 25 years of working experience in the legal industry encompassing conveyancing and various areas of corporate and commercial law, advising individuals and corporate entities in Malaysia and Singapore.

Mr. Lee was involved in governmental and non-governmental organisations where he provides legal and business insights. Since 2018, he has been appointed as a Special Task Officer to the Minister of Housing and Local Government to help formulate housing policies and advise on issues affecting local governments. As a legal practitioner, he regularly advises non-governmental organisations including but not limited to Malaysia-Guangdong Investment Promotion Council, Petaling Trade and Industry Association, Petaling Jaya Coffee Shop and Restaurant Association and Petaling Hawkers Association.

In June 2016, he was appointed as a Non-Independent Non-Executive Director of OCR Group Berhad, a position he held until June 2021 where he did not seek for re-election. In March 2016, he was appointed as a Non-Executive Director of Pan Asia Corporation Limited, Australia, a position he assumes to present date. In August 2020, he was also appointed as a Non-Independent Non-Executive Director of Malaysia Digital Economy Corporation Sdn. Bhd., a position he assumes to present date.

On 8 March 2021, he was appointed as an Independent Non-Executive Director of Magna Prima Berhad, a company listed on the Main Market of Bursa Malaysia Securities Berhad. He is also a director and shareholder of several private limited companies.

He has no relationship with any director and/or major shareholder of the Company and no conflict of interest with the Company.

He has not been convicted of any offences within the past five (5) years other than traffic offences, if any, and has not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 December 2022.

MANAGEMENT TEAM

PROFILE OF THE KEY SENIOR MANAGEMENT

JEFF, CHEAH SEE HEONG

46 years of age, Malaysian, Male
Chief Executive Officer

Mr. Jeff Cheah graduated from the University of South Australia with a Bachelor of Marketing in 1998. Upon his return, he spent a year with the world's largest digital outdoor media printing company, MMT (M) Sdn. Bhd. before joining the country's largest out-of-home media organisation, Big Tree Outdoor Sdn. Bhd. in 2001. He rose through the ranks to become the Chief Executive Officer in 2011 and was the president of the Outdoor Advertising Association of Malaysia from 2014 to 2017. He then joined Vision OOH Sdn Bhd and ventured into the Cambodia market to start a new outdoor advertising legacy in 2017 after leaving Big Tree Outdoor Sdn. Bhd..

Concurrently, he also joined Seni Jaya Group as Managing Consultant and has taken progressive measures to transform the group to be one of the frontiers in technology through partnerships and consolidation. Jeff Cheah is one of the innovators in the out-of-home media industry with over 20 years of experience in outdoor billboard, retail malls, rail transit and airport media. With his 15 years of experience and involvement in Light Rail Transit and Monorail advertising business development, he led his team to successfully secure the Mass Railway Transit system outdoor media concession in 2016. Over the years he has successfully implemented many initiatives to enhance the outdoor media landscape, and played a pivotal role in pioneering Digital Out-Of-Home ("DOOH") and programmatic Digital Out-Of-Home ("pDOOH").

Mr. Jeff Cheah does not have any family relationship with any Director and/or major shareholders of the Company. Currently, he holds 100,000 units of share in the Company. He has not been convicted of any offences within the past five (5) years and there was no public sanction or penalty imposed by the relevant regulatory bodies during the financial year ended 31 December 2022.

DR. DESMOND, CHOO BOON CHEONG

46 years of age, Malaysian, Male
Director, Stakeholder Management & Corporate Planning

Dr. Choo was appointed as the Director, Stakeholder Management & Corporate Planning on 1 August 2021. Dr. Choo graduated with B.Eng (Hons) Electronic & Electrical Engineering in 1999, and Ph.D in Computer Science from the University of Manchester, UK with full scholarship in 2003. Dr. Choo is a passionate, reliable and ethical business leader with over 15 years of experience leading Management teams, Technical Sales and Project Professionals in the IT, Ground Transportation, Cloud Service and Outdoor Advertising industries. He is an expert in cloud technology with extensive knowledge of how to successfully deliver complex programs and drive business transformation through new market channels and emerging technologies.

He plays a key role in the identification and acquisition of new revenue generating streams in Malaysia out-of-home (OOH) advertising which includes undertaking market research. He also manages concessions relationship, along with generating ideas and initiatives to achieve synergistic growth within the established partnerships.

Dr. Choo does not have any family relationship with any Director and/or major shareholders of the Company. He has no conflict of interest with the Company and has not been convicted of any offences within the past five (5) years and there was no public sanction or penalty imposed by the relevant regulatory bodies during the financial year ended 31 December 2022.

KAREN, LOW SOOK TENG

50 years of age, Malaysian, Female
General Manager, Sales

Karen Low is the General Manager, Sales of Seni Jaya. Armed with a Diploma in Private Secretaryship at Rima College, and an MBA from the Open University Malaysia. Karen carries with her 26 years of experience in effective sales execution, with 10 years of selling the ERP Solution in the IT Industry and 16 years in the OOH industry which has given her a meticulous perspective. She began her OOH Media career with Seni Jaya in 1997 as Accounts Manager, and thereafter in year 2010 she has moved to Big Tree Outdoor for 11.5 years. She worked her way up to Group Accounts Director in 2015 before leaving the company in 2021. Karen honed her skills through exposure to various OOH media formats such as roads and expressways, airports, DOOH, transit systems and shopping malls.

Karen's passion for the OOH industry fuels her vision to transforming the cityscape of Malaysia. She stands by the quote "The only way to do great work is to love what you do." by Steve Jobs.

Ms. Karen Low does not have any family relationship with any Director and/or major shareholders of the Company. She has no conflict of interest with the Company and has no conviction of any offences within the past five (5) years and there was no public sanction or penalty imposed by the relevant regulatory bodies during the financial year ended 31 December 2022.

SHIRLEY, GAN SHIAU LIN

50 years of age, Malaysian, Female
General Manager, Human Resource, Administration & Support Services

Graduated in Bachelor of Art (Hons) in Accounting. Ms. Gan is the General Manager of Support Services & Procurement. She oversees the implementation of the company's internal & external policies & processes. She is also responsible for the monitoring and evaluating of suppliers and contractors. She manages and maintains good relationships with concessionaires. She also handles the generation of reports and financial data. Prior to joining Seni Jaya, she was attached with Big Tree Outdoor for 20 years, responsible for enhancing and improving the company internal process/ standard operating procedures and profitability.

Ms. Shirley Gan does not have any family relationship with any Director and/or major shareholders of the Company. She has no conflict of interest with the Company and has not been convicted of any offences within the past five (5) years and there was no public sanction or penalty imposed by the relevant regulatory bodies during the financial year ended 31 December 2022.

PROFILE OF THE
KEY SENIOR MANAGEMENT

MUHAMMAD NAZIR BIN DALIMI

42 years of age, Malaysian, Male
Senior Manager, Development

Mr. Nazir started his journey in outdoor advertising industry in 2007. He worked with one of the pioneer companies in this industry, Ganad Media Sdn Bhd as Site Development Executive. As a fast learner, dedicated and passionate individual, he was given the trust from the top management to be part of decision-making process in the company. After he left the company in 2012, he joined a new start-up company, Unlink Outdoor Sdn Bhd as Development Manager. He delivered great results and led the company to become one of the key players in the industry.

He has more than 15 years of collective experience in outdoor and indoor advertising, specializing in site development, corporate communication, feasibility study, project management, authority liaison and conceptual design for digital displays. Mr. Nazir graduated from the National University Malaysia (UKM), holding a Bachelor Degree of Social Science with Honours, majoring in Political Science.

Since he joined Seni Jaya Sdn Bhd in 2020 as Senior Manager, Development, Mr. Nazir has shown his full commitment and dedication as hands-on person on every task given.

Mr. Nazir does not have any family relationship with any Director and/or major shareholders of the Company. He has no conflict of interest with the Company and has not been convicted of any offences within the past five (5) years and there was no public sanction or penalty imposed by the relevant regulatory bodies during the financial year ended 31 December 2022.

JASON, THONG SYN CHUN

33 years of age, Malaysian, Male
Financial Controller

Mr. Jason joined Seni Jaya in March 2023 as the Financial Controller, overseeing the Accounting, Finance and Treasury functions of the Group.

He began his career with Deloitte Malaysia in February 2014 as an Audit Associate and subsequently joined S P Setia Berhad in November 2016 to pursue commercial exposure focusing in Group Accounts. He then joined Eupe Corporation Berhad, a dynamic and growing Malaysian property developer listed on the Main Market in June 2020, to lead the Group Accounts, Operations and Corporate Finance divisions. Mr. Jason brings with him close to 10 years of practical experience in accounting and auditing, corporate finance, treasury and financial management in various industries including property development and construction, banking, manufacturing, healthcare and hospitality prior to joining Seni Jaya.

He is a Chartered Accountant and a member of the Malaysian Institute of Accountants, and a Fellow of the Association of Chartered Certified Accountants.

Mr. Jason does not have any family relationship with any Director and/or major shareholders of the Company. He has no conflict of interest with the Company and has no conviction of any offences within the past five (5) years and there was no public sanction or penalty imposed by the relevant regulatory bodies during the financial year ended 31 December 2022.

Dear Valued Shareholders,

On behalf of the Board of Directors ("Board") of Seni Jaya Corporation Berhad ("Seni Jaya" or the "Group"), I am delighted to share with you the Annual Report of Seni Jaya for the financial year ended 31 December 2022 ("FY2022").

ECONOMIC LANDSCAPE

At the outset of FY2022, there was a palpable sense of optimism as the world appeared to be moving towards endemicity and the global economic recovery was gaining momentum. Unfortunately, this optimism was soon dampened by the aftermath of the Coronavirus disease 2019 ("Covid-19") pandemic as well as geopolitical turbulences such as the Russia-Ukraine conflict and US-China trade tensions. These factors, coupled with inflationary pressures, rising interest rates and recessionary concerns, have caused market uncertainties to escalate substantially. In light of these challenges, global economic recovery was affected. The International Monetary Fund ("IMF") has estimated that global gross domestic product ("GDP") growth will moderate to 3.4% in 2022 compared to the GDP growth of 6.0% achieved in 2021.

On the other hand, the economic conditions back home in Malaysia had been more encouraging since the reopening of the economy with business activities picking up healthily. In turn, our GDP growth expanded firmly by 8.7% in 2022 in contrast to the 3.1% growth in 2021 according to Ministry of Finance ("MOF").

Malaysia's First Digital Gantry located in Kelana Jaya along Damansara–Puchong Expressway or Lebuhraya Damansara–Puchong

BUSINESS & FINANCIAL HIGHLIGHTS

FY2022 was both an exhilarating yet challenging year for us as we continued our transformation journey and expanded our comprehensive portfolio of out-of-home ("OOH") assets. We achieved this by acquiring and collaborating with new partners, which allowed us to grow our offerings and enhance our market presence in existing markets. In addition, we successfully established presence in new markets by penetrating into new states, including Kelantan, Perak and Johor, thus further diversifying our portfolio.

Digitalization of our assets continued to be a key aspect of our transformation blueprint and we made significant progress in this area during the financial year under review. This has allowed us to provide even more value to our clients and customers by offering unique advertising solutions.

As the economic recovery picked up pace, there was a corresponding increase in demand for OOH advertising. The Group capitalized on this opportunity and was able to leverage on the recovery to our advantage. With that, Seni Jaya's revenue for the financial year under review jumped 4.3 folds to RM37.9 million from RM8.7 million in FY2021. Profit after tax and non-controlling interest ("net profit") swung back to black with a net profit of RM7.3 million versus a net loss of RM17.2 million in the previous year. It is also noteworthy to mention that our fourth quarter of FY2022 ("4QFY2022") revenue of RM12.3 million surpassed the RM10 million-mark, a first in our recent corporate history.

FY2022
Revenue
RM37.9
million

FY2022
Net Profit
RM7.3
million

On the corporate front, we are pleased to share that the Group has completed the bonus issue on the basis of 3 bonus shares for every 1 Seni Jaya share ("Bonus Issue") in November 2022. The Bonus Issue was an expression of our gratitude to all our shareholders for their patience and unwavering support as we progress forward with our transformation journey.

Completed
3-for-1
Bonus Issue
In November 2022

PROSPECTS FOR FY2022

Looking ahead, the market uncertainties are anticipated to remain elevated and global economies are projected to moderate from the year before. The world economy is forecasted to grow at a slower pace of 2.9% for 2023 based on data by IMF as rising interest rates and the war in Ukraine continue to weigh on economic activities. Similarly, Malaysia's GDP growth is estimated to slow down to 4.0% in 2023 according to statistics by World Bank.

In the meantime, leading global media investment and intelligence company, MAGNA expects global advertising market to grow by 5.0% to USD830 billion in 2023. Although the growth rate is slower compared to last year, we see pockets of opportunities that we can capitalize on given our comprehensive offerings.

At Seni Jaya, we remain fully committed to our transformation plan as we strive to build on our positive momentum. Moving forward, we will continue to broaden our OOH footprint by increasing and upgrading our sites and forging strategic collaborations. These initiatives will allow us to enhance the value we provide to our clients and customers while strengthening our position in the market.

On balance, we remain broadly optimistic on the future of Seni Jaya. Our promising long-term outlook is supported by our transformation plan and the favourable industry trend. With these factors in place, we look forward to a better year in FY2023 with further value creation to our stakeholders, barring any unforeseen circumstances.

APPRECIATION

As I conclude, I would like to express my heartfelt gratitude to our exceptional team at Seni Jaya for their unwavering dedication, hard work, and adaptability. I am immensely proud of all the achievements and efforts made by our team, especially in the face of an increasingly challenging environment.

I also wish to extend my deepest appreciation to all our stakeholders, including our customers, business partners, bankers, and suppliers, for their invaluable support. Your assistance and trust in our Group have played a crucial role in achieving our goals and driving our growth forward. To our shareholders, we thank you for your patience and unwavering support as we continue with our transformation journey.

Furthermore, I would like to give a warm welcome to Mr. Ong Kah Hoe (Billy), who joined the Board as our Executive Director in September 2022. He brings with him a wealth of corporate and OOH advertising experience and has been contributing positively to the Group.

Lastly, my sincere gratitude goes to my fellow members of the Board for their invaluable insights and guidance in steering our Group through these challenging times. With the guidance of our Board and the leadership of our management team, I am confident that Seni Jaya will continue to flourish and achieve even greater heights in the years ahead.

Yang Amat Mulia Tengku Panglima Raja Lt. Kol. Tengku Amir Nasser Ibrahim Shah Ibni Al Sultan Abdullah Ri'ayatuddin Al-Mustafa Billah Shah
Independent Non-Executive Chairman

MANAGEMENT DISCUSSION
AND ANALYSIS

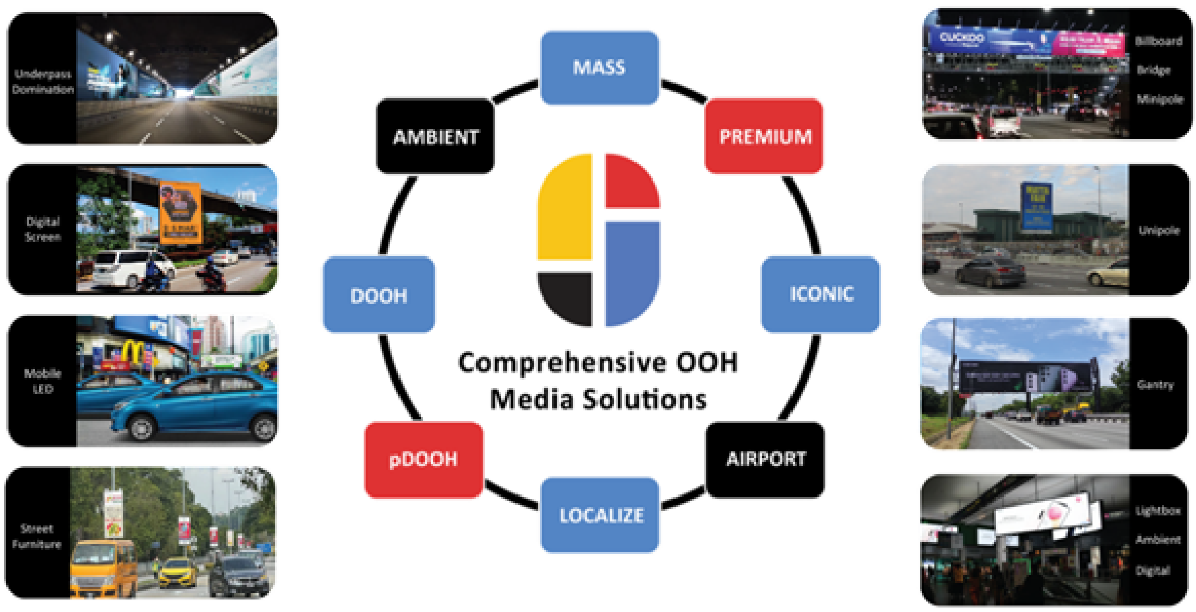
Dear Respected Shareholders,

The financial year ended 31 December 2022 ("FY2022") marked a significant turning point for the global and local economy as we transitioned towards normalcy after two pandemic-affected years. Business activities have been picking up and the economies are showing steady signs of recovery. That said, FY2022 was not without challenges such as the heightened global volatilities arising from inflationary pressures, rising interest rates and recessionary fears, to name just a few.

For us at Seni Jaya, while we rode on the road to recovery, we also faced our fair share of upheavals. Thankfully, we were able to manoeuvre through the obstacles and emerged stronger than before. Therefore, FY2022 was a major inflection point for us, having strengthened the Group's foundation in the second year of our transformation journey. This was reflected in our financial performance as well. Seni Jaya delivered a revenue of RM37.9 million in FY2022 versus RM8.7 million a year ago, representing a surge of 4.3 folds. Profit after tax and non-controlling interest ("net profit") too, returned to the black at RM7.3 million against a net loss of RM17.2 million a year ago.

BUSINESS OVERVIEW

Seni Jaya is an out-of-home ("OOH") media advertising specialist with 40 years of experience and track record. Listed on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities"), the Group offers comprehensive solutions to meet all our clients' needs.



We currently have more than 500 conventional and digital billboards inventory across strategic locations nationwide. Our clientele, meanwhile, consists of a diversified customer base from notable brands across more than 25 sectors.

To recap, back in May 2021, Seni Jaya embarked on a transformation journey led by myself, alongside an awesome team comprising some of the industry's top talents to support the expansion ambition. The overarching goal of the business transformation plan is to position Seni Jaya as a leading OOH advertising services provider in Malaysia.

Seni Jaya
Connecting brands, connecting people

As part of the plan, we successfully undertook a rebranding exercise and unveiled a new company logo to better reflect the fresh direction and strategy of Seni Jaya going forward.

Besides, we have also forged strategic collaborations with other established OOH advertising companies to boost our asset count and quality. By roping in the asset owners to join forces with us, we formed a formidable network with comprehensive and enlarged portfolio. As a result, we have become one of the largest OOH advertising players in the country.

BUSINESS AND OPERATIONAL REVIEW

THREE-YEAR BUSINESS TRANSFORMATION PLAN

As we entered into the second year of our business transformation journey, we continued to build on the positive momentum gained in the previous year. This, coupled with the economic recovery, had enable us to make meaningful progress on our plan. I am pleased to share some of the key highlights and progress updates, as follows:-

Expanding OOH Footprint – Acquisition

In the financial year under review, the Group acquired a 55%-stake in Andaman Media Sdn Bhd, Saakti Billboards Sdn Bhd, and Tanjong Jernih Sdn Bhd respectively (collectively known as "Andaman") for a total consideration of RM8.5 million. Subsequent to this, we had also acquired an additional 15%-stake, bringing our interest to 70% at present.

Andaman is principally involved in the advertising and billboard business. Collectively, they own a sizeable amount of OOH mega billboard structures that are situated at prime locations in the Klang Valley, as well as marketing rights for street furniture (bunting) by local municipals.

Spectacular Gantry

Double-sided Unipole

The horizontal expansion is synergistic in nature given the type of assets owned by Andaman. With the addition of mega billboard structures, we now possess even more premium-end OOH assets with advertising space of higher price points. These structures afford us more locational options for our big-brand-name clients, whereas street buntings cater to the local communities.

Expanding OOH Footprint – First-of-its-Kind Synchronised Digital Gantry

We are also delighted to share that our spectacular digital gantry was completed and operational with healthy demand and feedback from our customers. The digital gantry is located in Kelana Jaya along Damansara–Puchong Expressway or Lebuhraya Damansara–Puchong ("LDP"), covering both ways of the traffic. It is the first-of-its-kind and the only giant digital gantry along LDP that enables our customers to share a more impactful story or message. We have recently been recognized by "The Malaysia Book Of Records" in constructing and owning the "First Digital Gantry in Malaysia" category, receiving an award for our achievement.

Expanding OOH Footprint – New Sites + Digitalization

Digital screen on Jalan Sungai Besi, Kuala Lumpur

The Group is continuously expanding our assets with a focus on digitalization to enhance our market presence and offerings. In FY2022, we successfully completed the deployment of a number of digital screens, as well as rolled out more than 1,000 street furniture panels along key access roads in Klang Valley.

Digital screen in Jalan Segambut roundabout towards Jalan Kuching, Kuala Lumpur

Street Furniture Panels along MRR2

Growing Geographically

Apart from growing our OOH portfolio, we are also expanding our geographical presence in order to further establish our position in the OOH advertising segment in Malaysia. On this front, we are excited to share that we made our first foray into the Kelantan market by securing maiden project in Kota Bharu in October 2022, marking another milestone in our transformation plan.

Exposure To Four International Airports In Malaysia

Through partnership, Seni Jaya also has presence at four international airports in Malaysia, namely – Langkawi, Penang, Kuching and Kota Kinabalu. Since the reopening of Malaysian borders in April 2022, airport foot traffic has risen in tandem with the increase in visitors, which certainly bodes well for us.

Programmatic Digital OOH ("pDOOH") Advertising

To recap, we expanded our product and service catalogue to include pDOOH advertising through the acquisition of an effective 51% interest in Noisy Sherbert Sdn Bhd ("NSSB"), which is the owner of the proprietary pDOOH advertising software called ENOMAD.

ENOMAD is a unique platform that facilitates automated buying and selling of advertisement space. Its customizable features are unparalleled in the regular OOH media industry. With the integration of artificial intelligence and geofencing technology, advertisers can set specific parameters such as location, time of day, and weather as triggers for displaying their ads on digital billboard screens. This enables them to efficiently target their desired demographics and achieve their advertising goals with precision.

ENOMAD utilizes car topper LED screens installed on our partnering e-hailing cars as a medium for projecting advertisements. This innovative approach has substantially expanded our geographical reach, allowing us to reach places that were previously inaccessible through static billboards. We are continuously improving our technology and offerings.

Furthermore, we have diversified our mobile advertising offerings to include car wrapping, roof-top 3-D models, and optimized the orientation of our LED screens to maximize visibility. We are currently in the process of expanding our fleet of e-hailing vehicles towards our goal of 500.

CORPORATE EXERCISES

The Group had in November 2022 completed the bonus issue of 145.6 million bonus shares and 72.8 million additional warrants on the basis of 3 bonus shares for every 1 share held ("Bonus Issue of Shares"). The exercise was to undertaken to reward our shareholders and to express our gratitude for sticking with us through thick and thin. It is also to extend our appreciation towards the confidence and patience given to us while we continue with our transformation journey.

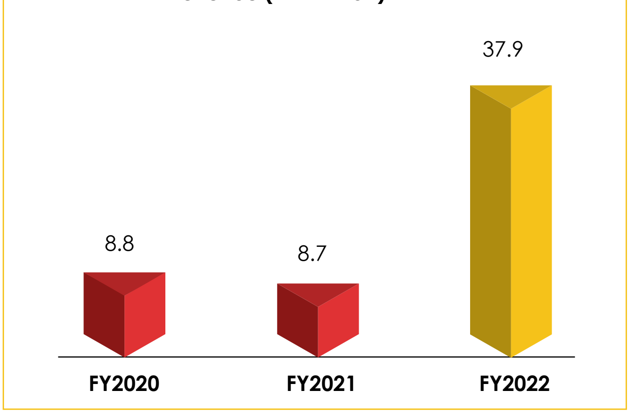
Lastly, given the current uncertainties in the equity market, we have sought and was granted by Bursa Securities an extension of time until 16 May 2023 to complete our private placement exercise involving the issuance of up to 9.7 million new ordinary shares with the target of raising up to RM5.5 million under the maximum scenario ("Proposed Private Placement").

The funds raised will be allocated towards several strategic initiatives, including OOH project development, acquiring new concessions-based businesses, expanding into new categories within the digital OOH ("DOOH") advertising media sector, and meeting our working capital requirements. These initiatives are vital in achieving our three-year transformation agenda and will enable us to drive sustained growth and achieve our long-term business objectives.

FINANCIAL REVIEW

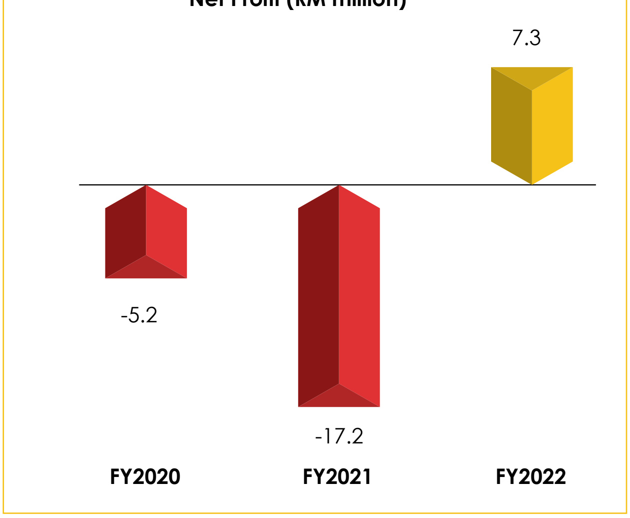
Revenue

For the financial year under review, our revenue soared 4.3 folds to RM37.9 million from RM8.7 million in FY2021. The strong year-on-year ("YoY") growth was driven by the demand recovery for OOH advertising on the back of increase in outdoor foot and car traffic post-pandemic. This was further boosted by our larger OOH portfolio following the inclusions of additional assets via acquisitions, collaborations as well as through construction of new billboards.



Net Profit

Meanwhile, the Group's net profit swung back to the black with a net profit of RM7.3 million. This was a substantial improvement from the net loss reported in the previous year. The rebound was in line with the higher revenue achieved, coupled with gain on disposal of properties as well as absence of an impairment loss incurred in FY2021.



Capital Structure & Resources, Liquidity and Cash Flows

As of end-FY2022, our total assets stood at RM70.4 million as compared to RM57.3 million a year ago. The increase stemmed from higher property, plant and equipment following the additional assets via acquisition and construction of new billboards. As at 31 December 2022, cash and cash equivalents stood at RM5.8 million versus RM9.6 million the year before. This was largely due to the acquisition relating to Andaman.

On the other hand, total equity amounted to RM51.9 million as at the end of the financial year under review, as compared to RM46.4 million a year ago due to higher net profit achieved.

For FY2022, Seni Jaya earnings per share rose to 10.52 sen and its net assets per share stood at RM0.27 as of 31 December 2022.

Balance Sheet Highlights as at 31 December 2022

Total Assets
RM70.4
million

Total Equity
RM51.9
million

Net Assets Per Share
RM0.27

Cash and Cash Equivalents
RM5.8
million

ANTICIPATED RISKS

Market Fragmentation

The OOH media industry has witnessed an influx of smaller players in recent years, leading to increased competition and a subsequent reduction in industry profit margins. However, we have proactively tackled this challenge through strategic collaborations and mergers and acquisitions ("M&A"), making us one of the largest companies in terms of asset size and variety. As a result, we can provide big brand owners with comprehensive solutions that cater to their nationwide marketing campaigns. Our focus going forward remains on further strengthening our competitive advantage by expanding our range of products and services.

Regulatory Risks

Operating in the OOH advertising industry, we are subject to various laws, regulations and policies set by the authorities. Thus, any changes or breaches may potentially impact our operations. Therefore, we believe that a robust compliance culture plays a key role and should be embedded in every business process and operation in this regulated environment that we operate within. The Group also proactively maintain our communications with the relevant authorities to keep abreast of the government policies, rules and regulation to ensure compliance.

Economic Condition

The OOH media industry's performance is closely tied to the state of the economy. During a downturn, consumers experience reduced purchasing power, leading to lower spending on discretionary items. This, in turn, prompts brand owners to cut back on marketing campaigns and advertising expenditure ("ADEX"), which can negatively impact our financial results. To mitigate this risk, we have taken steps to diversify our offerings and capture a broader range of customer profiles. This allows us to cater to big corporations as well as small and medium-sized enterprises.

FORGING AHEAD

Transformation Plan Continues To Be Our Centre of Attention

Moving forward, we expect the global market environment to stay highly uncertain as a result of the ongoing macroeconomic developments. Nevertheless, Seni Jaya remains steadfast in the execution of our transformation plan. At the same time, there are avenues of opportunities that we have identified and will leverage to our advantage.

Strengthening Alliance And Enhancing Portfolio

Through strategic collaborations, the Group has been gradually reaping the benefits of economies of scale by enlarging our portfolio. By pooling our resources and centralizing our assets under Seni Jaya, we successfully opened up new markets and scaled our business. As a result, we are committed to continue strengthening our alliances and bringing on board more partners.

On that note, we are thrilled to announce that we have recently formed strategic partnerships with Solaris Outdoor ("Solaris") and United Malaya 360 ("UM360"), welcoming them to the Seni Jaya family. Both companies are experienced players in the OOH advertising space with offerings that complement our existing assets. In turn, this provides us a wider product diversity for our clients with nationwide coverage.

Widening Market Presence

Our entry into the Kelantan market is very exciting for us. We have been building positive momentum there and generating encouraging results. We are happy to disclose that the deployment of our maiden project in Kota Bahru was successful and is now operational.

[Kota Bharu static light box pillar domination]

Our digitalization journey has been shaping up very nicely and we now have over 20 digital screens throughout Klang Valley, Johor Bahru, Ipoh, Penang, Kota Bahru and Kuantan.

MANAGEMENT DISCUSSION
AND ANALYSIS

Closing Remark

In view of the current economic landscape, we are adopting a cautious approach while forging ahead with our transformation journey. Despite the prevailing challenges, we remain broadly optimistic on the long-term outlook for Seni Jaya. Our strategic plan and the favourable industry trends ahead provide a solid foundation for sustained growth uptrend and success in the future.

Jeff Cheah See Heong
Chief Executive Officer

ABOUT THIS REPORT

Seni Jaya Corporation Berhad ("Seni Jaya" or "the Group") is pleased to present its sustainability report, which provides a comprehensive review of Seni Jaya's environmental, social and governance ("ESG") impacts for the financial year ended 31 December 2022 ("FY2022").

Our Sustainability Report 2022 ("SR22") focuses on Seni Jaya sustainability practices, where the economic, environmental and social ("EES") impacts of our business activities and initiatives are highlighted. We are reporting in accordance with Bursa Malaysia Securities Berhad's ("Bursa Malaysia") Main Marketing Listing Requirements ("Main LR") with reference to the new Global Reporting Initiative ("GRI") Standards, prioritising on reviewing our material issues and mapping out our route forward to embed sustainability throughout our business operations.

In addition, throughout this report, we demonstrate our full commitment in integrating sustainability practices and preparing this report pursuant to Main LR of Bursa Malaysia Securities, Sustainability Reporting Guide issued by Bursa Malaysia Securities and guided with guidelines issued by the GRI.

REPORTING STANDARDS

Our reporting approach is based on the framework and guidance provided by the GRI. This report has been prepared in accordance with the "core" options of the GRI Standards. This includes adhering to the GRI Principles for defining report content:

- Stakeholder Inclusiveness – Being responsive to stakeholders' expectations and interest.
- Sustainability Context – presenting performance in the wider sustainability context.
- Materiality – focusing on issues where we can have the greatest impact and that are most important to our business stakeholders.
- Completeness – including all information that is of significant economic, environmental and social impact to enable stakeholders to assess the Company's performance.

REPORTING SCOPE AND BOUNDARIES

Seni Jaya's SR2022 has been prepared in accordance with the GRI Standards. It covers the reporting period from 1 January 2022 to 31 December 2022. Our focus for 2022 was mainly on the review of material sustainability topics that covers economic, environmental and social issues. The content of SR2022 is based on the material topics that we have identified. Our scope and boundaries for SR2022 covers all our entities and operations in Malaysia.

ABOUT SENI JAYA

Vision

- To become one of the most innovative outdoor media company in Malaysia, and to provide the most effective and efficient services to our stakeholders.

Mission

- To provide innovative and effective advertising products and services which help our clients to realise their marketing goals and grow their business.
- To develop talents that create values to our business as well as the stakeholders.

Our Core Values

Seni Jaya's Code of Conduct for Directors and Employees govern the standards of conduct and behavior expected. Seni Jaya's Board commits itself and its Directors to ethical, business like and lawful conduct, including proper use of authority and appropriate decorum when acting as Board members.

WHO WE ARE

Seni Jaya has established itself as one of the market leaders in the provision of outdoor media services in Malaysia through its management's expertise, experience together with the Company's wide range of innovative advertising products. Seni Jaya was incorporated in 1983 and it has more than 40 years of track record and experience in OOH media. In early 2021, the group embarked on a transformation plan to reposition the company to become one of the clear and prominent leaders in OOH industry through acquisition and strategic collaborations. In 2022, Seni Jaya has unveiled Malaysia's first programmatic digital out-of-home (pDOOH) advertising services with collaboration with integrated car e-commerce platform Carsome.

SUSTAINABILITY REPORT

ABOUT THIS REPORT

WHAT WE DO

The Group provides the following services throughout west Malaysia:

- Rental of advertising display structures at prime outdoor locations across the nation.
- Installation of display materials.
- Servicing and maintenance of signages and display materials.
- Designing outdoor and indoor display structures.
- Supply of advertising materials.
- pDOOH network system where ads are displayed via car top LED screens, installed on e-hailing cars

LOCATION OF HEAD OFFICE

A-01-01 Block Allamanda, 10 Boulevard, Lebuhraya SPRINT, Jalan PJU 6A, 47400 Petaling Jaya, Selangor.

REVIEW OF OPERATIONS

The Group's review of operations is elaborated in "Management Discussion and Analysis" section of this Annual Report.

BUSINESS AND OPERATIONS OVERVIEW

As Malaysia reopened its international borders and easing of movement restrictions from 1 April 2022, we expect the recovery trend of the economy to be on an upward trend and the demand for outdoor advertising has experienced significant improvement in 2022 where in the past, outdoor advertising expenditures were severely impacted during the lockdowns as there were fewer cars on the move.

In mid 2021, under the leadership of newly appointed Chief Executive Officer, the Group kick-started a three-year transformation plan which entails the following strategies:

- Strengthening management and operation teams
- Upgrading existing selected structures to digital billboards (DOOH)
- Rolling out programmatic digital out-of-home ("pDOOH") media
- Collaboration with established OOH media companies to enlarge product portfolios enabling Seni Jaya to offer a comprehensive OOH media solution
- Reposition the Group as one of the leading OOH media company in Malaysia

The transformation plan has been charting good progress, having revamped Seni Jaya business model to adjust to the changing landscape of OOH media industry post-pandemic. Besides, positive headways made in 2021 have set Seni Jaya on its course to be profitable in 2022.

For the financial year ended 31 December 2022, the Group recorded revenue of RM37.9 million, a staggering increase of RM29.2 million, or 336% from the revenue recorded in 31 December 2021. The Group returned to the black by recording a net profit of RM7.3 million as compared to last financial year with a net loss of RM17.2 million.

OUR APPROACH TO DRIVING SUSTAINBILITY

Our approach to sustainability is based on our core values of excellence, unity, integrity, humility and building relationship, supported by policies and procedures at the Group level. We consistently embed sustainability into the core of our business. The following value-added sustainability framework forms the basis of Seni Jaya's steps to strengthen our approach to sustainability.

SUSTAINABILITY STRATEGY

1. As a Public Listed Company

- As a public listed company, we are pre-emptive of the sustainability matters mainly on the economic value creation for the shareholder and stakeholder;
- We intend to elevate sustainability in company governance, through engaging in direct board oversight and accountability over environmental and social issues, more diversity and special expertise on boards, and linking executive and other employee compensation to sustainability goals;
- We plan to conduct regular dialogues with key company stakeholders on sustainability challenges, including employees, investors, suppliers and consumers;
- We are in progress to open reporting on sustainability strategies, goals and accomplishments; and
- We are in progress to develop systematic performance improvements to achieve environmental neutrality and other sustainability goals across the entire value chain, including operations, supply chains and products.

2. As a service provider

- We provide quality service to all of the clients as they are part of our valued stakeholders.

GOVERNANCE OF THE SUSTAINABILITY

Being a public listed company, Seni Jaya complies with the high standards of corporate governance practices and being closely monitored under the leadership of our Board of Directors, as guided by the Malaysian Code on Corporate Governance.

In line with sustainability, the Board has the ultimate responsibility to ensure that the sustainability efforts are embedded in the strategic direction of the Company. However due to the lean structure of the Group, the Group has appointed a Sustainability Coordinator to monitor all of the sustainability related processes and matters. The roles and responsibilities of the coordinator will be enhanced in the future. Currently, the plans for the sustainability direction are being spearheaded by the key management team. However, the Group intends to formalise this process in 2023. Our sustainability strategy will be led by the Board of Directors and will be implemented and monitored within the following governance structure. The below structure will be enhanced accordingly to demonstrate the Group's commitment towards sustainability matters.

STRATEGIES AND DIRECTIONS

Despite operating in an extremely challenging environment, after the reopening of the international border, with the economy was still recovering from the pandemic. In 2022, the Group completed the strategic acquisition of 70% of stake in Andaman Media Sdn Bhd, Saakti Billboards Sdn Bhd and Tanjong Jernih Sdn Bhd which will provide new and valuable sites to the Group's inventory portfolio.

The Group registered a strong growth in financial performance in Q4 2022 and this momentum will continue strongly for the financial years ahead. With a series of strategies in placed, the Group anticipates to grow steadily under the leadership of the new but experienced management team.

Moving forward, the Group will steer into the next level of transformation plan to further strengthen its leadership positioning through aggressive and innovative efforts, which include:

- M & A that synergises our existing business operations
- Expansion on DOOH and pDOOH
- Expansion on airport and Iconic billboard segments
- Talent development
- With all the strategies being in placed, the management is confident to deliver positive financial returns to all shareholders and stakeholders.

SUSTAINABILITY STRUCTURE	
Board of Directors	The Board leads and manages the Group's sustainability initiatives and provides the final review and approval on sustainability matters related to the Group.
Key Management	The Group is in the process of formalising a sustainability structure which interfaces to formulate sustainability policies and drive the sustainability efforts and initiatives while ensuring consistency with the Group's sustainability strategy and business strategy.
Sustainability Coordinator	• Set sustainability priorities and goals. • Develop and implement sustainability programmes. • Advise on sustainability opportunities and innovations. • Track, monitor and analyse sustainability metrics and measures. • Address and manage challenges and constraints to the sustainability. • To coordinate and report to the Head of Business Development and other Key Management.

OUR MATERIALITY ASSESSMENT PROCESS

1. OBJECTIVES & SCOPE
2. IDENTIFICATION AND CATEGORISATION OF SUSTAINABILITY ISSUES
3. STAKEHOLDER ENGAGEMENT
4. PRIORITISATION

5. PROCESS REVIEW

1. OBJECTIVES & SCOPE

Seni Jaya undertook a materiality study within the top and middle management to determine the objectives and scope of the sustainability reporting. Our scope and boundaries cover all our entities and operations in Malaysia.

2. IDENTIFICATION OF RELEVANT SUSTAINABILITY MATTERS

The process initiated with sustainability issues is relevant to Seni Jaya and its stakeholders. In generating the list, the Group assesses the operating environment and emerging trends affecting our sector and conducted a study across a broad range of references to identify the relevant sustainability issues. The references include Bursa Malaysia Securities' Sustainability Reporting Guide and Toolkits, as well as international standards such as the GRI Standards.

Moving forward we plan to undertake a greater approach on reviewing of the material factors and sustainability matters in order to ensure our understanding of both the current and future risks and opportunities facing our markets is adequately addressed, as well as to gather stakeholder perspectives and ensure we are responding to their needs. As we update our material factors, we will continue to evolve our management approach to ensure that we are addressing them in a holistic and integrated manner. This may involve developing new policies and procedures, implementing various initiatives, measures and action plans, setting indicators as well as to establish a proper mechanism to capture, analyse and report sustainability data and information.

Our Material Factors

As we monitor, manage and report on a wide variety of issues, key to our approach is concentrating our resources on material sustainability risks and opportunities that are associated with each material factor. Understanding our key priorities allows us to utilise our time, resources and investments efficiently.

The materiality process involved several steps, including:

- Identification of potential material factors by reviewing the GRI aspects, benchmarking against key corporate peers and analysing past reports, which reflects the feedback from customers, community representatives and employees generally.

- Inventory of aspects and topics that are most important to external stakeholders, customers and their supply chain vendors, based upon requests, surveys and ongoing engagement during the reporting period.

Key Materiality

Material Factors	Description	What Are The Risk	What Are The Opportunities
Competition	Seni Jaya is exposed to competition beyond the industry. New digital media has emerged as the biggest winner in recent years.	Lesser chance to secure contracts will impact the Company's business and performance.	• Innovative products could be offered to clients to improve our core value. • Strategic partnerships and collaborations.
Stability of Macro Environment	A well-facilitated business, supported together with an effective and balanced regulatory framework that provides adequate levels of client's protection while facilitating business efficiency and innovation, is imperative for the continued growth and development of our business.	Any event – such as breaches in regulation, lack of effective corporate governance practices – that undermines integrity or stability will influence stakeholder confidence, and possibly participation in the market.	• Having a robust approach to ensure the integrity and stability of the market serves to engender trust and confidence, which in turn encourages participation and growth. • Fostering a strong corporate governance and sustainability culture will also drive long-term value, both in the market and within Bursa Malaysia Securities.

Combining the views from stakeholders and Seni Jaya's Management from the preliminary materiality process, the materiality table below has been derived to show different levels of importance of the sustainability matters. The below material factors will be further enhanced in the coming years.

Material Factors Significance

Material Factors	Significance	Materiality Process
Political Stability	Very Important	**Why material?** Political factors such as change of government, change of policies and regulations are ranked as the most impactful factors to the media industry. A country's economy is influenced closely by how the government reacts and what is the government's direction which will affect the market behavior. Respective industry players may be willing to increase their expenditure in media and advertising if the economy is favorable and vice versa. On the other hand, operating in outdoor media industry, relies heavily on the approvals from the local government. Changes in the license fee, application procedure, government policies, state development plan and etc will impact the outdoor media business in terms of revenue and cost. **Managing materiality** Effective management of political risk can enable companies to enter and navigate new markets and business environments, providing a potential for competitive advantage. The management is aware of the above factors and evaluate alternative options innovatively on an ongoing basis. The Group has been dealing closely with the local authorities to ensure all the new rules and regulations, new procedures and industry practice are well complied and managed up-to-date. Another way to mitigate is to secure projects or concession from private property owners.

Material Factors	Significance	Materiality Process
Changes in Media Consumption Pattern	Very Important	**Why material?** Changes in media consumption pattern impacts the outdoor media business model directly. The Internet of Things have been growing over the years as an evolving platform for media consumption where the increased in number of gadgets that connected to internet, leading the digital marketers engaging the customers through new marketing strategies. For instance, streaming platforms and social media. This has caused a shift in outdoor media demand to online digital media. **Managing materiality** Outdoor media is more resilient and is still relevant as compared to other traditional mainstream media, because the number of road traffic remain congested in prime areas. One of the benefits of outdoor advertising is that it the content will always remain visible for 24/7
Compliance	Very Important	**Why material?** Outdoor media industry is a highly regulated industry and the Group is required to meet the respective local government requirements in order to obtain the approval and licenses to operate and most of the licenses are renewed on a yearly basis. As such, the Company needs to keep abreast with the latest rules and regulations. Moreover, as a listed company, compliance to Main LR of Bursa Malaysia Securities, accounting standards, Companies Act 2016 and etc are crucial for Seni Jaya as well. **Managing materiality** The respective personnel are responsible to ensure the compliance are met in accordance to the rules and regulations for business sustainability. The Board of Directors are also overseeing the Group's operations to ensure all the compliance issues are met.
Growth and profitability	Very Important	**Why material?** Growth in business is essential to grow the Company and to increase its market capitalisation. Achieving a high level of profit is crucial in sustaining long term business growth. **Managing materiality** The Group is taking effort in repositioning the products and services through upgrading the features, introducing new design for the billboards and focus on good inventory to improve the profit margin for the business. Business Development, Sales and Marketing team are actively looking for potential opportunities in new area with have high potential through innovative products and concept. To create new business opportunity, the team actively participates in tender or strategic site acquisition to further enhance inventory value.

Material Factors	Significance	Materiality Process
Corporate Governance	Important	**Why material?** Strong corporate governance creates a culture of excellence. Good governance reduces the threat of safety, legal, performance and warranty concerns that can severely impact an organisation and its stakeholders. **Managing materiality** The Board and senior management established structures and processes which consider the perspectives of investors, regulators and management, among others. The senior management also actively partake in the monitoring of strategic plans as well as the transparency and adequacy of the communication of strategic plans.
Innovation	Important	**Why material?** In the business world, for an innovative idea to be useful, it has to be replicable without being too expensive and it has to resolve a particular need. Innovation is achieved by providing something original and is often seen to produce efficiency, leading to an idea that brings good result to the business and operations. Being innovative is crucial for Seni Jaya in getting more sales with better yield return at this competitive and matured market. **Managing materiality** Long-term participation and commitment lead by the senior management is one of the key initiatives to ensure the business is innovatively grown and sustained. This could motivate and encourage all levels of employees to bring up new ideas to improvise the processes and create new values to company.

3. OUR STAKEHOLDERS ENGAGEMENT

Our interactions involve different groups of stakeholders and this engagement is essential to ensure that we are able to identify, prioritise and address the material issues and to be adopted in our business strategies. The business and functional units are empowered to interact with their respective stakeholders on their chosen platforms. All issues raised by the stakeholders are brought to the attention of the Management Committee or Management Meetings by the respective business and functional units. Ongoing engagements where applicable are carried out on a regular basis as they are integral to our business development, relationships with stakeholders and commitment to sustainability.

Our key stakeholders are listed in the table below, along with the key topics of interest from the stakeholders and the engagement initiatives.

Stakeholder Group	Engagement Approach	Engagement Focus & Objectives
Customers	1. Customer service 2. Loyalty programme (i.e. volume rebates) 3. Creating strategic innovation 4. Attracting new customers 5. Proper project management 6. Project completed in compliance with standards, high quality and on time delivery 7. Cost optimisation	1. Progress meeting, updates and progress reports 2. Customer relationship management 3. Consultation meetings 4. One-to-one engagement 5. Policies 6. Assortment and pricing strategy 7. Benefit, services and added value 8. Branding 9. Customer loyalty
Employees	1. Employees induction programs and appraisal 2. Set targets/ Key Performance Indicators ("KPI") review 3. Consultation and monitoring 4. Meetings, feedback session and coaching 5. Other employee engagement activities (i.e. staff lunches, dinner) 6. Career development and progression 7. Knowledge and skills enhancement 8. Fair remuneration 9. Work-life balance 10. Operational meetings 11. Assemblies and briefings 12. Productivity	1. Career progression, employee development needs 2. Dialogue and engagement 3. Performance evaluation and management 4. Staff remuneration and benefits 5. Job satisfaction 6. Work-life balance 7. Business objective alignment 8. Operational performance and issues 9. Talent management 10. Welfare and benefits 11. Healthy and safe working environment
Suppliers/ Subcontractors & Business Partners	1. Request for Proposal 2. Supplier Evaluations and selection 3. Transparent tender process facilitated by our Procurement team 4. Timely payment 5. Professional and transparent procurement process 6. Specific knowledge and skills 7. Meetings, capacity building sessions and business alliance meetings 8. Site visits 9. Contracts	1. Sound payment practices and vendor performance and product quality 2. Supplier assessment review 3. Regular engagement with suppliers and subcontractors to understand their needs 4. One-to-one engagement 5. Procurement process, terms and practices 6. Strategic partnerships 7. Compliance of business conduct
Regulators & government authorities	1. Compliance with local authorities, governmental bodies/agencies 2. Meetings and briefings 3. Site visits 4. Authorisation and license to operate 5. Participation in Government and regulator events 6. Face-to-face meetings	1. Comply with all the requirements 2. Special industrial fees 3. Regular engagements and 4. Interpretation of laws/legislations/guidelines 5. Continuous engagement through formal and informal events 6. Direct consultation 7. Best practices 8. Branding and reputation

Stakeholder Group	Engagement Approach	Engagement Focus & Objectives
Shareholders & the investment community	1. Financial Results announcements 2. Corporate website 3. Annual General Meeting 4. Investor briefing 5. Quarterly Reporting 6. Financial results and annual report 7. Effective communication of business strategies 8. Timely and transparent reporting 9. Strong corporate governance 10. Market and business performance outlook and strategies	1. Proactively engage with the investment community through multiple channels such as: • Statutory Announcements • Annual General Meetings • Website • Conferences 2. Sustainable and responsible Investing 3. Financial literacy and investor education 4. Short and long term business goals and performance 5. Revenue performance 6. Earnings 7. Expansion plans 8. Prospect and strategies 9. Business risk 10. Compliance, integrity and ethical business conduct 11. Business continuity

4. PRIORITISATION OF MATERIAL SUSTAINABILITY MATTERS

Seni Jaya has undertaken a stakeholder prioritisation and engagement process to engage with its stakeholders. These include ongoing efforts to engage with stakeholders in the usual course of business through the day-to-day operations, as well as specific engagements carried out to seek stakeholders' feedback. The outcome of these engagements was considered in the course of the Group's materiality assessment.

As part of the process in conducting the materiality assessment of sustainability matters, the Group has conducted the specific engagement process as follows:

- To determine the key stakeholders with whom the Group should engage, the Group carried out assessments to identify key stakeholders based on each stakeholder's influence and dependence on the Group.
- To gain an insight into these key stakeholders' concerns, interests and expectations, the Group conducted discussions including on-going sessions throughout the year to gauge stakeholders' concerns pertaining to the list of sustainability matters identified.

Where applicable, Seni Jaya also took into account the feedbacks from other stakeholder groups, gathered through various channels and through the ongoing engagements during the course of conducting its business operation.

5. PROCESS REVIEW

The materiality process is undertaken as a key component of the Seni Jaya's journey towards identifying the material sustainability matters. The senior management has reviewed and approved the processes and outcome of the materiality process including the Group's materiality which guides the Group in addressing and managing its material sustainability matters in its business operations.

KEYS OF SUSTAINABILITY

This section aims to provide insights on the Group's sustainability commitments and practices across the three key areas of economic, environmental and social undertaken by our key business divisions.

ECONOMIC

The Group's financial review and outlook are elaborated in the Management Discussion and Analysis section of this Annual Report.

Our commitment to business is to focus on strong corporate governance and prudent management in view of challenging internal and external environment. We strive to achieve by enforcing on the following aspects:

SUSTAINABILITY REPORT

ABOUT THIS REPORT

- **WHISTLE-BLOWER POLICY AND PROCEDURES**

  The Group's Whistle Blowing guidance has been encapsulated in the Code. It is a specific means by which an employee/officer or stakeholder can report or disclose through established channels, concerns about any violations of the Code, unethical behavior, malpractices, illegal acts or failure to comply with regulatory requirements that is taking place / has taken place / may take place in the future.

- **CODE OF CONDUCT AND ETHICS**

  A Code of Conduct ("the Code") has been adopted by the Board in order to achieve a high standard of ethics while dealing with the Group's stakeholders namely its customers, partners, communities and shareholders. It is the framework of the Group's underlying core ethical values and standards. The Directors and employees are expected to uphold the ethical standards and values integrated in their duties and operations of the Group.

- **CORPORATE GOVERNANCE AND COMPLIANCE**

  Good governance is essential to ensure that the operations of the Group are managed in a manner where all stakeholders are treated fairly. The Board of Directors recognises that sound corporate governance is essential for the long-term growth of the Group. Consequently, the Board of Directors, together with the Senior Management team, are responsible for corporate governance.

  Seni Jaya, guided by the Malaysian Code on Corporate Governance, has been proactive in promoting good corporate governance and ensures that the principles and best practices of good governance are applied throughout the Group. Details of our corporate governance practices are elaborated in the Corporate Governance Overview Statement of this Annual Report.

- **OUR SUPPLY CHAIN**

  Supply Chain management is an integral part of all businesses and key to optimum performance. Accordingly, Seni Jaya places great emphasis on our suppliers' EES credentials in the lifecycle of supply chain when making responsible sourcing decisions.

  Seni Jaya is cognisant that there is still much to improve on managing sustainability in supply chain, and will continue to collaborate with its suppliers and vendors to work towards enhanced sustainability practices with respect to EES matters.

- **COMMITMENT TO QUALITY**

  Seni Jaya has the procedures and best practices in place to deliver products and services of outstanding quality. Furthermore, regular reviews, process improvements and quality control assessments are ensuring that our processes remain in compliance and are continually enhanced.

- **CUSTOMER SATISFACTION**

  Customer satisfaction and engagement was identified as one of the most important material issues in the marketplace dimension across all our divisions. Knowing exactly what customers expect from us improves our bottom line and strengthens our brands and reputation in the long term. We believe in maintaining good after-sales service with our customers to generate loyal customers and ensure they are satisfied with our product and services. We stay in touch with the customers after the sale, attend to their requirements and give them necessary support to resolve their concerns and priorities customers' expectations and needs.

- **BUSINESS CONDUCT**

  We strive to be environmentally responsible and encourage all our stakeholders to do the same. Consequently, they need to use sustainable materials whenever they are cost-effective.

- **SAFETY AND HEALTH**

  It is one of our key priorities to maintain a safe and healthy work environment for our workforce. We understand and strive to comply with all laws and regulations related to safety and sanitation such as Occupational Safety and Health Act 1994.

ENVIRONMENTAL

We are mindful of the environmental impact of our activities and maintain full compliance with all the environmental regulations. We take responsibility to manage our environmental impacts seriously. Seni Jaya will continue to develop effective environment initiatives to protect the environment.

The industry we are in have extensive direct and indirect impacts on the environment and aligning ourselves with the goals of sustainable development.

The Group will help to protect the environment by better understanding, managing and measuring our environmental impacts while continuing the sustainable growth of our operations. Further, we will review our environmental practices to ensure their continued relevance. Although the outdoor media industry does not have a significant direct impact on the environment, we believe in playing our part in minimising as far as possible our environmental footprint by adoption of a responsible approach in terms of resource use.

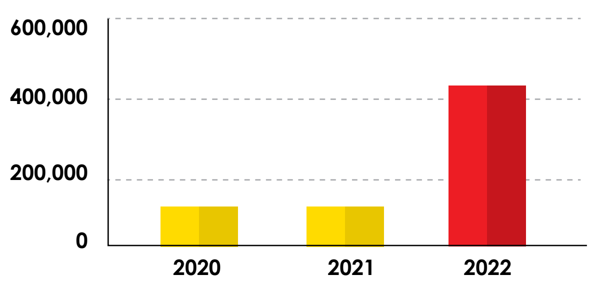
- **ENERGY MANAGEMENT & CONSUMPTION**

We understand that the energy management is essential for combating climate change and for lowering an organisation's overall environmental footprint. Our electricity supply is from Tenaga Nasional Berhad ("TNB"), and we aim to minimise the energy usage in our head office by implementing the following efforts:

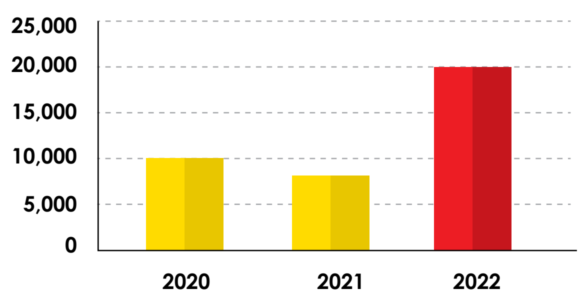
- A lighting schedule across key areas in our head office to switch off lights during certain hours of least use;
- Maintenance and replacement of electrical equipment and light fittings to maximise energy efficiency;
- Campaign to remind all staff to switch off the lighting, water dispenser, air conditioning; and other electrical appliances in office and pantry when they are not required.

The electricity usage below is presented for the Project Site and Head Office respectively.

Total Electricity Consumption - Project Site (RM)



Total Electricity Consumption - Head Office (RM)



The spike in electricity consumption was mainly due to the increased in number of assets coupled with the recovery of outdoor advertising expenditure and demand, as opposed to lower bases in 2020 and 2021 which were severely hampered by the implementation of movement restrictions.

- **GREEN INITIATIVES**

The principal activity of Seni Jaya Group consists of the provision of media and production services for outdoor advertising. The billboard frames are mainly made of steel structure equipped with lighting and display effects. As part of the **GREEN Initiatives** taken by Seni Jaya, light-emitting diode ("LED") bulb is being introduced since end of 2017 to the business. From 2018 onwards, the Group has replaced the incandescent / fluorescent bulbs and upgraded to LED bulb for some of the existing sites.

There are many benefits that LED light could bring to the business: -

1. Reduced power consumption – energy efficient ranging from 44% to 70% as compared to fluorescent bulbs and more than 87% energy savings as compared to incandescent bulbs. Lower energy consumed and lower carbon dioxide emission.
2. Safer than fluorescents - LEDs are impact and shock resistant, contain no glass, no UV-A or UV-B radiation and are cool to the touch. LEDs are also 100% recyclable since they contain NO toxic mercury.
3. Longer lifespan – last longer with an average of 50,000 hours lifetime or more as compared to conventional bulbs of 10,000 to 30,000 hours lifetime.

- **WASTE MANAGEMENT**

Seni Jaya acknowledges that the environmental impact of paper usage is significant. The Group's approach to waste management is to avoid unnecessary paper consumption and waste generation, where possible and appropriate, in order to reduce the wastage. Seni Jaya always looking at ways to reduce paper usage, so that less waste is generated. Generally, the group practises the following on the paper management:

- Reducing paper – by encouraging avoiding printing and photocopying and emphasising on paperless and electronic mode. In addition to this, practise double sided printing or reduce the size to have the best economical usage of papers and discouraging colour printing.
- Reusing – by printing on the other side of the printed papers.

SOCIAL

The Group is committed to promote social responsibilities as part of its responsibility whilst pursuing business growth to enhance shareholders and stakeholders value. Management recognises that for long term sustainability, its strategic orientation will need to cater beyond the financial parameters. However, with a lean structure, the Group is more aligned to focus on the business and economic growth currently and will enhance its social responsibilities going forward.

Everyone at Seni Jaya is aware of Corporate Social Responsibility ("CSR") and our commitment to sustainability and community welfare. We believe that, together, we can create a better future for all-one that is equitable and inclusive.

As we look back on 2022, we are proud of these values for safety, quality, integrity, diversity, innovation and sustainability have shaped our on-going commitment to corporate social responsibility and have challenged us to reach even higher to ensure we are a responsible corporate citizen, employer of choice, and a positive contributor to the economy during economic downpour.

A strong commitment to social responsibility programs can protect and enhance a company's brand. As the word gets out about a company's good works, it can help to create a positive working environment and attract desirable employee a strong commitment to corporate social responsibility programs.

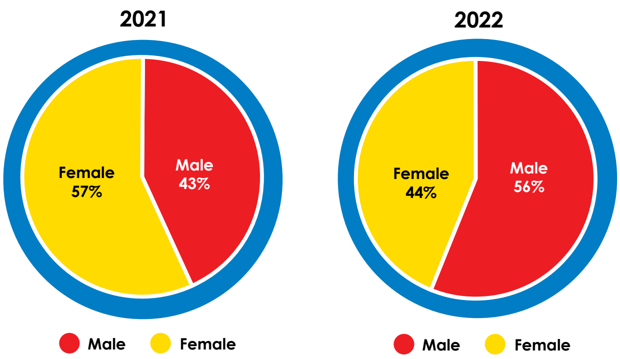
Our Approach

Our initiatives in the community are centred on:

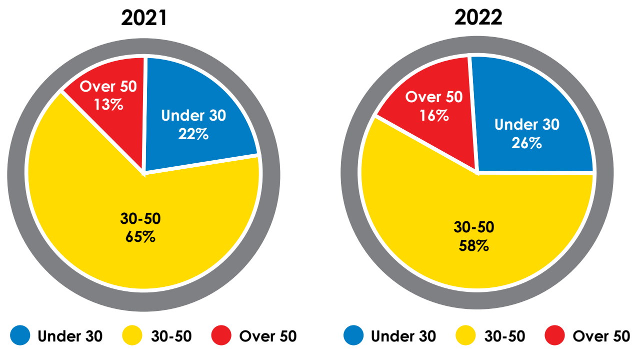
Workplace

Since the appointment of new Board of Director and Senior management team beginning June 2021, the Group is determined and committed to ensuring that more female, minorities, and other underrepresented groups have the equal opportunity to contribute positively to the company and society.

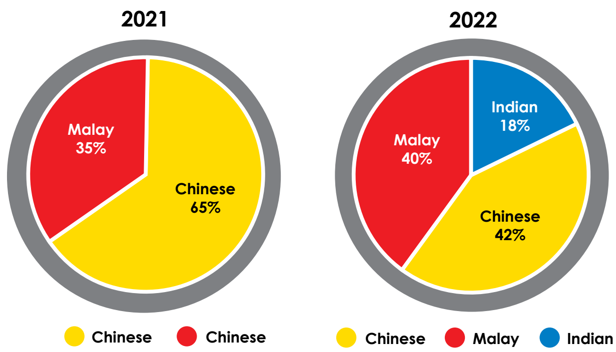
Employment diversity in terms of gender



Employment diversity in terms of age group



Employment diversity in terms of Ethnicity



- ### Team Development and Group Bonding Exercises

The Group continuously provides its employees with skills development and on-job training programmes that encourage progression and self-enrichment. On 22 to 24 September 2022, Seni Jaya held its team building event at Gopeng's Adeline's Villa which brought together employees from various departments, and offices to participate in team building activities and games aimed at improving teamwork, communication, and problem-solving skills.

The team building event provided several advantages and benefits to the company, including:

Improved communication and teamwork: The team building activities allowed employees to work together, build trust, and communicate more effectively. This improved teamwork and collaboration will translate into improved productivity and work efficiency.

Enhanced problem-solving skills: The team building activities were designed to challenge employees to solve problems and make decisions under pressure. This will help employees to be more proactive and better equipped to handle challenges that may arise in the workplace.

Better understanding of each other's strengths and weaknesses: The team building event provided an opportunity for employees to learn about each other's strengths and weaknesses. This will help team members to work together more effectively by utilizing each other's strengths and supporting each other's weaknesses.

A more cohesive team: The team building event helped to create a sense of camaraderie and unity among employees. This will help to build a stronger and more cohesive team that is committed to the success of the company.

As a result of the team building event, all employees are now closer together and have the same direction to make Seni Jaya more successful. The event was a valuable investment in the company's future success and will help to improve employee morale and job satisfaction.

Seni Jaya's Team Building 2022

- **Education and Individual Development**

Seni Jaya is committed to building a sustainable future and improving the quality of life for people in the communities where it operates. In its latest sustainability report, the company emphasized the importance of education and individual development as key drivers of sustainable development. Seni Jaya recognizes that education is critical for personal growth and for the development of strong communities and economies.

One of the ways Seni Jaya is supporting education and individual development is by providing internships to university students. These internships provide valuable hands-on experience for students, allowing them to apply the knowledge and skills they have gained in the classroom to real-world situations. By providing these opportunities, Seni Jaya is not only investing in the future workforce but also contributing to the development of the communities where it operates.

Seni Jaya's internship program is designed to give students a well-rounded experience that helps them develop both professionally and personally. Interns are given the opportunity to work on real projects and to learn from experienced professionals in their fields. They are also provided with training and development opportunities that help them build important skills, such as communication, teamwork, and problem-solving.

Overall, Seni Jaya's commitment to education and individual development is an important part of its sustainability strategy. By investing in the future workforce and contributing to the development of strong communities, the company is working to create a more sustainable and equitable future for all. The internship program is just one example of the company's dedication to this important area, and it is sure to have a positive impact on the lives of the students who participate as well as the communities where they live and work.

Intern (second from right), with her finance department

- **Leadership & Commitment**

Top management ensure that the requirements of the management system, including the policies and objectives, are consistent with the strategic context and direction of our organisation, and that the policies and objectives are established whilst ensuring that the human and financial resources needed for crucial implementation and enforcement are available.

LOOKING AHEAD

This is Seni Jaya's fifth disclosure of the Sustainability Report, and although we have made some development towards formalising sustainability within our business, we recognise that we still have room for enhancement, both in terms of initiatives undertaken and our reporting structure. As we continue on our sustainability journey, our ultimate goal is to build a sustainable business for generations to come. To achieve this, we will continuously keep abreast of developments in our industry, actively and regularly engage our stakeholders, build upon our existing sustainability framework, and seek to further embed sustainable practices within our businesses so as to improve our overall sustainability performance.

Moving forward, we will enhance the materiality factors and metrics and targets to measure issues that are material to our business and move towards benchmarking our progress against international standards of reporting.

As we look to the future, it is our hope that we will continue to introduce new and exciting quality for our customers, enrich our local communities, create value for our stakeholders, and be an organisation that people will be proud to associate.

This Report has been approved by the Board on 13 April 2023.

The Board of Directors ("**Board**") of Seni Jaya Corporation Berhad ("**Seni Jaya**" or "**Company**") values the importance of maintaining high standards of corporate governance throughout the Company and its subsidiaries ("**Group**") in order to discharge its responsibilities to safeguard its shareholders' interest and protect its shareholders' value.

The Board presents this Corporate Governance Overview Statement ("**Statement**") to provide shareholders and investors with an overview of the corporate governance practices of the Company under the leadership of the Board during the financial year ended 31 December 2022. The overview takes guidance from the key corporate governance principles as set out in the Malaysian Code on Corporate Governance 2021 ("**MCCG**").

This Statement, which is made pursuant to Paragraph 15.25 of the Main Market Listing Requirements ("**MMLR**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**") and is to be read together with the Corporate Governance Report ("**CG Report**") as published on the Company's website at https://senijayacorp.com/corporate-governance/

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Responsibilities

(1) Clear Functions of the Board and Management

The Board has been entrusted by the shareholders in guiding the business activities of the Group through achieving an optimum balance of sound and sustainable business operation and embracing good corporate governance practice. The Board has been steadfast in upholding the responsibilities and integration of sustainability considerations in corporate strategy and direction, corporate goals and monitoring the achievement of these objectives.

The Board has maintained certain matters including the review of financial statements, risk management, significant acquisitions and disposals, investments in significant joint ventures, significant property transactions, significant capital expenditure, dividend declaration and board appointments for its approval and in the meanwhile delegating responsibilities to other Board Committees within their terms of reference. The Board receives reports at its meetings from the Chairman of each Committee. It is a general policy that the Board collectively deliberates on all major decisions.

The formal schedule of matters reserved for the Board has been duly stipulated in the Board Charter and is available for viewing on the Company's corporate website at https://senijayacorp.com/corporate-governance/

(2) Roles and Responsibilities of the Board

A Board Charter which distinguishes the roles, functions, compositions, duties and processes of the Board has been adopted. In line with the practice of good corporate governance, the Board has established and implemented various processes to assist members of the Board in the discharge of their roles and responsibilities. The Board's roles and responsibilities include the following: -

- Reviewing and adopting strategies and business plans of the Company;
- Overseeing the conduct of the Company's business;
- Establishing policies for strengthening the performance of the Company;
- Identifying principal risks and ensuring the implementation of appropriate systems to manage these risks;
- Succession planning;
- Reviewing the adequacy and the integrity of the Company's internal control systems and management information systems;
- Developing and implementing an investor relations programme or shareholder communications policy for the Company;
- Deciding on whatever steps necessary to protect the Company's financial position;
- Ensuring that the Company's financial statements are true and fair and conform to any applicable laws and/or regulations;
- Determining the remuneration of Executive Directors and Non-Executive Directors of the Company; and
- Ensuring that the Company adheres to high standards of ethics and corporate behaviour.

(3) Separation of Position of the Chairman and Chief Executive Officer ("CEO")

The positions of the Chairman and CEO of the Company are held by different individuals. Yang Amat Mulia Tengku Panglima Raja Lt. Kol. Tengku Amir Nasser Ibrahim Shah Ibni Al Sultan Abdullah Ri'ayatuddin Al-Mustafa Billah Shah ("**Tengku**") was appointed as an Independent Non-Executive Director of the Company on 1 July 2021 and subsequently re-designated as the Independent Non-Executive Chairman of the Company on 19 July 2021.

The position of the CEO was assumed by Mr. Jeff, Cheah See Heong with effect from 6 May 2021.

The Board is mindful of the separation of the position of the Chairman and CEO as it would promotes accountability and facilitates the division of responsibilities between them. The Independent Non-Executive Chairman is mainly responsible in leading the Board in its collective oversight management and ensuring effectiveness and proper conduct of the Board, whilst the CEO focuses on the business strategy and day-to-day management of the Company.

The Chairman of the Board is not a member of the Audit Committee, Nomination Committee or Remuneration Committee.

(4) Company Secretaries

The Board is supported by suitably qualified and competent Company Secretaries to provide sound governance advice, ensure adherence to rules and procedures, and advocate adoption of corporate governance best practices. Also, the Company Secretaries ensure that the deliberations at the Board meetings are well captured and minuted.

The Company Secretaries are associate members of the Malaysian Institute of Chartered Secretaries and Administrators ("**MAICSA**") and are qualified to act as Company Secretary under Section 235(2) of the Companies Act 2016.

(5) Access to Information and Advice

All the Directors were given due notices of proposed meetings held during the financial year. The Board meeting materials were sent to the Board members at least seven (7) days in advance prior to such meetings. The Directors may participate in Board meetings and Committee meetings either in person or via tele-conferencing and adequate time is allocated for discussion of issues tabled to the Board for deliberation. Minutes of the meetings are circulated to all members of the Board in a timely manner.

The Board has access to the advice and services of the Company Secretaries who are qualified and competent to support the Board in carrying out its roles and responsibilities. The Board may seek independent advice from the Company Secretaries should the need arise.

The Board may also obtain independent professional advice at the Company's expense in furtherance of its duties. Whenever necessary, consultants and experts are invited to brief the Board on their areas of expertise or their reports.

(6) Board Charter

The Company has adopted a Board Charter which is periodically reviewed and clearly sets out the mandate, responsibilities and procedures of the Board in accordance with the principles of good corporate governance as stated in the guidelines and requirements issued by regulatory authorities. The Board Charter also sets out the Board's role, powers, duties, functions and issues and decisions reserved for the Board. The objectives of this Board Charter are to ensure that all the Board members acting on behalf of the Company are aware of their duties and responsibilities as the Board members and the various legislations and regulations affecting their conduct and that the principles and practices of good corporate governance are applied in all their dealings in respect, and on behalf of the Company.

The Board Charter is available on the Company's corporate website at https://senijayacorp.com/corporate-governance/

(7) Code of Conduct

A Code of Conduct has been adopted by the Board in order to achieve a high standard of ethics while dealing with the Group's stakeholders namely its customers, partners, communities and shareholders. It is the framework of the Group's underlying core ethical values and standards which include managing conflicts of interest, preventing the abuse of power, corruption, insider trading and money laundering. The Directors and employees are expected to uphold the ethical standards and values integrated in their duties and operations of the Group.

The Code of Conduct is available on the Company's corporate website at https://senijayacorp.com/corporate-governance/

(8) Whistleblowing Policy and Guidelines

In line with the amendments to the MMLR of Bursa Malaysia Securities, the Board has adopted a Whistleblowing Policy and Guidelines to provide a structured mechanism for the Company's employees, directors and associates ("**reporting individual**") to raise or report suspected and/or known misconduct, wrongdoings, corruption and instances of fraud, waste, and/or abuse involving the resources of the Company to provide reassurance that they will be protected from reprisals or victimisation for whistleblowing in good faith.

The Whistleblowing Policy and Guidelines is available on the Company's corporate website at https://senijayacorp.com/corporate-governance/

(9) Anti-Bribery and Anti-Corruption Policy and Guidelines

The Board has adopted an Anti-Bribery and Anti-Corruption Policy and Guidelines served as the Company's commitment to prohibit bribery and corruption in the business conduct within the Group.

The Anti-Bribery and Anti-Corruption Policy and Guidelines is available on the Company's corporate website at https://senijayacorp.com/corporate-governance/

(10) Promote Sustainability

The Board is conscious on the intricacy of maintaining a sustainable business through pursuing its corporate goals whilst committing to promote best practice principles within its Group. The Board together with the management takes responsibility for the governance of sustainability including setting the Group's sustainability strategies, priorities and targets.

The Board takes appropriate action to ensure they stay abreast with and understand the sustainability issues relevant to the Group and its business.

II. Board Composition

(1) Board Composition and Balance

For the financial year ended 31 December 2022 up to the date of this Statement, the Board consists of six (6) members comprising of one (1) Independent Non-Executive Chairman, one (1) Executive Director, two (2) Non-Independent Non-Executive Directors and two (2) Independent Non-Executive Directors ("**INED**").

The Board is in compliance with Paragraph 15.02 of the MMLR of Bursa Securities which requires at least two (2) directors or one-third (1/3) of the Board to comprise of independent directors and recommendations of the MCCG which requires at least half of the Board to comprise of independent directors.

The Board recognises the importance of independence and objectivity in the decision-making process. The Board is committed to ensure that the Independent Directors are capable to exercise independent judgement and act in the best interests of the Group.

There are two (2) female members on the Board, representing 33.33% of the total Board members. The two (2) female Directors provide the Board with gender diversity that serves to bring value to the Board discussions from different perspectives and approaches as well as different leadership styles.

(2) Re-election of Directors

Pursuant to Clause 116 of the Company's Constitution, any Director appointed during the year shall hold office until the conclusion of the next AGM and shall be eligible for re-election at such meeting. Accordingly, the Directors have agreed and recommended to the shareholders that Mr. Ong Kah Hoe who is due to retire pursuant to Clause 116 of the Company's Constitution and being eligible, has offered himself for re-election at the forthcoming 30th AGM of the Company.

Pursuant to Clause 117 of the Company's Constitution, one-third of the Directors including the Managing Director to retire by rotation and seek re-election at each AGM and that each Director shall submit himself/herself for re-election at least once in every three (3) years. Accordingly, the Directors have agreed and recommended to the shareholders that Datin Lee Nai Yee and Mr. Julian Koh Lu Ern who are due to retire pursuant to Clause 117 of the Company's Constitution and being eligible, have offered themselves for re-election at the forthcoming 30th AGM of the Company.

(3) Tenure of Independent Directors

The MCCG recommended that the tenure of an Independent Director should not exceed a cumulative term of nine (9) years. Upon completion of the nine (9) years, an Independent Director may continue to serve on the Board subject to the Director's re-designations as a Non-Independent Director.

In the event that the Independent Director was to remain designated as an Independent Non-executive Director, the Board shall firstly to provide justification, upon the recommendation of the NC and thereafter to obtain the relevant shareholders' approval.

If the Board continues to retain the Independent Director after the twelfth (12th) years, annual shareholders' approval must be sought through a two-tier voting process to retain the said Director as an Independent Director as described in the Guidance to Practice 5.3 of the MCCG.

None of the independent directors have served more than a cumulative term of nine (9) or twelve (12) years at the forthcoming 30th AGM.

(4) Annual Assessment of Independence of Directors

For the financial year ended 31 December 2022 up to the date of this Statement, the Nomination Committee has undertaken to assess its Independent Directors annually as recommended by the MCCG and proper policies and procedures to assess the independence of the Independent Directors on the Board taking into account the individual Director's ability to exercise independent and impartial judgement at all times and their contribution to effective functioning of the Board.

The Independent Directors play a role in providing an objective and independent view on various matters dealt with at the Board and Board Committee level. They are independent from the Management of the Group and demonstrate their independency by offering external perspectives, constructively challenging ideas, reviewing and monitoring the performance of the Management, ensuring the risk of the Group's business is managed.

The level of independence of the Independent Directors is under assessment annually. The Board is satisfied that the Independent Directors have demonstrated their ability to act independently and in the best interest of the Company for the financial year under review.

Following the amendments to the MMLR of Bursa Securities, the Board adopted a Directors' Fit and Proper Policy to ensure that Directors possess the character, integrity, relevant range of skills, knowledge, experience, competence and time commitment to carry out their roles and responsibilities effectively in the best interest of the Company and its stakeholders. The Directors' Fit and Proper Policy is available on the Company's website at https://senijayacorp.com/corporate-governance/

All the Independent Directors fulfilled the criteria prescribed under the Directors' Fit and Proper Policy and MMLR of Bursa Securities.

(5) Board Committees

The Board has put in place the following Board Committees to assist in carrying out its fiduciary duties: -

- Audit Committee;
- Nomination Committee; and
- Remuneration Committee.

All of these Board Committees have written terms of reference ("**TOR**") clearly outlining their objectives, duties and powers. The final decisions on all matters are determined by the Board as a whole.

(6) Audit Committee ("AC")

The AC is responsible to assist the Board in discharging its duties and responsibilities relating to accounting and reporting practices of the Group. The AC reviews the Group's accounting and risk management processes, internal controls and the independency of the Group's External and Internal Auditors. The activities during the financial year under review have been laid out in the AC Report in this Annual Report.

The TOR of the AC is available on the Company's corporate website at https://senijayacorp.com/corporate-governance/

(7) Nomination Committee ("NC")

The Nomination Committee of the Company consists of three (3) members, and majority of them are Independent Non-Executive Directors. The Committee is chaired by Mr. Lee Chin Cheh, an Independent Non-Executive Director, in line with Practice 5.8 of MCCG.

Name	Designation	Directorship
Lee Chin Cheh	Chairman	Independent Non-Executive Director
Dato' Sri Anne Teo	Member	Non-Independent Non-Executive Director
Julian Koh Lu Ern	Member	Independent Non-Executive Director

The NC is governed by its TOR and its principal objective is to assist the Board of Directors in their responsibilities in nominating and selecting new nominees to the Board of Directors and to assess the Directors of the Company on an on-going basis. The NC also ensure that the composition of the Board is refreshed periodically and the tenure of each director would be reviewed by the NC.

The TOR of the NC is available on the Company's corporate website at https://senijayacorp.com/corporate-governance/

(a) Gender Diversity

The Board is supportive of the boardroom gender diversity recommended by the MCCG. The Board currently consists of two (2) female Directors which fulfil the recommendation of at least 30% women participation notwithstanding the Company is not classified as "Large Company".

(b) Ethnicity Diversity

For the financial year ended 31 December 2022 up to the date of this Statement, the Board comprised of one (1) Malay Director and five (5) Chinese Directors.

(c) Age Diversity

The Company does not set any specific target for the boardroom age diversity but will work towards having appropriate age diversity in the Board, if the opportunity arises.

The Company does not fix age limit for its Directors given that such Directors are normally reputed and experienced in the corporate world and could continue to contribute to the Board in steering the Company. The Board is fully committed in promoting age diversity, valuing the contribution of its members regardless of age, and seek to eliminate age stereotyping and discrimination on age.

(8) Remuneration Committee ("RC")

The composition of the Remuneration Committee as follows:

Name	Designation	Directorship
Lee Chin Cheh	Chairman	Independent Non-Executive Director
Dato' Sri Anne Teo	Member	Non-Independent Non-Executive Director
Julian Koh Lu Ern	Member	Independent Non-Executive Director

The RC undertaken the responsibilities to review the Directors' fees and the RC is governed by its TOR and its principal objective is to implement its remuneration policies and procedures including reviewing and recommending matters relating to the remuneration of Board and senior management.

The TOR of the RC is available on the Company's corporate website at https://senijayacorp.com/corporate-governance/

(9) Time Commitment

The Board requires its members to devote sufficient time to the workings of the Board, to effectively discharge their duties as the Directors of the Company, and to use their best endeavours to attend meetings.

For the financial year ended 31 December 2022, the Board had convened a total of five (5) Board Meetings for the purposes of deliberating on the Company's quarterly financial results at the end of every quarter and discussing important matters which demanded immediate attention and decision-making. During the Board Meetings, the Board reviewed the operation and performance of the Company and other strategic issues that may affect the Company's business. Relevant personnel from the Management were invited to attend some of the Board Meetings to provide the Board with their views and clarifications on issues raised by the Directors.

The attendance record of each Director at the Board of Directors' Meetings during the last financial year is as follows: -

Directors	Attendance
Yang Amat Mulia Tengku Panglima Raja Lt. Kol. Tengku Amir Nasser Ibrahim Shah Ibni Al Sultan Abdullah Ri'ayatuddin Al-Mustafa Billah Shah	3/5
Ong Kah Hoe *(appointed w.e.f 13 September 2022)*	1/1
Dato' Sri Anne Teo	5/5
Datin Lee Nai Yee	4/5
Julian Koh Lu Ern	5/5
Lee Chin Cheh	5/5

The Board will also meet on an ad-hoc basis to deliberate urgent issues and matters that require expeditious of the Board's direction or approval. In the intervals between Board meetings, any matters requiring urgent Board's decisions and/or approval are sought via circular resolutions which supported with all the relevant information and explanations required for an informed decision to be made.

(10) Trainings

The Board acknowledges the importance of continuous education and training to equip themselves for the effective discharge of its duties. New appointees to the Board undergo a familiarisation programme, which includes visits to the Group's business operations and meetings with key management to facilitate their understanding of the Group's operations and businesses.

The Board members had attended the following training programmes/seminars/ forums during the financial year:-

Directors	Trainings Programmes/Seminars /Forums attended
Yang Amat Mulia Tengku Panglima Raja Lt. Kol. Tengku Amir Nasser Ibrahim Shah Ibni Al Sultan Abdullah Ri'ayatuddin Al-Mustafa Billah Shah	• Mandatory Accreditation Programme
Ong Kah Hoe *(Appointed w.e.f. 13 September 2022)*	• The Role of Board in Strategy, ESG & Risk Management Usual Oversight (Smart Focus)
Dato' Sri Anne Teo	• Webinar - Blazing the Digital Trail • Webinar - Cryptocurrency in Year 2020 Regulation • Accelerate Sessions for Women Led Businesses
Datin Lee Nai Yee	• Sustaining Growth through an Innovation Culture & the Value Driven (Smart Focus)
Julian Koh Lu Ern	• Characteristics of ESG & Sustainability Leadership (ICDM) • Climate Change and Carbon: From the Financial Risk & Reporting Perspectives (ICDM) • ESG Disclosure at a Glance ; Key Developments and Future Trends (ICDM) • Plan Your ESG Journey: Lessons for the Boardroom (ICDM) • Why Investors Care About ESG (ICDM) • ESG + 'T': Global Megatrends to Watch Out For (ICDM) • Advocacy Sessions for Directors and Senior Management of Main Market Listed Issuers (Bursa) • The Role of Board in Strategy, ESG & Risk Management Usual Oversight (Smart Focus) • Asia Pacific Board Leadership Forum 2022 (Russell Reynolds) • Securities Commission Malaysia's Audit Oversight Board (AOB) Conversation with Audit Committees - AOB
Lee Chin Cheh	• The Role of Board in Strategy, ESG & Risk Management Usual Oversight (Smart Focus)

III. Remuneration

Presently the Company does not have a formalised remuneration policies and procedures for the Directors and Senior Management.

The objectives of the Group on Directors' remuneration are to attract and retain the Directors of the calibre needed to manage the Group successfully. In the case of the Executive Director, the component parts of her remuneration are structured to link rewards to corporate and individual performances. For Non-Executive Directors, their level of remuneration reflects the experience, expertise and level of responsibilities undertaken by the particular Non-Executive Director concerned.

The detailed disclosure on named basis for the remuneration of individual Directors is set out in the Corporate Governance Report.

The Board as a whole determines the remuneration of the Non-Executive Directors with the Directors concerned abstaining from deliberation and voting in respect of his/her own individual remuneration.

Details of the Directors' remuneration (including benefits-in-kind) in respect of the financial year ended 31 December 2022 as follows:-

Director	Salary (RM)	Employee Provident Fund (RM)	Benefit-In-Kind (RM)	Other Emoluments (RM)	Fees (RM)	Total (RM)
Tengku Amir Nasser Ibni Tengku Ibrahim	-	-	-	72,000	240,000	312,000
Ong Kah Hoe *(Appointed w.e.f. 13 September 2022)*	216,000	25,920	-	193	-	242,113
Dato' Sri Anne Teo	-	-	-	56,000	64,000	120,000
Datin Lee Nai Yee	-	-	-	-	36,000	36,000
Julian Koh Lu Ern	-	-	-	-	40,000	40,000
Lee Chin Cheh	-	-	-	-	40,000	40,000
Total	**216,000**	**25,920**	**-**	**128,193**	**420,000**	**790,113**

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

I. Audit Committee

The composition and details of activities carried out by the AC during the financial year are set out in the AC Report of this Annual Report.

FINANCIAL REPORTING

(1) Compliance with Applicable Financial Reporting Standards

The Company's audited financial statements are prepared in accordance with the requirements of the applicable approved accounting standards in Malaysia and the provisions of the Companies Act 2016.

The AC assist the Board to oversee the financial reporting process and the quality of its financial reporting by reviewing the information to be disclosed, to ensure completeness, accuracy and adequacy prior to endorsing the same by the Board for submission to Bursa Securities.

The Board ensures that the shareholders are presented with a clear, balanced, meaningful assessment of the Company's financial performance and prospects through the issuance of the audited financial statements and quarterly announcements of financial results on a timely basis and in compliance with the applicable financial reporting standards.

(2) Assessment of Suitability and Independence of External Auditors

For the financial year ended 31 December 2022, the AC has assessed the External Auditors vide an annual assessment of the suitability, objectivity and independence of the External Auditors in accordance with the criteria under the Policies and Procedures to assess the suitability, objectivity and independence of External Auditors which adopted on 3 April 2019.

Upon completion of its assessment, the AC was satisfied with Messrs. CAS Malaysia PLT's technical competency and audit independence during the financial year.

None of the members of the Board were former audit partners and notwithstanding that in order to uphold the utmost independence, the Board has no intention to appoint any former key audit partner as a member of the Board.

II. Risk Management and Internal Control Framework

(1) Sound Framework to Manage Risks

The Board affirms the importance of maintaining a sound system of internal controls and risk management practices for good corporate governance. The AC has been entrusted by the Board to ensure effectiveness of the Group's internal control systems. The activities of the outsourced Internal Auditors are reported regularly to the AC which provides the Board with the required assurance in relation to the adequacy and integrity of the Group's internal control system. It acknowledges its overall responsibility in this area and also the need to review its effectiveness regularly.

The Statement on Risk Management and Internal Control of the Group as set out in this Annual Report provides an overview of the state of risk management and internal controls within the Group.

(2) Internal Audit Function

The outsourced Internal Auditors communicate regularly with and report directly to the AC. The outsourced Internal Auditors' representative met up once with the AC for the financial year ended 31 December 2022.

The Internal Audit Review of the Company's operations encompasses an independent assessment of the Company's compliance with its internal controls and makes recommendations for improvement.

For the financial year ended 31 December 2022, the AC has assessed the performance of the Internal Auditors vide an annual assessment of the suitability of the Internal Auditors.

Upon completion of its assessment, the AC was satisfied with the outsourced Internal Auditors, Tricor Axcelasia Sdn. Bhd.'s technical competency and audit independence during the financial year under review.

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

I. Communication with Stakeholders

(1) Leverage on Information Technology for Effective Dissemination of Information

The Company's corporate website provides all relevant information on the Company and is accessible by the public. It includes the announcements made by the Company and annual reports. The Board discloses to the public all material information necessary for informed investment and takes reasonable steps to ensure that all the shareholders enjoy equal access to such information.

The Company's corporate website is accessible at https://senijayacorp.com/

The Board has adopted the following measures with regard to communication with the Company's shareholders: -

(i) Announcements to Bursa Malaysia Securities

Material information, updates and periodic financial reports are published on a timely basis through announcements to Bursa Securities. The shareholders and investors can obtain the Company's latest announcements such as quarterly financial results in the dedicated website of Bursa Securities at www.bursamalaysia.com.

(ii) Corporate Website

A corporate website (https://senijayacorp.com/) is maintained and the said website contains relevant information for the shareholders, potential investors, suppliers and the general public.

(iii) Annual Reports

The Company's Annual Reports to the shareholders remain the central means of communication to the shareholders, amongst others, the Company's operations, activities and performance for the past financial years as well as the status of compliance with applicable rules and regulations.

(iv) AGM / General Meeting

The AGM / General Meeting which are used as the main forum of dialogue for the shareholders to raise any issues pertaining to the Company. The Company recognise the importance of dialogue with shareholders which is necessary and beneficial as it enables the Company to understand and address shareholders' concerns when making decisions.

During the implementation of the Movement Control Order by the Government of Malaysia, the Company has leverage technology to facilitate remote participation and voting facilities by the shareholders at the AGM / General Meeting.

(v) Investor Relations

Any enquiry regarding investor relations from the shareholders may be conveyed to the following designated senior management personnel, the information of which has also been published on the Company's corporate website: -

Email address: info@senijayacorp.com
Telephone No.: +603-7729 1795

II. Conduct of General Meetings

(1) Shareholders' Participation at General Meetings

The Company communicates regularly with the shareholders and investors through annual reports, quarterly financial reports and various announcements made to Bursa Securities as the Board acknowledges the importance of accurate and timely dissemination of information to its shareholders, potential investors and the public in general.

The AGM provides an opportunity for the shareholders to seek and clarify any issues pertaining to the Group and to have a better understanding of the Group's activities and performance. Both individuals and institutional shareholders are encouraged to meet and communicate with the Board at the AGM and to vote on all resolutions. The Board is always available to meet members of the press after the AGM.

The notice of AGM together with the Annual Report is despatched to the shareholders at least twenty-eight (28) days prior to the meeting date. Sufficient notice period is given to the shareholders in order for them to schedule their time to attend the Company's AGM.

(2) Poll Voting

In line with Paragraph 8.29A of the MMLR of Bursa Securities on the requirement for poll voting for any resolution set out in the notice of general meetings, during the 29th AGM held last year, poll voting was used to facilitate the voting process for resolutions tabled. An independent scrutineer was also appointed to scrutinise the polling process.

KEY FOCUS AREAS AND FUTURE PRIORITIES

Looking ahead to financial years ending 2023 and 2024, the Board and its respective Committees will:-

- Focus on major strategic issues to ensure sustainability and growth;
- Continue to monitor succession planning for the senior leadership team, to ensure a healthy pipeline of talent is emerging for future senior executive management;
- Consider other variety of approaches and independent sources to identify suitable candidate for appointment of Directors, should the need arise; and
- Continue to review the balance, experience and skills of the Board.

CONCLUSION

The Board is satisfied that for the financial year ended 31 December 2022, it complies substantially with the principles and recommendations of the MCCG.

This Corporate Governance Overview Statement is made in accordance with a resolution of the Board of Directors dated 13 April 2023.

AUDIT COMMITTEE REPORT

The Board of Directors (“**Board**”) of Seni Jaya Corporation Berhad (“**Seni Jaya**” or “**the Company**”) is pleased to present the Audit Committee Report for the financial year ended 31 December 2022 (“FY 2022”).

COMPOSITION

The present members of the Audit Committee (“AC”) are as follows:

Name	Position	Designation
Julian Koh Lu Ern	Chairman	Independent Non-Executive Director
Dato’ Sri Anne Teo	Member	Non-Independent Non-Executive Director
Lee Chin Cheh	Member	Independent Non-Executive Director

The Chairman of AC is a member of the Malaysian Institute of Accountants. The current composition complies with the Main Market Listing Requirements (“**MMLR**”) of Bursa Malaysia Securities Berhad (“**Bursa Malaysia**”).

MEETINGS

The AC held five (5) meetings during the financial year under review. The details of attendance of the AC members are as follows:-

AC Member	Attendance
Julian Koh Lu Ern	5/5
Dato’ Sri Anne Teo	5/5
Lee Chin Cheh	5/5

TERMS OF REFERENCE

The Terms of Reference of the AC is published on the Company’s website at https://senijayacorp.com/corporate-governance/

SUMMARY OF THE WORK OF AUDIT COMMITTEE

The main scope of works of AC for the financial year ended 31 December 2022 are summarised as follows: -

(a) Financial reporting

- Reviewed the unaudited quarterly financial reports and year-end financial statements before they were presented to the Board for approval.
- Reviewed the quarterly financial reports and year-end financial statements, and discussed with Management and the external auditors on the financial reporting standards applied, including the judgments exercised in the application of those standards and the critical accounting estimates and assumptions used in arriving at the reported amounts of items in the quarterly financial reports and year-end financial statements.

The above review is to ensure that the Group's quarterly financial reporting and disclosures present a true and fair view of the Group's financial position and performance and are in compliance with the Malaysian Financial Reporting Standards and other legal and regulatory requirements as well as applicable disclosure provisions of the MMLR of Bursa Malaysia.

(b) Corporate Reporting

- Reviewed the External Auditors' Report on the Statement on Risk Management and Internal Control for inclusion in the Annual Report.
- Reviewed the AC Report for inclusion in the Annual Report.

(c) External Audit

- Reviewed with the External Auditors, Messrs. CAS Malaysia PLT, the Audit Planning Memorandum for the financial year ended 31 December 2022 and Audit Progress Report for the financial year ended 31 December 2022 and thereafter recommended the same to the Board for notation and approval respectively.
- Updated by the External Auditors on changes to the relevant guidelines on the regulatory and statutory requirements.
- One (1) private session was held with the External Auditors without the presence of Management to discuss on issues of concern.
- Reviewed and evaluated the performance, effectiveness, suitability and independence of the External Auditors prior to recommendation to the Board on their re-appointment.

(d) Internal audit function

- Reviewed the internal audit report which was tabled during the year, the audit recommendations made and Management's response to these recommendations. Where appropriate, the AC has directed Management to rectify and improve control procedures and workflow processes based on the Internal Auditors' recommendations and suggestions for improvement.
- Reviewed the adequacy of the scope, functions, resources and competency of the internal audit function and that it has the necessary authority to carry out its work.
- Reviewed and approved the risk-based Internal Audit Plan for the financial year ended 31 December 2021 and 31 December 2022.

(e) Risk Management

Reviewed the risk re-assessment and risk profile update report

(f) Matters relating to related party transaction

Reviewed the quarterly and annual financial statements on the disclosures relating to related party transactions or conflict of interest situations that arose within the Group and ensure compliance with provisions of the MMLR of Bursa Securities.

INTERNAL AUDIT FUNCTION

The AC is supported by an independent internal audit function in order to assist the AC in the discharge of its duties and responsibilities.

The internal audit function of the Group was outsourced to an independent professional services firm, Tricor Axcelasia Sdn. Bhd., whose principal responsibility is to assist the Audit Committeee to undertake systematic reviews of the internal controls in accordance with the approved risk based internal audit plan.

The engagement Executive Director is Ms. Melissa Koay ("Ms. Melissa") who is a Chartered Member of the Institute of Internal Auditors Malaysia and a member of the Malaysian Institute of Accountants and a Fellow Member of the Association of Chartered Certified Accountants, United Kingdom. She is also a Certified Internal Auditors (USA). Ms. Melissa has diverse professional experience in internal audits, risk management, and corporate governance advisory.

The number of staff deployed for the internal audit reviews was 3 to 4 staff per cycle including the engagement Executive Director. The staff involved in the internal audit reviews possess professional qualification and/or a university degree. Most of them are members of the Institute of Internal Auditors Malaysia. The internal audit staff on the engagement are free from any relationships or conflicts of interest, which could impair their objectivity and independence.

During the FY2022, the Internal Auditors performed audit reviews in accordance with the approved risk based internal audit plan covering the following auditable processes:

- Competency gap
- Succession Planning
- Expiry of concession agreement
- Non-performing contractors
- Liquidity risk

The internal audit reports were issued to the Audit Committee and presented at their scheduled meetings. The internal audit reports containing audit findings and recommendations together with management's responses to address the control weaknesses identified during the course of internal audit review and enhance the adequacy and effectiveness of the Group's system of internal controls. The Internal Auditors subsequently conducted follow-up audits to ensure that agreed corrective action plans were implemented appropriately. The internal audit was conducted using a risk-based approach and was guided by the International Professional Practice Framework (IPPF).

The total cost incurred for the internal audit function of the Group for the financial year ended 31 December 2022 amounted to RM18,000.

This AC report was approved by the AC on 13 April 2023.

STATEMENT OF DIRECTORS' RESPONSIBILITY

STATEMENT OF DIRECTORS' RESPONSIBILITY IN RELATION TO THE FINANCIAL STATEMENTS

In accordance with the provisions of the Companies Act 2016, the applicable Malaysian Financial Reporting Standards and the International Financial Reporting Standards, the Directors are required to prepare financial statements that give a true and fair view of the state of affairs of the Group and the Company as at the end of the financial year, and of the results and cash flows for that year then ended.

The Directors consider that, in preparing the audited annual financial statements:

- the Group and the Company had used appropriate accounting policies which are consistently applied;
- reasonable and prudent judgments and estimates were made; and
- complete disclosures of all information required under the Companies Act 2016 and the Main Market Listing Requirements have been made and followed.

The Directors are responsible for ensuring that the Group and the Company maintains accounting records that disclose with reasonable accuracy the financial position of the Group and the Company, and which enable them to ensure that the financial statements comply with the Companies Act 2016.

The Directors have general responsibilities for taking such steps that are reasonable available to them to safeguard the assets of the Group and the Company, and to prevent and detect fraud and other irregularities.

STATEMENT ON RISK
MANAGEMENT AND INTERNAL CONTROL

The Board of Seni Jaya Corporation Berhad ("**Group**") is committed to continuously improve the Group's risk management and internal control system and is pleased to present the following Statement on Risk Management and Internal Control for the financial year ended 31 December 2022. This statement is made in accordance with Paragraph 15.26 (b) of the Main Market Listing Requiredments ("**Main LR**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**") and guided by the Statement on Risk Management and Internal Control - Guidelines for Directors of Listed Issuers. This Statement outlines the nature and scope of risk management and internal control of the Group and covers all of the Group's operations.

Board's Responsibilities

The Board of Directors (the "**Board**") recognises the importance of sound controls and risk management practices to ensure good corporate governance. The Board acknowledges its overall responsibility in establishing a sound risk management framework and internal control system to safeguard shareholders' investment and the Group's assets.

The Board constantly reviews the adequacy of the Group's risk management and internal control system, which has been established in all aspects of the Group's business operations, and its alignment with its business objectives. The Board is cognizance that the risk management framework and internal control system are designed to effectively manage the Group's risks within an acceptable risk appetite, rather than completely eliminate the risk of failure to achieve the policies, goals and objectives of the Group. In this regard, the risk management framework and internal control system can only provide reasonable assurance, and not absolute assurance, against material misstatement of financial information and records or against financial losses or fraud.

The board appointed an Audit Committee to oversee the risk management processes within the Company and the Group and established a sound risk management framework, policies and internal risk control system.

Risk Management Framework

The Group has adopted a Risk Management Framework ("**Framework**") that outlines policy and on- going process for identifying, evaluating, managing, monitoring and communicating the risks faced by the Group throughout the period under review. It places importance of balancing between risk and reward in making strategic business decisions, a tool in managing both existing and potential risks with the objective of protecting key stakeholders' interest, and compliance with statutory and legal requirements. The Framework sets the risk context and categories such as industry/market, financial, operations, compliance and people in relation to the Group's business activities.

Senior Management assists the Board in the implementation of the approved policies and procedures on risks management and internal controls by identifying and analysing risk information, designing suitable internal controls to mitigate and control risks and monitoring effectiveness of risk management and control activities. Key risk exposures are highlighted to the Audit Committee on a regular basis and mitigation plans proposed by Senior Management are deliberated.

At the date of this Annual Report, the key features of the system of internal control are described under the following headings:-

- **Authority and Responsibility**

  The Board and Senior Management have established an organisation structure with clearly defined lines of accountability and delegated authority. Certain responsibilities are delegated to the Board Committees through clearly defined Terms of Reference which are reviewed periodically and/or when the need arises.

- **Delegated authority limits**

  The Group's delegated authority limits sets out the review and approval procedures of Senior Management in key areas.

- **Code of Conduct and Ethics**

  Seni Jaya's Code of Conduct and Ethics summarises what the Group must endeavor to do proactively to increase its corporate value. It also describes the areas in our daily activities that require caution in order to minimise any risks that may occur. Our Code provides guidance to ensure that we uphold the ethical conduct in our daily work.

- **Whisteblowing Policy & Guidelines Document**

  This policy aims to provide a structured mechanism for its employees, directors and associates to rise or report suspected and/or known misconduct, wrongdoings, corruption and instances of fraud, waste, and/or abuse involving the resources of the Company to provide reassurance that they will be protected from reprisals or victimisation for whistleblowing in good faith.

- **Anti-Bribery & Anti Corruption Policy**

  This policy aims to provide a structured guideline for its employees, directors and associates to elaborate upon those principles, providing guidance to employees concerning how to deal with improper solicitation, bribery and other corrupt activities and issues that may arise in the course of business.

- **Operational Policies and Procedures**

  The Group is establishing a set of policies and guidelines which will form an integral part of the risk management and internal control system and guides its employees on day-to-day operational matters. This set of policies and guidelines will be reviewed regularly and updated to support the Group's business activities at all times and further strengthen the control framework within the Group.

- **Reporting and Review**

  The Group has a financial reporting process which emphasises on providing timely and relevant information for the Board's review. This includes quarterly reports covering areas such as quarterly financial performance and other key corporate matters of the Group which would be tabled and deliberated by the Board in line with good governance practices.

- **Key Risk Areas**

  The following sections outline the risk environment that may impact the financial status and operational effectiveness of the Group's businesses and the approaches to manage these risks.

  - Unsold/ Unoccupied sites

    Weak market sentiment, political uncertainties and economic conditions could result in high unsold/ unoccupied sites. The Group is constantly monitoring the changes and seeking strategic collaboration, as well as merger and acquisition to complements the existing product portfolio of Seni Jaya which allows flexible product package offeringssuch as shorter campaign and programmatic digital out of home. In addition, the Group is constantly identifying and evaluating to upgrade existing old structure in order to stay relevant.

  - Succession Planning

    Loss and inability to replace key senior management such as Chief Executive Officer, General Managers and Head of Departments may affect the Group's ability to achieve the desired results. Senior Management and potential employees are sent to appropriate training, which include development of skills, company knowledge and technical know-how. The training entails having employees cross-train and shadow various positions or jobs in all the major departments. This process can help the person become well-rounded and understand the business on a granular level.

    Furthermore, the Group empowers its employees when it comes to decision-making as part of on-job training. Also, there is constant engagement with potential employees and employees will know that there is a chance for advancement and possibly ownership, which can lead to more empowerment and higher job satisfaction. Knowing there is a plan for future opportunities reinforces employees' career development.

Internal Audit Function

Seni Jaya Group's internal audit function assist the Audit Committee by providing independent assessment on the adequacy and effectiveness of the Group's internal control systems. Further details of the internal audit function are set out in the Audit Committee Report included in this Annual Report.

External Audit

The Board had maintained a formal and transparent relationship with the Group's newly appointed External Auditors, CAS Malaysia PLT. Any areas for improvement identified during the course of the statutory audit are brought to the attention of the Audit Committee through management letters or are articulated at the Audit Committee meetings.

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. A yearly policy renewal exercise is undertaken by Senior Management to review the coverage based on the current fixed asset register. There is also a yearly exercise to ensure adequacy and renewal of the Group's professional indemnity insurance coverage.

Review of this Statement

As required by Paragraph 15.23 of the Main LR of Bursa Securities and pursuant to the scope set out in Audit and Assurance Practice Guide ("AAPG") 3 (revised): Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants, the External Auditors have reviewed this Statement for inclusion in the annual report of the Group for the financial year ended 31 December 2022.

AAPG 3 (revised) does not require the external auditors to consider whether this Statement covers all risk and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control systems.

The External Auditors have reported to the Board that nothing has come to their attention that causes them to believe that the statement is inconsistent with their understanding of the process adopted by the Board in reviewing the adequacy and integrity of the system of internal control.

Conclusion

The Board is of the view that the system of risk management and internal control is in place for the year financial under review, and up to the date of approval of this Statement, is sound and adequate to safeguard the shareholders' investment, the interests of customers, regulators, employees and other stakeholders, and the Group's assets.

Also, the Board acknowledges that they are ultimately responsible for ensuring the proper implementation of appropriate control system even though this responsibility has been delegated to the Senior Management.

The Board is pleased to report that the Chief Executive Officer of the Company have given their assurance that the Group's risk management and internal control system is operating adequately and effectively, in all material aspects, based on the risk management and internal control system of the Group.

There was no significant weakness in the system of risk management and internal control, contingencies or uncertainties that could result in material loss and adversely effect on the financial results of the Group for the financial year under review and up to the date of issuance of the financial statements. The Group continues to take necessary measures to strengthen its internal control structure and management of risks, taking into consideration the changing and challenging business environment. Therefore, the Board will, when necessary, put in place appropriate action plans to further enhance the system of risk management and internal control.

This Statement is made in respect of the financial year ended 31 December 2022 and in accordance with a resolution of the Board of Directors dated 26 April 2023.

ADDITIONAL COMPLIANCE INFORMATION

UTILISATION OF PROCEEDS RAISED FROM PRIVATE PLACEMENT DURING FY2021

The status of the gross proceeds from the Private Placement completed on 26 August 2021 which amounted to approximately RM15.872 million are as follows: -

Purpose	Proposed Utilisation / Actual Proceeds raised RM'000	Actual Utilisation RM'000	Balance for utilisation RM'000	Timeframe for utilisation from receipt of proceeds
Business / investment opportunities	10,000	10,000	-	-
Capital expenditure of advertising business	5,813	5,813	-	-
Estimated expenses	59	59	-	-
	15,872	15,872	-	-

AUDIT AND NON-AUDIT FEES

The amount of audit and non-audit fees paid or payable to the Company's External Auditors and firms affiliated to the External Auditors' firms by the Group and the Company for the FY2022 are as follows:-

Type of fees	Group (RM)	Company (RM)
Audit fees	156,000	80,000
Non-audit fees	6,000	6,000
Total	**162,000**	**86,000**

MATERIAL CONTRACTS

There were no material contracts of the Group involving Directors', Chief Executive Officer's and major shareholders' interests either still subsisting at the end of the financial year or, if not then subsisting, entered into since the end of previous financial year.

RECURRENT RELATED PARTY TRANSACTIONS OF REVENUE OR TRADING NATURE

The details of the related party transactions are set out in the notes to the financial statements in which the transactions were carried out on terms and conditions not materially different from those obtainable from transactions with unrelated parties.

Further information on the proposed renewal of shareholders' mandate for the recurrent related party transactions to be tabled at the forthcoming AGM are set out in the Circular to Shareholders dated 28 April 2023.

Financial Statements

The directors have pleasure in presenting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2022.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and the provision of management services to its subsidiaries.

The information on the name, place of incorporation, principal activities and percentage of issued and paid-up share capital held by the holding company in each subsidiaries are as disclosed in Note 9 to the financial statements.

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

FINANCIAL RESULTS

	Group 2022 RM	Company 2022 RM
Profit/(Loss) for the financial year	7,639,064	(662,374)
Attributable to:		
Owners of the Company	7,293,476	(662,374)
Non-controlling interest	345,588	-
	7,639,064	(662,374)

In the opinion of the directors, the results of the operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature, other than those as disclosed in notes to the financial statements.

RESERVES AND PROVISIONS

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

DIVIDENDS

No dividend has been paid or declared by the Company since the end of the previous financial year. The directors do not recommend that a dividend to be paid in respect of the current financial year.

SHARES AND DEBENTURES

During the financial year, the Company has increased its issued ordinary shares from 48,533,330 units to 194,134,120 units through the followings:

(a) conversion of 200 units of Warrants at issue price of RM2.00 per share to share capital on a basis of one (1) new warrant for every one (1) ordinary shares.

(b) Bonus issue of 145,600,590 units new ordinary shares in the Company on the basis of three (3) bonus shares for every one (1) existing ordinary shares.

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

There were no debentures issued during the financial year.

WARRANTS

Warrants 2021/2026

During the financial year 2021, the Company issued 24,266,665 Warrants pursuant to the Bonus Issue of Warrants. The Warrants are constituted by a Deed Poll dated 28 September 2021 ("Deed Poll").

	Issued date	Maturity date	Exercise price RM	Revised exercise price RM	Balance of Fair value at 31.12.2022 RM
Warrants 2021/2026	15/Oct/2021	14/Oct/2026	2.00	0.50	-

The movement of the Warrants 2021/2026 during the financial year is as follows:-

	As at 1.1.2022 Units	Issued Units	Exercised Units	As at 31.12.2022 Units
Warrants 2021/2026	24,266,665	72,799,395	(200)	97,065,860

The salient features of the Warrants are as follows:

(a) The Warrants do not entitle the registered holders to any voting rights in any general meeting of the Company until and unless such holders of the Warrants exercise their Warrants for new Seni Jaya Shares;

(b) The Warrants do not entitle the registered holders to any voting rights in any general meeting of the Company until and unless such holders of the Warrants exercise their Warrants for new Seni Jaya Shares;

(c) The new Seni Jaya Shares to be issued pursuant to the exercise of the Warrants shall, upon allotment and issue, rank pari passu in all respects with the then existing ordinary shares of the Company except that they shall not be entitled to any dividends, right, allotments and/or other distributions paid or made reference to the entitlement date of which is prior to the allotment date of the new Seni Jaya Shares;

(d) Exercise price and/or the number of Warrants in issue may be subject to adjustments in the event of any alteration in the share capital of the Company at any time during the Exercise Period of the Warrants, whether by way of, amongst others, rights issue, bonus issue, consolidation of shares, subdivision of shares or reduction of capital, in accordance with the provisions of the Deed Poll; and

(e) Deed Poll and the Warrants are governed by and shall be construed in accordance with the laws of Malaysia.

OPTIONS GRANTED OVER UNISSUED SHARES

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

DIRECTORS

The names of the Directors of the Company in office during the financial year and during the period from the end of the financial year to the date of this report are:

Yang Amat Mulia Tengku Panglima Raja LT. KOL. Tengku Amir Nasser Ibrahim Shah Ibni Al Sultan Abdullah Ri'ayatuddin Al-Mustafa Billah Shah	
Dato' Sri Anne Teo	
Datin Lee Nai Yee	
Julian Koh Lu Ern	
Lee Chin Cheh	
Ong Kah Hoe	(Appointed on 13 September 2022)

The names of the directors of the subsidiaries of the Company during the financial year until the date of this report, not including those directors listed above are:

Cheah See Heong	
Sooria Narayanan A/L Shanmugam @ Shumugam	
Choo Boon Cheong	
Tan Chee Hong	
Brahma Shakthi A/L M Poopala Chelvam	
Koh Tin Hook	(Resigned on 03 March 2022)
Koh Hock Seong	(Resigned on 03 March 2022)
Datuk Nur Jazman bin Mohamed	(Resigned on 25 August 2022)

DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings, the interests of directors in office at the end of the financial year in the ordinary shares and warrants in the Company and its related corporations during the financial year were as follows:

	Number of ordinary shares			
Shareholdings in the name of directors	**As at 01.01.2022/ Date of appointment**	**Acquired**	**Sold**	**As at 31.12.2022**
<u>Direct interest</u>				
Dato' Sri Anne Teo	492,866	1,478,598	-	1,971,464
Datin Lee Nai Yee	6,398,130	19,194,390	-	25,592,520
Ong Kah Hoe	2,947,300	10,361,900	-	13,309,200
<u>Indirect interest</u>				
Ong Kah Hoe *	2,404,000	7,212,000	-	9,616,000

* Deemed interested by virtue of his shareholdings in OCR Group Berhad and OCR Land Holdings Sdn. Bhd. pursuant to Section 8(4) of the Companies Act 2016.

DIRECTORS' INTERESTS (cont'd)

Warrants holdings in the name of directors	Number of warrants As at 01.01.2022/ Date of appointment	Acquired	Sold	As at 31.12.2022
<u>Direct interest</u>				
Dato' Sri Anne Teo	246,433	739,299	-	985,732
Datin Lee Nai Yee	3,184,000	9,552,000	-	12,736,000
Ong Kah Hoe	7,089,766	21,269,298	-	28,359,064
<u>Indirect interest</u>				
Ong Kah Hoe *	1,230,650	3,691,950	-	4,922,600

* Deemed interested by virtue of his shareholdings in OCR Group Berhad and OCR Land Holdings Sdn. Bhd. pursuant to Section 8(4) of the Companies Act 2016.

By virtue of their interest in the shares of the Company, Dato' Sri Anne Teo, Datin Lee Nai Yee and Ong Kah Hoe are also deemed to have interests in the shares of the subsidiary companies to the extent the Company has an interest.

Other than disclosed above, the other Directors in office at the end of the financial year did not have any interest in the shares of the Company or its related corporations during the financial year.

DIRECTORS' REMUNERATIONS

The details of the directors' remuneration paid or payable to the directors of the Group and of the Company during the financial year are disclosed in Note 28 to the financial statements.

The details of the other benefits otherwise than in cash received or receivable from the Group and the Company by the directors of the Group and of the Company during the financial year are disclosed in Note 28 to the financial statements.

No payment has been paid to or payable to any third party (other than a payment included in the aggregate amount of rental expenses paid to a company which a director has substantial interest as shown in Note 29 to the financial statements) in respect of the services provided to the Group and the Company by the directors of the Group and of the Company during the financial year.

INDEMNITY AND INSURANCE COSTS

Total amount of indemnity given to or insurance premium paid for the directors, officers or auditors of the Company is as follows:

	2022 RM
Directors	7,430

DIRECTORS' BENEFITS

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

Since the end of the previous financial year, none of the directors of the Company has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of remuneration received or due and receivable by the directors shown in the financial statements or the fixed salary of a full-time employee of the Company as shown in Note 28 to the financial statements) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

During the financial year, the fees and other benefits received and receivables by the directors or past directors of the Group and the Company are as follows:

	Group 2022 RM	Company 2022 RM
Executive Directors		
Salaries and other emoluments	1,121,000	656,000
Contributions to defined contribution plans	128,016	79,440
Other benefits	78,017	53,894
	1,327,033	789,334
Non-Executive Directors		
Directors' fees	420,000	420,000
Directors' other emoluments	56,000	56,000
Other benefits	72,000	72,000
	548,000	548,000

OTHER STATUTORY INFORMATION

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

(i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and have satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and

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

OTHER STATUTORY INFORMATION (cont'd)

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

(i) which would render the amount written off for bad debts or the amount of the provision for doubtful debts inadequate to any substantial extent in respect of the financial statements of the Group and of the Company; or

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

(iii) which have arisen which would render adherence to the existing method 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 financial statements which would render any amount stated in the financial statements of the Group and of the Company 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.

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

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

SIGNIFICANT EVENTS DURING AND SUBSEQUENT TO THE FINANCIAL YEAR

The significant events during and subsequent to the financial year are disclosed in Note 34 to the financial statements.

SUBSIDIARIES

Details of the subsidiaries are set out in Note 9 to the financial statements. There are no qualified auditor's report on the financial statements of the subsidiaries for the financial year in which this report is made.

As at the end of the financial year, the subsidiaries do not hold any shares in the holding company or in other related corporations.

AUDITORS

The auditors, CAS Malaysia PLT, Chartered Accountants have indicated their willingness to continue in office.

Auditors' remuneration of the Group and the Company for the financial year ended 31 December 2022 were as follows:

	Group RM	Company RM
Statutory audit	156,000	80,000
Non-statutory audit	6,000	6,000
	162,000	86,000

Signed on behalf of the Board of Directors in accordance with a resolution of the directors dated 26 April 2023.

JULIAN KOH LU ERN
Director

LEE CHIN CHEH
Director

STATEMENT BY DIRECTORS

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

We, JULIAN KOH LU ERN and LEE CHIN CHEH, being the two directors of SENI JAYA CORPORATION BERHAD, do hereby state that, in the opinion of the directors, the accompanying financial statements as set out on pages 72 to 155 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2022 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the directors dated 26 April 2023.

JULIAN KOH LU ERN
Director

LEE CHIN CHEH
Director

STATUTORY DECLARATION

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

I, CHEAH SEE HEONG, being the principal officer who primarily responsible for the accounting records and financial management of SENI JAYA CORPORATION BERHAD, do solemnly and sincerely declare that the accompanying financial statements set out on pages 72 to 155 are in my opinion 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)
CHEAH SEE HEONG)
at Puchong in the state of Selangor Darul Ehsan)
on 26 April 2023)

CHEAH SEE HEONG

Before me,

TAN KAI YONG
Commissioner for Oath

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SENI JAYA CORPORATION BERHAD

(Registration No.: 199301025122 (279860-X)) (Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of SENI JAYA CORPORATION BERHAD, which comprise the statements of financial position as at 31 December 2022 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 72 to 155.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2022, and of their financial performance and their cash flows for the 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 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.

Report on the Audit of the Financial Statements (cont'd)

Key Audit Matters (cont'd)

Key audit matters	How our audit addressed the key audit matters
(a) Impairment assessment of goodwill *Refer to Note 3.5 – Significant Accounting Policies, Note 4.4 – Significant Accounting Judgements, Estimates and Assumptions and Note 8 – Goodwill on consolidation.* As at 31 December 2022, the net carrying amount of goodwill of the Group amounted to RM10,358,988, which represented approximately 15% of the Group's total assets. During the financial year, the Group has performed impairment assessment, by comparing the carrying amount with the recoverable amount. We focused on this area and considered impairment on goodwill as key audit matter as the determination of recoverable amounts of cash-generating-units ("CGUs") based on value-in-use calculations by management involved a significant degree of judgements and assumptions.	Our audit procedures included: i) evaluated the appropriateness of the Group's judgements regarding identification of CGUs for impairment assessment; ii) assessed the appropriateness and reasonableness of cash flows forecast and projections by comparison to future outlook, reviewing business plans and through discussion with management; iii) assessed the management's determination of the discount rate by evaluating the appropriateness of the models used and the reasonableness of the inputs thereon; iv) performed sensitivity analysis to assess the impact on the recoverable amount of the CGUs; and v) reviewed the adequacy of disclosure in the financial statements.
(b) Recognition of deferred tax assets *Refer to Note 3.13 – Significant Accounting Policies, Note 4.5 – Significant Accounting Judgements, Estimates and Assumptions and Note 12 – Deferred tax assets/(liabilities)* As at 31 December 2022, the Group recognised deferred tax assets amounting to RM1,220,443 in relation to unabsorbed capital allowances, unused tax losses and other deductible temporary differences to the extent that it is probable that future taxable profits will be available against which these deductible temporary differences can be utilised. The assessment of future taxable profits is a complex process and requires significant management's judgments, in particular the judgments applied in respect of the expected future economic conditions of the industry which impact the revenue growth rates and operating costs of the entities being assessed. In view of the significance of the amount and the significant judgements involved, we consider this to be a key audit matter.	Our audit procedures included: i) obtained and reviewed previous year tax computation; ii) reviewed and discussed the deferred tax working with management; iii) assessed the appropriateness and reasonableness of cash flows forecast and projections by comparison to future outlook, reviewing business plans and through discussion with management; iv) tested the mathematical accuracy of the profit projection calculation; v) performed sensitivity analysis to stress-test the profit models; and vi) reviewed the adequacy of disclosure in the financial statements.

Report on the Audit of the Financial Statements (cont'd)

Key Audit Matters (cont'd)

Key audit matters	How our audit addressed the key audit matters
(c) Impairment of trade receivables *Refer to Note 3.7 – Significant Accounting Policies, Note 4.6 – Significant Accounting Judgements, Estimates and Assumptions and Note 13 – Trade Receivables.* Trade receivables are significant to the Group as these represent approximately 12% of the total assets. The key associated risk is the recoverability of the invoiced trade receivables as the recoverability of trade receivables required management judgment and estimation in determining the adequacy of the impairment loss associated with each individual trade receivables.	Our audit procedures included: i) reviewed the receivables aging analysis and tested the reliability thereof; ii) evaluated subsequent year end receipts and recoverability of outstanding trade receivables; iii) made inquiries of management pertaining to the recoverability of significant and overdue debts; iv) evaluated the basis and evidence used by management for the impairment test and adequacy of allowance for impairment made; v) assessed the reasonableness of the Group's Expected Credit Loss ("ECL") model by reviewing the probability of default using historical data and forward-looking information adjustment applied by the Group; vi) identified any loss events subsequent to the end of reporting period for indications of increase in credit risk; and vii) made inquiries of management to assess the rationale underlying the relationship between the forward-looking information and expected credit losses.

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, which we obtained prior to the date of this auditors' 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 do not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

Report on the Audit of the Financial Statements (cont'd)

Responsibilities of the Directors for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

(i) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(ii) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.

(iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

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

(v) 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.

(vi) 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.

Report on the Audit of the Financial Statements (cont'd)

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

Other Matters

1. 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.

2. The financial statements of the Company as at 31 December 2021, were audited by another firm of auditors whose report dated 29 April 2022, expressed an unmodified opinion on those statements.

CAS MALAYSIA PLT
[201606003206 (LLP0009918-LCA) & (AF 1476)]
Chartered Accountants

CHEN VOON HANN
[No. 02453/07/2023(J)]
Chartered Accountant

Date: 26 April 2023

Puchong

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	Note	Group 2022 RM	Group 2021 RM Restated	Company 2022 RM	Company 2021 RM
NON-CURRENT ASSETS					
Property, plant and equipment	5	22,024,798	6,835,070	2,185,263	-
Investment properties	6	4,525,512	10,763,533	-	-
Right-of-use assets	7.1	1,646,689	3,382,083	-	-
Goodwill on consolidation	8	10,358,988	3,065,606	-	-
Investment in subsidiaries	9	-	-	9,980,906	9,980,906
Investment in associates	10	-	2,797,747	-	-
Amount due from subsidiary companies	15	-	-	21,840,000	21,000,000
Other investments	11	3,694,060	3,139,173	-	-
Deferred tax assets	12	1,220,443	109,229	-	-
		43,470,490	30,092,441	34,006,169	30,980,906
CURRENT ASSETS					
Trade receivables	13	8,665,693	4,793,995	-	-
Other receivables	14	7,235,411	10,866,738	7,936	7,936
Other investments	11	488,501	1,208,550	-	139,700
Amount due from subsidiary companies	15	-	-	24,671,967	21,076,629
Tax recoverable		881,017	755,779	104,612	-
Cash and short-term deposits	16	5,852,366	9,564,766	7,033	7,095,123
		23,122,988	27,189,828	24,791,548	28,319,388
Non-current assets held for sale	17	3,799,003	-	-	-
		26,921,991	27,189,828	24,791,548	28,319,388
TOTAL ASSETS		70,392,481	57,282,269	58,797,717	59,300,294

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	Note	Group 2022 RM	Group 2021 RM Restated	Company 2022 RM	Company 2021 RM
EQUITY AND LIABILITIES					
EQUITY					
Share capital	18	56,405,730	56,405,330	56,405,730	56,405,330
(Accumulated losses)/Retained earnings	19	(5,844,195)	(10,289,705)	1,928,190	2,590,564
Total equity attributable to owners of the Company		50,561,535	46,115,625	58,333,920	58,995,894
Non-controlling interest	9	1,369,279	294,280	-	-
TOTAL EQUITY		51,930,814	46,409,905	58,333,920	58,995,894
NON-CURRENT LIABILITIES					
Lease liabilities	7.2	632,584	1,659,122	-	-
Loans and borrowings	20	473,653	-	-	-
Deferred tax liabilities	12	39,065	-	-	-
		1,145,302	1,659,122	-	-
CURRENT LIABILITIES					
Trade payables	21	4,772,737	1,865,347	-	-
Other payables	21	9,173,019	2,920,194	463,797	82,345
Amount due to subsidiary companies	15	-	-	-	110,323
Loans and borrowings	20	704,605	-	-	-
Lease liabilities	7.2	1,340,203	1,914,394	-	-
Contract liabilities	22	1,325,801	2,401,575	-	-
Provision for taxation		-	111,732	-	111,732
		17,316,365	9,213,242	463,797	304,400
TOTAL LIABILITIES		18,461,667	10,872,364	463,797	304,400
TOTAL EQUITY AND LIABILITIES		70,392,481	57,282,269	58,797,717	59,300,294

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Note	Group 2022 RM	Group 2021 RM	Company 2022 RM	Company 2021 RM
Revenue	23	37,930,015	8,747,483	120,000	121,111
Cost of sales		(23,736,799)	(7,763,026)	-	-
GROSS PROFIT		14,193,216	984,457	120,000	121,111
Other operating income		9,947,031	1,481,246	24,000	-
Interest income	25	45,469	453,312	1,926,514	1,395,204
Reversal of impairment losses:					
- other receivables	14	98,418	-	-	-
Administrative expenses		(7,716,482)	(3,183,593)	(2,178,291)	(463,553)
Other operating expenses		(7,278,884)	(4,606,937)	(545,950)	(611,471)
Impairment loss on:					
- Trade receivables	13	(247,872)	(139,248)	-	-
- Other receivables	14	(50,945)	(96,929)	-	-
- Deposits	14	(1,030,445)	-	-	-
- Amount due from an associate		-	(11,447,389)	-	-
- Amount due from subsidiary companies	15	-	-	-	(104,507)
PROFIT/(LOSS) FROM OPERATIONS		7,959,506	(16,555,081)	(653,727)	336,784
Finance costs	24	(213,790)	(211,459)	-	(4,243)
Share of loss from associates	10	(276,294)	(202,253)	-	-
PROFIT/(LOSS) BEFORE TAXATION	25	7,469,422	(16,968,793)	(653,727)	332,541
Taxation	26	169,642	(239,374)	(8,647)	(242,342)
PROFIT/(LOSS) FOR THE FINANCIAL YEAR, REPRESENTING TOTAL COMPREHENSIVE INCOME/(EXPENSE) FOR THE FINANCIAL YEAR		7,639,064	(17,208,167)	(662,374)	90,199

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Note	Group 2022 RM	Group 2021 RM	Company 2022 RM	Company 2021 RM
PROFIT/(LOSS) AFTER TAXATION ATTRIBUTABLE TO:					
Owners of the Company		7,293,476	(17,202,447)	(662,374)	90,199
Non-controlling interest		345,588	(5,720)	-	-
		7,639,064	(17,208,167)	(662,374)	90,199
TOTAL COMPREHENSIVE INCOME/ (EXPENSE) ATTRIBUTABLE TO:					
Owners of the Company		7,293,476	(17,202,447)	(662,374)	90,199
Non-controlling interest		345,588	(5,720)	-	-
		7,639,064	(17,208,167)	(662,374)	90,199
Basic earning/(loss) per share attributable to owners of the Company (sen)	27	10.52	(39.72)		
Diluted earning/(loss) per share attributable to owners of the Company (sen)	27	4.38	(25.46)		

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

Group

		Attributable to owners of the Company				
		Non-Distributable				
2022	**Note**	**Share capital RM**	**(Accumulated losses)/ Retained earnings RM**	**Total RM**	**Non-controlling interest RM**	**Total equity RM**
Balance as at 1 January 2022		56,405,330	(10,289,705)	46,115,625	294,280	46,409,905
Profit for the financial year/total comprehensive income for the financial year		-	7,293,476	7,293,476	345,588	7,639,064
Transaction with owners						
Conversion of warrants	18	400	-	400	-	400
Acquisition of subsidiary companies	9	-	-	-	781,445	781,445
Effect of Changes in ownership interests in subsidiaries	9	-	(2,847,966)	(2,847,966)	(52,034)	(2,900,000)
Balance as at 31 December 2022		56,405,730	(5,844,195)	(50,561,535)	(1,369,279)	51,930,814

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

Group

		Attributable to owners of the Company				
		Non-Distributable				
2021	**Note**	**Share capital RM**	**Retained earnings/ (Accumulated losses) RM**	**Total RM**	**Non-controlling interest RM**	**Total equity RM**
Balance as at 1 January 2021		40,533,330	6,912,742	47,446,072	-	47,446,072
Loss for the financial year/ total comprehensive expense for the financial year		-	(17,202,447)	(17,202,447)	(5,720)	(17,208,167)
Transaction with owners						
New shares issued by the Company via private placement	18	15,872,000	-	15,872,000	-	15,872,000
Changes in ownership interests in a subsidiary	9(e)	-	-	-	300,000	300,000
Balance as at 31 December 2021		56,405,330	(10,289,705)	46,115,625	294,280	46,409,905

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

Company

		Attributable to owners of the Company		
		Non-distributable	Distributable	
2022	**Note**	**Share capital RM**	**Retained earnings RM**	**Total equity RM**
Balance as at 1 January 2022		56,405,330	2,590,564	58,995,894
Loss for the financial year/total comprehensive expense for the financial year		-	(662,374)	(662,374)
Transaction with owners				
Conversion of warrants	18	400	-	400
Balance as at 31 December 2022		56,405,730	1,928,190	58,333,920
2021				
Balance as at 1 January 2021		40,533,330	2,500,365	43,033,695
Profit for the financial year/total comprehensive income for the financial year		-	90,199	90,199
Transaction with owners				
New shares issued by the Company via private placement	18	15,872,000	-	15,872,000
Balance as at 31 December 2021		56,405,330	2,590,564	58,995,894

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Note	Group 2022 RM	Group 2021 RM	Company 2022 RM	Company 2021 RM
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit/(Loss) before taxation		7,469,422	(16,968,793)	(653,727)	332,541
Adjustments for:					
Depreciation:					
Property, plant and equipment	5	2,090,451	1,429,456	-	-
Right-of-use assets	7.1	1,860,889	4,778,816	-	-
Investment properties	6	234,023	251,100	-	-
Deposits written off	25	2,900	-	-	-
Fair value loss on investment in quoted shares	11	292,103	995	-	985
Finance costs	24	213,790	211,459	-	4,243
Impairment loss on:					
- Trade receivables	13	247,872	139,248	-	-
- Other receivables	14	50,945	96,929	-	-
- Deposits	14	1,030,445	-	-	-
- Amount due from an associate	25	-	11,447,389	-	-
- Amount due from subsidiary companies	15	-	-	-	104,507
Loss on disposal of other investment	11	43,032	-	20,840	-
Loss on deemed disposal of investment in an associate	10	1,835,944	-	-	-
Property, plant and equipment written off	5	299,345	457,553	-	-
Share of loss from associates	10	276,294	202,253	-	-
Dividend income	25	(15,650)	(1,111)	-	(1,111)
Distribution from investment in unit trust	25	-	(45,601)	-	(34,591)
Fair value (gain)/loss on financial instruments	11	(554,887)	118,222	-	-
Gain on disposal of property, plant and equipment	5	(38,056)	(47,391)	-	-
Gain on disposal of investment properties	6	(7,295,004)	-	-	-
Gain on bargaining purchase	9	(43,315)	-	-	-
Gain on termination of lease	7.2	(81,495)	-	-	-
Interest income					
- Fixed deposits	25	(42,945)	(89,111)	(4,729)	(47,919)
- Other interest income	25	(2,524)	(364,201)	-	-
- Interest income on loan to subsidiary companies	25	-	-	(1,921,785)	(1,347,285)
Reversal of impairment losses: other receivables	14	(98,418)	-	-	-
Operating profit/(loss) before working capital changes		7,775,161	1,617,212	(2,559,401)	(988,630)
Decrease/(Increase) in receivables		1,055,178	(7,517,614)	-	-
Increase/(Decrease) in payables		4,108,991	1,178,860	381,452	(133,485)
(Decrease)/Increase in contracts liabilities		(1,204,514)	1,300,454	-	-
Cash generated from/(used in) operations		11,734,816	(3,421,088)	(2,177,949)	(1,122,115)
Interest paid	24	(213,790)	(211,459)	-	(4,243)
Income tax paid		(1,129,887)	(318,370)	(224,991)	(130,000)
Net cash generated from/(used in) operating activities		10,391,139	(3,950,917)	(2,402,940)	(1,256,358)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Note	Group 2022 RM	Group 2021 RM	Company 2022 RM	Company 2021 RM
CASH FLOWS FROM INVESTING ACTIVITIES					
Acquisition of subsidiaries, net of cash acquired	9	(6,651,148)	(4,999,045)	-	-
Acquisition of non-controlling interest	9	(2,900,000)	-	-	-
Change in fixed deposits with pledged to bank	16	(10,015)	-	-	-
Uplift of investment in unit trusts		-	6,455,532	-	5,645,755
Interest received	25	45,469	453,312	1,926,514	1,395,204
Investment in quoted shares		(134,376)	(1,035,168)	-	-
Dividends received	25	15,650	1,111	-	1,111
Purchase of property, plant and equipment	5	(12,694,997)	(2,017,592)	(2,185,263)	-
Proceeds from disposal of property, plant and equipment		200,000	593,450	-	-
Proceeds from disposal of non-controlling interest	9	-	300,000	-	-
Proceeds from disposal of investment		519,291	-	118,860	-
Proceeds from disposal of investment properties	6	9,500,000	-	-	-
Net cash (used in)/generated from investing activities		(12,110,126)	(248,400)	(139,889)	7,042,070
Cash flow from financing activities					
Proceed from conversion of warrant	18	400	-	400	-
Proceed from private placement	18	-	15,872,000	-	15,872,000
Repayment of term loans		(188,887)	-	-	-
Repayment of hire purchases		(170,212)	-	-	-
Repayment of lease liabilities	7	(1,644,729)	(5,875,640)	-	-
Repayment from associate company		-	(364,201)	-	-
Advance to subsidiary companies		-	-	(4,545,661)	(14,799,432)
Net cash (used in)/generated from financing activities		(2,003,428)	9,632,159	(4,545,261)	1,072,568
Net (decrease)/increase in cash and cash equivalents		(3,722,415)	5,432,842	(7,088,090)	6,858,280
Cash and cash equivalents as at beginning of the financial year		9,564,766	4,131,924	7,095,123	236,843
Cash and cash equivalents as at end of the financial year		5,842,351	9,564,766	7,033	7,095,123

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

	Note	Group 2022 RM	Group 2021 RM	Company 2022 RM	Company 2021 RM
Cash and cash equivalents comprise of:					
Fixed deposits with licensed banks	16	2,327,595	9,292,707	-	7,013,328
Cash and bank balances	16	3,524,771	272,059	7,033	81,795
		5,852,366	9,564,766	7,033	7,095,123
Fixed deposits pledged to bank	16	(10,015)	-	-	-
		5,842,351	9,564,766	7,033	7,095,123

Reconciliation of movement of liabilities to cash flows arising from financing activities

Group

	At 1 January 2022 RM	Net changes from financing activities RM	Drawdown of loan and borrowings and lease liabilities RM	Other changes RM	At 31 December 2022 RM
Term loans	-	(188,887)	-	670,558	481,671
Hire Purchases	-	(170,212)	315,000	551,799	696,587
Lease liabilities	3,573,516	(1,644,729)	125,495	(81,495)	1,972,787
	3,573,516	(2,003,828)	440,495	1,140,862	3,151,045

	At 1 January 2021 RM	Net changes from financing activities RM	Drawdown of lease liabilities RM	At 31 December 2021 RM
Lease liabilities	7,785,519	(5,875,640)	1,663,637	3,573,516
	7,785,519	(5,875,640)	1,663,637	3,573,516

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

1. GENERAL INFORMATION

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

The Company's registered office is located at B-21-1, Level 21, Tower B, Northpoint Mid Valley City, No. 1, Medan Syed Putra Utara, 59200 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur.

The principal place of business of the Company is located at A-01-01, Block Allamanda, 10 Boulevard, Lebuhraya SPRINT, Jalan PJU 6A, 47400 Petaling Jaya, Selangor.

The consolidated financial statements of the Company as at and for the financial year ended 31 December 2022 comprise the Company and its subsidiaries (together referred to as the "Group"). The financial statements of the Company as at and for the financial year ended 31 December 2022 do not include other entities.

The principal activities of the Company are investment holding and the provision of management services to its subsidiaries.

The information on the name, place of incorporation, principal activities and percentage of issued and paid-up share capital held by the holding company in each subsidiaries are as disclosed in Note 9 to the financial statements.

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

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 26 April 2023.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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 ("CA 2016") in Malaysia.

The accounting policies adopted by the Group and the Company are consistent with those adopted in the previous year.

2.2 Adoption of Amendments to MFRSs and Annual Improvements

At the beginning of the financial year, the Group and the Company adopted the following Amendments to MFRSs and Annual Improvements which are mandatory for the financial periods beginning on or after 1 January 2022:

Amendments to MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards
Amendments to MFRS 3	Business Combinations
Amendments to MFRS 9	Financial Instruments
Amendments to MFRS 116	Property, Plant and Equipment
Amendments to MFRS 137	Provisions, Contingent Liabilities and Contingent Assets
Amendments to MFRS 141	Agriculture
Amendments to Annual Improvements to MFRS Standards 2018 - 2020	

The adoption of the above pronouncements did not have any material impact on the financial statements of the Group and of the Company.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (cont'd)

2.3 Standards issued but not yet effective

The Group and the Company have not adopted the following Standards, Amendments and Annual Improvements that have been issued but are not yet effective by the Malaysian Accounting Standards Board ("MASB").

Effective for financial periods beginning on or after 1 January 2023

MFRS 17	Insurance Contracts
Amendments to MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
Amendments to MFRS 112	Income Taxes

Effective for financial periods beginning on or after 1 January 2024

Amendments to MFRS 16	Leases
Amendments to MFRS 101	Presentation of Financial Statements

Effective date to be determined by Malaysian Accounting Standards Board

Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The Group and the Company will adopt the above mentioned standards, amendments or interpretations, if applicable, when they become effective in respective financial periods. The Directors do not expect any material impact to the financial statements upon adoption of the above pronouncements.

2.4 Basis of measurement

The financial statements of the Group and of the Company have been prepared on the historical cost basis except as disclosed in the financial statements.

2.5 Functional and presentation currency

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Group's and the Company's functional currency. All financial information are presented in RM, unless otherwise stated.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 December 2022.

The financial statements of the Company's subsidiaries are prepared for the same reporting date as the Company, using consistent accounting policies to like transactions and events in similar circumstances.

(a) Subsidiaries and business combination

Subsidiaries are entities over which the Group has control. The Group controls an entity when the Group has power over the entity, has exposure to or rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company has such power over another entity.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.1 Basis of consolidation (cont'd)

(a) Subsidiaries and business combination (cont'd)

In the Company's separate financial statements, investments in subsidiaries are stated at cost less impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.5 below. On disposal of such investments, the difference between the net disposal proceeds and their carrying amounts is recognised in profit or loss.

Subsidiaries are consolidated using the acquisition method of accounting. Under the acquisition method of accounting, subsidiaries are fully consolidated from the date on which control is transferred to the Group and de-consolidated from the date that control ceases. The consideration is measured at the fair value of the assets given, equity instruments issued and liabilities incurred at the date of exchange.

All business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at fair value on the date of acquisition and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquirer's identifiable net assets at the acquisition date. Acquisition-related costs are expensed as incurred and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is remeasured at fair value on the date of acquisition and any resulting gain or loss is recognised in profit or loss or OCI.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of MFRS 9 Financial Instruments, is measured at fair value with changes in fair value recognised in either profit or loss or as a change to OCI. If the contingent consideration is not within the scope of MFRS 9, it is measured in accordance with the appropriate. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.5.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.1 Basis of consolidation (cont'd)

(a) Subsidiaries and business combination (cont'd)

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

A change in the ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction. If the Group losses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts;
- Derecognises the carrying amount of any non-controlling interest in the former subsidiary;
- Derecognises the cumulative foreign exchange translation differences recorded in equity;
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained in the former subsidiary;
- Recognises any surplus or deficit in the profit or loss; and
- Reclassifies the parent's share of components previously recognised in other comprehensive income ("OCI") to profit or loss or retained earnings, if required in accordance with other MFRSs.

All of the above will be accounted for from the date when control is lost.

(b) Non-controlling interests

Non-controlling interests ("NCI") represent the portion of profit or loss and net assets in subsidiaries not owned, directly and indirectly by the Company. NCI are presented separately in the consolidated income statements and statements of comprehensive income and within equity in the consolidated statement of financial position, but separate from parent shareholders' equity. Total comprehensive income is allocated against the interest of NCI, even if this results in a deficit balance. Changes in the Company owners' 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 interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the parent.

(c) 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.

(d) Investment in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The considerations made in determining significant influence are similar to those necessary to determine control over subsidiaries.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.1 Basis of consolidation (cont'd)

(d) Investment in associates and joint ventures (cont'd)

The Group's investment in its associates are accounted for using the equity method.

Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment.

The statement of profit or loss reflects the Group's share of the results of operations of the associate. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

The aggregate of the Group's share of profit or loss of an associate is shown on the face of the statement of profit or loss outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate.

The financial statements of the associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, then recognises the loss as 'Share of profit of an associate' in the statement of profit or loss.

Unrealised gains arising from transactions with equity-accounted associates and joint ventures are eliminated against the investment to the extent of the Group’s interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

3.2 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Cost also includes borrowing costs that are directly attributable to the acquisition, construction, or production of a qualifying asset.

Subsequent costs are included in the asset’s carrying amount 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 Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance costs are charged to the profit or loss during the financial year in which they are incurred.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.2 Property, plant and equipment (cont'd)

When an asset's carrying amount is increased as a result of a revaluation, the increase is recognised in other comprehensive income as a revaluation surplus reserve. When the asset's carrying amount is decreased as a result of a revaluation, the decrease is recognised in profit or loss. However, the decrease is recognised in other comprehensive income to the extent of any credit balance existing in the revaluation surplus reserve of that asset.

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

Buildings	2%
Computer and office equipments	10%
Furniture and fittings	10%
Motor Vehicles	20%
Renovation	10%
Advertising display structures, tools and equipment	10% - 14%
Platform and software	10%
Information technology and equipments	10%

Depreciation of an asset begins when it is ready for its intended use.

Construction work-in-progress in property, plant and equipment are not depreciated as these assets are not yet available for use.

Freehold land is not depreciated as it has an infinite life.

Residual values and useful lives of assets are reviewed, and adjusted if appropriate, at each reporting date.

At each reporting date, the Group and the Company assess whether there is any indication of impairment. If such indications exist, an analysis is performed to assess whether the carrying amount of the asset is fully recoverable. A write down is made if the carrying amount exceeds the recoverable amount. See accounting policy Note 3.5 on impairment of non-financial assets.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with carrying amounts and are included in the profit or loss. On disposal of revalued assets, amounts in the revaluation reserve relating to those assets are transferred to retained earnings.

3.3 Non-current assets held for sale

Non-current assets or groups of assets are classified as "held for sale" if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Similarly, liabilities directly associated with the disposal groups are also presented separately from other liabilities in the statements of financial position.

Depreciation ceases when an asset is classified as an asset held for sale. Assets held for sale are stated at the lower of carrying amount and fair value less cost to sell.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.4 Investment properties

Investment properties are properties which are owned or held under a leasehold interest to earn rental income or for capital appreciation or both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties are initially measured at cost. Cost includes expenditure that is directly attributable to the acquisition of the investment property. Subsequent to the initial recognition, investment properties are carried at cost less accumulated depreciation and impairment losses. Depreciation is charged to profit and loss on a straight-line basis over the estimated useful lives of the investment properties of 50 years. The useful lives and residual values of the investment properties are reassessed annually.

Investment property is derecognised when either it has been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on the retirement or disposal of an investment property is recognised in profit or loss in the year of retirement or disposal.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. For a transfer from owner-occupied property to investment property, the property is accounted for in accordance with the accounting policy for property, plant and equipment up to the date of change in use.

Freehold and leasehold lands are not depreciated.

Depreciation is calculated to write off the depreciable amount of investment properties on a straight line basis over their estimated useful lives. Depreciable amount of an investment property is determined after deducting the residual value from the cost amount of the investment property.

The residual values, useful lives and depreciation method are reviewed and adjusted if appropriate, at each reporting date.

3.5 Impairment of non-financial assets

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

For goodwill, property, plant and equipment that are not yet available for use, the recoverable amount is estimated at each financial year end or more frequently when indicators of impairment are identified.

An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of non-financial assets or CGUs.

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

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.5 Impairment of non-financial assets (cont'd)

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

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

3.6 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, demand deposits, and short term, highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value with original maturities of three months or less, and are used by the Group and the Company in management of their short term funding requirements. These also include bank overdrafts that form an integral part of the Group's cash management.

3.7 Financial assets

(i) Classification

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

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

(ii) Initial recognition and measurement

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 fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group and the Company have applied the practical expedient are measured at the transaction price determined under MFRS 15.

The Group’s and the Company's business model for managing financial assets refer 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.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.7 Financial assets (cont'd)

(iii) Subsequent measurement

For the purpose of subsequent measurement under MFRS 9, financial assets are classified as follows:

3.7.1 Financial assets at amortised cost

Financial assets shall be measured at amortised cost if both of the following conditions are met:

(a) the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and

(b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest ("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 amortised cost include trade and other receivables, amount due from subsidiary companies and cash and short-term deposits.

3.7.2 Financial assets at FVOCI

Debt instruments

Debt instruments are measured at FVOCI if both of the following conditions are met:

(a) the financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and

(b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at FVOCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

The Group and the Company did not hold any debt instruments at FVOCI at the current and previous financial year.

Equity instruments

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

Group and the Company did not hold any equity instruments at FVOCI at the current and previous financial year.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.7 Financial assets (cont'd)

(iii) Subsequent measurement (cont'd)

3.7.3 Financial assets at FVTPL

Financial assets at FVTPL include financial assets held for trading, financial assets designated upon initial recognition at FVTPL, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at FVTPL, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at FVOCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

This category includes derivative instruments and listed equity investments which had not irrevocably elected to classify at FVOCI. Dividends on listed equity investments are also recognised as other income in the statement of profit or loss when the right of payment has been established.

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if:

(a) the economic characteristics and risks are not closely related to the host;

(b) a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and

(c) hybrid contract is not measured at fair value through profit or loss.

Embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

The Group's and the Company's financial assets at FVTPL includes other investments.

(iv) 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 (such as removed from the statements of financial position) when:

(a) the rights to receive cash flows from the asset have expired; or

(b) the Group and the Company have transferred its rights to receive cash flows from the asset or has 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.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.7 Financial assets (cont'd)

(iv) Derecognition (cont'd)

On derecognition of a financial asset, the difference between the carrying amount of the financial asset and the sum of consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

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

In accounting for a transfer of a financial asset that does not qualify for derecognition, the entity shall not offset the transferred asset and the associated liability.

3.8 Impairment of financial assets

The Group and the Company recognise an allowance for expected credit losses ("ECL") for all financial assets measured at amortised cost, debt instruments measured at fair value through other comprehensive income, contract assets and lease receivables. ECL are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group and the Company expect to receive, discounted at an approximation of the original effective interest rate.

The Group and the Company measure loss allowance at an amount equal to lifetime ECL, except for debt securities that are determined to have low credit risk at the reporting date, cash and bank balances and other debt securities for which credit risk has not increased significantly since initial recognition, which are measured at 12-month ECL For trade receivables, contract assets and lease receivables, loss allowance are measured based on lifetime ECL at each reporting date. The Group and the Company estimate the ECL on trade receivables using a provision matrix with reference to historical credit loss experience, adjusted for forward looking factor specific to the debtors and the economic environment.

Lifetime ECL are the ECL that result from all possible default events over the expected life of the asset, while the 12-month ECL are the portion of the ECL that result from default events that are possible within the 12 months after the reporting date.

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

An impairment loss in respect of the financial assets measured at amortised cost and debt investments measured at fair value through other comprehensive income are recognised in profit or loss. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows of the financial asset.

At each reporting date, the Group and the Company assess whether the financial assets carried at amortised cost and debt securities carried 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 that financial asset have occurred.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.8 Impairment of financial assets (cont'd)

(a) Simplified approach for trade receivables

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

Significant increase in credit risk

The Group considers the probability of default upon initial recognition of the asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. The assessment considers available, reasonable and supportable forward-looking information such as:

- internal credit rating/assessment;
- external credit rating (as far as available);
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations;
- actual or expected significant changes in the operating results of the debtor (where available);
- significant increases in credit risk on other financial instruments of the same debtor;
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements and;
- significant changes in the expected performance and behaviour of the debtor, including changes in the payment status of debtor in the Group and changes in the operating results of the debtor.

The Group considers a receivable as credit impaired when one or more events that have a detrimental impact on the estimated cash flow have occurred. These instances include adverse changes in the financial capability of the debtor and default or significant delay in payments. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off to profit or loss when there is no reasonable expectation of recovering the contractual cash flows.

Grouping of instruments for ECL measured on collective basis

Collective assessment

To measure ECL, trade receivables are grouped into categories. The categories are differentiated by the different business risks and are subject to different credit assessments. Contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group considers the expected loss rates for trade receivables as a reasonable approximation of the loss rates for contract assets with similar risk characteristics.

Individual assessment

Trade receivables which are in default or credit-impaired are assessed individually.

Note 13 set out the measurement details of ECL.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.8 Impairment of financial assets (cont'd)

(b) General 3-stages approach for other receivables and amount due from subsidiary companies

At each reporting date, the Group and the Company measure ECL through loss allowance at an amount equal to 12-months ECL if credit risk on a financial instrument or a group of financial instruments has not increased significantly since initial recognition. For all other financial instruments, a loss allowance at an amount equal to lifetime ECL is required.

For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

Note 14 and 15 set out the measurement details of ECL.

3.9 Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability.

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

3.9.1 Financial liabilities at FVTPL

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

(a) if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise;

(b) a group of financial liabilities or financial assets and financial liabilities is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the group is provided internally on that basis to the Group's and the Company's key management personnel; or

(c) if a contract contains one or more embedded derivative and the host is not a financial asset in the scope of MFRS 9, where the embedded derivative significantly modifies the cash flows and separation is not prohibited.

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

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

The Group and the Company did not have financial liabilities at FVTPL in the current and previous financial year.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.9 Financial liabilities (cont'd)

3.9.2 Amortised cost

Other financial liabilities not categorised as FVTPL are subsequently measured at amortised cost using the effective interest method.

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

3.9.3 Financial guarantee contracts

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

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

(a) the amount of the loss allowance; and

(b) the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance to the principles of MFRS 15, Revenue from Contracts with Customers.

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

Derecognition

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged, cancelled or expired. A financial liability is also derecognised when its terms are modified and the cash flows of the modified liability are substantially different, in which case, a new financial liability based on modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

3.10 Share capital

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Ordinary shares are equity instruments.

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.11 Leases

3.11.1 Leases in which the Group is a lessee

At inception of a contract, the Group and the Company assess whether a contract is, or contains, a lease based on whether the contract conveys to the user the right to control the use of an identified asset for a period of time in exchange for consideration. If a contract contains more than one lease component, or a combination of leasing and servicing elements, the consideration is allocated to each of the lease and non-lease components and on each subsequent re-measurement of the contract on the basis of their relative stand-alone selling prices. For a contract that is, or contains, a lease, an entity shall account for each lease component within the contract as a lease separately from non-lease components of the contract.

(a) Right-Of-Use Assets

The Group and the Company recognise right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less accumulated depreciation and impairment losses, and adjusted for any remeasurement of the lease liability. The cost of the right-of-use assets comprises of the amount of lease liabilities adjusted for the lease payments that are paid at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to be incurred for dismantling and removing the underlying asset or restoring the underlying asset or the site on which it is located, less any lease incentives received. If the Group and the Company are reasonably certain that the ownership of the underlying asset will be transferred to them by the end of the lease term, the right-of-use assets are depreciated from the commencement date to the end of the useful life of the underlying asset. Otherwise, the right-of-use assets are depreciated on a straight-line basis from the commencement date to the earlier of the end of its useful life or the end of the lease term.

Depreciation on the right-of-use assets are calculated using straight-line basis over the earlier of the estimated useful lives of the right-of-use assets or the end of the lease term. The lease terms of right-of-use assets are as follows:

Office buildings	2 years
Advertising space	1 - 5 years

(b) Lease Liabilities

The Group and the Company recognise lease liability, which is measured at the present value of the lease payments to be made over the lease term, at the commencement date. The lease payments include fixed payments including in-substance fixed payments, variable lease payments that depend on an index or a rate, amounts expected to be payable by the lessee under residual value guarantees, less lease incentives receivable. The lease payments also include the exercise price of purchase option if the Group and the Company are reasonably certain to exercise, and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

The lease payments are discounted using incremental borrowing rate if the interest rate implicit in the lease cannot be readily determined. After the commencement date, the Group and the Company measure the lease liability by increasing the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payments made. The carrying amount of lease liabilities is remeasured in order to reflect any reassessment or lease modifications.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.11 Leases (cont'd)

3.11.1 Leases in which the Group is a lessee (cont'd)

(c) Short-term leases and leases of low-value assets

The Group and the Company elected to apply exemption to those short term leases in which the lease term is 12 months or less from the commencement date and without purchase option. Besides, exemption is also applied for the lease of low value assets. The lease payments incurred on the exempted leases are recognised as expenses on a straight-line basis over the lease term.

(d) Lease term

The lease term includes non-cancellable period of a lease together with periods covered by:

(a) an option to extend if the Group and the Company are reasonably certain to exercise the option.

(b) an option to terminate if the Group and the Company are reasonably certain not to exercise the option.

Under some of the leases, the Group and the Company are offered with the option to extend the lease term for additional one to two years. The Group and the Company apply judgement in considering all relevant facts and circumstances that create an economic incentive to exercise the extension option or not to exercise the termination option, to evaluate whether it is reasonably certain that the option will be exercised. After the commencement date, the Group and the Company reassess 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 not to terminate.

3.11.2 Leases in which the Group is 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 straight-line basis over the leases terms and is included in revenue in the statement of profit or loss 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.

3.12 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred with any difference between the initial fair value and proceeds (net of transaction costs) being charged to profit or loss at initial recognition. In subsequent periods, borrowings are stated at amortised cost using the effective interest method with the difference between the initial fair value and the redemption value recognised in the profit or loss over the period of the borrowings.

Profit, interest, dividends, losses and gains relating to a financial instrument, or a component part, classified as a liability is reported within finance cost in the profit or loss.

Borrowings are classified as current liabilities unless the Group and the Company have an unconditional right to defer settlement of the liability for at least 12 months after the financial position date.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.12 Borrowings (cont'd)

Borrowing costs incurred to finance the construction of property, plant and equipment are capitalised as part of the cost of the asset during the period of time that is required to complete and prepare the asset for its intended use. All other borrowing costs are expensed.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

3.13 Income tax

3.13.1 Current tax

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

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

3.13.2 Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences, except for the deferred tax liability that arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, unutilised tax losses and unused tax credits, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unutilised tax losses and unused tax credits can be utilised except where the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets are reviewed at each financial year end and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised.

Unrecognised deferred tax assets are reassessed at each financial year end and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilised.

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

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.13 Income tax (cont'd)

3.13.2 Deferred tax (cont'd)

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offsetted, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

3.14 Provisions

Provisions are recognised when the Group and the Company have a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at each financial year end adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current interest pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

The Group and the Company typically provide warranties for general repairs of defects that existed at the time of sale. These assurance-type warranties are accounted for under MFRS 137 *Provisions, Contingent Liabilities and Contingent Assets* when the product is sold to the customer. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually.

3.15 Revenue recognition and other income

Revenue is measured at the fair value of consideration received or receivable. The Group and the Company recognise revenue as follows:

3.15.1 Rental Contracts

Revenue from rental contracts are recognised in the financial statements over the duration of the contracts, discount and taxes as the customer simultaneously receives and consumes the benefits provided by the Group. Revenue billed and collected in advance are disclosed in the financial statements as contract liabilities.

3.15.2 Production

Revenue from production contracts are recognised upon delivery of goods or services, net of discounts and taxes where control of the goods or services has been passed to the customers.

3.15.3 Management fees

Management fee is recognised on an accrual basis when service is rendered.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.13 Income tax (cont'd)

3.15.4 Contract balances arising from revenue recognition

Contract liabilities are the obligation to transfer goods or services to customers for which the entity has received consideration (or an amount of consideration is due) from the customers. If the customers pay consideration before the entity transfers goods or services to the customers, contract liabilities are recognised when the payment is made or the payment is due (whichever is earlier).

Other income recognised as follows:

3.15.5 Rental of investment properties

Rental income from investment properties is recognised on the straight-line basis over the term of the lease. The aggregate cost of incentives provided to lessees is recognised as a reduction of rental income over the lease term on a straight-line basis.

3.15.6 Interest income

Interest income is recognised as it accrues, taking into account the principal outstanding and the effective interest rate over period of maturity.

3.15.7 Dividend income

Dividend income is recognised when the shareholders' rights to receive payment is established.

3.16 Employee benefits

3.16.1 Short term employee benefits

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

3.16.2 Defined contribution plans

Defined contribution plans are post-employment benefits plans under which the Group and the Company pay fixed contributions into separate entities or funds and will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. The contributions are charged as an expense in the financial year in which the employees render their services. As required by law, the Group and the Company make such contributions to the Employees Provident Fund ("EPF").

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.17 Contingencies

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

Contingent liabilities and assets are not recognised in the statements of financial position of the Group and of the Company in the current and previous financial year end.

3.18 Foreign currency

3.18.1 Functional and presentation currency

The financial statements of the Group and of the Company are measured using the currency of the primary economic environment in which the Group and the Company operate (“the functional currency”). The consolidated financial statements are presented in Ringgit Malaysia (“RM”), which is also the Group’s and the Company’s functional currency.

3.18.2 Foreign currency transactions

Transactions in currencies other than the Group’s and the Company’s functional currency (“foreign currencies”) are recorded in the functional currency using the exchange rates prevailing at the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are translated at the rates prevailing on the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated. Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are included in profit or loss for the period. Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in equity.

3.19 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group’s other components. An operating segment’s operating results are reviewed regularly by the chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. Additional disclosures on each of these segments are disclosed in Note 32, including the factors used to identify the reportable segments and the measurement basis of segment information.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.20 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 by the Group and the Company.

When measuring the fair value of an asset or a liability, the Group and the Company use observable market data as far as possible. Fair value is categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group and the Company can access at the measurement date.

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

Level 3: Unobservable inputs for the asset or liability

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determine whether transfers have occurred between levels in the hierarchy by re- assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the financial year end.

3.21 Related parties

A party is related to an entity if:-

(i) directly, or indirectly through one or more intermediaries, the party:-

- controls, is controlled by, or is under common control with, the entity (this includes parents, subsidiaries and fellow subsidiaries);
- has an interest in the entity that gives it significant influence over the entity; or
- has joint control over the entity;

(ii) the party is an associate of the entity;

(iii) the party is a joint venture in which the entity is a venturer;

(iv) the party is a member of the key management personnel of the entity or its parent;

(v) the party is a close member of the family or any individual referred to in (i) or (iv);

(vi) the party is an entity that is controlled, joint controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v);

(vii) the party is a post-employment benefit plan for the benefit of employees of the entity, or of any entity that is a related party of the entity; or

(viii) the party which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.21 Related parties (cont'd)

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

3.22 Earnings per ordinary share

The Group presents basic and diluted earnings per share data for its ordinary shares ("EPS").

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

Diluted earnings per share is calculated by dividing the profit for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the financial year plus the weighted average number of ordinary shares that would be issued on conversion of all dilutive potential ordinary shares from exercise of Warrants into ordinary shares.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with MFRSs requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of the revenue and expenses during the reporting period. It also requires directors to exercise their judgement in the process of applying the Group's and the Company's accounting policies. Although these estimates and judgement are based on the directors' best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgement or complexity that have the most significant effect on the Group's and the Company's financial statements, or areas where assumptions and estimates that have a significant risk of resulting in a material adjustment to the Group's and the Company's financial statements within the next financial year are disclosed as follows:

4.1 Depreciation of property, plant and equipment, investment properties and right-of-use assets

The costs of property, plant and equipment, investment properties and right-of-use assets are depreciated on a straight-line basis over the asset's estimated economic useful lives. Management estimates the useful lives of these property, plant and equipment, investment properties and right-of-use assets to be within a range of 1 to 50 years. These are common life expectancies applied in this industry.

Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets and therefore future depreciation charges could be revised. The carrying amounts of the Group's and the Company's property, plant and equipment, investment properties and right-of-use assets at the reporting date are disclosed in Note 5, Note 6 and Note 7 to the financial statements respectively.

4.2 Impairment of non-financial assets

When recoverable amount of an asset is determined based on the estimate of the value-in-use of the cash generating unit to which the asset is allocated, the management is required to make an estimate of the expected future cash flows from the cash generating unit and also to apply a suitable discount rate in order to determine the present value of those cash flows.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (cont'd)

4.3 Determining the lease term of contracts with renewal options – the Group as lessee

The Group determines the lease term as 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.

The Group has several lease contracts that include extension option. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew 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 or not to exercise the option to renew.

The Group included the renewal period as part of the lease term for leases of building with shorter non-cancellable period (i.e., one to two years). The Group typically exercises its option to renew for these leases because there will be a significant negative effect on profit if a replacement building for rent is not readily available.

4.4 Impairment of goodwill

The Group performs an annual assessment of the carrying value of its goodwill against the recoverable amount of the cash-generating units ("CGUs") to which the goodwill have been allocated. The measurement of the recoverable amount of CGUs are determined based on the value-in-use method, incorporating the present value of estimated future cash flows expected to arise from the respective CGU's ongoing operations. Management judgement is used in the determination of the assumptions made, particularly the cash flow projections, discount rates and the growth rates used. The estimation of pre-tax cash flows is sensitive to the periods for which the forecasts are available and to assumptions regarding the long-term sustainable cash flows, and reflect management's view of future performance.

4.5 Deferred tax assets

Deferred tax assets are recognised for all unused tax losses, unabsorbed capital allowances and other deductible temporary differences to the extent that it is probable that future taxable profits would be available against which the tax losses, capital allowances and other deductible temporary differences could be utilised. Significant management judgement is required to determine the amount of deferred tax assets that could be recognised, based on the likely timing and extent of future taxable profits together with future tax planning strategies. Total carrying value of unrecognised tax losses, unabsorbed capital allowances and other taxable temporary differences of the Group and of the Company are disclosed in Note 12.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (cont'd)

4.6 Provision for expected credit losses of trade receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geographical region, product type, customer type and rating).

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 (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the trading 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 ECLs is a significant estimate. The amount of ECLs 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 ECLs on the Group's trade receivables is disclosed in Note 13.

4.7 Income taxes

ent from the initial estimate. The Group and the Company recognised tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provisions in the year in which such determination is made.

4.8 Provision for license fees

The provision is in respect of hoardings erected for which local authorities have yet to bill for the license fees. The directors are of the view that the hoardings erected do adhere to local authorities' guidelines and that these fees are payable unless guidelines are revised to reflect otherwise.

5. PROPERTY, PLANT AND EQUIPMENT

Group

2022	Freehold land RM	Buildings RM	Computer and office equipments RM	Furniture and fittings RM	Motor vehicles RM	Renovations RM	Advertising display structures, tools and equipment RM	Construction in progress RM	Platform and software RM	Information technology and equipments RM	Total RM
At cost											
Balance as at 1 January 2022	598,130	559,574	915,369	1,540,176	1,698,287	1,646,148	19,821,972	-	-	-	26,779,656
Acquisition of subsidiary companies (Note 9)	-	-	52,688	37,537	568,130	86,416	6,335,356	-	850,000	2,516,000	10,446,127
Additions	-	-	23,665	3,138	534,394	-	6,121,414	6,324,337	3,049	-	13,009,997
Disposal/written off	-	-	-	-	-	-	(2,812,206)	-	-	-	(2,812,206)
Balance as at 31 December 2022	598,130	559,574	991,722	1,580,851	2,800,811	1,732,564	29,466,536	6,324,337	853,049	2,516,000	47,423,574
Less: Accumulated depreciation											
Balance as at 1 January 2022	-	369,315	762,417	1,523,514	1,667,299	1,173,399	14,229,289	-	-	-	19,725,233
Acquisition of subsidiary companies (Note 9)	-	-	42,284	24,018	568,126	56,863	4,518,464	-	127,602	377,299	5,714,656
Charge for the financial year	-	11,191	34,803	3,939	78,863	62,175	1,815,179	-	21,300	63,001	2,090,451
Disposal/written off	-	-	-	-	-	-	(2,350,917)	-	-	-	(2,350,917)
31 December 2022	-	380,506	839,504	1,551,471	2,314,288	1,292,437	18,212,015	-	148,902	440,300	25,179,423
Less: Accumulated impairment losses											
Balance as at 1 January 2022/ 31 December 2022	-	-	-	-	-	-	219,353	-	-	-	219,353
Net carrying amount	598,130	179,068	152,218	29,380	486,523	440,127	11,035,168	6,324,337	704,147	2,075,700	22,024,798

5. PROPERTY, PLANT AND EQUIPMENT (cont'd)

Group

2021	Freehold land RM	Buildings RM	Computer and office equipments RM	Furniture and fittings RM	Motor vehicles RM	Renovations RM	Advertising display structures, tools and equipment RM	Total RM
At cost								
Balance as at 1 January 2021	598,130	559,574	843,064	1,537,925	2,556,145	1,766,125	19,521,502	27,382,465
Additions	-	-	72,305	2,251	520,747	271,191	1,151,098	2,017,592
Disposal/written off	-	-	-	-	(1,378,605)	(391,168)	(850,628)	(2,620,401)
Balance as at 31 December 2021	598,130	559,574	915,369	1,540,176	1,698,287	1,646,148	19,821,972	26,779,656
Less: Accumulated depreciation								
Balance as at 1 January 2021	-	358,124	728,327	1,519,169	2,506,009	1,236,973	13,563,964	19,912,566
Charge for the financial year	-	11,191	34,090	4,345	19,147	66,112	1,294,571	1,429,456
Disposal/written off	-	-	-	-	(857,857)	(129,686)	(629,246)	(1,616,789)
Balance as at 31 December 2021	-	369,315	762,417	1,523,514	1,667,299	1,173,399	14,229,289	19,725,233
Less: Accumulated impairment losses								
Balance as at 1 January 2021/31 December 2021	-	-	-	-	-	-	219,353	219,353
Net carrying amount	598,130	190,259	152,952	16,662	30,988	472,749	5,373,330	6,835,070

5. PROPERTY, PLANT AND EQUIPMENT (cont'd)

Company

2022	**Construction in progress RM**
At cost	
Balance as at beginning of the financial year	-
Addition	2,185,263
Balance as at end of the financial year	2,185,263
Less: Accumulated depreciation	
Balance as at beginning and end of the financial year	-
Net carrying amount	
Balance as at end of the financial year	2,185,263

(i) Purchase of property, plant and equipment

	Group		**Company**	
	2022 RM	**2021 RM**	**2022 RM**	**2021 RM**
Cost of property, plant and equipment purchased	13,009,997	2,017,592	2,185,263	-
Amount financed through loan and borrowing	(315,000)	-	-	-
Cash disbursed for purchase of property, plant and equipment	12,694,997	2,017,592	2,185,263	-

(ii) The property, plant and equipment of the Group acquired under hire purchase terms are as follows:-

	Group	
	2022 RM	**2021 RM**
Motor vehicles	296,459	4
Information technology and equipment	2,075,700	-
	2,372,159	4

The carrying amounts of motor vehicles are pledged to licensed bank to secure the loans and borrowings granted to the Group as disclosed in Note 20 to the financial statements.

6. INVESTMENT PROPERTIES

	Note	Group 2022 RM	2021 RM
At cost			
Balance as at beginning of the financial year		16,439,530	16,439,530
Disposal	(b)	(3,842,126)	-
Reclassified to assets held for sale	(a)	(6,295,569)	-
Balance as at end of the financial year		6,301,835	16,439,530
Less: Accumulated depreciation			
Balance as at beginning of the financial year		5,675,997	5,424,897
Charge for the year		234,023	251,100
Disposal	(b)	(1,637,131)	-
Reclassified to assets held for sale	(a)	(2,496,566)	-
Balance as at end of the financial year		1,776,323	5,675,997
Net carrying amount			
Balance as at end of the financial year		4,525,512	10,763,533
Fair value		21,221,904	27,500,000

The Group's investment properties consist of freehold and leasehold lands and building.

During the financial year, the following were recognised in profit or loss for investment properties:

	Group 2022 RM	2021 RM
Rental income	983,092	996,048
Direct operating expenses		
Income generating investment properties	355,755	346,451

The Directors estimate the fair value of the Group's investment properties without the involvement of independent valuers based on current year prices in an active market for the respective properties within each vicinity. In estimating the fair values, adjustments have been made to these listing prices to reflect differences in land or floor sizes, designs, location, and other features between the Group's properties and the comparable properties. The fair value represents 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. In estimating the fair value of the properties, the highest and best use of the properties is their current use.

Detail of the Group's investment properties and information about the fair value hierarchy as at 31 December 2022 as follows:

2022	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
Commercial property units located:				
- In Malaysia	-	12,362,231	-	12,362,231
- Outside Malaysia	-	8,859,673	-	8,859,673
	-	21,221,904	-	21,221,904

6. INVESTMENT PROPERTIES (cont'd)

2021	**Level 1 RM**	**Level 2 RM**	**Level 3 RM**	**Total RM**
Commercial property units located:				
- In Malaysia	-	26,300,000	-	26,300,000
- Outside Malaysia	-	1,200,000	-	1,200,000
	-	27,500,000	-	27,500,000

There is no transfer between Level 1, 2 and 3 fair values during the financial year.

(a) Reclassified to asset held for sale

During the financial year, the Group reclassified five (5) parcels of shop offices which consists of certain lands and buildings that was previously held as investment properties to asset held for sale as disclosed in Note 17 to the financial statements.

(b) Disposal of investment properties

al sale and purchase agreement for the disposal of two (2) blocks of four (4) storey shop/office held under Mukim Kuala Lumpur, for a total cash consideration of RM9,500,000. The disposal has been completed during the financial year.

7. LEASES

The Group as lessee

7.1 Right-of-use assets

2022	**Office Buildings RM**	**Advertising space RM**	**Total RM**
At cost			
Balance as at 1 January 2022	851,225	14,527,277	15,378,502
Additions	38,375	87,120	125,495
Balance as at 31 December 2022	889,600	14,614,397	15,503,997
Less: Accumulated depreciation			
Balance as at 1 January 2022	722,262	11,274,157	11,996,419
Charge for the financial year	98,363	1,762,526	1,860,889
Balance as at 31 December 2022	820,625	13,036,683	13,857,308
Net carrying amount			
Balance as at 31 December 2022	68,975	1,577,714	1,646,689

7. LEASES (cont'd)

The Group as lessee (cont'd)

7.1 Right-of-use assets (cont'd)

2021	**Office Buildings RM**	**Advertising space RM**	**Total RM**
At cost			
Balance as at 1 January 2021	636,842	13,078,023	13,714,865
Additions	214,383	1,449,254	1,663,637
Balance as at 31 December 2021	851,225	14,527,277	15,378,502
Less: Accumulated depreciation			
Balance as at 1 January 2021	506,104	6,711,499	7,217,603
Charge for the financial year	216,158	4,562,658	4,778,816
Balance as at 31 December 2021	722,262	11,274,157	11,996,419
Net carrying amount			
Balance as at 31 December 2021	128,963	3,253,120	3,382,083

The Group leases office buildings that run between one (1) year to two (2) years, with an option to renew the lease after that date. The lessor do not impose any covenants.

The Group leases advertising space that run between two (2) year to five (5) years, with no option to renew the lease after that date. The lessor do not impose any covenants.

The right-of-use assets are initially measured at cost, which comprise the initial amount of the lease liabilities adjusted for any lease payments made at or before the commencement date of the leases.

After initial recognition, right-of-use assets are stated at cost less accumulated depreciation and accumulated impairment losses, if any, and adjusted for any re-measurement of the lease liabilities.

The right-of-use assets are depreciated on the straight-line basis over the earlier of the estimated useful lives of the right-of-use assets or the end of the lease term.

Extension options

Some leases of office contain extension options exercisable by the Group up to two (2) years before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control.

7. LEASES (cont'd)

The Group as lessee (cont'd)

7.2 Lease liabilities

2022	**Office Buildings RM**	**Advertising space RM**	**Total RM**
Carrying amount			
Balance as at 1 January 2022	129,779	3,443,737	3,573,516
New lease entered into during the financial year	38,375	87,120	125,495
Termination of lease	-	(81,495)	(81,495)
Lease payments	(102,480)	(1,678,532)	(1,781,012)
Interest expense	5,243	131,040	136,283
Balance as at 31 December 2022	70,917	1,901,870	1,972,787

2021	**Office Buildings RM**	**Advertising space RM**	**Total RM**
Carrying amount			
Balance as at 1 January 2021	133,994	7,651,525	7,785,519
New lease entered into during the financial year	214,383	1,449,254	1,663,637
Lease payments	(230,582)	(5,843,013)	(6,073,595)
Interest expense	11,984	185,971	197,955
Balance as at 31 December 2021	129,779	3,443,737	3,573,516

Represented by:

	2022 RM	**2021 RM**
Current liabilities		
Unsecured		
Lease liability	1,340,203	1,914,394
	1,340,203	1,914,394
Non-current liabilities		
Unsecured		
Lease liability	632,584	1,659,122
	632,584	1,659,122
Total lease liabilities		
Unsecured		
Lease liability	1,972,787	3,573,516
	1,972,787	3,573,516

7. LEASES (cont'd)

The Group as lessee (cont'd)

7.2 Lease liabilities (cont'd)

Rates of interest charged per annum:

	2022 %	**2021 %**
Lease liabilities owing to non-financial institutions	3.95 - 5.11	5.11

	2022 RM	**2021 RM**
Minimum lease payment		
- Not later than one year	1,401,211	1,012,265
- Later than one year but not later than five years	649,876	2,743,957
	2,051,087	3,756,222
Future finance charges on lease liabilities	(78,300)	(182,706)
Present value of lease liabilities	1,972,787	3,573,516

Present value of lease liabilities is analysed as follows:

	2022 RM	**2021 RM**
Current liabilities		
- Not later than one year	1,340,203	1,914,394
Non-current liabilities		
- Later than one year but not later than five years	632,584	1,659,122
	1,972,787	3,573,516

(a) The Group has certain low value leases of office equipment of RM20,000 and below. The Group applies the "lease of low-value assets" and "short term leases" exemptions for these leases.

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

	2022 RM	**2021 RM**
Depreciation of right-of-use assets (included in cost of sales and other operating expenses)	1,860,889	4,778,816
Interest on lease liabilities (included in finance cost)	136,283	197,955
Expense relating to lease of low-value assets and short-term leases (included in other operating expenses)	15,200	-
	2,012,372	4,976,771

(c) At the end of the financial year, the Group had total cash outflow for leases of RM1,781,012 (2021: RM6,073,595).

(d) At the end of the financial year, the Group had total cash outflow for leases of low-value assets and short-term leases of RM15,200 (2021: Nil).

7. LEASES (cont'd)

The Group as a lessor

The Group has entered into operating leases on its investment properties portfolio consisting freehold and leasehold land and buildings. These leases have term of one year. All leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions. The lessees are not required to provide any residual value guarantee on the properties. Lease income recognised by the Group during the year is RM983,092 (2021: RM996,048).

Future minimum lease receivable under non-cancellable operating leases are as follows:

	Group	
	2022 RM	**2021 RM**
Not later than one year	96,000	527,992
Later than one year but not later than five years	64,000	75,000
	160,000	602,992

8. GOODWILL ON CONSOLIDATION

	Group	
	2022 RM	**2021 RM Restated**
At cost		
Balance as at beginning of the financial year, previously stated	1,121,989	1,121,989
Reclassified	2,001,656	-
Balance as at beginning of the financial year, as restated	3,123,645	1,121,989
Acquisition of a subsidiary companies (Note 9)	7,293,382	2,001,656
Balance as at end of the financial year	10,417,027	3,123,645
Less: Accumulated impairment losses		
Balance as at beginning of the financial year	58,039	58,039
Balance as at end of the financial year	58,039	58,039
Net carrying amount		
Balance as at beginning and end of the financial year	10,358,988	3,065,606

The Group considers each subsidiary company as a single CGU and the carrying amount of goodwill is allocated to the respective subsidiary companies.

The recoverable amounts of a CGU is determined based on the value-in-use calculation. The key assumptions used in the computation of value in use are gross margin, discount rates, growth rates, projected cash flows from use and terminal value.

The projected cash flows from use are derived from the most recent financial budgets approved by Board for the next five (5) years and extrapolated cash flows for the following years based on estimated growth rates. The future cash flows are based on management's five (5) years business plan, which is the best estimate of future performance. The pre-tax discount rate applied to the cash flow projections for the five (5) years period is 6.8% per annum. The growth rate used is based on the expected projection of the media services for outdoor and indoor advertising.

8. GOODWILL ON CONSOLIDATION (cont'd)

The calculation of value in use for this CGU is most sensitive to the following assumptions:-

(i)	Budgeted revenue	Revenue is based on the sale of rental contracts, advertising display contracts and production contracts.
(ii)	Budgeted gross margin	Gross margin is based on average values achieved in prior years preceding the start of the budget period. The anticipated growth rate for gross margin is projected to be minimal.
(iii)	Growth rates	Based on industry outlook for that segment and directors past experience.
(iv)	Pre-tax discount rate	Discount rate of 6.8% represents the weighted average cost of capital of the CGU.

The value assigned to the key assumptions represents directors' assessment of future trends in the trading related business and shipping industries and are based on both external sources and internal sources.

Sensitivity to changes in assumptions

Directors believe that no reasonable possible changes in any of the key assumptions above will cause the carrying values of the CGU to materially exceed its recoverable amount.

9. INVESTMENT IN SUBSIDIARIES

	Company	
	2022	**2021**
	RM	**RM**
Unquoted shares, at cost		
Balance as at beginning and end of the financial year	9,980,906	9,980,906

The subsidiary companies, which the principal place of business and country of incorporation are in Malaysia, are as follows:-

	Effective equity interest		
Name of subsidiaries	**2022**	**2021**	**Principal activities**
Direct subsidiaries			
Seni Jaya Sdn. Bhd. ("SJSB")	100%	100%	Provision of media services for outdoor and indoor advertising
Seni Jaya Production Sdn. Bhd. ("SJPSB")	100%	100%	Provision of media services and supply of advertising materials
Mediamart Sdn. Bhd. ("MSB")	100%	100%	Supply of advertising materials and provision of media services for outdoor advertising

9. INVESTMENT IN SUBSIDIARIES (cont'd)

Name of subsidiaries	Effective equity interest 2022	2021	Principal activities
Indirect subsidiaries			
Held through SJSB			
Seni Jaya OOH Sdn.Bhd. ("SJOOH")	100%	100%	Provision of production and media advertising, event and promotion services
Seni Jaya Media Utama Sdn. Bhd. ("SJMU")	70%	70%	Provision of production and media advertising, event and promotion service
Andaman Media Sdn. Bhd. ("AMSB")	70%	-	General advertising
Saakti Billboards Sdn. Bhd. ("SBSB")	70%	-	General advertising and publicity and to acquire and operate franchises or privileges for advertising and public relations purposes
Tanjong Jernih Sdn. Bhd. ("TJSB")	70%	-	General advertising and publicity and to acquire and operate franchises or privileges for advertising and public relations purposes
Held through SJOOH			
Topper Media Sdn. Bhd. ("TMSB")	100%	100%	Investment holding
Held through TMSB			
Noisy Sherbert Sdn. Bhd. ("NSSB")	51%	-	Information technology service activity

(a) Impairment on investment in subsidiary companies

During the financial year, the management performed an impairment test on the investment in certain subsidiaries as these subsidiaries have been persistently making losses. There is no impairment on investment in subsidiary companies recognised for the financial year as their recoverable amount is higher than the carrying amount of the investment. The recoverable amount of investment in these subsidiaries has been determined based on their value in use.

(b) Non-controlling interest in subsidiaries

The non-controlling interests of the Group are arising from:-

(i) SJMU
(ii) AMSB
(iii) SBSB
(iv) TJSB
(v) NSSB

The amount of NCI consolidated statement of financial position, loss allocated to NCI and other comprehensive income allocated to NCI during the financial year are from SJMU, AMSB, SBSB, TJSB and NSSB.

9. INVESTMENT IN SUBSIDIARIES (cont'd)

(b) Non-controlling interest in subsidiaries (cont'd)

The Group's subsidiary that has non-controlling interest ("NCI") are as follows:-

	Ownership interest	
	2022	**2021**
Name of company	**%**	**%**
SJMU	30	30
AMSB	30	-
SBSB	30	-
TJSB	30	-
NSSB	49	-
Carrying amount of NCI	1,369,279	294,280
Profit/(Loss) allocation to NCI	345,588	(5,720)

The summary of financial information before intra-group elimination for the SJMU, AMSB, SBSB, TJSB and NSSB which have NCI is as below:-

	2022	**2021**
SJMU	**RM**	**RM**
Summary of financial position		
Current assets	893,647	901,730
Current liabilities	(7,156)	(6,156)
Net assets	886,491	895,574
Summary of financial performance		
Net loss for the financial year, (representing total comprehensive expense for the financial year)	(9,083)	(21,513)
Summary of cash flows		
Cash flows used in operating activities	(8,083)	(20,976)
Cash flows generated from financing activities	2,263	25,644
Net changes in cash and cash equivalent	(5,820)	4,668

9. INVESTMENT IN SUBSIDIARIES (cont'd)

(b) Non-controlling interest in subsidiaries (cont'd)

<u>AMSB</u>	2022 RM	2021 RM
Summary of financial position		
Non-current assets	1,984,367	-
Current assets	3,384,038	-
Non-current liabilities	(311,673)	-
Current liabilities	(3,763,820)	-
Net assets	1,292,912	-
Summary of financial performance		
Net profit for the financial year, (representing total comprehensive income for the financial year)	1,052,722	-
Include in the total comprehensive income is:-		
Revenue	4,536,145	-
Summary of cash flows		
Cash flows generated from operating activities	708,637	-
Cash flows used in investing activities	(525,957)	-
Cash flows used in financing activities	(213,354)	-
Net changes in cash and cash equivalent	(30,674)	-

<u>SBSB</u>		
Summary of financial position		
Current assets	862,858	-
Current liabilities	(1,169,167)	-
Net liabilities	(306,309)	-
Summary of financial performance		
Net profit for the financial year, (representing total comprehensive income for the financial year)	1,805	-
Include in the total comprehensive income is:-		
Revenue	410,984	-
Summary of cash flows		
Cash flows used in operating activities	(475,777)	-
Cash flows generated from financing activities	477,714	-
Net changes in cash and cash equivalent	1,937	-

9. INVESTMENT IN SUBSIDIARIES (cont'd)

(b) Non-controlling interest in subsidiaries (cont'd)

TJSB	**2022 RM**	**2021 RM**
Summary of financial position		
Current assets	592,464	-
Current liabilities	(873,526)	-
Net liabilities	(281,062)	-
Summary of financial performance		
Net loss for the financial year, (representing total comprehensive expense for the financial year)	(3,113)	-
Include in the total comprehensive income is:-		
Revenue	257,305	-
Summary of cash flows		
Cash flows used in operating activities	(343,543)	-
Cash flows generated from financing activities	346,475	-
Net changes in cash and cash equivalent	2,932	-

NSSB	**2022 RM**	**2021 RM**
Summary of financial position		
Non-current assets	2,779,847	-
Current assets	223,327	-
Current liabilities	(1,227,747)	-
Net assets	1,775,427	-
Summary of financial performance		
Net loss for the financial year, (representing total comprehensive expense for the financial year)	(720,305)	-
Include in the total comprehensive income is:-		
Revenue	345,615	-
Summary of cash flows		
Cash flows used in operating activities	(422,435)	-
Cash flows used in investing activities	(3,049)	-
Cash flows generated from financing activities	365,108	-
Net changes in cash and cash equivalent	(60,376)	-

9. INVESTMENT IN SUBSIDIARIES (cont'd)

(c) Acquisition of subsidiaries

2022

Acquisition of 55% equity interest in AMSB, SBSB and TJSB respectively

On 27 January 2022, the Group had entered into a Share Sales Agreement ("SSA") for acquisition of 55% equity interest in AMSB, SBSB and TJSB respectively for a total consideration of RM8,500,000. The acquisition will strengthen the Group's market position by having immediate access to the portfolio of sites situated at prime locations in Klang Valley where contains high road traffic.

(i) Fair value of identifiable assets acquired and liabilities recognised:-

	AMSB RM	SBSB RM	TJSB RM
Assets			
Property, plant and equipments (Note 5)	1,870,372	-	-
Deferred tax assets (Note 12)	161,822	-	-
Trade receivables	508,499	303,271	217,119
Other receivables	291,025	89,242	65,394
Amount due from related companies	1,038,497	-	-
Cash and cash equivalents	381,974	6,666	11,122
	4,252,189	399,179	293,635
Liabilities			
Trade payables	(1,497,697)	-	-
Other payables	(1,656,010)	(206,754)	(107,277)
Contract liabilities	(128,740)	-	-
Amount due to related companies	-	(501,414)	(465,182)
Loan and borrowings	(670,558)	-	-
Provision for tax	(152,230)	-	-
	(4,105,235)	(708,168)	(572,459)
Total identifiable net assets/(liabilities) acquired	146,954	(308,989)	(278,824)
Non-controlling interest at net (assets)/liabilities	(66,129)	139,045	125,471
Goodwill arising on acquisition	4,970,085	1,169,944	1,153,353
Elimination of inter-balances	1,235,090	160,000	54,000
Fair value of consideration transferred	6,286,000	1,160,000	1,054,000

9. INVESTMENT IN SUBSIDIARIES (cont'd)

(c) Acquisition of subsidiaries (cont'd)

2022 (cont'd)

Acquisition of 55% equity interest in AMSB, SBSB and TJSB respectively (cont'd)

(ii) Effect of acquisition on cash flow:-

	AMSB RM	SBSB RM	TJSB RM
Fair value of consideration transferred	6,286,000	1,160,000	1,054,000
Less: Non-cash consideration	(1,235,090)	(160,000)	(54,000)
Consideration paid in cash	5,050,910	1,000,000	1,000,000
Less: Cash and cash equivalents of the subsidiary acquired	(381,974)	(6,666)	(11,122)
Net cash outflows on acquisition	4,668,936	993,334	988,878

(iii) Effect of acquisition in statements of comprehensive income

From the date of acquisition, the subsidiary's contributed revenue and profit/(loss) net of tax are as follows:

	AMSB RM	SBSB RM	TJSB RM
Revenue	4,496,245	410,984	257,305
Profit/(loss) for the financial year	1,145,960	2,680	(2,238)

If the acquisition had occurred on 1 January 2022, the consolidated results for the financial year ended 31 December 2022 would have been as follows:

	AMSB RM	SBSB RM	TJSB RM
Revenue	4,536,145	410,984	257,305
Profit/(loss) for the financial year	1,052,722	1,805	(3,113)

9. INVESTMENT IN SUBSIDIARIES (cont'd)

(c) Acquisition of subsidiaries (cont'd)

2022 (cont'd)

Step acquisition of additional 11% equity interest in NSSB

On 25 August 2022, the Group had entered into a subscription agreement to subscribe additional 38 shares, which represented 11.1% in NSSB at RM300,000. NSSB was previously an associate company with 40.12% equity. As a result, NSSB became a subsidiary of the Group. The acquisition would allow and align the Group's expansion plan to adapt technology change and digitalisation, enter into other key national markets and expand to other markets beyond Malaysia.

(i) Fair value of identifiable assets acquired and liabilities recognised:-

	NSSB RM
Assets	
Property, plant and equipments (Note 5)	2,861,099
Trade receivables	15,335
Other receivables	910
Cash and cash equivalents	300,000
	3,177,344
Liabilities	
Trade payables	(214,174)
Other payables	(402,716)
Hire Purchases	(551,799)
	(1,168,689)
Total identifiable net assets acquired	2,008,655
Non-controlling interest at net assets	(979,832)
Gain on bargaining Purchase	(43,315)
Fair value of interest previously held	(685,508)
Fair value of consideration transferred	300,000

(ii) Effect of acquisition on cash flow:-

	NSSB RM
Fair value of consideration transferred	300,000
Less: Non-cash consideration	-
Consideration paid in cash	300,000
Less: Cash and cash equivalents of the subsidiary acquired	(300,000)
Net cash outflows on acquisition	-

9. INVESTMENT IN SUBSIDIARIES (cont'd)

(c) Acquisition of subsidiaries (cont'd)

2022 (cont'd)

Step acquisition of additional 11% equity interest in NSSB (cont'd)

(iii) Effect of acquisition in statements of comprehensive income

From the date of acquisition, the subsidiary's contributed revenue and loss net of tax are as follows:

	NSSB RM
Revenue	190,479
Loss for the financial year	(233,230)

If the acquisition had occurred on 1 January 2022, the consolidated results for the financial year ended 31 December 2022 would have been as follows:

	NSSB RM
Revenue	763,827
Loss for the financial year	(921,903)

2021

During previous financial year, SJOOH has acquired 1 ordinary shares (representing 100%) of the total issued and paid-up capital in TMSB for a total consideration of RM5,000,000.

(i) Fair value of identifiable assets acquired and liabilities recognised:-

	TMSB RM
Assets	
Investment in an associate	3,000,000
Cash and cash equivalents	955
	3,000,955
Liabilities	
Other payables	(2,611)
	(2,611)
Total identifiable net assets acquired	2,998,344
Goodwill arising on acquisition	2,001,656
Fair value of consideration transferred	5,000,000

9. INVESTMENT IN SUBSIDIARIES (cont'd)

(c) Acquisition of subsidiaries (cont'd)

2021 (cont'd)

(ii) Effect of acquisition on cash flow:-

	TMSB RM
Fair value of consideration transferred	5,000,000
Less: Non-cash consideration	-
Consideration paid in cash	5,000,000
Less: Cash and cash equivalents of the subsidiary acquired	(955)
Net cash outflows on acquisition	4,999,045

(d) Acquisition of non-controlling interest

Acquisition of additional 15% equity interest in AMSB, SBSB and TJSB respectively

On 17 November 2022, the Group has entered into SSA on acquisition of additional 15% equity interest in AMSB, SBSB and TJSB respectively for a total consideration of RM2,900,000.

(i) Effect of acquisition on cash flow:-

	AMSB RM	**SBSB RM**	**TJSB RM**
Fair value of NCI	162,851	(45,378)	(65,439)
Add: Post-acquisition retained earnings	2,037,149	395,378	415,439
Net cash outflows on acquisition	2,200,000	350,000	350,000

(e) Disposal of non-controlling interest

2021

In previous financial year, SJSB has disposed 300,000 ordinary shares (representing 30%) of the total issued and paid-up capital in SJMU for a total consideration of RM300,000.

10. INVESTMENT IN ASSOCIATES

Group

	2022 RM	2021 RM Restated
Unquoted shares, at cost		
Balance as at beginning of the financial year, as previously stated	5,001,656	-
Reclassified	(2,001,656)	-
Balance as at beginning of the financial year, as restated	3,000,000	-
Addition	-	5,001,656
Disposal	(3,000,000)	-
Reclassified	-	(2,001,656)
Balance as at end of the financial year	-	3,000,000
Less: Share of post-acquisition loss		
Balance as at beginning of the financial year	(202,253)	-
Share of loss during the financial year	(276,294)	(202,253)
Disposal	478,547	-
Balance as at end of the financial year	-	(202,253)
Net carrying amount		
Balance as at end of the financial year	-	2,797,747

The details of the associate is as follows:-

	Effective equity interest		
Name of subsidiaries	**2022**	**2021**	**Principal activities**
Held through SJSB			
Big Tree Seni Jaya Sdn. Bhd. ("BTSJ") @	40%	40%	Provision of advertising space, related services and carrying out related production works
Held through TMSB			
NSSB	-	40.12%	Information technology service activity

@ Audited by firm other than CAS Malaysia PLT

Deemed disposal on investment in an associate company

On 25 August 2022, the Group had entered into a subscription agreement to subscribe additional 38 shares, which represented 11.1% in NSSB at RM300,000. NSSB was previously an associate company with 40.12% equity. As a result, NSSB became a subsidiary of the Group. The deemed disposal of 40.12% equity interest gave rise to a loss of RM1,835,944 in the Group financial statements.

The financial impact on the subscription of additional 11.1% of equity interest is disclosed in Note 9(c) to the financial statements.

10. INVESTMENT IN ASSOCIATES (cont'd)

BTSJ

The following table summarises the financial information of Group's associate:

	2022 RM	2021 RM
Non-current assets	44,149,992	55,699,557
Current assets	7,255,480	8,063,696
Non-current liabilities	(24,652,694)	(44,994,261)
Current liabilities	(53,137,883)	(50,500,160)
Equity	(26,385,105)	(31,731,168)

Summarised statement of profit or loss:

	2022 RM	2021 RM
Revenue	12,079,905	9,350,681
Total comprehensive income for the year	5,346,062	(7,925,702)
Group's share of profit for the year *	-	-

Share of associate's loss analysed by:

Unrecognised	7,971,065	10,109,490

* The Group has not recognised losses relating to BTSJ where its share of losses exceeds the Group's interest in this associate. The Group cumulative shares of unrecognised losses at the reporting date was RM7,971,065 in financial year 2022 and RM10,109,400 in financial year 2021 of which RM2,138,425 was share of associate's profit during the financial year 2022 and RM3,170,281 was the share of the associate's losses respectively. The Group has no obligation in respect of these losses.

NSSB

The following table summarises the financial information of Group's associate:

	2022 RM	2021 RM
Non-current assets	^	3,219,866
Current assets	^	69,101
Non-current liabilities	^	(487,663)
Current liabilities	^	(306,936)
Equity	-	2,494,368

Summarised statement of profit or loss:

	2022 RM	2021 RM
Revenue	763,827	100,633
Total comprehensive expense for the year	(921,903)	(505,632)
Group's share of loss for the year ^	(276,294)	(202,253)

^ During the financial year, NSSB has ceased to become an associate to the Group and share of loss of associate up to the date of disposal of investment in associate.

11. OTHER INVESTMENTS

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Non-current				
Fair value through profit or loss:-				
- Financial instruments	3,691,060	3,136,173	-	-
- Club membership	3,000	3,000	-	-
	3,694,060	3,139,173	-	-
Current				
Fair value through profit or loss:-				
- Quoted shares in Malaysia	488,501	1,208,550	-	139,700
	488,501	1,208,550	-	139,700
Total	4,182,561	4,347,723	-	139,700

Financial instruments

SJSB (a subsidiary of the Group) entered into a service agreement with Vision OOH Sdn. Bhd. ("VOOH") on 17 May 2018 and 2 January 2018 to provide a total funding of RM530,000 ("**Contract 1**") and RM2,290,000 ("**Contract 2**") respectively in which the Group will become entitled to receive thirty-five percent (35%) and seventy percent (70%) of advertisement projects' net profit before tax over a period of 3 years ended on 31 May 2021 and 6 years ending 1 January 2024 respectively for the operation of advertisement displays at certain locations.

During the financial year, SJSB and VOOH has mutually agreed to renew and extend the contract period for another 4 years to 31 May 2025 for Contract 1 and 6 years to 1 January 2030 for Contract 2 respectively.

As a result from the extension of the contracts periods, a gain on financial instruments of RM554,887 has recognised during the financial year (2021: loss on financial instrument of RM118,222).

Financial instruments of the Group are categorised as Level 3 in the fair value hierarchy. Fair value of financial instruments of the Group are estimated by discounting expected future cash flows at weighted average cost of capital of the Group at the reporting date.

Quoted shares

Quoted shares of the Group are categorised as Level 1 in the fair value hierarchy. Fair value of quoted shares of the Group are estimated based on unadjusted closing price in active market.

During the financial year, the Group and the Company has disposed off part of the investment in quoted shares and has recognised a loss of RM43,032 and RM20,840 respectively arisen from the disposal of investment in quoted shares.

As at 31 December 2022, the Group and the Company has recognised RM292,103 and Nil (2021: RM995 and RM985 respectively) of fair value loss through profit or loss.

12. DEFERRED TAX ASSETS/(LIABILITIES)

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Group	
	2022 RM	**2021 RM**
Deferred tax assets	1,220,443	109,229
Deferred tax liabilities	(39,065)	-
	1,181,378	109,229

The movements during the financial year relating to deferred tax assets/(liabilities) are as follows:

<u>Deferred tax assets</u>

	Group	
Property, plant and equipment	**2022 RM**	**2021 RM**
As at beginning of the financial year	-	-
Acquisition of a subsidiary company (Note 9 (c))	161,822	-
Recognised in profit or loss	(141,787)	-
As at end of the financial year	20,035	-
Other temporary differences		
As at beginning of the financial year	178,507	178,507
Recognised in profit or loss	1,915,840	-
As at end of the financial year	2,094,347	178,507

<u>Deferred tax liabilities</u>

	2022 RM	2021 RM
Property, plant and equipment		
As at beginning of the financial year	(69,278)	(69,278)
Recognised in profit or loss	(863,726)	-
As at end of the financial year	(933,004)	(69,278)
Net Movement		
As at beginning of the financial year	109,229	109,229
Acquisition of a subsidiary company (Note 9 (c))	161,822	-
Recognised in profit or loss (Note 26)	910,327	-
As at end of the financial year	1,181,378	109,229

Deferred tax assets are mainly originating from unabsorbed capital allowances and tax losses carry forward. As disclosed in Note 3.13 to the financial statements, the deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilised. Estimating the future taxable profits involves significant assumptions. These assumptions have been built based on past performance, future secured contracts and adjusted for non-recurring circumstances and a reasonable growth rate. Based on these projections, management believes that the temporary differences will be utilised and has recognised the deferred tax assets as at reporting date.

12. DEFERRED TAX ASSETS/(LIABILITIES) (cont'd)

Unrecognised deferred tax assets

Below are the unabsorbed tax losses, unutilised capital allowances and other deductible temporary differences of the Group and the Company which have not been recognised in the financial statements as they are not probable to be used to offset against the taxable profits of the companies of the Group:

	Group		Company	
	2022 RM	**2021 RM**	**2022 RM**	**2021 RM**
Unutilised tax losses	2,379,420	6,725,159	399,811	-
Unabsorbed capital allowances	6,152,321	8,844,043	-	-
Plant and equipment	(951,746)	(2,935,543)	-	-
Other temporary differences	-	3,622,285	-	-
	7,579,995	16,255,944	399,811	-
Unrecognised deferred tax assets at 24% (2021: 24%)	1,819,199	3,901,427	95,955	-

The unabsorbed capital allowances can be carried forward indefinitely, and unutilised tax losses can be carried forward for a maximum period of seven (7) consecutive years of assessment ("YA") effective from year 2019 and it can only be utilised against income from the same business source. Following the Budget 2022 announced by the Ministry of Finance on 29 October 2021, the unutilised tax losses is allowed to be carried forward for a period of maximum of ten (10) consecutive years of assessment. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profits will be available against which the Group and the Company can utilise the benefits. The unabsorbed capital allowances and unutilised tax losses are subject to the agreement of the tax authorities.

The unutilised tax losses are available for offset against future taxable profits of the Group and of the Company up to the following financial years:

	Group		Company	
	2022 RM	**2021 RM**	**2022 RM**	**2021 RM**
Utilisation period				
Indefinite	5,200,575	9,530,785	-	-
Expired by YA 2028	57,488	487,705	-	-
Expired by YA 2029	22,521	22,521	-	-
Expired by YA 2030	1,288,404	3,365,599	-	-
Expired by YA 2031	474,403	2,849,334	-	-
Expired by YA 2032	536,604	-	399,811	-
	7,579,995	16,255,944	399,811	-

13. TRADE RECEIVABLES

Group

	2022 RM	2021 RM
Trade receivables - gross	10,150,250	5,955,560
Less: Allowance for impairment losses	(1,484,557)	(1,161,565)
Trade receivables - net	8,665,693	4,793,995

Group

Movement in the allowance for impairment losses

The allowance account in respect of the trade receivables are used to record impairment losses. The creation and release of allowance for impaired receivables have been included in 'other operating expenses' in the profit or loss. Unless the Group is satisfied that recovery of the amount is possible, then the amount considered irrecoverable is written off against the receivable directly.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, customer type and rating). The calculation reflects the probability-weighted outcome and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

The movement in the allowance for impairment losses of trade receivables during the financial year are as follows:

2022

	Lifetime ECL RM	Credit impaired RM	Total RM
Balance as at beginning of the financial year	303,460	858,105	1,161,565
Allowance for impairment losses	237,040	10,832	247,872
Acquisition of subsidiary company	-	75,120	75,120
Balance as at end of the financial year	540,500	944,057	1,484,557

2021

	Lifetime ECL RM	Credit impaired RM	Total RM
Balance as at beginning of the financial year	164,212	858,105	1,022,317
Allowance for impairment losses	139,248	-	139,248
Balance as at end of the financial year	303,460	858,105	1,161,565

13. TRADE RECEIVABLES (cont'd)

The allowance for impairment losses of trade receivables are those trade receivables that are individually impaired. These trade receivables are in significant difficulties and have defaulted on payments. They are not secured by any collateral or credit enhancement.

Based on the Group's historical collection experience, the amounts of trade receivables presented on the statements of financial position represent the amount exposed to credit risk. The management believes that no additional credit risk beyond the amounts provided for collection losses is inherent in the net trade receivables.

Group

The ageing of the receivables and allowance for impairment losses provided for above are as follows:

2022		**Allowance for impairment losses**		
	Gross carrying amount RM	**ECL (Collectively assessed) RM**	**ECL (Individually assessed) RM**	**Net balance RM**
Neither past due	1,827,756	-	-	1,827,756
Past due 1 - 30 days	2,456,464	(8,113)	(2,443)	2,445,908
Past due 31 - 60 days	1,991,335	(9,601)	(35,602)	1,946,132
More than 60 days past due	2,930,638	(89)	(484,652)	2,445,897
	9,206,193	(17,803)	(522,697)	8,665,693
Credit Impaired				
More than 60 days past due	944,057	-	(944,057)	-
	10,150,250	(17,803)	(1,466,754)	8,665,693

2021		**Allowance for impairment losses**		
	Gross carrying amount RM	**ECL (Collectively assessed) RM**	**ECL (Individually assessed) RM**	**Net balance RM**
Neither past due	2,167,996	-	-	2,167,996
Past due 1 - 30 days	1,572,667	-	-	1,572,667
Past due 31 - 60 days	697,186	-	-	697,186
More than 60 days past due	659,606	(303,460)	-	356,146
	5,097,455	(303,460)	-	4,793,995
Credit Impaired				
More than 60 days past due	858,105	-	(858,105)	-
	5,955,560	(303,460)	(858,105)	4,793,995

The maximum exposure of credit risk at the reporting date is the carrying value of receivables mentioned above. The Group does not hold any collateral as security.

The Group's normal trade credit term range from 30 to 60 days (2021: 30 to 60 days). Other credit terms are assessed and approved on a case by case basis.

14. OTHER RECEIVABLES

	Group 2022 RM	Group 2021 RM	Company 2022 RM	Company 2021 RM
Other receivables	1,894,462	2,563,988	644	644
Less: Allowance for impairment losses (a)	(131,547)	(179,020)	-	-
	1,762,915	2,384,968	644	644
Deposits	5,929,067	8,040,020	1,100	1,100
Less: Allowance for impairment losses (b)	(1,030,445)	-	-	-
	4,898,622	8,040,020	1,100	1,100
Prepayments	573,874	441,750	6,192	6,192
	7,235,411	10,866,738	7,936	7,936

(a) The movement in the allowance for impairment losses of other receivables during the financial year are as follows:

	Group 2022 RM	Group 2021 RM
Balance as at beginning of the financial year	179,020	82,091
Allowance for impairment losses	50,945	96,929
Reversal on impairment losses during the financial year	(98,418)	-
Balance as at end of the financial year	131,547	179,020

(b) The movement in the allowance for impairment losses of deposits during the financial year are as follows:

	Group 2022 RM	Group 2021 RM
Balance as at beginning of the financial year	-	-
Allowance for impairment losses	1,030,445	-
Balance as at end of the financial year	1,030,445	-

15. AMOUNT DUE FROM/(TO) SUBSIDIARY COMPANIES

	Company	
	2022 RM	2021 RM
Non-current asset		
Interest-bearing loan	21,840,000	21,000,000
Current asset		
Interest-bearing loan	25,122,757	21,527,419
Less: Allowance for impairment losses	(450,790)	(450,790)
Amount due from subsidiary companies - net	24,671,967	21,076,629
Current liability		
Interest-bearing loan	-	(110,323)

The non-current amount due from subsidiary companies represented non-trade transactions which are unsecured, bears interest at 4% (2021: 4%) per annum and not expected to be received within next twelve months.

The current amount due from/(to) subsidiary companies represented non-trade transactions which are unsecured, bears interest at 4% (2021: 4%) per annum and repayable on demand.

The movement in the allowance for impairment losses of amount due from subsidiary companies during the financial year are as follows:

	2022 RM	2021 RM
Balance as at beginning of the financial year	450,790	346,283
Impairment losses recognised during the financial year	-	104,507
Balance as at end of the financial year	450,790	450,790

16. CASH AND SHORT-TERM DEPOSITS

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Cash and bank balances	3,524,771	272,059	7,033	81,795
Fixed deposits with licensed banks - With maturity of 1 to 3 months	2,327,595	9,292,707	-	7,013,328
	5,852,366	9,564,766	7,033	7,095,123

The effective interest rates and maturity period of the fixed deposits with licensed banks at the reporting date are as follows:

16. CASH AND SHORT-TERM DEPOSITS (cont'd)

	Group		Company	
	2022	**2021**	**2022**	**2021**
	RM	**RM**	**RM**	**RM**
Effective interest rates	1.69% - 1.90%	3.76%	-	3.76%
Maturity period	one month	three month	-	three month

The currency profile of the Group's and the Company's cash and cash equivalents are as follows:

	Group		Company	
	2022	**2021**	**2022**	**2021**
	RM	**RM**	**RM**	**RM**
Ringgit Malaysia	5,694,046	9,417,043	7,033	7,095,123
United States Dollar	158,320	147,723	-	-
	5,852,366	9,564,766	7,033	7,095,123

Included in fixed deposits of the Group with licensed banks is an amount of RM10,015 (2021: Nil) which were pledged with licensed bank as security for banking facilities granted to the Group.

17. NON-CURRENT ASSETS HELD FOR SALE

	Group	
	2022	**2021**
	RM	**RM**
At net book value:		
Investment property (Note 6)	3,799,003	-
	3,799,003	-

The non-current assets held for sale are for certain lands and buildings for which potential buyer have been identified.

The assets classified as held for sale at the end of the financial year comprise of lands and buildings of Seni Jaya Sdn. Bhd..

On 21 November 2022, Seni Jaya Sdn. Bhd., a subsidiary of the Company had entered into a conditional sale and purchase agreement for the disposal of five (5) parcels of shop offices held under Bandar Kuala Lumpur for a total cash consideration of RM11,500,000. The disposal is expected to be completed within 3 months from the date of agreement.

18. SHARE CAPITAL

	Group and Company		Group and Company	
	2022	2021	2022	2021
	Number of shares		RM	RM
Issued and fully paid:				
Balance as at beginning of the financial year	48,533,330	40,533,330	56,405,330	40,533,330
Issuance of shares	-	8,000,000	-	15,872,000
Conversion of warrants	200	-	400	-
Bonus Issue	145,600,590	-	-	-
Balance as at end of the financial year	194,134,120	48,533,330	56,405,730	56,405,330

During the financial year, the Company has increased its issued ordinary shares from 48,533,330 units to 194,134,120 units through the followings:

(a) conversion of 200 units of Warrants at issue price of RM2.00 per share to share capital on a basis of one (1) new warrant for every one (1) ordinary shares.

(b) Bonus issue of 145,600,590 units new ordinary shares in the Company on the basis of three (3) bonus shares for every one (1) existing ordinary shares.

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

19. (ACCUMULATED LOSSES)/RETAINED EARNINGS

The Group is in an accumulated losses position as at reporting date. The entire retained earnings of the Company as at 31 December 2022 and 31 December 2021 may distributed as dividends under single tier system.

20. LOANS AND BORROWINGS

	Note	Group 2022 RM	2021 RM
Current liabilities			
Secured			
Term loans		169,998	-
Hire Purchases		534,607	-
		704,605	-
Non current liabilities			
Secured			
Term loans		311,673	-
Hire Purchases		161,980	-
		473,653	-
Total borrowings			
Secured			
Term loans	(a)	481,671	-
Hire Purchases	(b)	696,587	-
		1,178,258	-

Rates of interest charged per annum:

	Group 2022 %	2021 %
Term loans	4.50	-
Hire Purchases	3.37 - 6.03	-

(a) Term loans

	Group 2022 RM	2021 RM
Current		
- not later than one (1) year	169,998	-
Non-current		
- later than one (1) year but not later than five (5) years	311,673	-
	481,671	-

The term loans are secured by way of:-

(a) Joint and several guarantee by certain Directors of the Group; and
(b) Guarantee coverage of 80% on the loan by Sharikat Jaminan Pembiayaan Perniagaan Berhad.

20. LOANS AND BORROWINGS (cont'd)

(b) Hire Purchases

	Group 2022 RM	Group 2021 RM
Minimum hire purchase payments:-		
- not later than one (1) year	554,474	-
- later than one (1) year but not later than five (5) years	166,712	-
	721,186	-
Less: Future finance charges	(24,599)	-
Present value of hire purchases	696,587	-
Analysis of present value of hire purchases payables:-		
Current		
- not later than one (1) year	534,607	-
Non-current		
- later than one (1) year but not later than five (5) years	161,980	-
Total hire purchases	696,587	-

21. TRADE AND OTHER PAYABLES

	Group 2022 RM	Group 2021 RM	Company 2022 RM	Company 2021 RM
Trade payables				
- Third parties	4,772,737	1,865,347	-	-
	4,772,737	1,865,347	-	-
Add:				
Other payables	3,572,604	852,492	60,751	10,856
Accruals	5,148,428	1,681,965	403,046	71,489
Deposits received	451,987	385,737	-	-
	9,173,019	2,920,194	463,797	82,345
Total trade and other payables	13,945,756	4,785,541	463,797	82,345
Total financial liabilities carried at amortised costs	13,945,756	4,785,541	463,797	82,345

The trade payables are non-interest bearing and the normal trade credit terms received by the Group range from 30 to 90 days (2021: 30 to 90 days). The Group receives extended credit terms from certain trade creditors.

22. CONTRACT LIABILITIES

	Group	
	2022 RM	2021 RM
Consideration received in advances from:		
- Advertising display contracts	69,366	87,050
- Rental advertising contracts	1,256,435	2,314,525
	1,325,801	2,401,575
Movements in contract liabilities		
Balance as at beginning of the financial year	2,401,575	1,101,121
Consideration received	3,170,147	7,705,202
Recognition of revenue	(4,245,921)	(6,404,748)
Balance as at end of the financial year	1,325,801	2,401,575

23. REVENUE

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Revenue comprises the following:				
(i) Revenue from contract with customers	37,930,015	8,746,372	-	-
(ii) Revenue from other sources:				
- Dividend income	-	1,111	-	1,111
- Management fee	-	-	120,000	120,000
	37,930,015	8,747,483	120,000	121,111

23. REVENUE (cont'd)

23.1 Disaggregation of revenue from contracts with customers

The Group's revenue is disaggregated by principal geographical areas, major product and services line and timing of revenue recognition. This is consistent with the revenue information as disclosed in Note 32 Segment Information.

	Group		Company	
	2022	**2021**	**2022**	**2021**
	RM	**RM**	**RM**	**RM**
Principal geographical areas				
- Malaysia	37,930,015	8,747,483	120,000	121,111
Major products and service lines:				
- Rental contracts	27,139,592	6,921,818	-	-
- Advertising display contracts	6,163,018	431,401	-	-
- Production contracts	4,627,405	1,393,153	-	-
- Dividend from quoted shares	-	1,111	-	1,111
- Management fees	-	-	120,000	120,000
	37,930,015	8,747,483	120,000	121,111
Timing of revenue recognition:				
At point in time	4,627,405	1,394,264	120,000	121,111
Over time	33,302,610	7,353,219	-	-
	37,930,015	8,747,483	120,000	121,111

23.2 Revenue from remaining performance obligations

Revenue from remaining performance obligations where goods have not been delivered or services have not been rendered as at the reporting date are:

	Group		Company	
	2022	**2021**	**2022**	**2021**
	RM	**RM**	**RM**	**RM**
Rental and advertising display contracts:				
- Within 1 year	2,738,068	1,777,187	-	-
- Between 1 to 2 years	89,635	-	-	-
	2,827,703	1,777,187	-	-

24. FINANCE COSTS

	Group 2022 RM	Group 2021 RM	Company 2022 RM	Company 2021 RM
Interest expenses on				
Bank overdraft	24,640	13,504	-	-
Lease liabilities	136,283	197,955	-	-
Hire purchases	19,237	-	-	-
Term loans	31,875	-	-	-
Inter-company loan	-	-	-	4,243
Bank guarantee	1,755	-	-	-
	213,790	211,459	-	4,243

25. PROFIT/(LOSS) BEFORE TAXATION

	Note	Group 2022 RM	Group 2021 RM	Company 2022 RM	Company 2021 RM
Profit/(Loss) before taxation is arrived at:					
after charging					
Auditors' remuneration:					
Statutory audit		156,000	112,620	80,000	60,000
Non-statutory audit		6,000	12,000	6,000	5,000
Under/(Over)provision in prior year		2,920	-	(2,400)	-
Depreciation:					
Property, plant and equipment	5	2,090,451	1,429,456	-	-
Right-of-use assets	7	1,860,889	4,778,816	-	-
Investment properties	6	234,023	251,100	-	-
Deposits written off		2,900	-	-	-
Expenses relating to lease of low-value-assets	7	15,200	-	-	-
Fair value loss on investment in quoted shares	11	292,103	995	-	985
Finance costs	24	213,790	211,459	-	4,243
Impairment loss on:					
- Trade receivables	13	247,872	139,248	-	-
- Other receivables	14	50,945	96,929	-	-
- Deposits	14	1,030,445	-	-	-
- Amount due from an associate		-	11,447,389	-	-
- Amount due from subsidiary companies	15	-	-	-	104,507

25. PROFIT/(LOSS) BEFORE TAXATION (cont'd)

		Group		Company	
	Note	2022 RM	2021 RM	2022 RM	2021 RM
Profit/(Loss) before taxation is arrived at: (cont'd)					
<u>after charging (cont'd)</u>					
Directors' and key management personnels' remuneration	28	1,875,033	1,365,205	1,337,334	359,046
Loss on disposal of other investment	11	43,032	-	20,840	-
Loss on deemed disposal of investment in an associate	10	1,835,944	-	-	-
Property, plant and equipment written off	5	299,345	457,553	-	-
Share of loss from associates	10	276,294	202,253	-	-
Staff cost:					
Salaries and bonuses		4,792,288	1,475,523	704,824	-
Employee's provident fund		460,832	296,204	54,816	-
Other benefits		588,329	145,800	81,317	-
<u>after crediting</u>					
Dividend income		(15,650)	(1,111)	-	(1,111)
Distribution from investment in unit trust		-	(45,601)	-	(34,591)
Fair value (gain)/loss on financial instruments	11	(554,887)	118,222	-	-
Gain on disposal of property, plant and equipment	5	(38,056)	(47,391)	-	-
Gain on disposal of investment properties	6	(7,295,004)	-	-	-
Gain on bargaining purchase	9	(43,315)	-	-	-
Gain on foreign exchange - realised		(17,327)	-	-	-
Gain on termination of lease	7	(81,495)	-	-	-
Interest income					
- Fixed deposits		(42,945)	(89,111)	(4,729)	(47,919)
- Other interest income		(2,524)	(364,201)	-	-
- Interest income on loan to subsidiary companies		-	-	(1,921,785)	(1,347,285)
Management fee	23	-	-	(120,000)	(120,000)
Rental income					
- Investment properties	6	(983,092)	(996,048)	-	-
- Coverage antenna space		(546,381)	(405,600)	-	-
Reversal of impairment losses: other receivables	14	(98,418)	-	-	-

26. TAXATION

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Income tax				
Provision for current financial year	165,517	257,584	8,647	243,371
Overprovision in previous financial year	(13,214)	(18,210)	-	(1,029)
	152,303	239,374	8,647	242,342
Deferred taxation (Note 12)				
Recognised in profit or loss	(905,475)	-	-	-
Overprovision in previous financial year	(4,852)	-	-	-
	(910,327)	-	-	-
Real property gain tax	588,382	-	-	-
Tax (credit)/expenses for current financial year	(169,642)	239,374	8,647	242,342

Domestic current income tax is calculated at the statutory tax rate of 24% (2021: 24%) of the estimated assessable profit for the year.

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

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Profit/(Loss) before taxation	7,469,422	(16,968,793)	(653,727)	332,541
Tax at the statutory tax rate of 24% (2021: 24%)	1,792,661	(4,072,510)	(156,894)	79,810
Non-deductible expenses	2,852,079	3,436,660	98,386	175,092
Non-taxable income	(3,302,470)	(199,419)	(28,800)	(11,531)
Deferred tax assets not recognised during the financial year	189,410	1,092,853	95,955	-
Recognition of deferred tax assets previously not recognised	(1,201,229)	-	-	-
Utilisation of previously unutilised deferred tax assets	(1,070,409)	-	-	-
Real property gain tax	588,382	-	-	-
(Over)/underprovision of taxation in previous financial year	(13,214)	(18,210)	-	(1,029)
(Over)/underprovision of deferred taxation in previous financial year	(4,852)	-	-	-
Tax (credit)/expenses for the current financial year	(169,642)	239,374	8,647	242,342

27. EARNING/(LOSS) PER SHARE

(a) Basic earning/(loss) per ordinary share

The calculation of basic earning/(loss) per ordinary share at 31 December 2022 is based on the profit/(loss) attributable to owners of the Company and divided by weighted average number of ordinary shares outstanding, calculated as follows:

	Group 2022	2021
Profit/(Loss) attributable to owners of the Company (RM)	7,293,476	(17,202,447)
Weighted average number of ordinary shares (units)	69,333,446	43,311,108
Basic earning/(loss) per ordinary share attributable to owners of the Company (sen)	10.52	(39.72)

(b) Diluted earning/(loss) per ordinary share

The calculation of diluted earnings per ordinary share at 31 December 2022 was based on profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares, calculated as follows:

	Group 2022	2021
Profit/(loss) attributable to owners of the Company	7,293,476	(17,202,447)
Weighted average number of ordinary shares for basic loss per share (units)	69,333,446	43,311,108
Effect if exercise of Warrants	97,065,860	24,266,665
Weighted average number of ordinary shares for diluted loss per share	166,399,306	67,577,773
Diluted profit/(loss) per share attributable to owners of the parent	4.38	(25.46)

28. DIRECTORS' AND KEY MANAGEMENT PERSONNELS' REMUNERATION

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Executive Key management personnels:				
Salaries and other emoluments	1,121,000	924,241	656,000	47,381
Contributions to defined contribution plans	128,016	133,682	79,440	8,058
Other benefits	78,017	11,588	53,894	7,913
	1,327,033	1,069,511	789,334	63,352
Non-executive directors:				
Directors' fees	420,000	295,694	420,000	295,694
Directors' other emoluments	56,000	-	56,000	-
Other benefits	72,000	-	72,000	-
	548,000	295,694	548,000	295,694
Total Directors' and key management personnels' remuneration	1,875,033	1,365,205	1,337,334	359,046

29. RELATED PARTY DISCLOSURES

(a) In addition to the information detailed elsewhere in the financial statements, the Group and the Company carried out the following transactions with its related parties during the financial year:

		Group		Company	
	Note	2022 RM	2021 RM	2022 RM	2021 RM
<u>Subsidiary companies</u>					
Management fee	23	-	-	120,000	120,000
Interest income	25	-	-	1,921,785	1,347,285
Interest expenses	24	-	-	-	(4,243)
<u>Other related parties</u>					
Sales to a company in which a director has substantial interest		643,364	-	-	-
Purchase from a company in which a director has substantial interest		(6,896,190)	-	-	-
Rental expenses paid to a company in which a directors has substantial interest		(77,280)	-	-	-

(b) The key management personnel comprised all the Directors and Chief Executive Officer of the Group and of the Company whose remuneration during the year are disclosed in Note 28.

The directors of the Group and of the Company are of the opinion that the related party transactions have been entered into in the normal course of business on an arm's length basis and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

30. FINANCIAL GUARANTEE CONTRACTS

	Company	
	2022 RM	2021 RM
Secured		
Corporate guarantee granted to a subsidiary company for:		
- overdraft facility	5,000,000	-
- bank guarantee	2,950,000	-
	7,950,000	-

As at the end of the reporting year, there was no indication that any subsidiary company would default on repayment.

The corporate guarantee have not been recognised since the fair value on initial recognition was not material as the facility not utilised as at the reporting date.

31. CAPITAL COMMITMENTS

The Group and the Company have made commitments for the following capital expenditures:

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Contracted and approved for:-				
Property, plant and equipment	8,818,322	-	5,114,737	-

32. SEGMENT INFORMATION

No segmental information is provided as the Group's activities are predominantly in the advertising segment and are conducted in Malaysia.

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group’s and the Company's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's and the Company’s businesses whilst managing its risks.

The main areas of the financial risks faced by the Group and the Company and the policy in respect of the major areas of treasury activity are set out as follows:

33.1 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and of the Company's financial instruments will fluctuate because of the changes in market interest rates. The Group's and the Company’s exposure to interest rate risk relates to interest-bearing financial assets and liabilities. Interest-bearing financial assets includes fixed deposits with licensed banks. Interest-bearing liabilities includes lease liabilities, term loans and hire purchases.

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

33.1 Interest rate risk (cont'd)

The lease liabilities, term loans and hire purchases at fixed rates expose the Group to fair value interest rate risk.

The interest rates per annum on the lease liabilities, term loans and hire purchases are disclosed in Note 7 and Note 20 respectively.

The Group adopts a strategy of fixed rate borrowing to minimise exposure to interest rate risk. The Company also reviews its debt portfolio to ensure favourable rates are obtained.

As at 31 December 2022, the Group and the Company is not exposed to any significant interest rate risk.

33.2 Market risk

The Group and the Company have no exposure to price fluctuation risk of sales to its customers due to lump sum or fixed pricing contract. The Group and the Company face minimal exposure to market risk or the manner in which this risk is managed and measured.

33.3 Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk mainly arises from its receivables below. For bank balances, the Group and the Company minimises credit risk by dealing exclusively with reputable financial institution.

(a) Trade receivables

Credit risk is minimised by monitoring the financial standing of the debtors on an ongoing concern basis. The Group has significant exposure to several customers and as such a concentration of credit risks. At the reporting date, 36% (2021: Nil) of the Group's trade receivables were due from four (4) (2021: Nil) major customer. The maximum exposure to credit risk is disclosed in Note 13 to the financial statements, representing the carrying amount of the trade receivables recognised on the statement of financial position.

(b) Other receivables

Credit risk is minimised by monitoring the financial standing of the debtors on an ongoing concern basis. The maximum exposure to credit risk is disclosed in Note 14 to the financial statements, representing the carrying amount of the other receivable recognised on the statement of financial position.

(c) Advances to subsidiaries

The Company provides unsecured advances to its subsidiaries and monitors the results of the subsidiaries regularly. The maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position. As at 31 December 2022, the Company had made sufficient allowance for impairment loss on advances to its subsidiaries. The Company does not specifically monitor the ageing of the advances to its subsidiaries.

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

33.3 Credit risk (cont'd)

(d) Cash and cash equivalents

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

These banks and financial institutions have low credit risks. In addition, some of the bank balances are insured by government agencies. Consequently, the Group and the Company are of the view that the loss allowance is not material and hence, it is not provided for.

(e) Financial guarantees contracts

The Company provides unsecured financial guarantees to financial institutions in respect of banking facilities granted to certain subsidiaries and the default is remote. The maximum exposure to credit risk is disclosed in Note 30 and liquidity and cash flow risk is disclosed in Note 33.5 to the financial statements, representing the outstanding banking facilities of the subsidiaries as at the reporting date.

33.4 Foreign currency risk

The Group and the Company are not significantly exposed to foreign currency risk as the majority of the Group's and of the Company's transactions, assets and liabilities are denominated in Ringgit Malaysia. The currency giving rise to this risk is primarily United States Dollar ("USD").

Foreign currency exposures in transactional currencies other than functional currencies are kept to an acceptable level. The Group has not entered into any derivative financial instruments such as forward foreign exchange contracts.

The net unhedged financial assets of the Group at year end that are not denominated in Ringgit Malaysia are as follows:

Group

2022	**USD RM**	**Total RM**
Cash and bank balances	158,320	158,320
	158,320	158,320
2021		
Cash and bank balances	147,723	147,723
	147,723	147,723

<u>Sensitivity analysis for foreign currency risk</u>

If the above foreign currencies had strengthened/weakened by 10 percent and all other variables held constant, the Group's profit/(loss) before taxation would increase/(decrease) by approximately RM15,832 (2021: RM14,772).

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

33.5 Liquidity and cash flow risk

Liquidity risk is the risk that the Group and the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

The Group and the Company manage liquidity risk by maintaining sufficient cash. In addition, the Group and the Company maintain bank facilities such as working capital lines deemed adequate by the management to ensure it will have sufficient liquidity to meet its liabilities when they fall due.

The following table sets out the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual cash flows.

Group

2022	Carrying amount RM	Contractual interest rate %	Contractual cash flow RM	Not later than 1 year RM	Later than 1 year but not later than 5 years RM	More than 5 years RM
Trade and other payables	13,945,756	-	13,945,756	13,945,756	-	-
Term loans	481,671	4.50	590,046	208,248	381,798	-
Hire purchases	696,587	3.37 - 6.03	721,186	554,474	166,712	
Lease liabilities	1,972,787	3.95 - 5.11	2,051,087	1,401,211	649,876	-
Contract liabilities	1,325,801	-	1,325,801	1,325,801	-	-
	18,422,602		18,633,876	17,435,490	1,198,386	-
2021						
Trade and other payables	4,785,541	-	4,785,541	4,785,541	-	-
Lease liabilities	3,573,516	5.11	3,756,222	1,012,265	2,743,957	-
Contract liabilities	2,401,575	-	2,401,575	2,401,575	-	-
	10,760,632		10,943,338	8,199,381	2,743,957	-

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

33.5 Liquidity and cash flow risk (cont'd)

Company

2022	Carrying amount RM	Contractual interest rate %	Contractual cash flow RM	Not later than 1 year RM	Later than 1 year but not later than 5 years RM	More than 5 years RM
Other payables	463,797	-	463,797	463,797	-	-
Financial guarantee contracts	7,950,000	-	7,950,000	7,950,000	-	-
	8,413,797		8,413,797	8,413,797	-	-
2021						
Other payables	82,345	-	82,345	82,345	-	-
Amount due to subsidiary companies	110,323	-	110,323	110,323	-	-
	192,668		192,668	192,668	-	-

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

33.6 Classification of financial instruments

	Group		Company	
	2022 **RM**	**2021** **RM**	**2022** **RM**	**2021** **RM**
Financial assets				
Financial assets at fair value through profit or loss				
Other investments	4,182,561	4,347,723	-	139,700
	4,182,561	4,347,723	-	139,700
Amortised costs				
Trade receivables	8,665,693	4,793,995	-	-
Other receivables	6,661,537	10,424,988	1,744	1,744
Amount due from subsidiary companies	-	-	46,511,967	21,076,629
Cash and short-term deposits	5,852,366	9,564,766	7,033	7,095,123
	21,179,596	24,783,749	46,520,744	28,173,496
	25,362,157	29,131,472	46,520,744	28,313,196
Financial liabilities				
Amortised costs				
Trade payables	4,772,737	1,865,347	-	-
Other payables	9,173,019	2,920,194	463,797	82,345
Amount due to subsidiary companies	-	-	-	110,323
Loans and borrowings	1,178,258	-	-	-
Lease liabilities	1,972,787	3,573,516	-	-
Contract liabilities	1,325,801	2,401,575	-	-
	18,422,602	10,760,632	463,797	192,668

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

33.7 Fair value of financial instruments

The carrying amounts of cash and cash equivalents, short term receivables and payables approximate fair values due to the relatively short term nature of these financial instruments.

The table below analyses financial instruments that are carried at fair value.

	Financial instruments that are carried at fair value			
Group	**Level 1 RM**	**Level 2 RM**	**Level 3 RM**	**Total RM**
2022				
Financial asset				
Investments at FVTPL	488,501	-	3,694,060	4,182,561
	488,501	-	3,694,060	4,182,561
2021				
Financial asset				
Investments at FVTPL	1,208,550	-	3,139,173	4,347,723
	1,208,550	-	3,139,173	4,347,723
Company				
2021				
Financial asset				
Investments at FVTPL	139,700	-	-	139,700

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

33.7 Fair value of financial instruments (cont'd)

The table below analyses financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value.

	Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value			
Group	**Level 1 RM**	**Level 2 RM**	**Level 3 RM**	**Total RM**
2022				
Financial liabilities				
Loans and borrowings	-	-	1,178,258	1,178,258
Lease liabilities	-	-	1,972,787	1,972,787
	-	-	3,151,045	3,151,045
2021				
Financial liability				
Lease liabilities	-	-	3,573,516	3,573,516
	-	-	3,573,516	3,573,516
Company				
2022				
Financial asset				
Amount due from subsidiary companies	-	-	46,511,967	46,511,967
2021				
Financial asset				
Amount due from subsidiary companies	-	-	42,076,629	42,076,629
Financial liability				
Amount due to subsidiary companies	-	-	110,323	110,323

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

33.7 Fair value of financial instruments (cont'd)

Policy on transfer between levels

The fair value of an asset or liability to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer.

Level 1 fair value

Level 1 fair value is derived from quoted price (unadjusted) in active markets for identical financial assets or liabilities that the entity can access at the measurement date.

Level 2 fair value

Level 2 fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the financial assets or liabilities, either directly or indirectly.

Transfer between Level 1 and Level 2 fair values

There has been no transfer between Level 1 and 2 fair values during the financial year (2021: no transfer in either directions).

Level 3 fair value

Level 3 fair value is estimated using unobservable inputs for the financial assets or liabilities.

Amount due from/(to) subsidiary companies, lease liabilities, loans and borrowings

The fair value of these financial instruments which is determine for disclosure purposes, are estimated by discounting expected future cash flows at market increment lending rate for similar types of lending, borrowing or leasing arrangements at the reporting date.

The responsibility for managing the above risks is vested in the directors.

34. SIGNIFICANT EVENTS DURING AND SUBSEQUENT TO THE FINANCIAL YEAR

(a) COVID-19 pandemic

Since the beginning of the financial year, the Malaysia government has introduced a four-phase National Recovery Plan ("NRP") to help the country emerge from the Covid-19 pandemic and its economic fallout. As a consequence, the Group is allowed to carry out business operation without restrictions.

With the post-pandemic recovery in sight, especially with the announcement by the Malaysian government that the country is embracing the Covid-19 as endemic, the Group has achieved a strong business recovery in financial year 2022.

The management is also monitoring strictly on the Group's operating expenses. There was a slight increase in costs incurred for administrative expenses during the financial year. However, the Group still managed to maintain profit in current financial year mainly due to higher revenue achieved and the gain on disposal of properties, which negated the higher operating expenses due to the expansion of the team.

In short, the Group has managed to regain its business position with the implementation of NRP in current financial year. However, the Group shall continue to monitor any developments of the Covid-19 situation closely, assess and react actively to its impacts on the financial position and operating results of the Group for the financial year ending 31 December 2023.

34. SIGNIFICANT EVENTS DURING AND SUBSEQUENT TO THE FINANCIAL YEAR (cont'd)

(b) Disposal of investment properties

(i) On 26 July 2022, Seni Jaya Production Sdn. Bhd., a subsidiary of the Company had entered into a conditional sale and purchase agreement for the disposal of two (2) blocks of four (4) storey shop/office held under Mukim Kuala Lumpur, for a total cash consideration of RM9,500,000. The disposal has been completed during the financial year as disclosed in Note 6 to the financial statements.

(ii) On 21 November 2022, Seni Jaya Sdn. Bhd., a subsidiary of the Company had entered into a conditional sale and purchase agreement for the disposal of five (5) parcels of shop offices held under Bandar Kuala Lumpur for a total cash consideration of RM11,500,000. The disposal is expected to be completed within 3 months from the date of agreement and has classified to assets held for sale as disclosed in Note 17 to the financial statements.

(c) Acquisition of subsidiaries

(i) On 27 January 2022, the Group had entered into a Share Sales Agreement ("SSA") for acquisition of 55% equity interest in AMSB, SBSB and TJSB respectively for a total consideration of RM8,500,000 as disclosed in Note 9 (c) to the financial statements.

(ii) On 25 August 2022, the Group had entered into a subscription agreement to subscribe additional 38 shares, which represented 11.1% in NSSB at RM300,000. NSSB was previously an associate company with 40.12% equity. As a result, NSSB became a subsidiary of the Group as disclosed in Note 9 (c) to the financial statements.

(iii) On 17 November 2022, the Group has entered into SSA on acquisition of additional 15% equity interest in AMSB, SBSB and TJSB respectively for a total consideration of RM2,900,000 as disclosed in Note 9 (d) to the financial statements.

(d) On 17 April 2023, SJSB has accepted a Letter of Acceptance (“LOA”) dated 12 April 2023 from Prasarana Integrated Development Sdn Bhd (“PRIDE”) to award SJSB to perform sales, marketing, and business support for LRT Ampang Line’s External Advertising for PRIDE (“Services”).

35. CAPITAL MANAGEMENT

The primary objective of the Group’s and of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group and the Company manage the capital structure and makes adjustments to it, in light of changes in economic conditions. No changes were made in the objectives, policies or processes during the financial year ended 31 December 2022.

The Group and the Company monitor capital using a net debt equity ratio, which is net debts divided by total capital. The Group’s and the Company's net debts include loans and borrowings less cash and short-term deposits. Total capital comprises share capital and reserves attributable to owners of the Group and of the Company. The Group and the Company are not subject to externally imposed capital requirements.

35. CAPITAL MANAGEMENT (cont'd)

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Net debt/(cash)	(4,674,108)	(9,564,766)	(7,033)	(7,095,123)
Total equity attributable to owners of the Company	50,561,535	46,115,625	58,333,920	58,995,894
Net debt against equity ratio	*	*	*	*

* Gearing ratio is not applicable as the Company is in net cash position.

36. COMPARATIVE FIGURES

(a) The financial statements of the Company as at 31 December 2021, were audited by another firm of auditors whose report dated 29 April 2022, expressed an unmodified opinion on those statements.

(b) The presentation and classification of items in current year's financial statements are consistent with the previous financial year and the following comparative figures which have been reclassified to conform with current period's presentation and to reflect appropriately the nature of the transaction:

	Note	As previously stated RM	Reclassification RM	As reclassified RM
Statement of Financial Position As at 31 December 2021				
Non-current assets				
Goodwill on consolidation	8	1,063,950	2,001,656	3,065,606
Investment in associates	10	4,799,403	(2,001,656)	2,797,747

PARTICULARS OF PROPERTIES
AS AT 31 DECEMBER 2022

No.	Address/Location	Description and Existing Use	Tenure and Expiry Date	Built-up / Land Area (Sq. Ft)	Date of Acquisition	Net Book Value	Age of Building (No. of years)
1	No. 12, Jalan SS22/21 Damansara Jaya 47400 Petaling Jaya	Four Storey Terraced Shop-Office	Freehold	5,401/ 1,650	6/7/1990	388,599	39
2	No. 14, Jalan SS22/21 Damansara Jaya 47400 Petaling Jaya	Four Storey Terraced Shop-Office	Freehold	5,401/ 1,650	6/7/1990	388,599	39
3	148-2-10, Villa Flora Condominium Taman Tun Dr. Ismail 60000 Kuala Lumpur	Residential Apartment	Freehold	1,959	20/6/1994	163,111	27
4	Unit F, 15th Floor Peace World Centre Guangzhou China	Office	Leasehold 31 Dec 2041	1,452	12/7/1996	588,062	25
5	No. 2, Anggerik Mokara 31/61, Kota Kemuning Section 31 40460 Shah Alam	1 1/2 Storey Factory	Freehold	5,050/ 10,781	5/1/1996	434,572	25
6	No. 4, Anggerik Mokara 31/61, Kota Kemuning Section 31 40460 Shah Alam	1 1/2 Storey Factory	Freehold	5,050/ 10,500	5/1/1996	434,572	25
7	No. 8, Jalan Raja Abdullah Off Jalan Sultan Ismail 50300 Kuala Lumpur	Four Storey Terraced Shop-Office	Freehold	21,544 / 4,313	4/3/1994	3,799,004	23
8	B1-G-103 Savanna Executive Suites, Jalan BBLS 2, Bandar Baru Lembah Selatan, 43800 Dengkil Selangor	Shop/ Office	Freehold	5,687	27/3/2014	2,623,122	4
9	B2-09-02 Savanna Executive Suites, Jalan BBLS 2, Bandar Baru Lembah Selatan, 43800 Dengkil Selangor	Shop/ Office	Freehold	956	27/3/2014	282,072	4

ANALYSIS OF SHAREHOLDINGS
AS AT 31 MARCH 2023

Class of Shares	:	Ordinary Shares
Total Number of Issued Shares	:	194,134,120
Voting Rights	:	One vote for each ordinary share held

DISTRIBUTION OF SHAREHOLDINGS

Size of Holdings	No. of shareholders	No. of shares	Percentage of Shares (%)
1 – 99	13	684	0.00
100 - 1,000	276	107,864	0.06
1,001 - 10,000	228	1,564,916	0.81
10,001 - 100,000	150	4,857,164	2.50
100,001 to less than 5% of issued shares	78	116,871,244	60.20
5% and above of issued shares	4	70,732,248	36.43
Total	**749**	**194,134,120**	**100.00**

SUBSTANTIAL SHAREHOLDERS

		No. of Shares held		No. of Shares held	
No.	Name of Substantial Shareholders	Direct	Percentage (%)	Indirect	Percentage (%)
1	DATIN LEE NAI YEE	25,592,520	13.18	-	-
2	CIMB COMMERCE TRUSTEE BERHAD	15,504,000	7.99	-	-
3	ONG KAH HOE	13,309,200	6.86	9,616,000	4.95
4	CIMB ISLAMIC TRUSTEE BERHAD	16,326,528	8.41	-	-

DIRECTORS' INTERESTS IN SHARES

		No. of Shares held		No. of Shares held	
No.	Name of Directors	Direct	Percentage of shares (%)	Indirect	Percentage of shares (%)
1	TENGKU AMIR NASSER IBNI TENGKU IBRAHIM	-	-	-	-
2	DATO' SRI ANNE TEO	1,971,464	1.02	-	-
3	DATIN LEE NAI YEE	25,592,520	13.18	-	-
4	JULIAN KOH LU ERN	-	-	-	-
5	LEE CHIN CHEH	-	-	-	-
6	ONG KAH HOE	13,309,200	6.86	9,616,000	4.95

ANALYSIS OF SHAREHOLDINGS
AS AT 31 MARCH 2023

LIST OF TOP 30 LARGEST SECURITIES ACCOUNT HOLDERS

No.	Name of Shareholders	No. of Shares	Percentage of shares held (%)
1	LEE NAI YEE	25,592,520	13.18
2	CIMB ISLAMIC NOMINEES (TEMPATAN) SDN BHD CIMB ISLAMIC TRUSTEE BERHAD FOR KENANGA ASNITABOND FUND	16,326,528	8.41
3	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD CIMB COMMERCE TRUSTEE BERHAD - KENANGA GROWTH FUND	15,504,000	7.99
4	RHB NOMINEES (TEMPATAN) SDN BHD OSK CAPITAL SDN BHD FOR ONG KAH HOE	13,309,200	6.86
5	REVENUE HARVEST SDN. BHD.	8,888,000	4.58
6	OCR GROUP BERHAD	7,920,000	4.08
7	MIDF AMANAH INVESTMENT NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEE SOON KHEAN (MGN - LSK0015M)	7,700,000	3.97
8	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LAW SEEH KEY	6,800,000	3.50
9	CARTABAN NOMINEES (TEMPATAN) SDN BHD CN CIMB COMMERCE TRUSTEE BERHAD FOR KENANGA GROWTH FUND SERIES 2	6,735,000	3.47
10	TOKIO MARINE LIFE INSURANCE MALAYSIA BHD AS BENEFICIAL OWNER (PF)	5,585,300	2.88
11	PARAMOUNT PINANG SDN. BHD.	5,314,000	2.74
12	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KEH CHUAN CHOON	5,200,000	2.68
13	CITIGROUP NOMINEES (ASING) SDN BHD EXEMPT AN FOR OCBC SECURITIES PRIVATE LIMITED (CLIENT A/C-NR)	4,839,000	2.49
14	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHIAU HAW CHOON (7009581)	4,000,000	2.06
15	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT - AMBANK (M) BERHAD FOR DATO' ONG CHOO MENG (SMART)	3,700,000	1.91
16	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD CIMB COMMERCE TRUSTEE BERHAD - KENANGA PREMIER FUND	2,855,200	1.47
17	MAYBANK NOMINEES (TEMPATAN) SDN BHD MAYBANK TRUSTEES BERHAD FOR KENANGA AMANAH SAHAM WANITA (N14011980040)	2,742,400	1.41
18	ANNE TEO	1,971,464	1.02
19	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN CHEE TIONG	1,940,000	1.00
20	AZEERA MANAGEMENT CONSULTANTS (M) SDN BHD	1,809,600	0.93
21	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR OCR LAND HOLDINGS SDN BHD (MY2080)	1,696,000	0.87
22	MAYBANK NOMINEES (TEMPATAN) SDN BHD MAYBANK TRUSTEES BERHAD FOR BIMB I GROWTH FUND (940160)	1,640,000	0.84
23	WAJA KONSORTIUM BERHAD	1,599,800	0.82
24	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR STRONGLEAP SDN BHD	1,551,500	0.80
25	LAI THIAM POH	1,425,000	0.73
26	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN CHIN HOONG	1,335,700	0.69
27	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD CIMB COMMERCE TRUSTEE BERHAD FOR KENANGA DIVERSIFIED FUND (50157 TR01)	1,250,000	0.64
28	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHEONG KAI MENG	1,200,000	0.62
29	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LAW SEEH KEY	1,200,000	0.62
30	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD CIMB COMMERCE TRUSTEE BERHAD - KENANGA BALANCED FUND	1,196,000	0.62
		162,826,212	**83.87**

ANALYSIS OF WARRANT HOLDINGS
AS AT 31 MARCH 2023

Class of Shares	:	Warrant A (SJC-WA)
Total Number of SJC-WA	:	97,065,860
Exercise Price of SJC-WA	:	RM0.50
Exercise Period of SJC-WA	:	15 October 2021 to 14 October 2026

DISTRIBUTION OF WARRANT HOLDINGS

Size of Holdings	No. of Warrant Holders	No. of Warrants	Percentage of Warrants (%)
1 – 99	41	2,712	0.00
100 - 1,000	266	60,324	0.06
1,001 - 10,000	225	1,106,400	1.14
10,001 - 100,000	70	2,225,352	2.29
100,001 to less than 5% of issued warrants	53	57,148,908	58.88
5% and above of issued warrants	5	36,522,164	37.63
Total	**660**	**97,065,860**	**100.00**

DIRECTORS' INTERESTS IN WARRANTS

		No. of Warrants held		No. of Warrants held	
No.	Name of Directors	Direct	Percentage of Warrants held (%)	Indirect	Percentage of Warrants held (%)
1	TENGKU AMIR NASSER IBNI TENGKU IBRAHIM	-	-	-	-
2	DATO' SRI ANNE TEO	985,732	1.02	-	-
3	DATIN LEE NAI YEE	12,535,900	12.92	-	-
4	JULIAN KOH LU ERN	-	-	-	-
5	LEE CHIN CHEH	-	-	-	-
6	ONG KAH HOE	28,359,064	29.22	4,922,600	5.07

LIST OF TOP 30 WARRANT HOLDERS

No.	Name of Warrant Holders	No. of Warrants	Percentage (%)
1	LEE NAI YEE	12,535,900	12.91
2	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KEH CHUAN CHOON	8,000,000	8.24
3	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KEH CHUAN SENG	5,540,000	5.71
4	APEX NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR ONG KAH HOE (MARGIN)	5,236,264	5.39
5	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHOY ENG LUN	5,210,000	5.37
6	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR STRONGLEAP SDN BHD	4,303,300	4.43
7	ACE CREDIT (M) SDN. BHD.	4,000,000	4.12
8	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LAW SEEH KEY	4,000,000	4.12
9	OCR GROUP BERHAD	3,960,000	4.08
10	LEONG WILL LIAM	3,800,000	3.91

ANALYSIS OF WARRANT HOLDINGS
AS AT 31 MARCH 2023

LIST OF TOP 30 WARRANT HOLDERS (Cont'd)

No.	Name of Warrant Holders	No. of Warrants	Percentage (%)
11	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEE SEE YANG	2,886,400	2.97
12	CITIGROUP NOMINEES (ASING) SDN BHD EXEMPT AN FOR OCBC SECURITIES PRIVATE LIMITED (CLIENT A/C-NR)	2,782,000	2.87
13	AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR KEH CHUAN SENG (M01)	2,760,736	2.84
14	PARAMOUNT PINANG SDN. BHD	2,657,000	2.74
15	ONG KAH HOE	2,372,800	2.44
16	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHIAU HAW CHOON (7009581)	2,000,000	2.06
17	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHIAU HAW CHOON	2,000,000	2.06
18	CHOY ENG LUN	2,000,000	2.06
19	LAI THIAM POH	1,917,800	1.98
20	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN CHIN HOONG	1,858,500	1.91
21	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHIA YOONG YOONG	1,666,000	1.72
22	KENANGA NOMINEES (ASING) SDN BHD EXEMPT AN FOR PHILLIP SECURITIES PTE LTD (CLIENT ACCOUNT)	1,012,000	1.04
23	ANNE TEO	985,732	1.02
24	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR OCR LAND HOLDINGS SDN BHD (MY2080)	962,600	0.99
25	AZEERA MANAGEMENT CONSULTANTS (M) SDN BHD	904,800	0.93
26	LEE ENG HUAT	593,400	0.61
27	KENCANA HORIZON SDN BHD	540,000	0.56
28	JACQUELINE CHIN KWEE CHING	481,040	0.50
29	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SIM KWONG TECK	443,600	0.46
30	ECYY TRADING SDN BHD	428,000	0.44
		87,837,872	**90.49**

NOTICE OF THIRTIETH GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Thirtieth (30th) Annual General Meeting ("**AGM**") of the Company will be held on a fully virtual basis and entirely via remote participation and voting through an online meeting platform at www.swsb.com.my provided by ShareWorks Sdn. Bhd. on Monday, 26 June 2023 at 10.30 a.m. for the following purposes: -

AGENDA

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements of the Company and of the Group for the financial year ended 31 December 2022 together with the Reports of the Directors and Auditors thereon. *(Please refer Explanatory Notes 1)*

2. To approve the payment of Directors' fees and benefits of not exceeding RM468,000.00 for the period from the conclusion of the 30th AGM until the conclusion of the 31st AGM to be held in year 2024. *Ordinary Resolution 1*

3. To re-elect the following Directors who retires pursuant to Clause 117 of the Constitution of the Company and being eligible, have offered themselves for re-election:-

   (i) Datin Lee Nai Yee *Ordinary Resolution 2*
   (ii) Julian Koh Lu Ern *Ordinary Resolution 3*

4. To re-elect Ong Kah Hoe, who retire pursuant to Clause 116 of the Constitution of the Company and being eligible, has offered himself for re-election. *Ordinary Resolution 4*

5. To re-appoint Messrs. CAS Malaysia PLT as Auditors of the Company and to hold office until the conclusion of the next AGM at such remuneration to be determined by the Directors of the Company. *Ordinary Resolution 5*

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions: -

6. **PROPOSED AUTHORITY TO DIRECTORS TO ALLOT AND ISSUE NEW ORDINARY SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016** *Ordinary Resolution 6*

   "THAT pursuant to Sections 75 and 76 of the Companies Act, 2016 and subject to approvals from Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so issued and other relevant authorities, where approval is necessary, authority be and is hereby given to the Directors to allot and issue shares in the Company at any time upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit provided always that the aggregate number of shares to be issued shall not exceed 10% of the total number of issued shares of the Company for the time being AND THAT such authority shall continue to be inforce until the conclusion of the next AGM of the Company.

   AND THAT in connection with the above, pursuant to Section 85 of the Companies Act 2016 to be read together with Clauses 14 and 15 of the Constitution of the Company, the shareholders of the Company do hereby waive their pre-emptive rights over all new shares, options over or grants of new shares or any other convertible securities in the Company and/or any new shares to be issued pursuant to such options, grants or other convertible securities, such new shares when issued, to rank pari passu with existing issued shares in the Company."

7. **PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE** *Ordinary Resolution 7*

"THAT, subject always to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**"), approval be and is hereby given to the Company and its subsidiaries (collectively the "Group") to enter into and give effect to the recurrent related party transactions of a revenue or trading nature with the related parties as specified in Section 5 of the Circular to Shareholders dated 28 April 2023, provided that such transactions and/or arrangements which are necessary for the Group's day-to-day operations are undertaken in the ordinary course of business, at arm's length basis, on normal commercial terms and transaction prices which are not more favourable to the related parties than those generally available to the public and not detrimental to the minority shareholders of the Company (hereinafter referred to as the "**Proposed Renewal of Shareholders' Mandate**"): -

THAT the Proposed Renewal of Shareholders' Mandate shall only continue to be in full force until: -

a) the conclusion of the next AGM of the Company at which time it will lapse, unless by a resolution passed at the said AGM, such authority is renewed; or
b) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Companies Act, 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or
c) revoked or varied by a resolution passed by the shareholders of the Company in a general meeting,

whichever is earlier.

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

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

BY ORDER OF THE BOARD

TAN TONG LANG (MAICSA 7045482) (SSM PC No. 202208000250)
ANG WEE MIN (MAICSA 7076022) (SSM PC No. 202208000334)
Company Secretaries

Kuala Lumpur
Dated: 28 April 2023

Notes:

1. In respect of deposited securities, only members whose names appear in the Record of Depositors on 19 June 2023 ("**General Meeting Record of Depositors**") shall be eligible to attend, speak and vote at the Meeting.

2. A member entitled to participate, and vote at this meeting shall be entitled to appoint not more than two (2) proxies to attend, participate, speak and vote in his stead. Where a member appoints more than one (1) proxy to attend and vote at the meeting, the member shall specify the proportion of his shareholdings to be represented by each proxy, failing which the appointment shall be invalid.

3. With the Remote Participation and Voting ("**RPV**") facilities, the members, proxies and/or corporate representatives are strongly encouraged to exercise their rights to participate (including to pose questions to the Chairman, Board of Directors or Management) and vote at the AGM.

As guided by the Securities Commission Malaysia's Guidance Note and Frequently Asked Questions on the Conduct of General Meetings for Listed Issuers, the right to speak is not limited to verbal communication only but includes other modes of expression. Therefore, all members, proxies and/or corporate representatives shall communicate via real time submission of typed texts through the RPV Q&A platform at www.swsb.com.my provided by ShareWorks Sdn. Bhd. during the live streaming of the AGM as the primary mode of communication. In the event of any technical glitch in this primary mode of communication, members, proxies and/or corporate representatives may email their questions to ir@shareworks.com.my or technical support at 03-62011120 during the AGM. The questions and/or remarks submitted by the members, proxies and/or corporate representatives will be responded via broadcast by the Chairman, Board of Directors and/or Management during the AGM.

4. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at the AGM of the Company shall have the same rights as the member to attend, participate, speak and vote at the AGM and upon appointment a proxy shall be deemed to confer authority to demand or join in demanding a poll.

5. The instrument appointing a proxy shall be in writing under the hand of the member or his attorney duly authorised in writing or, if the member is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised.

6. Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 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.

7. The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or a duly notarised certified copy of that power or authority, shall be deposited at the Share Registrar Office of the Company at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan or email at ir@shareworks.com.my not less than forty-eight (48) hours before the time set for holding the meeting or any adjournment thereof. The lodging of the Form of Proxy does not preclude a member from attending and voting remotely at the AGM should he subsequently decides to do so, provided a notice of termination of proxy authority in writing is given to the Company and deposited at the Share Registrar Office of the Company at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan or email at ir@shareworks.com.my not less than twenty-four (24) hours before the time stipulated for holding the AGM or any adjournment thereof. Please follow the pre-register procedures as set out in the Administrative Guide of AGM. Please contact the poll administrator, ShareWorks Sdn. Bhd., at 03-62011120 for further assistance.

Explanatory Notes:

1. Audited Financial Statements for the financial year ended 31 December 2022

   This item of the Agenda is for discussion purposes only, as Section 340(1)(a) of the Companies Act 2016 does not require the shareholders to formally approve the Audited Financial Statements. Therefore, this item will not be put forward for voting.

2. Ordinary Resolution 1 – Directors' fees and benefits

   Section 230(1) of the Companies Act 2016 provides amongst others, that the fees of the Directors and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting.

   The proposed Ordinary Resolution 1, if approved, will authorise the payment of Directors' fees and benefits for the period from the conclusion of the 30th AGM until the conclusion of the 31st AGM to be held in year 2024.

3. <u>Ordinary Resolutions 2 and 3</u>

Clause 117 of the Constitution of the Company provides that at the Annual General Meeting in every subsequent year, one-third (1/3) of the Directors for the time being, or, if their number is not three (3) or a multiple of three (3), then the number nearest to one-third (1/3) shall retire from office once every three (3) years but shall be eligible for re-election.

The performance of the Directors who are recommended for re-election has been assessed through the Board annual evaluation. The Nomination Committee and the Board are satisfied with the performance and effectiveness of Datin Lee Nai Yee and Mr. Julian Koh Lu Ern who are due for retirement as Directors, and being eligible, have offered themselves for re-election at the 30th AGM.

4. <u>Ordinary Resolution 4</u>

Pursuant to Clause 116 of the Company's Constitution, any Director appointed during the year shall hold office until the conclusion of the next AGM and shall be eligible for re-election at such meeting. A Director retiring pursuant to this Clause shall not be taken into account in determining the Directors or the number of Directors to retire by rotation.

Mr. Ong Kah Hoe, who was appointed as the Executive Director on 13 September 2022 is required to submit himself for re-election at the 30th AGM pursuant to Clause 116 of the Company's Constitution and being eligible, has offered himself for re-election at the 30th AGM of the Company.

5. <u>Ordinary Resolution 6 - Authority to allot and issue shares in general pursuant to Sections 75 and 76 of the Companies Act 2016</u>

The proposed Ordinary Resolution 6, seeking a renewal of the general mandate is to provide flexibility to the Company to issue new securities without the need to convene separate general meeting to obtain its shareholders' approval so as to avoid incurring additional cost and time. The purpose of this general mandate is for possible fund-raising exercise including but not limited to further placement of shares for purpose of funding current and/or future investment projects, working capital, repayment of bank borrowings, acquisitions and/or for issuance of shares as settlement of purchase consideration.

As at the date of the Notice, no shares were issued and allotted pursuant to the general mandate granted to the Directors at the 29th AGM held on 27 June 2022 and which will lapse at the conclusion of the 30th AGM.

Pursuant to Section 85 of the Companies Act 2016 read together with Clauses 14 and 15 of the Constitution of the Company, shareholders have pre-emptive rights to be offered any new shares in the Company which rank equally to the existing issued shares in the Company or other convertible securities.

Section 85(1) of the Companies Act 2016 provides as follows:
"85. Pre-emptive rights to new shares
1) Subject to the constitution, where a company issue shares which rank equally to existing shares as to voting or distribution rights, those shares shall first be offered to the holders of existing shares in a manner which would, if the offer were accepted, maintain the relative voting and distribution rights of those shareholders."

Clauses 14 and 15 of the Constitution of the Company provides as follows:

"14. Subject to any direction to the contrary that may be given by the Company in general meeting, all new shares or other convertible Securities shall, before they are issued, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion, as nearly as the circumstances admit, to the amount of the existing shares or Securities to which they are entitled. The offer shall be made by notice specifying the number of shares or Securities offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares or Securities offered, the Directors may dispose of those shares or Securities in such manner as they think most beneficial to the Company. The Directors may, likewise, also dispose of any new shares or Securities which (by reason of the ratio which the new shares or Securities bear to shares or Securities held by persons entitled to an offer of new shares or Securities) cannot, in the opinion of the Directors, be conveniently offered under this Constitution.

15. Notwithstanding Clause 14 above (but subject to the Act), the Company may (if required) apply to the Exchange for a waiver from convening an extraordinary general meeting to obtain shareholders' approval for further issue or issues of shares (other than bonus or rights issues) where:

(a) the aggregate issues of shares (other than bonus and rights issues and other issues of shares which have been specifically approved bt the shareholders in an extraordinary general meeting) in any one financial year in which such further issue or issues are made do not exceed ten per centum (10%) (or such higher percentage as the Exchange may from time to time allow either in respect of a particular financial year, generally or otherwise) of the Company's total number of issued shares; and

(b) there is in force at the time of the application for such waiver, a resolution of the Company in general meeting authorizing the Directors to make such further issue or issues as stated above."

The proposed Ordinary Resolution, if passed, will exclude your pre-emptive right to be offered new shares and/or convertible securities to be issued by the Company pursuant to the said Ordinary Resolution.

6. Ordinary Resolution 7 - Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

The Ordinary Resolution 7, if passed, will allow the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature which are necessary for the day-to-day operations of the Company and/or its subsidiaries, subject to the transactions being carried out in the ordinary course of business of the Company and/or its subsidiaries and on normal commercial terms which are generally available to the public and not detrimental to the minority shareholders of the Company.

This authority, unless revoked or varied by the Company at a general meeting, will expire at the next AGM of the Company.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

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

There is no person seeking election as Director of the Company at this Annual General Meeting.

Details of the general mandate to issue shares in the Company pursuant to Sections 75 and 76 of the Companies Act 2016 are set out in the Explanatory Note 5 of the Notice of Annual General Meeting.

SENI JAYA CORPORATION BERHAD
[Registration No. 199301025122 (279860-X)]
(Incorporated in Malaysia)

ADMINISTRATIVE GUIDE FOR SHAREHOLDERS ATTENDING THE THIRTIETH ANNUAL GENERAL MEETING (30TH AGM) OF SENI JAYA CORPORATION BERHAD (COMPANY)

Date	Time	Online Meeting Platform
26 June 2023 Monday	10.30 a.m.	Fully virtual basis through live streaming and online remote voting by using Remote Participation and Voting ("RPV") facilities via www.swsb.com.my hosted by ShareWorks Sdn Bhd in Malaysia (Domain registration number with MYNIC : D1A403841)

Virtual Meeting

The 30th AGM will be held via an a fully virtual basis through live streaming and online remote voting using the Remote Participation and Voting ("RPV") Facility.

Please note that it is your responsibility to ensure the stability of your internet connectivity throughout the Meeting as the quality of the live webcast and online remote voting are dependent on your internet bandwidth and stability of your internet connection.

All Shareholders of the Company, whether Individual Shareholders, Corporate Shareholders, Proxy Holders, Authorised Nominees or Exempt Authorised Nominees who wish to attend the AGM will have to register to attend remotely by using the RPV Facility, the details of which is set out below.

RPV Facility

1. The AGM will be conducted on a fully virtual basis through live streaming and online remote voting. Should you wish to attend the AGM, you are required to register yourself using the RPV Facility in accordance with the instructions as set out under paragraph 3 below.

   With the RPV Facility, you may exercise your rights as a Shareholder to participate including to pose questions (in the form of real-time submission of typed texts) to the Board of Directors the Company (Board) and vote remotely at the AGM.

2. **Individual Members** are strongly encouraged to take advantage of the RPV Facility to participate and vote remotely at the AGM. Please refer to the details as set out under RPV Facility for information. If an Individual Shareholder is unable to participate in the online AGM, he/she is encouraged to appoint the Chairperson of the meeting as his/her proxy and indicate the voting instructions in the Form of Proxy in accordance with the notes and instructions printed therein.

   Corporate Shareholders (through Corporate Representatives or appointed proxies) are also strongly advised to participate and vote remotely at the AGM using the RPV Platform. Corporate Members who wish to participate and vote remotely at the AGM must contact the poll administrator, ShareWorks Sdn. Bhd. (**ShareWorks**) with the details set out below for assistance and will be required to provide the following documents to the Company no later than **24 June 2023** at **10.30 a.m.**:

   a. Certificate of appointment of its Corporate Representative or Form of Proxy under the seal of the corporation;

   b. Copy of the Corporate Representative's or proxy's identity card (MyKad) (front and back) / Passport; and

   c. Corporate Representative's or proxy's email address and mobile phone number.

If a Corporate Member (through Corporate Representative(s) or appointed proxy(ies)) is unable to attend the AGM, the Corporate Member is encouraged to appoint the Chairperson of the meeting as its proxy and indicate the voting instructions in the Form of Proxy in accordance with the notes and instructions printed therein.

In respect of **Nominee Company Members**, the beneficiaries of the shares under a Nominee Company's CDS account are also strongly advised to participate and vote remotely at the AGM using RPV Facility. Nominee Company Members who wish to participate and vote remotely at the AGM can request its Nominee Company to appoint him/her as a proxy to participate and vote remotely at the AGM. Nominee Company must contact the poll administrator, ShareWorks with the details set out below for assistance and will be required to provide the following documents to the Company no later than **24 June 2023** at **10.30 a.m**.:

a. Form of Proxy under the seal of the Nominee Company;

b. Copy of the proxy's identity card (MyKad) (front and back) / Passport; and

c. Proxy's email address and mobile phone number.

If a Nominee Company Member is unable to attend the AGM, he/she is encouraged to request its Nominee Company to appoint the Chairperson of the meeting as its proxy and indicate the voting instructions in the Form of Proxy in accordance with the notes and instructions printed therein.

3. The procedures for the RPV in respect of the live streaming and remote voting at the AGM is as follows:

Procedures		Action
Before the AGM		
(i)	Register as a user	• If you have already registered an account at the website, you are not required to register again. • Access website www.swsb.com.my • Click "**Login**" and click "**Register**" to sign up as a user. The registration will be open from on **29 April 2023** and close at on **25 June 2023**. • Complete the registration process and upload softcopy of MyKAD (front and back) or Passport for foreign shareholders. • Read and agree to the terms & condition and thereafter submit your request. • Upon submission, kindly login to the valid email address and verify your user ID within one (1) hour. • Upon verification of the user ID, **ShareWorks** will send an email notification to approve you as a user. • After verification of your registration against the General Meeting Record of Depositors of the Company as at **19 June 2023**, the system will send you an email to notify you if your registration is approved or rejected after 20 June 2023. • If your registration is rejected, you can contact **ShareWorks** or the Company for clarifications or to appeal.

Procedures		Action
On the day of AGM		
(ii)	Login to www.swsb.com.my	• Login with your user ID and password for remote participation at the AGM at any time from **10.00 a.m.** i.e. **30 minutes** before the commencement of the AGM on **26 June 2023** at **10.30 a.m**.
(iii)	Participate through Live Streaming	• Select the "**Virtual Meeting**" from main menu. • Click the "**Join Meeting**" located next to the event. You are required to provide your full name as per CDS account and your user registered email address. • Kindly click the video link and insert the password given to you in your email notification in order to join the live video streaming. • If you have any question for the Chairperson/ Board, you may use the Q&A platform to transmit your question. The Chairperson/Board will try to respond to all questions submitted by remote participants during the AGM. If time is a constraint, the responses will be emailed to you at the earliest possible time after the meeting ended. • Take note that the quality of the live streaming is dependent on the bandwidth and stability of the internet connection at the location of the remote participants.
(iv)	Online remote voting	• Select "**Voting**" located next to the "**Join Meeting**" and indicate your votes for the resolutions that are tabled for voting. • Voting session will commence once the Chairperson of the Meeting declare that the voting platform is activated and will announce the completion of the voting session of the AGM. • Cast your vote on all resolutions as appeared on the screen and submit your votes. Once submitted, your votes will be final and cannot be changed.
(v)	End of RPV Facility	• The RPV Facility will end and the Messaging window will be disabled the moment the Chairperson of the Meeting announces the closure of the AGM.

Proxy

If a member is unable to attend the AGM, he/she may appoint a proxy or the Chairperson of the meeting as his/her proxy and indicate the voting instructions in the Form of Proxy in accordance with the notes and instructions printed therein.

Please note that if an individual member has submitted his/her Form of Proxy prior to the AGM and subsequently decides to personally participate in the AGM via RPV Facility, the individual member shall deposit the notice of termination of proxy authority at the ShareWorks office or email at ir@shareworks.com.my no later than **25 June 2023** at **10.30 a.m**.

Poll Voting

The voting at the AGM will be conducted by poll in accordance with Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The Company has appointed ShareWorks as Poll Administrator to conduct the poll by way of electronic means and SharePolls Sdn Bhd as Scrutineers to verify the poll results.

The Scrutineers will verify and announce the poll results followed by the Chairperson's declaration whether the resolution is duly passed.

No Recording or Photography

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

No Door Gifts or e-Vouchers

There will be **NO DISTRIBUTION** of door gifts or e-vouchers.

Digital Copies of AGM Documents

We further inform that the following items are now available at the company website at https://senijayacorp.com/investor-relations/ and Bursa Malaysia Berhad's website at www.bursamalaysia.com.

1. Annual Report 2022
2. Notice of the AGM
3. Proxy Form
4. Administrative Guide
5. Circular on Proposed Renewal of Shareholders' Mandate

Enquiry

If you have any enquiry prior to the virtual meeting, please contact Mr Chan Wai Kien and Mr. Kou Si Qiang during office hours from 9.00 a.m. to 5.00 p.m. on Mondays to Fridays:

ShareWorks Sdn Bhd
No. 2-1, Jalan Sri Hartamas 8
Sri Hartamas
50480 Kuala Lumpur
Wilayah Persekutuan (KL)

Telephone Number : 03-6201 1120
Email : ir@shareworks.com.my

PRE-MEETING SUBMISSION OF QUESTION TO THE BOARD

To administrate the proceedings of the AGM in orderly manner, shareholders may before the AGM, submit questions to the Board to kai@capitalfront.biz no later than **Monday**, **19 June 2023** at **10.30 a.m**. The Board will endeavour to address the questions received at the AGM.

SENI JAYA CORPORATION BERHAD
Registration No. 199301025122 (279860-X)
(Incorporated in Malaysia)

FORM OF PROXY

No. of shares held	CDS Account no.
Telephone no.	**Email address**

*I/We ____

____

NRIC/Passport no./Registration no. ______________________________

of ____

being a *member/members of SENI JAYA CORPORATION BERHAD ("**Company**"), hereby appoint:

(1) Name of proxy : ______________________ NRIC/ Passport no. : ______________

Address : ____

____

Email address : ______________________ Telephone no. : ______________

*and / or (*delete as appropriate)

(2) Name of proxy : ______________________ NRIC/ Passport no. : ______________

Address : ____

____

Email address : ______________________ Telephone no. : ______________

or failing *him/her, the CHAIRMAN OF THE MEETING as *my/our proxy to vote for *me/us on *my/our behalf at the 30th Annual General Meeting ("**AGM**") of the Company which will be conducted fully virtual through online meeting platform at www.swsb.com.my provided by ShareWorks Sdn. Bhd. on Monday, 26 June 2023 at 10.30 a.m. or at any adjournment thereof in respect of my/our shareholding in the manner indicated below:

Please indicate with a "x" in the spaces provided whether you wish your votes to be cast for or against the resolution. In the absence of specific instructions, your proxy will vote or abstain as he/she thinks fit.

No.	Ordinary Resolutions	For	Against
1.	To approve the payment of Directors' fees of not exceeding RM468,000.00 for the period from the conclusion of the 30th AGM until the conclusion of the 31st AGM to be held in year 2024.		
2.	To re-elect Datin Lee Nai Yee who retires pursuant to Clause 117 of the Constitution of the Company.		
3.	To re-elect Julian Koh Lu Ern who retires pursuant to Clause 117 of the Constitution of the Company.		
4.	To re-elect Ong Kah Hoe who retires pursuant to Clause 116 of the Constitution of the Company.		
5.	To re-appoint Messrs. CAS Malaysia PLT as Auditors of the Company and to hold office until the conclusion of the next AGM at such remuneration to be determined by the Directors of the Company.		
6.	Proposed authority to Directors to allot and issue new ordinary shares pursuant to Sections 75 and 76 of the Companies Act 2016		
7.	Proposed Renewal Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature.		

Dated this _____ day of _____________ 2023

For appointment of two proxies, percentage of shareholdings to be represented by the proxies:		
	No. of shares	**Percentage (%)**
Proxy 1		
Proxy 2		
Total		**100**

____
Signature/Common Seal of Shareholder

** Strike out whichever is not applicable*

Notes:

1. In respect of deposited securities, only members whose names appear in the Record of Depositors on 19 June 2023 ("**General Meeting Record of Depositors**") shall be eligible to attend, speak and vote at the Meeting.
2. A member entitled to participate, and vote at this meeting shall be entitled to appoint not more than two (2) proxies to attend, participate, speak and vote in his stead. Where a member appoints more than one (1) proxy to attend and vote at the meeting, the member shall specify the proportion of his shareholdings to be represented by each proxy, failing which the appointment shall be invalid.
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   As guided by the Securities Commission Malaysia's Guidance Note and Frequently Asked Questions on the Conduct of General Meetings for Listed Issuers, the right to speak is not limited to verbal communication only but includes other modes of expression. Therefore, all members, proxies and/or corporate representatives shall communicate via real time submission of typed texts through the RPV Q&A platform at www.swsb.com.my provided by ShareWorks Sdn. Bhd. during the live streaming of the AGM as the primary mode of communication. In the event of any technical glitch in this primary mode of communication, members, proxies and/or corporate representatives may email their questions to ir@shareworks.com.my or technical support at 03-62011120 during the AGM. The questions and/or remarks submitted by the members, proxies and/or corporate representatives will be responded via broadcast by the Chairman, Board of Directors and/or Management during the AGM.
4. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at the AGM of the Company shall have the same rights as the member to attend, participate, speak and vote at the AGM and upon appointment a proxy shall be deemed to confer authority to demand or join in demanding a poll.
5. The instrument appointing a proxy shall be in writing under the hand of the member or his attorney duly authorised in writing or, if the member is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised.
6. Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 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.
7. The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or a duly notarised certified copy of that power or authority, shall be deposited at the Share Registrar Office of the Company at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan or email at ir@shareworks.com.my not less than forty-eight (48) hours before the time set for holding the meeting or any adjournment thereof. The lodging of the Form of Proxy does not preclude a member from attending and voting remotely at the AGM should he subsequently decides to do so, provided a notice of termination of proxy authority in writing is given to the Company and deposited at the Share Registrar Office of the Company at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan or email at ir@shareworks.com.my not less than twenty-four (24) hours before the time stipulated for holding the AGM or any adjournment thereof. Please follow the pre-register procedures as set out in the Administrative Guide of AGM. Please contact the poll administrator, ShareWorks Sdn Bhd, at 03-62011120 for further assistance.

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Affix
Stamp

The Share Registrar of
SENI JAYA CORPORATION BERHAD
(Registration No. 199301025122 (279860-X))
(Incorporated in Malaysia)

c/o SHAREWORKS SDN. BHD.
No. 2-1, Jalan Sri Hartamas 8
Sri Hartamas
50480 Kuala Lumpur
Wilayah Persekutuan

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SENI JAYA CORPORATION BERHAD
Reg. No.:199301025122 (279860-X)

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47400 Petaling Jaya, Selangor

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E: info@senijayacorp.com

www.senijayacorp.com