

Company No: 1301843-D

**APPENDIX I – REPORT ON THE COMPILATION OF PRO FORMA STATEMENT OF
FINANCIAL POSITION AS AT 30 JUNE 2018**

15 MAY 2019

The Board of Directors
IDB Technologies Berhad
Unit C5-3, Radius Business Pak,
Jalan Teknokrat 2/1, Cyber 4,
63000 Cyberjaya,
Selangor Darul Ehsan.

Crowe Malaysia PLT
(LLP0018817-LCA & AF 1018)
Chartered Accountants
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Dear Sirs/Madam

**IDB TECHNOLOGIES BERHAD ("IDBT" OR "THE COMPANY")
REPORT ON THE COMPILATION OF PRO FORMA STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2018**

We have been engaged to report on the compilation of Pro Forma Statement of Financial Position of IDBT as at 30 June 2018, for which we have stamped for the purpose of identification. The Pro Forma Statement of Financial Position has been compiled by the Board of Directors for inclusion in the Information Memorandum, in connection with the proposed listing by way of introduction of the entire issued share capital of IDBT on the LEAP Market of Bursa Malaysia Securities Berhad ("the Proposals").

The applicable criteria on the basis of which the Board of Directors have compiled the Pro Forma Statement of Financial Position are described in Appendix A.

The Pro Forma Statement of Financial Position has been compiled by the Board of Directors to illustrate the effects of the events or transactions set out in Appendix B, had it been implemented and completed on 30 June 2018.

As part of this process, information about IDBT's financial position has been extracted by the Board of Directors from IDBT's unaudited results as at the date of incorporation and the audited financial statements of Integrated Design & Build Sdn. Bhd. ("IDB") for the financial year ended 30 June 2018.



THE BOARD OF DIRECTORS' RESPONSIBILITIES

The Board of Directors of the Company is responsible for compiling the Pro Forma Statement of Financial Position on the basis as described in Appendix A.

REPORTING ACCOUNTANTS' INDEPENDENCE AND QUALITY CONTROL

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standard Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The Firm applies International Standard on Quality Control 1 (ISQC 1), *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and other Assurance and Related Services Engagements* and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal regulatory requirements.

REPORTING ACCOUNTANTS' RESPONSIBILITIES

Our responsibility is to express an opinion about whether the Pro Forma Statement of Financial Position has been compiled, in all material respects, by the Board of Directors on the basis as described in Appendix A.

We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3420, *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*, issued by the Malaysian Institute of Accountants. This standard requires that we plan and perform procedures to obtain reasonable assurance about whether the Board of Directors has compiled, in all material respects, the Pro Forma Statement of Financial Position on the basis set out in Appendix A.

For the purpose of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Pro Forma Statement of Financial Position, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Pro Forma Statement of Financial Position.

The purpose of the Pro Forma Statement of Financial Position included in the Information Memorandum is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction would have been as presented.

REPORTING ACCOUNTANTS' RESPONSIBILITIES (CONTINUED)

A reasonable assurance engagement to report on whether the Pro Forma Statement of Financial Position has been compiled, in all material respects, on the basis as set out in Appendix A of the Pro Forma Statement of Financial Position involves performing procedures to assess whether the applicable criteria used by the Board of Directors in the compilation of the Pro Forma Statement of Financial Position provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related Pro Forma adjustments give appropriate effect to those criteria; and
- The Pro Forma Statement of Financial Position reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on our judgement, having regard to our understanding of the nature of the Company, the event or transaction in respect of which the Pro Forma Statement of Financial Position has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Pro Forma Statement of Financial Position.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

OPINION

In our opinion, the Pro Forma Statement of Financial Position has been compiled, in all material respects, on the basis as set out in Appendix A of the Pro Forma Statement of Financial Position.

OTHER MATTERS

We understand that this letter will be used solely for the purpose of inclusion in the Information Memorandum in connection with the Proposals. As such, this letter should not be used for any other purpose without our prior written consent. Neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any party in respect of this letter contrary to the aforesaid purpose.

Yours faithfully



Crowe Malaysia PLT
LLP0018817-LCA & AF 1018
Chartered Accountants

Kuala Lumpur



Elvina Tay Choon Choon
03329/10/2019 J
Chartered Accountant



IDB TECHNOLOGIES BERHAD

NOTES TO THE PRO FORMA STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2018

1. PRO FORMA AND BASIS OF PREPARATION

1.1 BASIS OF PREPARATION

IDB Technologies Berhad ("IDBT" or "the Company") was incorporated on 31 October 2018 as an investment holding company to facilitate the proposed listing by way of introduction of the entire issued share capital of IDBT on the LEAP Market of Bursa Malaysia Securities Berhad ("the Proposals"). Prior to the completion of the acquisition, IDBT was dormant. As such, the Pro Forma Statement of Financial Position of the Company has been prepared based on the unaudited results as at the date of IDBT's incorporation and the audited financial statements of Integrated Design & Build Sdn. Bhd. ("IDB") as at 30 June 2018. The Pro Forma Statement of Financial Position has been prepared solely for illustrative purpose, to show the effects of the following:-

1.1.1 Acquisition

IDBT acquired IDB for a total purchase consideration of RM674,999.85 via the issuance of 449,999,900 new ordinary shares at RM0.0015 each representing the Net Tangible Assets per share of IDB on 14 December 2018.

1.1.2 Proposed Bonus Issue and Shares Allotment by IDB

IDB increase the number of shares from 10,000 to 90,000 via a bonus issue of up to 80,000 new ordinary shares in IDB on the basis of eight (8) bonus shares for every one (1) existing ordinary share held. The Proposed Bonus Issue will be capitalised from the retained profits of IDB at RM0.01 for each Bonus Share.

IDB increase its issued share capital from RM900 to RM3,500,900 by the allotment of 10,000 new ordinary shares to pre-Initial Public Offering investors, representing 10% of equity interest in IDB. Following the allotment, IDB will become a 90% owned subsidiary of IDBT.

1.1.3 Proposed Share Swap

IDBT to acquire 10,000 ordinary shares in IDB, representing 10% of equity interest in IDB for a total consideration of RM3,500,000, to be satisfied via the issuance of 50,000,000 ordinary shares at an issue price of RM0.07 each ("Proposed Share Swap"). As a result of the Proposed Share Swap, IDB will become a 100% owned subsidiary of IDBT.

IDB TECHNOLOGIES BERHAD

NOTES TO THE PRO FORMA STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2018 (CONTINUED)

2. PRO FORMA STATEMENT OF FINANCIAL POSITION OF IDBT AS AT 30 JUNE 2018

	At date of incorporation RM	Proforma I RM	Proforma II RM	Proforma III RM	Proforma IV RM
ASSETS					
NON-CURRENT ASSETS					
Equipment	-	67,041	67,041	67,041	67,041
Deferred tax assets	-	16,000	16,000	16,000	16,000
	-	83,041	83,041	83,041	83,041
CURRENT ASSETS					
Trade receivables	-	1,394,204	1,394,204	1,394,204	1,394,204
Other receivables, deposits and prepayments	-	212,272	212,272	212,272	212,272
Bank balances	100	382,326	3,882,326	3,882,326	3,082,326
	100	1,988,802	5,488,802	5,488,802	4,688,802
	100	2,071,843	5,571,843	5,571,843	4,771,843
EQUITY AND LIABILITIES					
EQUITY					
Share capital	100	675,100	675,100	4,175,100	4,095,100
Merger deficit *	-	(674,900)	(674,900)	(674,900)	(674,900)
Retained profit	-	645,209	3,730,678	645,209	(74,791)
	100	645,409	3,730,878	4,145,409	3,345,409
Non-controlling interest	-	-	414,531	-	-
	100	645,409	4,145,409	4,145,409	3,345,409
NON-CURRENT LIABILITY					
Other payables and accruals	-	135,501	135,501	135,501	135,501
CURRENT LIABILITIES					
Trade payables	-	142,127	142,127	142,127	142,127
Other payables and accruals	-	850,418	850,418	850,418	850,418
Amount owing to directors	-	15,655	15,655	15,655	15,655
Current tax liabilities	-	282,733	282,733	282,733	282,733
	-	1,290,933	1,290,933	1,290,933	1,290,933
TOTAL LIABILITIES	-	1,426,434	1,426,434	1,426,434	1,426,434
TOTAL EQUITY AND LIABILITIES	100	2,071,843	5,571,843	5,571,843	4,771,843
No. of ordinary shares	100	450,000,000	450,000,000	500,000,000	500,000,000
Net assets per ordinary share (RM)	1	0.001	0.008	0.008	0.007

Note:

* Merger deficit arise when the purchase consideration for Integrated Design & Build Sdn. Bhd. ("IDB") exceeds the total value of the equity acquired in IDB.



IDB TECHNOLOGIES BERHAD

NOTES TO THE PRO FORMA STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2018 (CONTINUED)

2. PRO FORMA STATEMENT OF FINANCIAL POSITION OF IDBT AS AT 30 JUNE 2018 (CONTINUED)

2.1 PRO FORMA I

Pro Forma I incorporates the effects of the acquisition as set out in Section 1.1.1 above.

2.2 PRO FORMA II

Pro Forma II incorporates the cumulative effects of Pro Forma I and the Proposed Bonus Issue and Shares Allotment by Integrated Design & Build Sdn. Bhd. ("IDB") as set out in Section 1.1.2 above.

2.3 PRO FORMA III

Pro Forma III incorporates the cumulative effects of Pro Forma I, II and the Proposed Share Swap as set out in Section 1.1.3 above.

2.4 PRO FORMA IV

Pro Forma IV incorporates the cumulative effects of Pro Forma I, II, III and the utilisation of the proceeds arising from the allotment of IDB's ordinary shares to the pre-Initial Public Offering ("pre-IPO") investors.

IDB TECHNOLOGIES BERHAD

NOTES TO THE PRO FORMA STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2018 (CONTINUED)

2. PRO FORMA STATEMENT OF FINANCIAL POSITION OF IDBT AS AT 30 JUNE 2018 (CONTINUED)

2.4 PRO FORMA IV (CONTINUED)

The proceeds arising from the allotment of IDB's ordinary shares to the pre-IPO investors are to be utilised as follows:-

	RM'000	%	Estimated timeframe for utilisation
Technology research and development #	720	20.57	Within 36 months
Expansion/Marketing expenses #	1,000	28.57	Within 36 months
Working capital	980	28.00	Within 36 months
Estimated listing expenses *	800	22.86	Immediate
	<u>3,500</u>	<u>100.00</u>	

Note:

These were included in bank balances as they were not contracted as at the date of this Pro Forma.

* The estimated listing expenses of approximately RM80,000 is to be written off against the share capital under the Companies Act 2016 in Malaysia and the remaining estimated listing expenses of approximately RM720,000 will be expensed off to profit or loss and this represents a one-off expenditure, in conjunction with the proposed listing by way of introduction of the entire issued share capital of IDB Technologies Berhad.

IDB TECHNOLOGIES BERHAD

APPROVAL BY THE BOARD OF DIRECTORS

Approved and adopted by the Board of Directors in accordance with a resolution dated

15 MAY 2019

On behalf of the Board of Directors,



Cheah Kah Beng



Lim Kuei Boon

Company No: 1301843-D

APPENDIX II – AUDITED FINANCIAL STATEMENTS OF IDB FOR THE FYE 30 JUNE 2018

ATTESTED COPY

INTEGRATED DESIGN & BUILD SDN. BHD.

(Incorporated in Malaysia)
Company No: 769871 - A

FINANCIAL REPORT
for the financial year ended 30 June 2018

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INTEGRATED DESIGN & BUILD SDN. BHD.

(Incorporated in Malaysia)

Company No: 769871 - A

DIRECTORS' REPORT

The directors hereby submit their report and the audited financial statements of the Company for the financial year ended 30 June 2018.

PRINCIPAL ACTIVITIES

The Company is principally engaged in the businesses of providing software, hardware and other services and solutions relating to the software.

RESULTS

	RM
Profit after taxation for the financial year	959,338

DIVIDENDS

The Company paid an interim dividend of RM1,000 per ordinary share amounting to RM100,000 for the financial year ended 30 June 2018 on 8 June 2018.

The directors do not recommend the payment of any further dividends for the financial year.

RESERVES AND PROVISIONS

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

ISSUES OF SHARES AND DEBENTURES

During the financial year:-

- (a) there were no changes in the issued and paid-up share capital of the Company; and
- (b) there were no issues of debentures by the Company.

OPTIONS GRANTED OVER UNISSUED SHARES

During the financial year, no options were granted by the Company to any person to take up any unissued shares in the Company.

INTEGRATED DESIGN & BUILD SDN. BHD.

(Incorporated in Malaysia)

Company No: 769871 - A

DIRECTORS' REPORT

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables, and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for impairment losses on receivables.

At the date of this report, the directors are not aware of any circumstances that would require the further writing off of bad debts, or the additional allowance for impairment losses on receivables in the financial statements of the Company.

CURRENT ASSETS

Before the financial statements of the Company were made out, the directors took reasonable steps to ensure that any current assets, which were unlikely to be realised in the ordinary course of business, including their value as shown in the accounting records of the Company, have been written down to an amount which they might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances which would render the values attributed to the current assets in the financial statements misleading.

VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities of the Company misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

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

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

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

INTEGRATED DESIGN & BUILD SDN. BHD.

(Incorporated in Malaysia)

Company No: 769871 - A

DIRECTORS' REPORT

CHANGE OF CIRCUMSTANCES

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

ITEMS OF AN UNUSUAL NATURE

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

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

DIRECTORS

The names of directors of the Company who served during the financial year and up to the date of this report are as follows:-

Cheah Kah Beng
Lim Kuei Boon

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors holding office at the end of the financial year in shares of the Company during the financial year are as follows:-

	< ----- Number of Ordinary Shares ----- >			
	At			At
	1.7.2017	Bought	Sold	30.6.2018
<i>Direct interests</i>				
Cheah Kah Beng	50	-	-	50
Lim Kuei Boon	50	-	-	50

INTEGRATED DESIGN & BUILD SDN. BHD.

(Incorporated in Malaysia)

Company No: 769871 - A

DIRECTORS' REPORT

DIRECTORS' BENEFITS

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

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

DIRECTORS' REMUNERATION

The details of the directors' remuneration paid or payable to the directors of the Company during the financial year are disclosed in Note 15 to the financial statements.

INDEMNITY AND INSURANCE COST

During the financial year, there is no indemnity given to or professional indemnity insurance effected for directors, officers or auditors of the Company.

SIGNIFICANT EVENT OCCURRING AFTER THE REPORTING PERIOD

The significant event occurring after the reporting period is disclosed in Note 24 to the financial statements.

INTEGRATED DESIGN & BUILD SDN. BHD.

(Incorporated in Malaysia)

Company No: 769871 - A

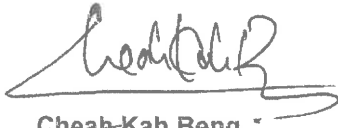
DIRECTORS' REPORT

AUDITORS

The auditors, Messrs. Crowe Malaysia, have expressed their willingness to continue in office.

The auditors' remuneration are disclosed in Note 15 to the financial statements.

Signed in accordance with a resolution of the directors dated **07 DEC 2018**



Cheah-Kah Beng




Lim Kuei Boon

INTEGRATED DESIGN & BUILD SDN. BHD.
(Incorporated in Malaysia)
Company No: 769871 - A

**STATEMENT BY DIRECTORS
PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016**

We, Cheah Kah Beng and Lim Kuei Boon, being the two directors of Integrated Design & Build Sdn. Bhd., state that, in our opinion, the financial statements set out on pages 11 to 48 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 Company as of 30 June 2018 and of its financial performance and cash flows for the financial year ended on that date.

Signed in accordance with a resolution of the directors dated **07 DEC 2018**



Cheah Kah Beng




Lim Kuei Boon

**STATUTORY DECLARATION
PURSUANT TO SECTION 251(1)(b) OF THE COMPANIES ACT 2016**

I, Cheah Kah Beng, being the director primarily responsible for the financial management of Integrated Design & Build Sdn. Bhd., do solemnly and sincerely declare that the financial statements set out on pages 11 to 48 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovementioned
Cheah Kah Beng, NRIC Number 740921-10-5071,
at PETALING JAYA
SELANGOR
on this

07 DEC 2018



Cheah Kah Beng

Before me



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
INTEGRATED DESIGN & BUILD SDN. BHD.**

(Incorporated in Malaysia)

Company No: 769871 - A

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**Opinion**

We have audited the financial statements of Integrated Design & Build Sdn. Bhd., which comprise the statement of financial position as at 30 June 2018, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 11 to 48.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 30 June 2018, and of its financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Other Matters

The financial statements of the Company for the preceding financial year were audited by another firm of auditors whose report dated 8 December 2017, expressed an unmodified opinion on those statements.

Independence and Other Ethical Responsibilities

We are independent 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' *Code of Ethics for Professional Accountants* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INTEGRATED DESIGN & BUILD SDN. BHD. (CONT'D)

(Incorporated in Malaysia)
Company No: 769871 - A

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

Our opinion on the financial statements of the Company does not cover the Directors' Report and we do not express any form of assurance conclusion thereon.

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

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

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements 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 Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Company, the directors are responsible for assessing 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 Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INTEGRATED DESIGN & BUILD SDN. BHD. (CONT'D)

(Incorporated in Malaysia)

Company No: 769871 - A

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Company, including the disclosures, and whether the financial statements of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
INTEGRATED DESIGN & BUILD SDN. BHD. (CONT'D)**

(Incorporated in Malaysia)
Company No: 769871 - A

OTHER MATTERS

1. As stated in Note 3 to the financial statements, Integrated Design & Build Sdn. Bhd. adopted Malaysian Financial Reporting Standards on 1 July 2017 with a transition date of 1 July 2016. These standards were applied retrospectively by directors to the comparative information in these financial statements, including the statement of financial position as at 30 June 2017 and 1 July 2016, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the financial year ended 30 June 2017 and related disclosures. We were not engaged to report on the comparative information and it is unaudited. Our responsibilities as part of our audit of the financial statements for the financial year ended 30 June 2018, in these circumstances, included obtaining sufficient appropriate audit evidence that the opening balances as at 1 July 2017 do not contain misstatements that materially affect the financial position as at 30 June 2018 and the financial performance and cash flows for the financial year then ended.
2. 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.



Crowe Malaysia
Firm No: AF 1018
Chartered Accountants

07 DEC 2018

Kuala Lumpur



Elvina Tay Choon Choon
Approval No: 03329/10/2019 J
Chartered Accountant

INTEGRATED DESIGN & BUILD SDN. BHD.

(Incorporated in Malaysia)

Company No: 769871 - A

STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2018

	Note	30.6.2018 RM	30.6.2017 RM (Restated)	1.7.2016 RM (Restated)
ASSETS				
NON-CURRENT ASSETS				
Equipment	5	67,041	100,929	138,180
Deferred tax assets	6	16,000	99,000	1,258
		<u>83,041</u>	<u>199,929</u>	<u>139,438</u>
CURRENT ASSETS				
Inventories	7	-	260,282	-
Trade receivables	8	1,394,204	425,914	208,866
Other receivables, deposits and prepayments	9	212,272	16,099	21,300
Amount owing by directors	10	-	57,823	-
Current tax assets		-	-	498
Bank balances		382,226	8,174	46,712
		<u>1,988,702</u>	<u>768,292</u>	<u>277,376</u>
TOTAL ASSETS		<u>2,071,743</u>	<u>968,221</u>	<u>416,814</u>
EQUITY AND LIABILITIES				
EQUITY				
Share capital	11	100	100	100
Retained profit/(Accumulated losses)		645,209	(214,129)	(171,904)
TOTAL EQUITY		<u>645,309</u>	<u>(214,029)</u>	<u>(171,804)</u>
NON-CURRENT LIABILITY				
Other payables and accruals	12	135,501	154,001	154,001
CURRENT LIABILITIES				
Trade payables	13	142,127	118,612	825
Other payables and accruals	12	850,418	830,408	371,395
Amount owing to directors	10	15,655	-	62,397
Current tax liabilities		282,733	79,229	-
		<u>1,290,933</u>	<u>1,028,249</u>	<u>434,617</u>
TOTAL LIABILITIES		<u>1,426,434</u>	<u>1,182,250</u>	<u>588,618</u>
TOTAL EQUITY AND LIABILITIES		<u>2,071,743</u>	<u>968,221</u>	<u>416,814</u>

INTEGRATED DESIGN & BUILD SDN. BHD.

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**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018**

	Note	2018 RM	2017 RM (Restated)
REVENUE	14	3,905,557	1,274,266
COST OF SALES		(1,601,009)	(762,834)
GROSS PROFIT		2,304,548	511,432
OTHER INCOME		191	-
SELLING AND MARKETING EXPENSES		(377,615)	(273,652)
ADMINISTRATIVE EXPENSES		(377,090)	(212,587)
OTHER EXPENSES		(237,696)	(82,251)
PROFIT/(LOSS) BEFORE TAXATION	15	1,312,338	(57,058)
INCOME TAX EXPENSE	16	(353,000)	14,833
PROFIT/(LOSS) AFTER TAXATION/TOTAL COMPREHENSIVE INCOME/(EXPENSES) FOR THE FINANCIAL YEAR		959,338	(42,225)
PROFIT/(LOSS) AFTER TAXATION/TOTAL COMPREHENSIVE INCOME/(EXPENSES) FOR THE FINANCIAL YEAR ATTRIBUTABLE TO:- Owners of the Company		959,338	(42,225)
EARNINGS/(LOSS) PER SHARE:			
<i>Before effect of share split</i>			
- Basic	17	9,593.38	(422.25)
- Diluted	17	9,593.38	(422.25)
<i>After effect of share split</i>			
- Basic	17	95.93	(4.22)
- Diluted	17	95.93	(4.22)

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**STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018**

	Note	Share Capital RM	Retained Profit/ (Accumulated Losses) RM	Total Equity RM
Balance at 1.7.2016				
- As previously reported		100	68,467	68,567
- Prior year adjustments	23	-	(240,371)	(240,371)
- As restated		100	(171,904)	(171,804)
Loss after taxation/Total comprehensive expenses for the financial year		-	(42,225)	(42,225)
At 30.6.2017/1.7.2017		100	(214,129)	(214,029)
Distribution to owners of the Company: - Dividend	18	-	(100,000)	(100,000)
Profit after taxation/Total comprehensive income for the financial year		-	959,338	959,338
At 30.6.2018		100	645,209	645,309

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STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

	Note	2018 RM	2017 RM (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(Loss) before taxation		1,312,338	(57,058)
Adjustments for:-			
Bad debts written off		54,136	45,000
Depreciation of equipment		37,361	37,251
Equipment written off		150	-
Impairment loss on trade receivables		146,049	-
Operating profit before working capital changes		1,550,034	25,193
Decrease/(Increase) in inventories		260,282	(260,282)
Increase in trade and other receivables		(1,364,648)	(256,865)
Increase in trade and other payables		25,025	576,818
Increase/(Decrease) in amount owing to directors		73,478	(120,220)
CASH FROM/(FOR) OPERATIONS		544,171	(35,356)
Income tax paid		(66,496)	(3,182)
NET CASH FROM/(FOR) OPERATING ACTIVITIES		477,675	(38,538)
NET CASH FOR INVESTING ACTIVITY			
Purchase of equipment		(3,623)	-
NET CASH FOR FINANCING ACTIVITY			
Dividend paid	18	(100,000)	-
NET INCREASE/(DECREASE) IN BANK BALANCES		374,052	(38,538)
BANK BALANCES AT BEGINNING OF THE FINANCIAL YEAR		8,174	46,712
BANK BALANCES AT END OF THE FINANCIAL YEAR		382,226	8,174

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

1. GENERAL INFORMATION

The Company is a private limited liability company, incorporated and domiciled in Malaysia. The registered office and principal place of business are as follows:-

Registered office : Third floor,
No. 77, 79 & 81,
Jalan SS 21/60, Damansara Utama,
47400 Petaling Jaya,
Selangor.

Principal place of business : Unit C5-3, Radius Business Pak,
Jalan Teknokrat 2/1, Cyber 4,
63000 Cyberjaya,
Selangor Darul Ehsan.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 7 December 2018.

2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the businesses of providing software, hardware and other services and solutions relating to the software.

3. BASIS OF PREPARATION

The financial statements of the Company are prepared under the historical cost convention, and modified to include other bases of valuation as disclosed in other sections under significant accounting policies, and in compliance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

This is the Company's first set of financial statements prepared in accordance with MFRSs, which are also in line with International Financial Reporting Standards as issued by the International Accounting Standards Board.

In the previous financial year, the financial statements of the Company were prepared in accordance with Malaysian Private Entities Reporting Standard ("MPERS").

The transition to MFRSs is accounted for in accordance with MFRS 1 'First-time Adoption of Malaysian Financial Reporting Standards', with 1 July 2016 as the date of transition. An opening statement of financial position as at the date of transition has been prepared based on the accounting policies as described in Note 4 to the financial statements. Such accounting policies have also been applied to other financial information covered under this set of financial statements, including the comparative information presented. There were no material financial impacts on the transition from MPERS to MFRSs.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

3. BASIS OF PREPARATION (CONT'D)

- 3.1 During the current financial year, the Company has adopted the following new accounting standards and/or interpretations (including the consequential amendments, if any):-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)

Amendments to MFRS 107: Disclosure Initiative

Amendments to MFRS 112: Recognition of Deferred Tax Assets for Unrealised Losses

Annual Improvements to MFRS Standards 2014 – 2016 Cycles: Amendments to MFRS 12: Clarification of the Scope of the Standard

- 3.2 The Company has not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective for the current financial year:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)

	Effective Date
MFRS 9 Financial Instruments (IFRS 9 as issued by IASB in July 2014)	1 January 2018
MFRS 15 Revenue from Contracts with Customers	1 January 2018
MFRS 16 Leases	1 January 2019
MFRS 17 Insurance Contracts	1 January 2021
IC Interpretation 22 Foreign Currency Transactions and Advance Consideration	1 January 2018
IC Interpretation 23 Uncertainty Over Income Tax Treatments	1 January 2019
Amendments to MFRS 2: Classification and Measurement of Share-based Payment Transactions	1 January 2018
Amendments to MFRS 4: Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts	1 January 2018
Amendments to MFRS 9: Prepayment Features with Negative Compensation	1 January 2019
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 15: Effective Date of MFRS 15	1 January 2018
Amendments to MFRS 15: Clarifications to MFRS 15 'Revenue from Contracts with Customers'	1 January 2018

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

3. BASIS OF PREPARATION (CONT'D)

- 3.2 The Company has not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the MASB but are not yet effective for the current financial year (Cont'd):-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
Amendments to MFRS 119: Plan Amendment, Curtailment or Settlement	1 January 2019
Amendments to MFRS 128: Long-term Interests in Associates and Joint Ventures	1 January 2019
Amendments to MFRS 140 – Transfers of Investment Property	1 January 2018
Amendments to References to the Conceptual Framework in MFRS Standards	1 January 2020
Annual Improvements to MFRS Standards 2014 – 2016 Cycles:	
• Amendments to MFRS 1: Deletion of Short-term Exemptions for First-time Adopters	
• Amendments to MFRS 128: Measuring an Associate or Joint Venture at Fair Value	1 January 2018
Annual Improvements to MFRS Standards 2015 – 2017 Cycles	1 January 2019

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Company upon their initial application except as follows:-

MFRS 9 Financial Instruments

MFRS 9 (IFRS 9 issued by IASB in July 2014) replaces the guidance in MFRS 139 on the classification and measurement of financial assets and financial liabilities, impairment of financial assets and on hedge accounting.

MFRS 9 contains a new classification and measurement approach for financial assets that reflects the business model in which the financial assets are managed and their cash flow characteristics. The new standard contains 3 principal classification categories for financial assets (measured at amortised cost, fair value through profit or loss, fair value through other comprehensive income) and eliminates the existing MFRS 139 categories of held to maturity, loans and receivables and available-for-sale financial assets.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

3. BASIS OF PREPARATION (CONT'D)

- 3.2 The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Company upon their initial application except as follows (Cont'd):-

MFRS 9 Financial Instruments (Cont'd)

MFRS 9 replaces the 'incurred loss' model in MFRS 139 with an 'expected credit loss' ("ECL") model. The new impairment model is forward-looking and eliminates the need for a trigger event to have occurred before credit losses are recognised. It involves a 3-stage approach under which financial assets move through the stages as their credit quality changes. This new impairment model applies to financial assets measured at amortised cost, debt instruments measured at fair value through other comprehensive income, contract assets, lease receivables, loan commitments and certain financial guarantee contracts.

The Company is currently assessing the impact of implementing MFRS 9. As a result, the potential impact on the adoption of this standard would only be observable when the assessment is completed later.

MFRS 15 Revenue from Contracts with Customers

MFRS 15 establishes a single comprehensive model for revenue recognition and will supersede the current revenue recognition guidance and other related interpretations when it becomes effective. Under MFRS 15, an entity shall recognise revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the distinct promised goods or services underlying the particular performance obligation is transferred to the customers. The amendments to MFRS 15 further clarify the concept of 'distinct' for the purposes of this accounting standard. In addition, extensive disclosures are also required by MFRS 15 about the nature, amount, timing and uncertainty of revenue and cash flows from contracts with customers.

As at the date of authorisation of issue of the financial statements, the assessment of implementing MFRS 15 has not been finalised. Thus, the potential impact of the adoption of this standard cannot be determined and estimated reliably until the assessment is completed later.

MFRS 16 Leases

MFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and will replace the current guidance on lease accounting when it becomes effective. Under MFRS 16, the classification of leases as either finance leases or operating leases is eliminated for lessees. All lessees are required to recognise their leased assets and the related lease obligations in the statement of financial position (with limited exceptions). The leased assets are subject to depreciation and the interest on lease liabilities are calculated using the effective interest method. The Company is currently assessing the financial impact that may arise from the adoption of this standard.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Key Sources of Estimation Uncertainty

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as disclosed below:-

(a) Impairment of Trade and Other Receivables

An impairment loss is recognised when there is objective evidence that a financial asset is impaired. Management specifically reviews its loan and receivables financial assets and analyses their ageing profiles, historical bad debts, customer concentrations, customer creditworthiness, current economic trends and changes in the customer payment terms when making a judgement to evaluate the adequacy of the allowance for impairment loss. Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. If the expectation is different from the estimation, such difference will impact the carrying value of receivables. The carrying amounts of trade and other receivables as at the reporting date are disclosed in Notes 8 and 9 to the financial statements.

(b) Income Taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Company recognises 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 expense and deferred tax balances in the year in which such determination is made. The carrying amount of current tax liabilities/assets as at the reporting date is as follows:-

	30.6.2018	30.6.2017	1.7.2017
	RM	RM	RM
Current tax assets	-	-	498
Current tax liabilities	282,733	79,229	-

(c) Deferred Tax Assets

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that future taxable profits would be available against which the deductible temporary differences could be utilised. Management judgement is required to determine the amount of deferred tax assets that can be recognised, based on the assessment of the probability of the future taxable profits. The carrying amount of deferred tax assets as at the reporting date is disclosed in Note 6 to the financial statements.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

Key Sources of Estimation Uncertainty (Cont'd)

(d) Depreciation of Equipment

The estimates for the residual values, useful lives and related depreciation charges for the equipment is based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions. The Company anticipates that the residual values of its equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. The carrying amount of equipment as at the reporting date is disclosed in Note 5 to the financial statements.

Critical Judgements Made in Applying Accounting Policies

Management believes that there are no instances of application of critical judgement in applying the Company's accounting policies which will have a significant effect on the amounts recognised in the financial statements other than as disclosed below:-

Fair Value Estimates for Certain Financial Assets and Financial Liabilities

The Company carries certain financial assets and financial liabilities at fair value, which requires extensive use of accounting estimates and judgement. While significant components of fair value measurement were determined using verifiable objective evidence, the amount of changes in fair value would differ if the Company uses different valuation methodologies. Any changes in fair value of these assets and liabilities would affect profit and/or equity.

4.2 FUNCTIONAL AND PRESENTATION CURRENCY

The financial statements of the Company are presented in the currency of the primary economic environment in which the Company operates, which is the functional currency.

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

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.3 FINANCIAL INSTRUMENTS

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

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

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

A financial instrument is recognised initially at its fair value. Transaction costs that are directly attributable to the acquisition or issue of the financial instrument (other than a financial instrument at fair value through profit or loss) are added to/deducted from the fair value on initial recognition, as appropriate. Transaction costs on the financial instrument at fair value through profit or loss are recognised immediately in profit or loss.

Financial instruments recognised in the statement of financial position are disclosed in the individual policy statement associated with each item.

(a) Financial Assets

On initial recognition, financial assets are classified as either financial assets at fair value through profit or loss, held-to-maturity investments, loans and receivables financial assets, or available-for-sale financial assets, as appropriate.

(i) Financial Assets at Fair Value through Profit or Loss

As at the end of the reporting period, there were no financial assets classified under this category.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.3 FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial Assets (Cont'd)

(ii) Held-to-maturity Investments

As at the end of the reporting period, there were no financial assets classified under this category.

(iii) Loans and Receivables Financial Assets

Trade receivables and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables financial assets. Loans and receivables financial assets are measured at amortised cost using the effective interest method, less any impairment loss. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

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

Loans and receivables financial assets are classified as current assets, except for those having settlement dates later than 12 months after the reporting date which are classified as non-current assets.

(iv) Available-for-sale Financial Assets

As at the end of the reporting period, there were no financial assets classified under this category.

(b) Financial Liabilities

(i) Financial Liabilities at Fair Value through Profit or Loss

As at the end of the reporting period, there were no financial liabilities classified under this category.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.3 FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial Liabilities (Cont'd)

(ii) Other Financial Liabilities

Other financial liabilities are initially measured at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Financial liabilities are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

(c) Equity Instruments

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

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

Dividends on ordinary shares are recognised as liabilities when approved for appropriation.

(d) Derecognition

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

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

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.4 EQUIPMENT

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

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

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when the cost is incurred and it is probable that the future economic benefits associated with the asset will flow to the company and the cost of the asset can be measured reliably. The carrying amount of parts that are replaced is derecognised. The costs of the day-to-day servicing of equipment are recognised in profit or loss as incurred.

Depreciation on equipment is charged to profit or loss (unless it is included in the carrying amount of another asset) on the straight-line method to write off the depreciable amount of the assets over their estimated useful lives. Depreciation of an asset does not cease when the asset becomes idle or is retired from active use unless the asset is fully depreciated. The principal annual rates used for this purpose are:-

Motor vehicle	20%
Furniture and fittings	15%
Office equipment	20%
Renovation	20%

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

When significant parts of an item of equipment have different useful lives, they are accounted for as separate items (major components) of equipment.

An item of equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising from derecognition of the asset, being the difference between the net disposal proceeds and the carrying amount, is recognised in profit or loss.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.5 RESEARCH AND DEVELOPMENT EXPENDITURE

Research expenditure is recognised as an expense when it is incurred.

Development expenditure is recognised as an expense except that costs incurred on development projects are capitalised as non-current assets to the extent that such expenditure is expected to generate future economic benefits. Development expenditure is capitalised if, and only if, an entity can demonstrate all of the following:-

- (a) its ability to measure reliably the expenditure attributable to the asset under development;
- (b) the product or process is technically and commercially feasible;
- (c) its future economic benefits are probable;
- (d) its intention to complete and the ability to use or sell the developed asset; and
- (e) the availability of adequate technical, financial and other resources to complete the asset under development

Capitalised development expenditure is measured at cost less accumulated amortisation and impairment losses, if any. Development expenditure initially recognised as an expense is not recognised as assets in the subsequent period.

The development expenditure is amortised on a straight-line method over a period of 3 years when the products are ready for sale or use. In the event that the expected future economic benefits are no longer probable of being recovered, the development expenditure is written down to its recoverable amount.

The amortisation method, useful life and residual value are reviewed, and adjusted if appropriate, at the end of each reporting period.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.6 IMPAIRMENT

(a) Impairment of Financial Assets

All financial assets (other than those categorised at fair value through profit or loss), are assessed at the end of each reporting period whether there is any objective evidence of impairment as a result of one or more events having an impact on the estimated future cash flows of the asset.

An impairment loss in respect of loans and receivables financial assets is recognised in profit or loss and is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the financial asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

(b) Impairment of Non-financial Assets

The carrying values of assets, other than those to which MFRS 136 - Impairment of Assets does not apply, are reviewed at the end of each reporting period for impairment when there is an indication that the assets might be impaired. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts. When the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount and an impairment loss shall be recognised. The recoverable amount of an asset is the higher of the asset's fair value less costs to sell and its value-in-use, which is measured by reference to discounted future cash flows using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

An impairment loss is recognised in profit or loss.

When there is a change in the estimates used to determine the recoverable amount, a subsequent increase in the recoverable amount of an asset is treated as a reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in profit or loss immediately.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.7 OPERATING LEASED ASSETS

All leases that do not transfer substantially to the Company all the risks and rewards incidental to ownership are classified as operating leases and, the leased assets are not recognised on the statement of financial position of the Company.

Payments made under operating leases are recognised as an expense in the profit or loss on a straight-line method over the term of the lease. Lease incentives received are recognised as a reduction of rental expense over the lease term on a straight-line method. Contingent rentals are charged to profit or loss in the reporting period in which they are incurred.

4.8 INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the specific identification method and comprises the purchase price and incidentals incurred in bringing the inventories to their present location and condition.

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

4.9 CASH AND CASH EQUIVALENTS

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

4.10 EMPLOYEE BENEFITS

(a) Short-term Benefits

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

(b) Defined Contribution Plans

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

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.11 INCOME TAXES

(a) Current Tax

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

Current taxes are measured using tax rates and tax laws that have been enacted or substantively enacted at the end of the reporting period and are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss (either in other comprehensive income or directly in equity).

(b) Deferred Tax

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

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

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

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

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

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4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.11 INCOME TAXES (CONT'D)

(c) Goods and Services Tax ("GST")

Revenues, expenses and assets are recognised net of GST except for the GST in a purchase of assets or services which are not recoverable from the taxation authorities, the GST are included as part of the costs of the assets acquired or as part of the expense item whichever is applicable.

In addition, receivables and payables are also stated with the amount of GST included (where applicable).

The net amount of the GST recoverable from or payable to the taxation authorities at the end of the reporting period is included in other receivables or other payables.

4.12 OPERATING SEGMENTS

An operating segment is a component of the Company 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 Company'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.

4.13 FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using a valuation technique. The measurement assumes that the transaction takes place either in the principal market or in the absence of a principal market, in the most advantageous market. For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

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

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

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

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4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.14 EARNINGS PER ORDINARY SHARE

Basic earnings per ordinary share 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 reporting period, adjusted for own shares held.

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

4.15 REVENUE

Revenue is measured at the fair value of the consideration received or receivable, net of returns, goods and services tax, cash and trade discounts.

(a) Sale of Goods

Revenue from sale of goods is recognised when significant risks and rewards of ownership of the goods have been transferred to the buyer and where the Company does not have continuing managerial involvement and effective control over the goods sold.

(b) Services

Revenue is recognised upon the rendering of services and when the outcome of the transaction can be estimated reliably by reference to the stage of completion at the end of the reporting period. The stage of completion is determined by reference to the surveys of work performed. In the event the outcome of the transaction could not be estimated reliably, revenue is recognised to the extent of the expenses incurred that are recoverable.

5. EQUIPMENT

	At 1.7.2017 RM (Restated)	Addition RM	Writte off RM	Depreciation charges RM	At 30.6.2018 RM
<i>Carrying Amount</i>					
Motor vehicle	92,401	-	-	(30,800)	61,601
Furniture and fittings	4,385	-	(150)	(1,693)	2,542
Office equipment	1,719	3,623	-	(2,444)	2,898
Renovation	2,424	-	-	(2,424)	-
	100,929	3,623	(150)	(37,361)	67,041

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**NOTES TO THE FINANCIAL STATEMENTS
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	At 1.7.2016 RM (Restated)	Depreciation charges RM	At 30.6.2017 RM (Restated)
2017			
<i>Carrying Amount</i>			
Motor vehicle	123,201	(30,800)	92,401
Furniture and fittings	6,167	(1,782)	4,385
Office equipment	3,966	(2,247)	1,719
Renovation	4,846	(2,422)	2,424
	138,180	(37,251)	100,929
<hr/>			
	At Cost RM	Accumulated Depreciation RM	Carrying Amount RM
30.6.2018			
Motor vehicle	154,001	(92,400)	61,601
Furniture and fittings	10,168	(7,626)	2,542
Office equipment	21,322	(18,424)	2,898
	185,491	(118,450)	67,041
<hr/>			
	At Cost RM	Accumulated Depreciation RM	Carrying Amount RM (Restated)
30.6.2017			
Motor vehicle	154,001	(61,600)	92,401
Furniture and fittings	12,048	(7,663)	4,385
Office equipment	36,359	(34,640)	1,719
Renovation	12,112	(9,688)	2,424
	214,520	(113,591)	100,929
<hr/>			

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018****5. EQUIPMENT (CONT'D)**

	At Cost RM	Accumulated Depreciation RM	Carrying Amount RM (Restated)
1.7.2016			
Motor vehicle	154,001	(30,800)	123,201
Furniture and fittings	12,048	(5,881)	6,167
Office equipment	36,359	(32,393)	3,966
Renovation	12,112	(7,266)	4,846
	214,520	(76,340)	138,180

6. DEFERRED TAX ASSETS

	At 1.7.2017 RM (Restated)	Recognised in Profit or loss (Note 16) RM	At 30.6.2018 RM
2018			
Deferred tax asset:			
Deferred revenue	99,000	(83,000)	16,000

	At 1.7.2016 RM	Recognised in Profit or loss (Note 16) RM	At 30.6.2017 RM (Restated)
2017			
Deferred tax asset:			
Deferred revenue	1,258	97,742	99,000

7. INVENTORIES

	30.6.2018 RM	30.6.2017 RM (Restated)	1.7.2016 RM
Hardware	-	260,282	-

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018****7. INVENTORIES (CONT'D)**

The amount of inventories recognised as expense in cost of sales was RM886,522 (30.6.2017 - RM331,658).

8. TRADE RECEIVABLES

	30.6.2018 RM	30.6.2017 RM (Restated)	1.7.2016 RM (Restated)
Trade receivables	932,287	367,504	190,524
Unbilled revenue	607,966	58,410	18,342
Allowance for impairment losses	(146,049)	-	-
	1,394,204	425,914	208,866
Allowance for impairment losses:-			
At 1 July	-	-	-
Addition during the financial year	(146,049)	-	-
At 30 June	(146,049)	-	-

(a) The Company's normal credit term is 15 (30.6.2017 - 15, 1.7.2016 - 15) days. Other credit terms are assessed and approved on a case-by-case basis.

(b) Unbilled revenue represents services rendered but not yet billed.

9. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	30.6.2018 RM	30.6.2017 RM	1.7.2016 RM (Restated)
Other receivables:-			
Third parties	-	4,999	4,999
Advances to suppliers	110,516	-	5,141
	110,516	4,999	10,140
Deposits	24,435	11,100	11,160
Prepayments	77,321	-	-
	212,272	16,099	21,300

The advances to suppliers are unsecured and interest-free. The advances will be netted-off against future purchases from the suppliers.

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**NOTES TO THE FINANCIAL STATEMENTS
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The amounts owing are non-trade in nature, unsecured, interest-free and repayable on demand. The amounts owing are to be settled in cash.

11. SHARE CAPITAL

	30.6.2018	30.6.2017	1.7.2016
Authorised			
Ordinary shares of RM1 each - Number of shares	N/A	N/A	25,000,000
Ordinary shares of RM1 each - RM	N/A	N/A	25,000,000

N/A Not applicable pursuant to Companies Act 2016 which came into operation on 31 January 2017 as disclosed in item (b) below.

	30.6.2018	30.6.2017	1.7.2016
Issued and Fully Paid-Up			
Ordinary shares with no par value (1.7.2016 - Par Value of RM1 each) - Number of shares	100	100	100
Ordinary shares with no par value (1.7.2016 - Par Value of RM1 each) - RM	100	100	100

- (a) The holders of ordinary shares are entitled to receive dividends as and when declared by the Company, and are entitled to one vote per ordinary share at meetings of the Company.
- (b) On 31 January 2017, the concepts of authorised share capital and par value of share capital were abolished in accordance with the Companies Act 2016. There is no impact on the numbers of ordinary shares in issue or the relative entitlement of any of the members as a result of this transition.

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**NOTES TO THE FINANCIAL STATEMENTS
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	30.6.2018	30.6.2017	1.7.2016
	RM	RM	RM
		(Restated)	(Restated)
<u>Non-current</u>			
Other payables	135,501	154,001	154,001
<u>Current</u>			
Other payables:			
- Third parties	167,714	23,167	37,274
- Advances from customers	20,020	20,020	80,051
- GST payable	15,005	6,940	19,870
	202,739	50,127	137,195
Accruals	529,188	327,357	198,533
Deferred income	118,491	452,924	35,667
	850,418	830,408	371,395
	985,919	984,409	525,396

- (a) The other payables (non-current) represent unsecured, interest-free advances which are repayable within 5 years. The amount owing is to be settled in cash.
- (b) The advances from customers are unsecured and interest-free. The amount owing will be netted-off against future sales to the customers.
- (c) Deferred income represents an appropriate portion of the consideration received for which the services are expected to be performed within the next twelve months from the end of the reporting period.

13. TRADE PAYABLES

The normal credit terms granted to the Company ranges from 30 to 60 (30.6.2017 - 30 to 60, 1.7.2016 - 30 to 60) days.

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**NOTES TO THE FINANCIAL STATEMENTS
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	2018 RM	2017 RM (Restated)
Sale of hardware	873,428	340,375
Sale of software	2,639,917	728,565
Training services	130,510	148,673
Other services	261,702	56,653
	3,905,557	1,274,266

15. PROFIT/(LOSS) BEFORE TAXATION

	2018 RM	2017 RM (Restated)
Profit/(Loss) for the financial year is arrived at after charging:-		
Auditors' remuneration	18,000	4,500
Bad debts written off	54,136	45,000
Commission	92,149	40,415
Depreciation on equipment	37,361	37,251
Directors' remuneration (Note 19)	305,892	269,044
Equipment written off	150	-
Impairment loss on trade receivables	146,049	-
Rental of premises	24,000	24,000
Penalty	82,581	-
Staff costs:		
- salaries and other benefits	600,328	416,456
- defined contribution plan	73,332	59,378
	3,905,557	1,274,266

16. INCOME TAX EXPENSE

	2018 RM	2017 RM (Restated)
Current tax:		
- current financial year	270,000	80,895
- underprovision in the previous financial year	-	2,014
	270,000	82,909
Deferred tax (Note 6):		
- origination and reversal of temporary differences	83,000	(97,742)
	353,000	(14,833)

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**NOTES TO THE FINANCIAL STATEMENTS
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A 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 Company is as follows:-

	2018 RM	2017 RM
Profit/(Loss) before taxation	1,312,338	(57,058)
Tax at the statutory tax rate of 24%	314,961	(13,694)
Tax effects of:-		
Effect of changes in corporate tax rate	(30,000)	(26,965)
Reduced income tax rate on increased chargeable income	(39,555)	-
Non-deductible expenses	107,594	23,812
Underprovision of current tax in the previous financial year	-	2,014
	<u>353,000</u>	<u>(14,833)</u>

The corporate tax rate of the Company on the first RM500,000 of chargeable income is 18% (2017 - 18%). The tax rate applicable to the balance of the chargeable income is 24% (2017 - 24%) and will be reduced by 1% to 4% (2017 - 1% to 4%) based on the percentage of increase in chargeable income as compared to the immediate preceding year of assessment.

17. EARNINGS/(LOSS) PER SHARE

	2018	2017
Profit/(Loss) after taxation for the financial year attributable to owners of the Company (RM)	959,338	(42,225)
Weighted average number of ordinary shares in issue	100	100
Effect of share split *	9,900	9,900
Adjusted weighted average number of ordinary shares in issue and issuable	<u>10,000</u>	<u>10,000</u>
Basic earnings/(loss) per share (RM)		
- before effect of share split	9,593.38	(422.25)
- after effect of share split	<u>95.93</u>	<u>(4.22)</u>

* Comparatives figures for the weighted average number of ordinary shares in issue for the basic earnings per ordinary share computations has been restated to reflect the adjustment arising from the share split, which were completed on 27 November 2018.

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

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

18. DIVIDEND

	2018 RM	2017 RM
First interim dividend of RM1,000 per ordinary share in respect of the current financial year	100,000	-

19. KEY MANAGEMENT PERSONNEL

The key management personnel of the Company include executive directors of the Company.

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

	2018 RM	2017 RM (Restated)
Directors		
Salaries, bonuses and other benefits	251,612	221,204
Defined contribution plan	54,280	47,840
Total directors' remuneration (Note 15)	305,892	269,044

The estimated monetary value of benefits-in-kind provided by the Company to the directors of the Company was RM18,588 (2017 - RM16,264).

20. OPERATING SEGMENTS

Segment analysis has not been prepared as the Company's business is focused only in the development and trading of software and this forms the focus of the Company's internal reporting systems.

The chief operating decision maker reviews the business performance of the Company as a whole and management monitors the operating results of its business for the purposes of making decisions on resources allocation and performance assessment.

20.1 BUSINESS SEGMENT AND GEOGRAPHICAL INFORMATION

The Company operates predominantly in one business segment in Malaysia. Accordingly, the information by business and geographical segments are not presented.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

20. OPERATING SEGMENTS (CONT'D)

20.2 MAJOR CUSTOMERS

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

	2018 RM	2017 RM
Customer #1	985,245	214,755
Customer #2	-	165,930

21. CAPITAL COMMITMENT

	2018 RM	2017 RM
Purchase of equipment	63,335	-

22. FINANCIAL INSTRUMENTS

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

22.1 FINANCIAL RISK MANAGEMENT POLICIES

The Company's policies in respect of the major areas of treasury activities are as follows:-

(a) Market Risk

(i) Foreign Currency Risk

The Company does not have any transactions or balances denominated in foreign currencies and hence, is not exposed to foreign currency risk.

(ii) Interest Rate Risk

The Company does not have any interest-bearing borrowings and hence, is not exposed to interest rate risk.

(iii) Equity Price Risk

The Company does not have any quoted investments and hence, is not exposed to equity price risk.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

22. FINANCIAL INSTRUMENTS (CONT'D)

22.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk

The Company's exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables. The Company manages its exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For bank balances, the Company minimises credit risk by dealing exclusively with high credit rating counterparties.

The Company uses ageing analysis to monitor the credit quality of the trade receivables. Any receivables having significant balances past due or more than 90 days, which are deemed to have higher credit risk, are monitored individually.

The Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of the trade and other receivables as appropriate. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component established for groups of similar assets in respect of losses that have been incurred but not yet identified (where applicable). Impairment is estimated by management based on prior experience and the current economic environment.

(i) Credit Risk Concentration Profile

The Company's major concentration of credit risk relates to the amount owing by one customer which constituted approximately 20% of its trade receivables at the end of the reporting period.

(ii) Exposure to Credit Risk

At the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position of the Company after deducting any allowance for impairment losses (where applicable).

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**NOTES TO THE FINANCIAL STATEMENTS
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22.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Ageing Analysis

The ageing analysis of trade receivables is as follows:-

	Gross Amount RM	Individual Impairment RM	Carrying Amount RM
30.6.2018			
Not past due	804,734	-	804,734
Past due:			
- less than 3 months	361,958	(21,636)	340,322
- more than 3 months	373,561	(124,413)	249,148
	<u>1,540,253</u>	<u>(146,049)</u>	<u>1,394,204</u>
30.6.2017			
Not past due	113,905	-	113,905
Past due:			
- less than 3 months	174,636	-	174,636
- more than 3 months	137,373	-	137,373
	<u>425,914</u>	<u>-</u>	<u>425,914</u>
1.7.2016			
Not past due	81,177	-	81,177
Past due:			
- less than 3 months	23,540	-	23,540
- more than 3 months	104,149	-	104,149
	<u>208,866</u>	<u>-</u>	<u>208,866</u>

At the end of the reporting period, trade receivables that are individually impaired were those in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancement.

The Company believes that no additional impairment allowance is necessary in respect of trade receivables that are past due but not impaired because they are companies with good collection track record and no recent history of default.

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

Maturity Analysis

The following table sets out the maturity profile of the financial liabilities as at the end of the reporting period based on contractual undiscounted cash flows (including interest payment computed based on the rate at the end of the reporting period):-

	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 to 5 Years RM
30.6.2018				
Trade payables	142,127	142,127	142,127	-
Other payables and accruals	832,403	832,403	696,902	135,501
Amount owing to directors	15,656	15,656	15,656	-
	990,186	990,186	854,685	135,501
30.6.2017				
Trade payables	118,612	118,612	118,612	-
Other payables and accruals	504,525	504,525	350,524	154,001
	623,137	623,137	469,136	154,001
1.7.2016				
Trade payables	825	825	825	-
Other payables and accruals	389,808	389,808	235,807	154,001
Amount owing to directors	62,397	62,397	62,397	-
	453,030	453,030	299,029	154,001

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

22. FINANCIAL INSTRUMENTS (CONT'D)

22.2 CAPITAL RISK MANAGEMENT

The Company defines capital as the total equity and debt of the Company. The objective of the Company's capital management is to maintain an optimal capital structure and ensuring availability of funds in order to support its businesses and related shareholders value. To achieve this objective, the Company may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Company monitors and maintains a prudent level of total debt to total equity ratio to optimise shareholders value and to ensure compliance with debt covenants and regulatory, if any.

There was no change in the Company's approach to capital management during the financial year.

22.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	30.6.2018	30.6.2017	1.7.2016
	RM	RM	RM
Financial Asset			
<u>Loans and Receivables</u>			
<u>Financial Assets</u>			
Trade receivables	1,394,204	425,219	208,866
Other receivables and deposit	24,435	16,099	16,159
Bank balances	382,226	8,174	46,712
	<u>1,800,865</u>	<u>449,492</u>	<u>271,737</u>
Financial Liability			
<u>Other Financial Liabilities</u>			
Trade payables	142,127	118,612	825
Other payables and accruals	832,403	504,525	389,808
Amount owing to directors	15,655	-	62,397
	<u>990,185</u>	<u>623,137</u>	<u>453,030</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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	2018	2017
	RM	RM
Financial Asset		
<u>Loans and Receivable Financial Assets</u>		
Net losses recognised in profit or loss	(248,973)	(45,000)

22.5 FAIR VALUE INFORMATION

The fair values of the financial assets and financial liabilities of the Company which are maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments or repayable on demand terms.

The following table sets out the fair value profile of financial instruments that are not carried at fair value at the end of the reporting period:-

	Fair Value of Financial Instruments not Carried at Fair Value			Total Fair Value RM	Carrying Amount RM
	Level 1	Level 2	Level 3		
	RM	RM	RM		
30.6.2018					
Other payables and accruals (Non-current)	-	135,501	-	135,501	135,501
30.6.2017					
Other payables and accruals (Non-current)	-	154,001	-	154,001	154,001
1.7.2016					
Other payables and accruals (Non-current)	-	154,001	-	154,001	154,001

Fair Value of Financial Instruments not Carried at Fair Value

The fair value of other payables and accruals (non-current) is to be determined using cash flow projections discounted at rate of 4% (30.6.2017 - 4%, 1.7.2016 - 4%). The discount rates equal to the current market interest rate.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018****23. PRIOR YEAR ADJUSTMENTS AND COMPARATIVE FIGURES****(a) Prior Year Adjustments**

The comparative figures have been restated due to the followings:-

- (i) Understatement of equipment and its corresponding depreciation charges;
- (ii) Understatement of inventories;
- (iii) Understatement of revenue for services performed and overstatement of revenue for services yet to be performed;
- (iv) Understatement of expenses in relation to defined contribution plan for employees and directors; and
- (v) Understatement of tax payable.

(b) Comparative Figures

The comparative figures for the financial year ended 30 June 2017 were audited by another firm of accountants other than Messrs. Crowe Malaysia.

Certain comparative figures have been reclassified to conform with the presentation of the current financial year.

The financial effects arising from the Company's prior year adjustments and reclassifications are as follows:

	As Previously Reported RM	Prior Year Adjustments (Note 23(a)) RM	Reclassification (Note 23(b)) RM	As Restated RM
At 30 June 2017				
<i>Statement of Financial Position (Extract):-</i>				
<u>Non-current assets</u>				
Equipment	158,235	(57,306)	-	100,929
Deferred tax assets	30,274	68,726	-	99,000

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018****23. PRIOR YEAR ADJUSTMENTS AND COMPARATIVE FIGURES (CONT'D)**

	As Previously Reported RM	Prior Year Adjustments (Note 23(a)) RM	Reclassification (Note 23(b)) RM	As Restated RM
At 30 June 2017				
<i>Statement of Financial Position (Extract):-</i>				
<u>Current assets</u>				
Inventories	-	260,282	-	260,282
Trade receivables	443,854	(17,940)	-	425,914
Amount owing by directors	49,623	8,200	-	57,823
Current tax assets	1,666	(1,666)	-	-
Bank balances	7,174	1,000	-	8,174
<u>Equity</u>				
Accumulated losses	(71,479)	(142,650)	-	(214,129)
<u>Non-current liability</u>				
Other payables and accruals	-	-	(154,001)	(154,001)
<u>Current liabilities</u>				
Other payables and accruals	(659,692)	(324,717)	154,001	(830,408)
Current tax liabilities	-	(79,229)	-	(79,229)

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018****23. PRIOR YEAR ADJUSTMENTS AND COMPARATIVE FIGURES (CONT'D)**

	As Previously Reported RM	Prior Year Adjustments (Note 23(a)) RM	Reclassification (Note 23(b)) RM	As Restated RM
At 30 June 2017				
<i>Statement of Profit or Loss and Other Comprehensive Income (Extract):-</i>				
Revenue	1,272,578	1,688	-	1,274,266
Cost of sales	(978,261)	152,112	63,315	(762,834)
Selling and marketing expenses	-	(5,537)	(268,115)	(273,652)
Administrative expenses	(461,265)	-	248,678	(212,587)
Other expenses	-	(38,373)	(43,878)	(82,251)
Income tax expense	27,002	(12,169)	-	14,833
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Statement of Cash Flows (Extract):-</i>				
Net cash from/(for) operating activities	147,596	(186,134)	-	(38,538)
Net cash for investing activities	(187,134)	187,134	-	-
Bank balance at end of the financial year	7,174	1,000	-	8,174
	<hr/>	<hr/>	<hr/>	<hr/>
At 1 July 2016				
<i>Statement of Financial Position (Extract):-</i>				
<u>Non-current asset</u>				
Equipment	14,979	123,201	-	138,180
	<hr/>	<hr/>	<hr/>	<hr/>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018****23. PRIOR YEAR ADJUSTMENTS AND COMPARATIVE FIGURES (CONT'D)**

	As Previously Reported RM	Prior Year Adjustments (Note 23(a)) RM	Reclassification (Note 23(b)) RM	As Restated RM
At 1 July 2016				
<i>Statement of Financial Position (Extract):-</i>				
<u>Current assets</u>				
Trade receivables	190,524	18,342	-	208,866
Other receivables, deposits and prepayments	21,282	-	18	21,300
<u>Equity</u>				
Retained profits/(Accumulated losses)	68,467	(240,371)	-	(171,904)
<u>Non-current liability</u>				
Other payables and accruals	-	(154,001)	-	(154,001)
<u>Current liabilities</u>				
Trade payables	(807)	-	(18)	(825)
Other payables and accruals	(143,482)	(227,913)	-	(371,395)

24. SIGNIFICANT EVENT OCCURRING AFTER THE REPORTING PERIOD

On 27 November 2018, the Company has approved a proposed share split involving the subdivision of every 1 existing ordinary share in the Company into 100 ordinary shares ("Proposed Share Split"). Upon completion of the Proposed Share Split, the resultant issued share capital of the Company will be RM100 comprising 10,000 ordinary shares.

All new ordinary shares issued upon allotment and issuance will rank pari passu in all respects with the existing ordinary shares of the Company.

Company No: 1301843-D

**APPENDIX III – UNAUDITED INTERIM FINANCIAL STATEMENTS OF IDB FOR THE 10-MONTH
FPE 30 APRIL 2019**

Company No.: 769871 - A

INTEGRATED DESIGN & BUILD SDN. BHD.
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**UNAUDITED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE
INCOME
FOR THE FINANCIAL PERIOD ENDED 30 APRIL 2019**

	Unaudited	
	01.07.2018 to 30.04.2019	01.07.2017 to 30.04.2018
	RM	RM
Revenue	2,421,670	3,331,356
Cost of sales	(939,550)	(1,253,104)
Gross profit	<u>1,482,120</u>	<u>2,078,252</u>
Other income	94,111	-
Selling and marketing expenses	(371,947)	(326,699)
Administrative expenses	(690,444)	(252,394)
Other expenses	(153,391)	(157,017)
Profit before taxation	<u>360,449</u>	<u>1,342,142</u>
Income tax expense	(198,859)	(235,000)
Profit after tax/total comprehensive income for the financial period	<u><u>161,590</u></u>	<u><u>1,107,142</u></u>

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UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 30 APRIL 2019

	Unaudited	
	01.07.2018 to 30.04.2019	01.07.2017 to 30.04.2018
	RM	RM
ASSETS		
Non-current assets		
Equipment	221,217	84,229
Deferred tax assets	16,000	99,000
Total non-current assets	237,217	183,229
Current assets		
Inventories	29,733	59,580
Trade receivables	1,068,330	1,000,039
Other receivables, deposits and prepayments	71,310	83,642
Bank balances	653,365	663,598
Total current assets	1,822,738	1,806,859
Total assets	2,059,955	1,990,088
EQUITY AND LIABILITIES		
Equity		
Share capital	100	100
Retained profits	806,799	893,013
Total equity	806,899	893,113
Non-current liability		
Other payables and accruals	-	135,501
Total non-current liability	-	135,501
Current liabilities		
Trade payables	52,895	83,752
Other payables and accruals	955,660	609,989
Current tax liabilities	244,501	267,733
Total current liabilities	1,253,056	961,474
Total liabilities	1,253,056	1,096,975
Total equity and liabilities	2,059,955	1,990,088

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INTEGRATED DESIGN & BUILD SDN. BHD.
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**UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 APRIL 2019**

	Share capital RM	Retained profits RM	Total equity RM
At 1 July 2017	100	(214,129)	(214,029)
Profit after tax/Total comprehensive income for the financial period	-	1,107,142	1,107,142
At 30 April 2018	<u>100</u>	<u>893,013</u>	<u>893,113</u>
At 1 July 2018	100	645,209	645,309
Profit after tax/Total comprehensive income for the financial period	-	161,590	161,590
At 30 April 2019	<u>100</u>	<u>806,799</u>	<u>806,899</u>

INTEGRATED DESIGN & BUILD SDN. BHD.
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**UNAUDITED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 APRIL 2019**

	Unaudited	
	01.07.2018 to 30.04.2019	01.07.2017 to 30.04.2018
	RM	RM
Cash flows from operating activities		
Profit before taxation	360,449	1,342,142
Adjustment for:		
Depreciation of equipment	36,825	31,134
Impairment loss on trade receivables	115,811	125,883
Reversal on impairment loss on trade receivables	(76,645)	-
Operating profit before working capital changes	436,440	1,499,159
(Increase)/Decrease in inventories	(29,733)	200,702
Decrease/(Increase) in trade and other receivables	427,670	(767,551)
Decrease in trade and other payables	(369,491)	(273,779)
(Decrease)/Increase in amount owing to directors	(15,655)	57,823
Cash from operations	449,231	716,354
Income tax paid	(237,091)	(46,496)
Net cash from operating activities	212,140	669,858
Cash flow for investing activity		
Purchase of equipment	(191,001)	(14,434)
Net cash used in investing activity	(191,001)	(14,434)
Cash flow from financing activity		
Sundry loan from a shareholder	250,000	-
Net cash from financing activity	250,000	-
Net increase in bank balances	271,139	655,424
Bank balances at the beginning of the financial period	382,226	8,174
Bank balances at the end of the financial period	653,365	663,598

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PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

1. BASIS OF PREPARATION

- 1.1 The unaudited interim financial statements of the Integrated Design & Build Sdn. Bhd. ("IDB" or "the Company") has been prepared in accordance with MFRS 134 - Interim Financial Reporting issued by the Malaysian Accounting Standard Board ("MASB").

The unaudited interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 30 June 2018 and the accompanying explanatory notes attached to this unaudited interim financial statements.

- 1.2 The accounting policies and methods of computation adopted by the Company in this unaudited financial report is consistent with those adopted in the audited financial statements for financial year ended 30 June 2018 except for the adoption of the following Malaysian Financial Reporting Standards ("MFRS") and Amendments to MFRS which came into effect for annual periods beginning on or after 1 January 2018 and are applicable for the Company's unaudited financial report for the financial period ended 30 April 2019, as disclosed below:

MFRSs and/or Interpretations (including the Consequential Amendments)

MFRS 9 Financial Instruments (IFRS 9 as issued by IASB in July 2014)

MFRS 15 Revenue from Contracts with Customers

IC Interpretation 22 Foreign Currency Transactions and Advance Consideration

Amendments to MFRS 2: Classification and Measurement of Share-based Payment Transactions

Amendments to MFRS 4: Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts

Amendments to MFRS 15: Effective Date of MFRS 15

Amendments to MFRS 15: Clarifications to MFRS 15 'Revenue from Contracts with Customers'

Amendments to MFRS 140 – Transfers of Investment Property

INTEGRATED DESIGN & BUILD SDN. BHD.
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PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134 - (CONTINUED)

1. BASIS OF PREPARATION - (CONTINUED)

1.2 MFRSs and/or Interpretations (including the Consequential Amendments) - (Continued)

Annual Improvements to MFRS Standards 2014 – 2016 Cycles:

- Amendments to MFRS 1: Deletion of Short-term Exemptions for First-time Adopters
- Amendments to MFRS 128: Measuring an Associate or Joint Venture at Fair Value

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) include MFRS 9 and MFRS 15 which is summarised below on the financial performance and position of the Company upon their initial application.

MFRS 9 (IFRS issued by IASB in July 2014) replaces the existing guidance in MFRS 139 bringing together all three aspects of accounting for financial instruments as below while retaining certain principles in MFRS 139:

- classification and measurement of financial assets;
- a forward-looking impairment model; and
- a new approach for hedge accounting.

Based on the preliminary assessment of the adoption of MFRS 9, there is no material impact on the financial statements of the Company upon its application of the new impairment model in relation to the Company's financial assets which comprises mainly receivables. The assessment takes into consideration the Company's historical exposure to credit risk as well as the economic environment in which the Company is operating.

MFRS 15 establishes a single comprehensive model for revenue recognition and replaces the guidance in MFRS 111: Construction Contracts, MFRS 118: Revenue, IC Interpretation 13: Customer Loyalty Programmes, IC Interpretation 15: Agreements for Construction of Real Estate, IC Interpretation 18: Transfer of Assets from Customers and IC Interpretation 131: Revenue - Barter Transactions involving Advertising Services. MFRS 15 provides a single model for accounting for revenue arising from contracts with customers, focusing on the identification and satisfaction of performance obligations, i.e. when 'control' of the distinct promised goods or services underlying the particular performance obligation is transferred to the customers. Based on the preliminary assessment of the adoption of MFRS 15, there is no material impact on the financial statements of the adoption of MFRS 15 of the Company upon its application.

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PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134 - (CONTINUED)

1. BASIS OF PREPARATION - (CONTINUED)

1.3 The Company has not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective for this financial period:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective for annual periods on or after
MFRS 16 Leases	1 January 2019
MFRS 17 Insurance Contracts	1 January 2021
IC Interpretation 23 Uncertainty over Income Tax	1 January 2019
Amendments to MFRS 3: Definition of a Business	1 January 2020
Amendments to MFRS 9: Prepayment Features with Negative Compensation	1 January 2019
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 101 and MFRS 108: Definition of Material	1 January 2020
Amendments to MFRS 119: Plan Amendment, Settlement	1 January 2019
Amendments to MFRS 128: Long-term Interests in Associates and Joint Ventures	1 January 2019
Amendments to References to the Conceptual Framework MFRS Standards	1 January 2020
Annual Improvements to MFRS Standards 2015 - 2017 Cycles	1 January 2019

The adoption of the above accounting standards and interpretations (including the consequential amendments, if any) is not expected to have a material impact on the financial statements of the Company upon their initial application.

2. SEASONAL OR CYCLICAL FACTORS

The business operations of the Company during the financial period ended 30 April 2019 have not been materially affected by any seasonal or cyclical factors.

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PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134 - (CONTINUED)

3. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period ended 30 April 2019.

4. CHANGE IN CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

There were no material changes in critical accounting estimates and judgements during the financial period ended 30 April 2019.

5. DEBT AND EQUITY SECURITIES

There were no issuances, repurchases or repayments of debt and equity securities during the financial period ended 30 April 2019.

6. DIVIDENDS PAID

There were no dividends paid during the current financial period ended 30 April 2019.

7. SEGMENTAL INFORMATION

The Company operates predominantly in one business segment. Accordingly the information by business segments is not presented.

Please refer to Section 8.5.2(b) of the Information Memorandum for details of the review of the Company's geographical information.

8. PROFIT BEFORE TAXATION

Included in the profit before taxation are the following items:-

	Unaudited	
	1.7.2018 to	1.7.2017 to
	30.04.2019	30.04.2018
	RM	RM
Depreciation of equipment	36,825	31,134
Directors' remuneration	280,146	249,746
Legal and professional charges	342,781	20,853
Staff costs:		
- salaries and other benefits	650,100	498,624
- defined contribution plan	81,846	62,241
	<u>81,846</u>	<u>62,241</u>

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PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134 - (CONTINUED)

9. VALUATION OF EQUIPMENT

There were no valuation on equipment during the financial period ended 30 April 2019.

10. CAPITAL COMMITMENTS

There were no material capital commitments.

11. CONTINGENT ASSETS AND LIABILITIES

There were no material contingent assets and liabilities.

12. CHANGES IN COMPOSITION OF THE GROUP

The Company remained a single entity up to the period of 14 December 2018.

On 14 December 2018, the shareholders of the Company disposed their entire shares of the Company to IDB Technologies Berhad at a price of RM67.499985 per share and now the Company become a subsidiary of IDB Technologies Berhad.

13. SIGNIFICANT EVENTS OCCURRING AFTER THE FINANCIAL PERIOD

On 16 May 2019, the Company increased the number of shares from 10,000 to 90,000 via bonus issue of 80,000 new ordinary shares on the basis of eight (8) bonus shares for every one (1) ordinary share held.

On 27 May 2019, the Company increased its issued share capital from RM900 to RM3,500,900 by the issuance and allotment of 10,000 new ordinary shares to Pre-IPO Investors. Following the said allotment, IDB became a 90% owned subsidiary of IDB Technologies Berhad.

On 31 May 2019, IDB Technologies Berhad acquired 10,000 ordinary shares in the Company, representing 10% equity interest in the Company held by the Pre-IPO Investors at a consideration of RM3,500,000 satisfied by the issuance and allotment of 50,000,000 ordinary shares at an issue price of RM0.07 each ("Share Swap"). As a result, the Company became a 100% owned subsidiary of IDB Technologies Berhad.

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PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134 - (CONTINUED)

14. REVIEW OF PERFORMANCE

During the financial period ended 30 April 2019, the Company's revenue is mainly derived from sale of software, sale of hardware, training services and other services which is summarised as follow:-

	Unaudited	
	1.7.2018 to	1.7.2017 to
	30.04.2019	30.04.2018
	RM	
Sale of software	1,809,895	2,407,803
Sale of hardware	274,977	589,127
Training services	223,792	81,540
Other services	113,006	252,886
	<u>2,421,670</u>	<u>3,331,356</u>

Please refer to Section 8.5 of the Information Memorandum for details of the review of the Company's performance.

15. COMMENTARY ON PROSPECT

The Company is positive towards its prospects with the future plans set out in Section 3.18.1 of the Information Memorandum. Please refer to the Section 3.18.2 of the Information Memorandum for details of the commentary on the Company's prospect.