OpenSys

OpenSys (M) Berhad
Registration No. 199501040614 (369818-W)

Open to **Innovation**
Connected for **Growth**

Annual Report 2024

Cover
Rationale

Technology moves fast—so do we. It represents our momentum, adaptability, and leadership in an ever-evolving digital world. The triangular formation echoes our logo, symbolising stability and the power of collaboration, while the bold red triangle embodies our drive to push boundaries in technology.

Within it, a seamless fusion of data-driven intelligence, interconnected systems, and breakthrough innovations reflects how we leverage technology to optimise operations, enhance security, and create smarter, more efficient solutions.

It tells the story of an organisation that **doesn't just embrace the future—we engineer it.**

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Guiding Principles
Driving Performance

"Meet the leaders shaping our journey, turning vision into action, and ensuring our continued success."

- Profile of Directors
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Profile of **Directors**

1 TAN KEE CHUNG

Executive Chairman

Malaysian | Male | Aged 66

Tan Kee Chung was appointed as Executive Director of OpenSys on 7 December 1995 and was redesignated as Executive Chairman on 1 January 2022. He is a co-founder of OpenSys.

He provides strategies, broad scope marketing and management policies for the Group's overall direction. He also provides leadership to the organization's officers and executives and is responsible for marshalling the effective functioning of the board including the collective oversight of management.

He obtained his Bachelor of Science degree in Computer Science from the University of Brighton, United Kingdom in 1982 and he was also a Johor State Government Scholar. He has more than 32 years' experience, mainly in management, sales and marketing, in the IT industry. Prior to co-founding OpenSys, he was the Marketing Director of AT&T Global Information Solutions (Malaysia) Sdn Bhd ("AT&T GIS") from January 1993 to December 1995, General Systems Division Manager in NCR (Malaysia) Sdn Bhd ("NCR") from January 1991 to December 1992, Financial Systems District Manager in NCR from January 1990 to December 1990, Major Accounts Manager in Digital Equipment Corporation from 1986 to 1989 and Major Accounts Sales Specialist in Rank Xerox Ltd, United Kingdom from 1982 to 1985. He was also a member of the AT&T GIS Leadership Advisory Council from 1993 to 1995.

2 WINNIE ONG POH HONG

Executive Director

Malaysian | Female | Aged 48

Winnie Ong Poh Hong was appointed as Executive Director of OpenSys on 1 January 2022. She joined OpenSys in 2000 and has since served in various roles, ultimately advancing to her current position as Group Chief Financial Officer, effective 1 January 2025.

With over 23 years of experience in finance, accounting, financial reporting, analysis, taxation and treasury management, she has played a key role in shaping the Company's financial strategy. Her leadership extends to overseeing treasury management, internal controls, corporate affairs and budgeting, ensuring the financial stability and growth of the organisation.

In addition to her financial expertise, she is responsible for directing the Human Resources, Legal and Compliance functions, ensuring their alignment with organisational goals and adherence to regulatory requirements.

She holds a Professional Qualification in Accounting from The Association of International Accountants, United Kingdom, and is a Fellow of the Institute of Public Accountants (IPA), Australia.

3 ERIC LIM SWEE KEAH

Executive Director

Malaysian | Male | Aged 60

Eric Lim Swee Keah was appointed as Executive Director of OpenSys on 1 April 2023.

He began his career with OpenSys in 1996 as Sales Director and subsequently held various positions, including Sales & Marketing Director, Senior Vice President of Sales & Marketing and Chief Operating Officer. Prior to joining OpenSys, he served as Sales Director (General Systems Division) of NCR (Malaysia) Sdn Bhd.

Throughout his 29-year tenure at OpenSys, he has been pivotal in steering the Company's sales, marketing, business development and strategic business direction. His responsibilities also encompassed overseeing OpenSys' software solutions and business process outsourcing initiatives. He was promoted to the role of Chief Executive Officer, a role he held from 24 February 2020 to 28 February 2025. In this role, he expanded his leadership portfolio to include human resources and finance, further strengthening the Company's operational and strategic capabilities.

He holds a Bachelor of Science (Computer Science) degree as well as a Bachelor of Commerce degree from the Australian National University, Canberra, Australia.

4 DATIN LEE CHOI CHEW

Independent Non-Executive Director
Malaysian | Female | Aged 66

Datin Lee Choi Chew was appointed as Independent Non-Executive Director on 1 January 2022. She is the Chairperson of the Audit and Risk Management Committee and a member of the Nomination and Remuneration Committees.

She holds a Bachelor Degree in Accounting (Honours) from the University of Malaya. She was also a Pahang State Foundation Scholar. She is a Chartered Accountant of the Malaysian Institute of Malaysia.

Datin Lee started her career in Messrs Othman, Hew & Co in 1983. She joined the Malaysian Highway Authority ("MHA") as an accountant in 1984 and later rose to be its Director of Finance. She served 16 years in MHA and has vast experience in costing, budget-control and financial evaluation and implementation of highway projects; including toll management and operations. After optional retirement from MHA in 2000, she worked in finance and accounting with a professional service firm before her appointment as an Executive Director of a property investment company.

5 AARON WONG CHOONG WAI

Independent Non-Executive Director
Malaysian | Male | Aged 60

Aaron Wong Choong Wai was appointed as Independent Non-Executive Director of OpenSys on 1 July 2022. He is the Chairman of the Remuneration Committee and a member of the Audit and Risk Management and Nomination Committees.

He holds a Bachelor of Law from the Australian National University, Australia; and a Master of Arts in Theological Studies from Alpha Omega International College, Malaysia.

Mr. Wong has more than 35 years' experience in legal practice. He is an Advocate and Solicitor of the High Court of Malaya, and presently is a partner of the law firm of Messrs Azri, Lee Swee Seng & Co. where he is in charge of the corporate and real estate department. His expertise includes corporate restructurings, shareholder dispute resolutions, shareholders agreements and other corporate matters like trusts and issues of management of strata schemes. Mr. Wong is also a legal advisor to several Non-Governmental Organisations, including serving as deputy chairman of Pertubuhan Kebajikan Destiny (PKD), a charitable organisation registered under the Societies Act.

6 HAJJAH NORIZAN BINTI YAHYA

Independent Non-Executive Director

Malaysian | Female | Aged 65

Puan Hajjah Norizan binti Yahya was appointed as Independent Non-Executive Director on 1 January 2024. She is the Chairperson of Nomination Committee and a member of the Audit and Risk Management and Remuneration Committees.

She holds a Master in Business Administration from Central Missouri State University, USA; Bachelor in Business Administration from Indiana State University, USA; and Diploma in Banking from Institut Teknologi MARA, Malaysia.

Puan Hajjah Norizan has 38 years of experience in the Life Insurance and Takaful industry. She joined Great Eastern Life Assurance (Malaysia) Berhad in 1986 as an Executive and moved on to Head Bumiputra Development where she helped to establish a 3,000 Bumiputra agency force to capture the Bumiputra market. Subsequently, she moved on to head the Agency business in Central Region. In 2014, she was appointed as Head of Agency Distribution in the newly formed Great Eastern Takaful Berhad where she grew the business and its agency force to almost 10,000 agents by end 2021.

She is widely regarded as a subject matter expert in the Insurance and Takaful industry. She is a Registered Syariah Financial Planner and sits as a committee member on International Development of Malaysia Financial Planning Council.

After her retirement in December 2021, she continues to contribute to the Insurance and Takaful industry by serving as a Business Advisor and Master Coach to several Takaful companies' agency force in Malaysia.

7 TUNE HEE HIAN

Alternate Director to Tan Kee Chung

Malaysian | Male | Aged 66

Tune Hee Hian has been serving as the Group Chief Marketing Officer of OpenSys (M) Berhad since January 2022. In addition to his leadership in marketing, he has a strong background in business and product development, project management, and technologies. His extensive experience spans over three decades in various senior management and technical roles with well-rounded perspectives of both the technical and business aspects of the Company.

Prior to joining OpenSys in 1996 as a founding member, he worked as a Group Manager for Financial Systems in AT&T Global Information Solutions (Malaysia) Sdn Bhd and as a Technical Consultant in NCR (Malaysia) Sdn Bhd.

Tune Hee Hian holds a Bachelor of Science degree in Education and a Postgraduate Diploma in Computer Science from Universiti Malaya (1984). He also holds a Master's Certificate in Project Management from George Washington University, Washington DC, USA (1995).

Note: All the above-named Directors of the Company have no family relationship with any director or major shareholder of the Company; and have not been convicted of any offences within the past five (5) years (other than traffic offences, if any) particularly of any public sanction or penalty imposed by the relevant bodies during the financial year; and do not have any conflict of interest or potential conflict of interest with the Company or its subsidiaries.

Profile of **Senior Management**

1 LUKE SEBASTIAN

Chief Executive Officer

Malaysian | Male | Aged 46

Luke Sebastian joined OpenSys in 2000 and brings over 24 years of experience in the technology industry, spanning business leadership, product innovation, and technical expertise. He was the Chief Executive Officer of OpenSys Technologies, where he played a pivotal role in driving strategic planning and business development, establishing a strong foundation for growth and overseeing critical functions such as market and technology research, product development, marketing, and sales. Additionally, he led the nationwide Customer Support division, ensuring seamless operations and exceptional service delivery across the company's portfolio.

Luke has a proven track record of aligning business strategies with client needs and competitive market trends. His leadership has resulted in the successful rollout of transformative initiatives, while fostering strong client relationships at every stage of the project lifecycle. By spearheading research and development efforts, he has consistently driven the creation of new business opportunities and established cross-industry collaborations that enhance the company's market position.

Luke holds a Bachelor of Science (Honours) in Computing from Staffordshire University, and the Credential of Readiness (CORe) and Certificate of Specialization in Entrepreneurship and Innovation from Harvard Business School Online.

2 WONG SIEW POOI

Co-Chief Executive Officer - OpenSys Technologies
Malaysian | Female | Aged 50

Wong Siew Pooi was appointed as co-Chief Executive Officer of OpenSys Technologies Sdn Bhd on 1 March 2025. She holds a Bachelor of Computer Science Degree with Honours from Universiti Sains Malaysia.

She joined OpenSys (M) Berhad in 1999 and has previously held the position as Senior Vice President of Software Development and Integration division and Cheque Processing Outsourcing division.

Wong served as the Chief Operating Officer of OpenSys (M) Berhad from 2023 to 2025, playing a critical role in business operations, strategy execution, and corporate growth. She had led cross-functional teams, implemented technology-driven solutions, and managed large-scale projects. She is a widely respected executive with more than 25 years of project management and software experience as well as deep relationships across OpenSys' ecosystem.

As co-Chief Executive Officer, Wong responsible for business development and strategic planning to foster innovation and strengthen the company as a leader in the technology sector.

3 DENIS KOAY KAR HWA

Group Chief Commercial Officer /
Co-Chief Executive Officer - OpenSys Technologies
Malaysian | Male | Aged 45

Denis Koay is a seasoned executive with over 22 years of working experience in sales and marketing of Information Technology products.

He was appointed as the Group Chief Commercial Officer of OpenSys (M) Berhad on 1 January 2025 and the co-Chief Executive Officer of OpenSys Technologies Sdn Bhd on 1 March 2025.

Since joining OpenSys in 2011, Denis has played a pivotal role in driving business strategy, market expansion, and digital transformation initiatives. His leadership is marked by a strong track record in spearheading innovative solutions across financial technology, digital payments, and banking transformation.

Prior to his tenure at OpenSys, Denis specialized in providing enterprise resource planning (ERP) and supply chain management solutions for the manufacturing industry, as well as financial planning solutions for the insurance sector.

Denis holding a Bachelor of Science in Computing from University of Portsmouth, United Kingdom. He brings a robust technical foundation and strategic insight to his roles, continuously guiding the Company towards growth and sustainability through forward-thinking initiatives and industry expertise.

4 WINNIE ONG POH HONG

Group Chief Financial Officer
Malaysian | Female | Aged 48

As detailed in the Profile of Directors in this Annual Report.

5 KOH LEA CHEONG

Group Chief Innovation Officer
Malaysian | Male | Aged 58

Koh Lea Cheong is the Group Chief Innovation Officer. He assumed his current position in 1 January 2025.

He started his career with OpenSys in January 1996 and has since served in various positions throughout his 29 years of service. Prior to joining OpenSys, he was the Systems Engineer in NCR (Malaysia) Sdn Bhd and AT&T Global Information Solutions (Malaysia) Sdn Bhd from 1992 to 1995.

He has over 32 years of experience in software design and development, operational management and planning particularly in the retail banking and payments industry. He works closely with other senior officers to develop and implement plans and solutions that enhance operational efficiency and drive growth.

He holds a Bachelor of Applied Science degree with Honours.

6 CHEE HONG SOON

Group Chief Sustainability Officer
Malaysian | Male | Aged 65

Chee Hong Soon is a co-founder and Group Chief Sustainability Officer of OpenSys. He primarily oversees the environmental, social, governance and sustainability activities of the Company. He obtained his Bachelor of Science degree in Physics from Universiti Malaya in 1983. He has more than 23 years' experience in transaction switching systems implementation, software application, database design, system migration and disaster recovery. Prior to cofounding OpenSys, he worked as a regional Enterprise Systems Consultant in AT&T Global Information Solutions (Malaysia) Sdn Bhd from 1990 to 1995 and Senior Systems Engineer in NCR (Malaysia) Sdn Bhd from 1983 to 1989.

7 TUNE HEE HIAN

Group Chief Marketing Officer
Malaysian | Male | Aged 66

As detailed in the Profile of Directors in this Annual Report.

8 HENG KEN WEI

Senior Vice President - Centre of Technology
Malaysian | Male | Aged 49

Heng Ken Wei holds a Bachelor of Information Technology Degree. He has over 24 years of working experience in software application design, development and support. He was promoted to his current position on 1 January 2019.

9 SHIYAMALA A/P JOEGANATHAN

Senior Vice President -
Innovation, Digitalization & Transformation
Malaysian | Female | Aged 48

Shiyamala Joeganathan holds a Bachelor of Computer Science (Honours) Degree. She has over 24 years of working experience in application software design, development and support. She was promoted to her current position on 1 January 2023.

10 HON TIAN YANG

Senior Vice President -
Intelligent Systems Engineering - OpenSys Technologies
Malaysian | Male | Aged 48

Hon Tian Yang holds a Bachelor of Computer Science Degree. He has over 23 years of working experience in system, network and data centre management. He was promoted to his current position on 1 March 2024.

11 LOOY WAN KENG

Senior Vice President -
Customer Support - OpenSys Technologies
Malaysian | Male | Aged 43

Looy Wan Keng holds a Diploma of Information Technology in Business Information Systems. He has over 21 years of experience in field services management, hardware engineering and solutions support. He was promoted to his current position on 1 January 2024.

12 OOI HOCK ANG

Senior Vice President -
Hardware Development & Integration
Malaysian | Male | Aged 54

Ooi Hock Ang holds a Bachelor of Computer Science (Honours) Degree. He has over 28 years of working experience in software development and support and project management. He was appointed to his current position on 1.January 2019.

13 LEONG YOKE WAI

Senior Vice President -
Research and Development
Malaysian | Male | Aged 66

Leong Yoke Wai holds a Bachelor of Computer Science Degree. He has over 40 years of working experience in self-service device software design, development and support and network configuration and support. He was appointed to his current position on 1 January 2019.

14 THAM KOK CHENG

Senior Vice President -
Customer Data & Information Management
Malaysian | Male | Aged 72

Tham Kok Cheng holds a Master's Certificate in Commercial Project Management. He has 47 years of working experience in many areas of Information Technology including application software design, development and support and project management. He was appointed to his current position on 6 September 2021.

15 CHONG BOON NI

Senior Vice President -
Cheque Processing Outsourcing
Malaysian | Female | Aged 49

Chong Boon Ni holds a Bachelor of Information Technology Degree. She has over 25 years of working experience in application software design, development, support, project management and operational management. She is responsible for overseeing the day-to-day operations and functions of Cheque Processing Outsourcing. She was promoted to her current position on 1 January 2025.

Note: None of the Senior Management staff holds directorship in public companies or public listed companies. None of the Senior Management staff has family relationship with any director and/or major shareholder of the Company. None of the Senior Management staff has any conflict of interest or potential conflict of interest with the Company or its subsidiaries. None of the Senior Management staff has been convicted for offences within the past 5 years or was publicly sanctioned or imposed with penalty by the relevant regulatory bodies during the financial year.

Corporate Information

BOARD OF DIRECTORS

Tan Kee Chung
- *Executive Chairman*

Ong Poh Hong
- *Executive Director*

Lim Swee Keah
- *Executive Director*

Datin Lee Choi Chew
- *Independent Non-Executive Director*

Wong Choong Wai
- *Independent Non-Executive Director*

Hajjah Norizan Binti Yahya
- *Independent Non-Executive Director*

Tune Hee Hian
- *Alternate Director to Tan Kee Chung (Appointed on 1 March 2025)*

COMPANY SECRETARIES

Lim Seck Wah
(MAICSA 0799845) (SSM PC NO. 202008000054)

Kong Mei Kee
(MAICSA 7039391) (SSM PC NO. 202008002882)

AUDIT AND RISK MANAGMENT COMMITTEE

1) **Datin Lee Choi Chew (Chairperson)**
2) **Wong Choong Wai**
3) **Hajjah Norizan Binti Yahya**

NOMINATION COMMITTEE

1) **Hajjah Norizan Binti Yahya (Chairperson)**
2) **Wong Choong Wai**
3) **Datin Lee Choi Chew**

REMUNERATION COMMITTEE

1) **Wong Choong Wai (Chairman)**
2) **Datin Lee Choi Chew**
3) **Hajjah Norizan Binti Yahya**

REGISTERED OFFICE

Level 15-2, Bangunan Faber Imperial Court
Jalan Sultan Ismail
50250 Kuala Lumpur
Tel: 03-2692 4271
Fax: 03-2732 5388
Email: mega-info@megacorp.com.my

BUSINESS OFFICE

Level 26, Tower A
Pinnacle PJ
Jalan Utara C
46200 Petaling Jaya, Selangor
Tel: 03-7932 7888
Fax: 03-7932 7878
Website: www.myopensys.com

SHARE REGISTRAR

Mega Corporate Services Sdn. Bhd.
[Registration No. 198901010682 (187984-H)]
Level 15-2, Bangunan Faber Imperial Court
Jalan Sultan Ismail
50250 Kuala Lumpur
Tel: 03-2692 4271
Fax: 03-2732 5388
Email: mega-sharereg@megacorp.com.my

AUDITORS

HLB Ler Lum Chew PLT
(201906002362 & AF0276)
A member of HLB International
A-23-1, Hampshire Place Office
157 Hampshire, No. 1 Jalan Mayang Sari
Off Jalan Tun Razak
50450 Kuala Lumpur

PRINCIPAL BANKERS

Hong Leong Bank Berhad
[Registration No. 193401000023 (97141-X)]
Malayan Banking Berhad
[Registration No. 196001000142 (3813-K)]
Public Bank Berhad
[Registration No. 196501000672 (6463-H)]

STOCK EXCHANGE LISTING

Bursa Malaysia Securities Berhad
Main Market
Stock Name: OPENSYS
Stock Code: 0040

Driving Protability
with Strong Governance

"Explore essential reports on governance, risk management, compliance, and financial performance, providing insights into our strategic direction."

- Financial Highlights
- Management Discussion & Analysis
- Audit and Risk Management Committee Report
- Corporate Governance Overview Statement
- Additional Compliance Information
- Statement on Risk Management and Internal Control

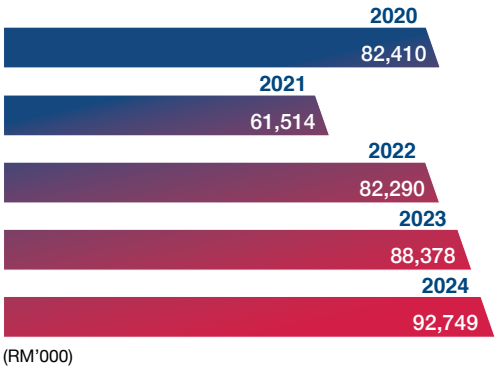
Financial Highlights

Financial Year Ended 31 Dec		2020	2021	2022	2023	2024
Revenue	RM'000	82,410	61,514	82,290	88,378	**92,749**
Profit Before Tax (PBT)	RM'000	15,187	15,072	15,871	16,536	**16,261**
Profit After Tax (PAT)	RM'000	11,102	11,083	11,744	12,404	**11,979**
Shareholders' Equity	RM'000	70,834	77,410	82,850	87,590	**91,463**
Earnings Per Share*	sen	2.48	2.47	2.62	2.76	**2.67**
Dividend Per Share	sen	1.25	1.00	1.40	1.70	**1.80**
Total Assets	RM'000	100,275	101,468	106,634	117,670	**127,106**
Net Assets Per Share*	sen	15.87	17.35	18.58	19.66	**20.54**

*** The Earnings Per Share and Net Assets Per Share for financial year ended 31 December 2020 is shown after the bonus issue of 1 for every 2 existing shares which was completed on 14 October 2020.**

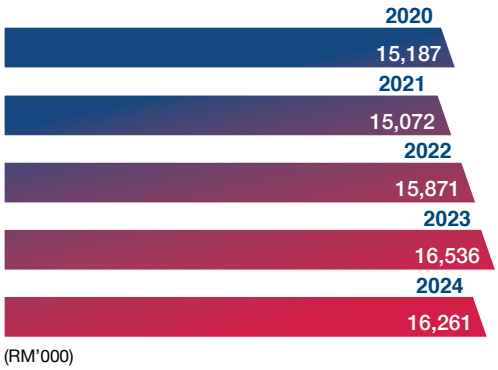
Revenue

2024
RM92.749
MILLION



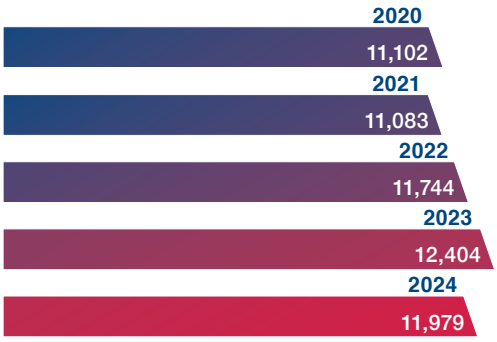
Profit Before Tax (PBT)

2024
RM16.261
MILLION



Profit After Tax (PAT)

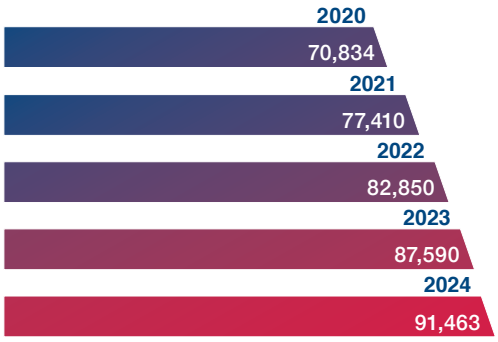
2024
RM11.979
MILLION



(RM'000)

Shareholders' Equity

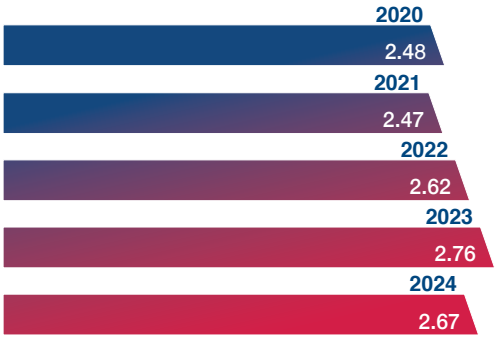
2024
RM91.463
MILLION



(RM'000)

Earnings Per Share*

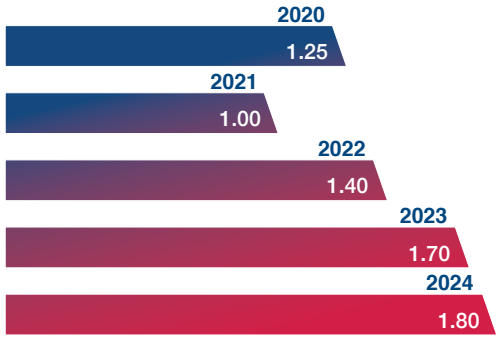
2024
2.67
SEN



(Sen)

Dividend Per Share

2024
1.80
SEN



(Sen)

Total Assets

RM127.106
MILLION

Net Assets Per Share*

20.54
SEN

Management
Discussion & Analysis

1. BUSINESS AND OPERATIONS OVERVIEW

OpenSys (M) Berhad ("the Group") is a leading solutions provider for the financial services, telecommunication, and utility industries. The Group provides total self-service, assisted-service and branch transformation solutions together with comprehensive professional and support services to these industries. The Group also offers end-to-end managed outsourcing services for self-service terminals, bill payment kiosks and back-office cheque processing services for banks. Through its subsidiary, OpenSys Technologies Sdn Bhd, the Group has expanded into the secured smart logistics market as well as operating an e-commerce renewable energy online marketplace, buySolar.

The Group's core businesses consist of six (6) key segments:

i) **Cash Recycling Machine ("CRM")** is the main product of the Group's hardware segment. CRM is an automated teller machine that accepts and validates cash as well as dispensing the same cash to customers. It is designed to recycle deposited cash for use in subsequent withdrawal transactions, saving banks up to 30% on operational and cash handling costs.

ii) **Business Process Outsourcing ("BPO")** consists of two business sub-segments, namely Bill Payment Kiosk Outsourcing and Cheque Process Outsourcing ("CPO"). In Bill Payment Kiosk Outsourcing, OpenSys provides bill payment kiosks, related network infrastructure and services to customers in the telecommunication and utility industries, for their customers to pay bills and top-up prepaid services via cash, cheque and debit/credit card. In CPO, OpenSys provides processing services to banks and helps banks to clear cheques using a cost-effective image-based online processing model.

iii) **Maintenance and Software Solutions Services** are after-sales services provided by the Group for its hardware products such as CRM, cheque deposit machine, desktop cheque scanner and payment kiosk as well as its software products for cheque processing, self-service terminals, and bill payment solutions. For hardware maintenance services, the Group provides onsite parts and labour support through 26 service centres nationwide. In addition to software support services, Software Solutions Services include software development, modification, implementation, and project management services for the Group's software products.

iv) **Branch of The Future ("BOTF")** is a modernized banking model that leverages digital transformation, automation, and Artificial Intelligence ("AI") to enhance customer experience and operational efficiency. It integrates self-service terminals, teller cash recyclers, smart service pods, AI-powered virtual assistants, remote teller assistants and biometric authentication to streamline banking services. BOTF aims to reduce costs, improve security, and provide seamless, 24/7 customer services, bridging the gap between physical and digital banking.

v) **SmartCIT** Secure Logistics solutions revolutionize the cash logistics market, particularly within the Cash-in-Transit ("CIT") sector, by enhancing efficiency through digitization and AI. By leveraging intelligent hardware, Internet of Things, and big data, SmartCIT enhances decision-making and execution, elevating the intelligence and automation levels across cash logistics and management services. These innovations yield remarkable efficiency improvements, minimize operational costs from collections to processing, and enhance liquidity by enabling online fund crediting.

vi) **buySolar** is a one-stop online marketplace for renewable energy products and services. The two-sided marketplace connects residential and commercial solar photovoltaic ("PV") system users with the relevant solar energy stakeholders through thoughtful touchpoints. Besides providing a seamless and smooth experience, buySolar empowers users to make personalized decisions on the type of solar products, coupled with the most suitable financing options and insurance protection.

2. FINANCIAL PERFORMANCE REVIEW

2.1 Revenue

For the year ended 31 December 2024 ("FY2024"), the Group delivered a resilient performance with a revenue growth of 4.9% year-on-year ("y-o-y") to RM92.75 million compared to RM88.38 million in the corresponding financial year ended 31 December 2023 ("FY2023"). The revenue growth was driven by increases across all service segments, though the overall revenue rise was partially offset by a decline in hardware revenue in FY2024.

Revenue by business segments

Revenue	FY2024 RM' Mil	FY2023 RM' Mil	Change RM' Mil	Change %
Hardware Segment	11.57	20.60	(9.03)	-43.8%
Services Segment				
i. Maintenance & Software Solutions Services	46.42	44.75	1.67	3.7%
ii. Business Process Outsourcing	30.48	18.96	11.52	60.8%
iii. SmartCIT Secure Logistics	4.28	4.07	0.21	5.1%
	81.18	67.78	13.40	19.8%
Total Revenue	**92.75**	**88.38**	**4.37**	**4.9%**

Hardware revenue decreased by 43.8%, from RM20.6 million to RM11.57 million in FY2024. The decline was primarily attributed to customer site readiness delays and core system upgrading exercises of some customers which are expected to be normalized in financial year 2025 ("FY2025").

Revenue from the Services Segment remained the leading revenue source by contributing 88% to the Group's total revenue in FY2024. Revenue from this segment witnessed a growth of 19.8% y-o-y, climbing from RM67.78 million in FY2023 to RM81.18 million in FY2024.

i) **Maintenance and Software Solutions Services**: Revenue remained stable with 3.7% y-o-y growth from RM44.75 million to RM46.42 million. This growth was mainly driven by consistent demand for maintenance services due to the increasing number of CRMs entering maintenance mode after the expiry of warranty period. Additionally, software upgrades and system enhancements secured from banking customers remained robust, as they continued to invest in strengthening their technology infrastructure.

ii) **Business Process Outsourcing**: Revenue from Bill Payment Kiosk Outsourcing and CPO revenue surged by 60.8% y-o-y to RM30.48 million in FY2024. This significant increase was mainly driven by cheque processing services, which contributed substantially to the revenue growth. The performance of this business segment improved as expected, following the successful implementation of a CPO project for a major local bank.

iii) **SmartCIT Secure Logistics**: This segment has demonstrated consistent progress, with a 5.1% y-o-y revenue increase, contributing RM4.28 million in FY2024.

2. FINANCIAL PERFORMANCE REVIEW (CONT'D)

2.2 Gross Profit

Aligned with the revenue growth, the Group experienced an 8.3% increase in gross profit, rising from RM32.43 million in FY2023 to RM35.12 million in FY2024. This resulted in a gross margin of 37.9%, up slightly from 36.7% achieved in FY2023, driven by stronger performance in the services segment.

2.3 Other Income

The Group's other income decreased by 9.8%, from RM0.94 million in FY2023 to RM0.85 million in FY2024, mainly due to lower interest income generated from investments in the money market.

2.4 Profitability

Notwithstanding the increase in revenue, the Group's profit after tax ("PAT") decreased marginally by 3.4%, from RM12.40 million in FY2023 to RM11.98 million in FY2024. The decline was mainly due to lower revenue from hardware segment and higher operational expenses. The higher expenses were contributed by increased staff costs to support business development initiatives as well as higher financing costs associated with funding newly acquired projects. Nevertheless, the increased gross profit from the services segment helped to cushion the impact of these rising costs and the reduction in hardware revenue. The Group's Earnings Per Share stood at 2.67 sen at the end of the financial year under review.

2.5 Financial Position Review

Assets

The Group maintained a solid balance sheet at the end of FY2024, with total assets increasing by RM9.44 million from RM117.67 million at the end of FY2023 to RM127.11 million. This growth was driven by a rise in inventories, which grew by RM7.81 million, along with a RM3.19 million increase in trade and other receivables. However, the overall increase in total assets was partially offset by a RM2.03 million decrease in property, plant, and equipment, primarily due to depreciation.

The increases in inventories and trade receivables were driven by strategic efforts to build buffer stocks in anticipation of early FY2025 hardware deliveries, coupled with delayed collections from customers during the year end period.

Liabilities

In FY2024, the Group's total liabilities rose by RM5.5 million to RM35.34 million. This increase was primarily driven by the drawdown of term loans and higher other payables and accruals, which were partially offset by reductions in deferred tax liabilities and contract liabilities.

The Group's total borrowings comprising term loans, bankers' acceptance and lease liabilities, grew from RM11.99 million to RM16.07 million in FY2024. The increase was largely attributed to the drawdown of a RM6.0 million term loan to finance project related equipment, which was partially offset by borrowings repaid during the year.

Other payables and accruals of the Group increased to RM11.08 million in FY2024 as compared to RM8.65 million in FY2023. This rise was mainly due to timing differences in payment to vendors and higher collections of sales and service tax from customers, which were subsequently paid out in FY2025.

Contract liabilities of the Group decreased by RM0.72 million to RM3.10 million in FY2024 compared to RM3.82 million in the preceding year. This decline was primarily due to the recognition of revenue from advance payments related to upfront billings for maintenance services.

2. FINANCIAL PERFORMANCE REVIEW (CONT'D)

2.6 Liquidity and Capital Management

The Group maintained a healthy cash flow position throughout FY2024. Cash and cash equivalents stood at RM31.84 million as of 31 December 2024, a slight increase from RM31.0 million in the previous financial year, signifying a stable liquidity position.

As for the net cash from operating activities, the Group continued to generate a positive cash flow from operations totaling RM10.53 million during the year.

Group Debt and Equity	FY2024 RM' Mil	FY2023 RM' Mil
Total Borrowings	16.07	11.99
Cash and cash equivalents	31.84	31.00
Net Debt*	-	-
Total equity attributable to owners of the Company	91.46	87.59
Gross gearing ratio (times)	0.18	0.14
Net gearing ratio (times)	-	-

** Total borrowings less cash and cash equivalents*

The Group's gross gearing ratio increased from 0.14 times to 0.18 times in FY2024, while the net gearing ratio remained unchanged at zero for both FY2023 and FY2024. The slight increase in gearing was attributable to the drawdown of a term loan for project financing and the utilization of bankers' acceptance for working capital purposes during the financial year. Overall, the Group maintained a healthy debt leverage level and sustained a robust net cash position.

The Group has been funding its business operations through internally generated funds from its operations and credit facilities extended by financial institutions. The Group anticipates its cash and cash equivalents and available credit facilities to be sufficient to fund the working capital and capital expenditure needs for its business.

2.7 Dividend Payout

The Group has consistently distributed dividends to its shareholders for 14 consecutive years since July 2010. The Board intends to continue rewarding shareholders in appreciation of their continued support and loyalty. In FY2024, the Group declared four (4) single-tier interim dividends totalling 1.80 sen per ordinary share, with a total dividend payout exceeding 60% of the Group's net profit. The total dividend declared to shareholders in FY2024 amounted to RM8.04 million compared with RM7.6 million declared in FY2023.

3. BUSINESS PERFORMANCE BY SEGMENTS

The global economic landscape in 2024 is marked by a period of transition, as the world continues to navigate the aftershocks of economic disruptions. Inflation is gradually moderating, thanks to coordinated efforts by central banks, yet economic growth remains sluggish and below pre-pandemic levels. Persistent high interest rates and ongoing geopolitical tensions continue to weigh on expansion, creating an uneven global recovery. While some advanced economies show resilience, others face stagnation, and although emerging markets maintain solid growth, they are not immune to broader economic pressures. Geopolitical uncertainty further complicates the outlook, with conflicts and trade tensions threatening supply chains and inflation stability. Meanwhile, central banks are beginning to shift monetary policy, with many considering or implementing rate cuts. However, the pace and impact of these adjustments depend on evolving economic conditions. As a result, 2024 presented a landscape of cautious optimism, where potential recovery was tempered by persistent risks and structural challenges.

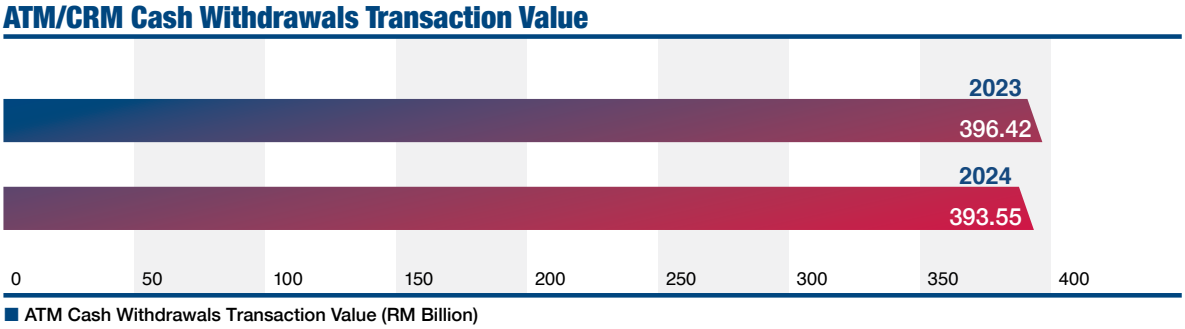
Malaysia's economy in 2024 exhibited strong and resilient growth, achieving a 5.1% Gross Domestic Product ("GDP") expansion, a notable improvement from the previous year. This growth was propelled by robust domestic demand, particularly private consumption, and increased investments. Key sectors like services and construction demonstrated significant expansion, while manufacturing showed moderate growth. A healthy labour market, with a low unemployment rate and stable inflation contributed to the positive outlook. Fiscal reforms aimed at reducing the fiscal deficit further supported this trajectory. Despite potential global economic uncertainties, Malaysia's economy in 2024 demonstrated positive momentum, underpinned by strategic policy implementation and strengthened regional collaboration.

For the financial year ended 31 December 2024, the Group delivered a resilient performance, posting revenue of RM92.75 million, up 4.9% y-o-y from RM88.38 million in FY2023. Growth was underpinned by the continued outperformance of the Solutions and Services segment, which surged 19.8% to RM81.18 million compared to RM67.78 in FY2023, driven by sustained momentum across the Solutions and Services, BPO and SmartCIT Secure Logistics segments. Despite a marginal decline in PAT to RM11.98 million compared to RM12.40 in FY2023, the Group demonstrated its ability to maintain robust profitability amidst a dynamic operating environment, reinforcing its business model's resilience and earnings stability.

3.1 Cash Recycling Machine

The Group's CRM business experienced moderate growth in FY2024 as some banks postponed installations due to site readiness delays. Nonetheless, the Group continued to maintain a commanding CRM market share of more than 80% in Malaysia.

In 2024, Automated Teller Machine ("ATM")s/CRMs remained an important distribution channel for cash due to continuous wide circulation and usage by the public. Based on the payment statistics from Bank Negara Malaysia ("BNM"), ATM/CRM usage remained robust. Despite popular adoption of electronic and mobile payments, the value of ATM/CRM transactions almost remained unchanged at RM393.55 billion in 2024, indicating continuous resilient usage of cash.

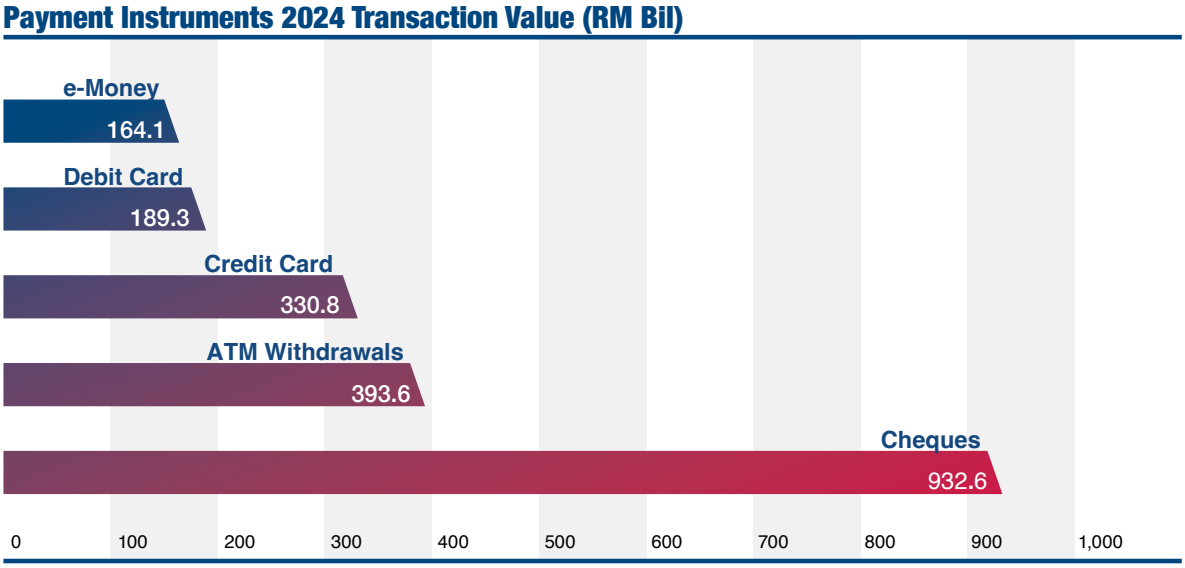


T4 – Payment Channels
https://www.bnm.gov.my/payment-statistics

When comparing transaction values of other payment instruments, ATM/CRM cash withdrawal transaction value was the second highest after cheque transaction value.

3. BUSINESS PERFORMANCE BY SEGMENTS (CONT'D)

3.1 Cash Recycling Machine (cont'd)



Source: T2 – Payment Instruments & T4 – Payment Channels
https://www.bnm.gov.my/payment-statistics

While the payment landscape has evolved significantly in recent years with the rise in e-payments, cash continues to play a vital role. As of 31 December 2024, Malaysia's Currency In Circulation rose by 5.5% y-o-y to RM170.7 billion, up from RM161.8 billion in 2023, reversing the previous year's slight decline of 0.2%. BNM expects cash demand to remain resilient despite the growing adoption of e-payments. This is supported by factors such as ongoing economic growth, the need to hold cash for emergencies, and its role as a primary payment method in areas where e-payment infrastructure is limited.

In summary, while cashless transactions are gaining momentum, cash continues to play a vital role in Malaysia's economy. There's a growing recognition of the need for a balanced approach, ensuring that both cash and cashless options remain available. Based on firm official statistics, the Group strongly believes that continuous healthy co-existence of cash usage and e-payments will prevail in the foreseeable future and CRM will continue to be relevant in Malaysia.

3.2 Business Process Outsourcing

The Group's BPO segment has seen significant growth in 2024 with the acquisition of a major CPO project from a major bank in late 2023. This business sub-segment grew by 60.8% to RM30.48 million from RM18.96 million in 2023. It is expected to contribute significantly to the Group's future revenue and income as well as serving as a strong springboard for the Group to acquire similar projects from other banks.

In Bill Payment Kiosk Outsourcing, the Group has deployed hundreds of bill payment kiosks nationwide mainly at customers' service centres serving more than half a million of users every month. In 2024, Gross Transaction Value decreased slightly from RM10.6 billion to RM10.0 billion demonstrating resilience and habitual payment behaviour at the Group's bill payment kiosks.

In 2024, the Group renewed two Bill Payment Kiosk Outsourcing contracts with two valued customers, further fortifying the future revenue stream of this important business segment. The current business operations remain strong and resilient, providing a solid foundation for growth and expansion. With many loyal users visiting the Group's payment kiosks every month at numerous locations nationwide, there are opportunities to cross-offer telco top-ups, e-Wallet reloads, and other payment services to these loyal customers. These additional services will bring incremental revenue to the Group.

3. BUSINESS PERFORMANCE BY SEGMENTS (CONT'D)

3.3 Branch Of The Future

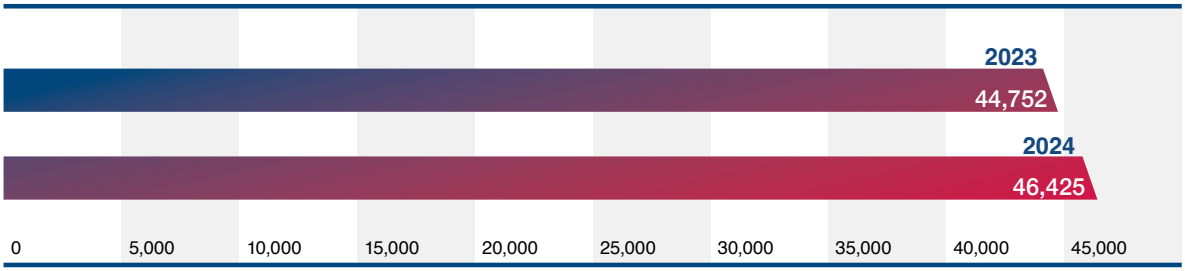
FY2024 marked a pivotal year for BOTF solutions as the Group and a few selected banking customers completed integration work with the banks' back-end delivery systems, a prerequisite for successful implementation of BOTF solutions. Conditions are ripe for these selected banks to proceed with mass deployment or live trials, especially with the Group's Smart Teller Cash Recycler ("SmartTCR") solutions.

As part of the Group's ongoing research and development ("R&D") effort, a new solution component has been added to the Group's BOTF solutions in 2024, namely the Smart Service Pod. Smart Service Pod is a cutting-edge AI-enabled smart service centre concept, designed to revolutionize traditional banking through the integration of advanced technology, enhanced privacy, and superior customer experiences. This innovative concept aims to streamline banking operations while providing unparalleled service to customers and tailored to meet the evolving needs of modern banking clients. The Group is now actively engaging with banks to explore the implementation of this revolutionary concept in their branch transformation journey.

3.4 Maintenance and Software Solutions Services

This business segment has been consistently improving the Group's financial performance for the past few years. In FY2024, the revenue of this segment increased by RM1.67 million or 3.7% to RM46.42 million from RM44.75 million a year ago.

Maintenance Services & Software Solutions Revenue RM '000



The primary driver of this segment's revenue stems from maintenance services provided for CRMs, particularly after the expiration of the warranty period. Currently, the Group supports the maintenance of thousands of CRMs, cheque deposit machines, bill payment kiosks, cheque deposit sidecars and desktop cheque scanners, reflecting the Group's strong support infrastructure presence.

Additionally, the segment benefits from its software solutions services, which include modifications and enhancements tailored to customer requirements. These solutions cover a diverse range of applications of the Group, including cheque processing, self-service terminals, and bill payment systems.

Looking ahead, the Group remains optimistic about the continued growth of this business segment. This positive outlook is driven by an increasing number of CRMs reaching the post-warranty phase and the growing demand for customized software solutions.

3.5 SmartCIT

SmartCIT presents a compelling investment opportunity by revolutionizing transportation security and operational efficiency. By centralizing collections, optimizing kiosk service management, and enhancing secured logistics, SmartCIT reduces inefficiencies and minimizes costs. Its automation-driven approach not only improves productivity but also delivers significant long-term savings, making it a strategic solution for sustainable growth and profitability. In FY2024, the Group secured additional SmartCIT services from a major utility company and new services from a telecommunications service provider, which demonstrates the advantages of SmartCIT. These new services are expected to contribute incremental revenue to the Group.

3. BUSINESS PERFORMANCE BY SEGMENTS (CONT'D)

3.6 buySolar

The Malaysian government launched the Solar For Rakyat Incentive Scheme ("SolaRIS") on 1 April 2024 to accelerate the adoption of PV systems among residential users. As part of the nation's commitment to achieving 70% renewable energy ("RE") capacity by 2050 and significantly reducing carbon emissions, SolaRIS presents a strong market driver for solar investments. This program not only stimulates demand for solar installations but also creates a favourable regulatory and financial environment, positioning the sector for sustained growth.

As the RE market continues to expand, buySolar is positioned for significant growth by bridging the gap between supply and demand. Through strategic partnerships with top financial institutions, buySolar attracts both residential and commercial electricity users by offering flexible payment and financing options at highly competitive rates.

This customer-centric approach has fuelled rapid business expansion, with gross merchandise sales doubling year-over-year and registered users increasing at an impressive 20% average monthly growth rate - demonstrating strong market demand for frictionless user experience when investing in rooftop solar.

4. OUTLOOK AND PROSPECT

Projections suggest Malaysia's GDP will grow between 4.5% and 5.5% in 2025, driven primarily by strong domestic demand, favourable labour market conditions, supportive fiscal and monetary policies. Investment activities are expected to be significant growth drivers. The government's commitment to transitioning Malaysia into a developed nation includes initiatives like the New Industrial Master Plan, the National Energy Transition Roadmap (NETR), the National Semiconductor Strategy, GEAR-uP and the Johor-Singapore Special Economic Zone (JSSEZ). Focus areas include energy transition and advanced manufacturing, particularly in the semiconductor industry. Additionally, Malaysia's role as the ASEAN chair in 2025 is anticipated to enhance regional trade collaborations, further boosting economic activities.

In summary, Malaysia's 2025 economic outlook is optimistic, underpinned by strong domestic demand, strategic investments, and supportive fiscal and monetary policies. However, vigilance regarding external economic conditions remains essential to sustain this growth trajectory.

On the other hand, the economic sector that is most relevant to the Group, the banking sector, is poised for stable growth in 2025, supported by steady loan demand, stable interest margins, and sound asset quality. However, the banks remain susceptible to external economic conditions and global market volatility to sustain this positive trajectory.

With the economy expected to grow at a moderate pace of between 4.5 to 5.5% in 2025 and a stable banking sector, the Group is cautiously optimistic about FY2025 and beyond with the following outlook:

i) Cash Recycling Machine – Deployment of CRMs To Accelerate

Banks are facing an urgent need to upgrade their CRM fleet as Windows 10 reaches its end of life by October 2026. With Microsoft discontinuing support, these systems will no longer receive critical security updates, patches, or technical assistance, leaving CRMs potentially vulnerable to compliance risks. To ensure ongoing security, compliance, and performance, banks need to act promptly to transition to supported platforms, and future-proof their self-service channels. The Group foresees the replacement of CRMs to accelerate in the next two (2) years and the CRM business segment will continue to perform well moving forward.

In addition to the CRM sales, the Group is also optimistic about the sales of CRM sidecar modules. The CRM sidecar module adds supplementary functions such as cheque deposit and card dispensing to the CRM. The CRM sidecar modules will save banks up to 50% of the cost of a single-function machine such as cheque deposit machine or card dispensing machine. More pilots of CRM sidecar modules (both cheque deposit and card dispensing) will be conducted in 2025 and the Group is positive that CRM sidecar modules will supplement the Group's Hardware Segment revenue moving forward.

4. OUTLOOK AND PROSPECT (CONT'D)

i) Cash Recycling Machine – Deployment of CRMs To Accelerate (cont'd)

The Group is unlocking new opportunities by capitalizing on the existing population of CRMs and integrating cutting-edge hardware and advanced software features to generate additional revenue. Some of the new features and functionalities are Palm Recognition, AI Avatar, Remote Teller Assistance, Intelligent Marketing and Sales Enablement. These exciting enhancements position the Group at the forefront of the industry, and the Group is committed to accelerating R&D efforts to stay ahead of the curve and deliver solutions that stand out from the competition.

ii) Robust Services Business – Steady Year-On-Year Growth

The Group's Services Segment will continue the same growth path in driving revenue and profits as demand grows for the Group's Maintenance and Software Solution Services. The Maintenance Services sub-segment is expected to have consistent y-o-y growth as more CRMs enter maintenance mode after expiration of the warranty period. The Software Solution Services sub-segment will see constant requests for changes and modifications of the Group's software solutions such as Automated Cheque Processing Solutions, Inward Cheque Processing Solutions and Signature Verification Solutions.

During the final quarter of 2023, the Group secured a contract from a leading local bank to outsource its nationwide cheque processing operations. This contract was successfully implemented at the end of 2023 and contributed solidly to the Group's FY2024 performance. CPO services will continue to bring about a steady recurring revenue stream to the Group's Services Segment moving forward.

iii) Branch Of The Future - Revolutionizing Bank Branches with Next-Generation Technology

The banking industry is undergoing a significant transformation, driven by evolving customer expectations, rapid technological advancements, and the shift towards digital-first financial services. Traditional bank branches need to evolve into smart, interactive, and highly efficient service hubs that seamlessly integrate automation, AI, and self-service solutions.

The Group recognizes that to achieve this transformation, the current technology and solutions need to undergo a makeover using more advanced technologies and revolutionary concepts. The Group has identified five (5) key technological innovations of bank branch transformation and will continue to invest heavily in developing products and solutions based on these advanced technologies:

a) Smart Self-Service Terminals

Modern bank branches are evolving towards advanced self-service models, where next-generation smart terminals go beyond basic ATM and CRM functions to offer services like cheque deposits, card issuance, and account openings. These terminals integrate biometric authentication (Face and Palm Recognition) for enhanced security, multilingual AI-driven Avatars to guide customers and address queries. Additionally, they support Intelligent Marketing, Sales Enablement, and Remote Teller Assistance for face-to-face interactions, enabling customers to perform both routine and complex transactions efficiently without direct human intervention.

b) Smart Teller Cash Recycler

SmartTCR is a key enabler in modern branch transformation, allowing banks to move away from traditional teller counters toward more open, customer-centric environments. By automating acceptance, counting, authentication, and dispensing of cash, SmartTCR streamlines cash-handling processes, which reduces transaction times and human errors. This shift allows frontline staff to focus less on routine transactions and more on providing advisory and relationship-driven services, supporting the transformation from transactional banking to a more consultative approach.

4. OUTLOOK AND PROSPECT (CONT'D)

iii) Branch Of The Future - Revolutionizing Bank Branches with Next-Generation Technology (cont'd)

b) Smart Teller Cash Recycler (cont'd)

SmartTCR also improves branch efficiency, security, and flexibility. It eliminates the need for manual cash counting and reconciliation, accelerating end-of-day balancing and reducing operating costs. By securely storing cash within the device, it minimizes risks of theft and fraud while supporting open-concept layouts like service pods and hybrid self-service zones. Ultimately, SmartTCR helps modernize the branch by enhancing operational workflows and freeing up staff to deliver more personalized and value-added customer experience.

c) Smart Acoustic Service Pods

To balance automation with personalized services, smart acoustic service pods provide customers with private, soundproof space to perform banking transactions, engage in secure video sessions with AI-powered Avatars, and hold confidential consultations with remote banking experts. These pods create an ideal environment for high-value discussions such as financial planning and wealth management as well as performance of complex transactions, while ensuring both privacy and seamless customer experience.

d) Remote Teller Assistants and AI-Powered Avatars

Banks can leverage AI-powered Avatars, and remote teller assistants to provide round-the-clock customer support and advisory services. These technologies offer real-time financial advice, handle customer queries, and deliver human-like, conversational experiences. By combining AI with remote teller assistance for more complex or high-value transactions, banks can offer both personalized and efficient services. This integrated approach enhances customer experience, enables tailored solutions through data-driven insights, and reduces the need for extensive in-branch staffing, driving greater cost efficiency.

e) Face and Palm Recognition

Security and convenience are central to modern banking, with advanced Face and Palm Recognition technologies enabling seamless, contactless authentication for secure transactions. These biometrics provide instant identity verification for high-value transactions and access control, strengthen fraud prevention through real-time analysis, and enhance the customer experience by offering a fast and frictionless sign-in process.

The transformation of bank branches is no longer a concept but a necessity. By integrating Smart Self-Service Terminals, SmartTCRs, AI Avatars, Remote Teller Assistants, Face and Palm Recognition as well as Smart Service Pods, banks can create efficient, secure, and customer-centric service hubs. These innovative and revolutionary solutions will empower financial institutions to reduce operational costs, enhance security, and provide seamless banking experiences.

Leveraging on these new advanced technologies, the Group has embarked on strategic R&D initiatives to design innovative products and solutions that will drive branch transformation over the next three (3) to five (5) years, positioning itself to capture significant opportunities in this rapidly evolving market.

4. OUTLOOK AND PROSPECT (CONT'D)

iv) Other Revenue Streams

The Group's revenue diversification strategies are developing steadily and are expected to make a higher contribution to the Group's revenue and profit moving forward.

SmartCIT

Malaysia's cash logistics and management ecosystem remains resilient and is poised for continued evolution in the coming years. SmartCIT is well-positioned to capitalize on this shift by offering an AI-enabled solution for predictive analytics to enhance decision-making, forecast trends, uncover insights, and drive smarter strategies with data-driven precision in the cash ecosystem.

The Group remains committed to innovation and strategic partnerships, continuously refining its operating models and solutions to meet the evolving demands of corporations and financial institutions. By leveraging technology and collaboration, the Group aims to enhance efficiency, optimize cost structures, and solidify its market leadership in cash logistics and management.

buySolar

Malaysia's clean energy industry is poised for significant expansion, driven by the country's strong commitment to a low-carbon economy. The anticipated increase in the base electricity tariff to 45.62 sen/kWh in the upcoming Fourth Regulatory Period (RP4, 2025–2027) - up from 39.95 sen/kWh in RP3 (2022–2024) - is expected to accelerate the adoption of solar energy as a cost-effective and sustainable alternative among electricity users.

buySolar is strategically positioned to capitalise on this shift, offering a comprehensive suite of green products, financing solutions, and services through strategic partnerships and technological innovations.

Looking ahead, the Group, through its subsidiary OpenSys Technologies Sdn Bhd, will leverage its nationwide field engineering support network to expand into clean energy services, including managing rooftop solar projects, rooftop solar installations, after-sales support and maintenance of rooftop solar systems and electric vehicle charging facilities. By aligning with Malaysia's energy transition roadmap, the Group aims to capture the rising demand for green energy solutions, ensuring sustainable growth and value creation.

The outlook for the Malaysian economy remains broadly positive, with GDP growth projected to range between 4.5% and 5.5% in 2025. Nonetheless, risks persist, particularly from rising cost pressures, heightened geopolitical uncertainties and impact of United States trade policy shifts, which could weigh on business sentiment and operating conditions.

Despite this backdrop of uncertainty, the Group's core businesses continue to demonstrate resilience and operational robustness. The Group is actively mitigating these headwinds through its strategic focus on expanding and diversifying its revenue streams. Key initiatives such as BOTF solutions, CIT services and RE undertakings are expected to drive sustainable growth and enhance both top-line and bottom-line performance. While remaining vigilant to external risks, the Group anticipates a satisfactory financial outcome for the year ending 31 December 2025, barring any unforeseen circumstances.

The Board of Directors wishes to express sincere gratitude to our shareholders, customers, suppliers, and business partners for their unwavering support. Additionally, we extend heartfelt appreciation to every member of our management and staff for their continuous dedication and contribution to the growth of our Company, without which our success would not be achievable.

Audit and Risk Management Committee ("ARMC") Report

COMPOSITION AND DESIGNATION OF ARMC

The principal objective of the ARMC is to assist the Board in discharging certain of its statutory duties and responsibilities in relation to financial, accounting, and reporting practices, risk management oversight, and to ensure proper disclosure to the shareholders of the Company.

The ARMC comprises the following members: -

Chairperson

Datin Lee Choi Chew	- Independent Non-Executive Director

Members

Wong Choong Wai	- Independent Non-Executive Director
Hajjah Norizan Binti Yahya	- Independent Non-Executive Director

TERMS OF REFERENCE OF THE ARMC MEMBERSHIP

The ARMC shall be appointed by the Board of Directors among themselves and shall be composed of not fewer than three (3) members, exclusively non-executive directors with a majority being independent non-executive.

The members of the ARMC shall elect a chairman from among their members who is an independent director. The Chairman elected shall be subject to endorsement by the Board.

If a member of the ARMC resigns, or for any reason ceases to be a member with the results that the number is reduced below three (3), the Board of Directors shall, within three (3) months of that event, appoint such number of new members as maybe required to make up the minimum number of three (3) members.

No alternate director shall be appointed as a member of the ARMC.

The terms of office and performance of the ARMC and each of its members shall be reviewed by the Nomination Committee annually. However, the appointment terminates when a member ceases to be a Director.

The Terms of Reference of the ARMC is made publicly available on the Company's website at www.myopensys.com in line with Paragraph 15.11 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

MEETINGS AND ATTENDANCE

The ARMC may require the external auditors and any official of the Company to attend any of its meetings as it determined. The external auditors may request a meeting if they consider one is necessary. The quorum for each meeting shall be at least two (2) members, both of whom present shall be Independent Non-Executive Directors. The Company Secretary is the Secretary of the ARMC.

The ARMC shall whenever deem necessary, to meet the external auditors and internal auditors without the presence of executive board members and management staff to encourage the auditors to voice out any issue of concern arising from their course of audit.

There were four (4) ARMC meetings held during the year 2024.

MEETINGS AND ATTENDANCE (cont'd)

Record of attendance for meetings held during the financial year ended 31 December 2024 is as follows: -

ARMC Members	Attendance
Datin Lee Choi Chew	4/4
Wong Choong Wai	4/4
Hajjah Norizan Binti Yahya	4/4

The Company Secretary attended all the ARMC meetings. In carrying out its duties, the ARMC reported to and updated the Board on any significant issues of concern and where appropriate, made necessary recommendations to the Board. The Company Secretary was responsible to record all proceedings and minutes of all meetings of the ARMC.

SUMMARY OF WORK OF THE ARMC DURING THE YEAR

The work of the ARMC during the financial year ended 31 December 2024 is as follows: -

- review the quarterly results and financial year end unaudited financial results of the Group;
- review the adequacy of the audit scope and plan of the external auditors;
- review reports of the internal and external auditors;
- assess the integrity, capability and professionalism of the external auditors and review the scope of audit service and their proposed fee;
- review the internal auditors' scope of work;
- to follow up with the internal auditors on any irregularity and findings;
- review any related party transaction and conflict of interest situation that may arise within the Company or the Group including any transactions, procedure or cause of conduct that raises questions of management integrity;
- review the adequacy of internal control policy and internal control system; and
- review the adequacy and effectiveness of risk management framework.

To ensure that the external auditors' independence is not impaired, the Audit Engagement Partner in charge of the Company is rotated every seven (7) years. Internally, the external auditors conduct an Independent Partner Engagement quality control review in order to preserve their independence and integrity. The external auditors had also provided written assurance to the ARMC they had been independent throughout the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

The ARMC has reviewed the performance of the external auditors based on the following criteria: -

- quality of engagement team;
- quality of interaction and communication; and
- independence, objectivity and professionalism.

Based on the review, the ARMC found that the external auditors have performed professionally and is independent. The ARMC recommended the external auditors' reappointment to the Board to be proposed for shareholders' approval at the Annual General Meeting.

INTERNAL AUDIT FUNCTIONS

The Company outsourced its internal audit division to a third-party professional firm to assist the ARMC in discharging their responsibilities and duties. The role of the internal audit functions is to undertake independent regular and systematic reviews of the system of internal controls so as to provide reasonable assurance that such systems continue to operate satisfactorily and effectively.

The fee (inclusive of government tax) paid to the professional firm in respect of the internal audit function for the financial year ended 31 December 2024 was RM34,167.96.

The internal audits cover the review of the adequacy of risk management, operational controls, and compliance with established procedures, guidelines and statutory requirements.

During the financial year under review, the internal auditors reviewed and audited the following areas: -

i. Human Resources and Payroll Management
ii. Employee Claims Processing and Control
iii. Property, Plant and Equipment Management
iv. Follow-up review on Manufacturing and Assembly
v. Follow-up review on Cash and Bank Management
vi. Follow-up review on Account Receivables
vii. Follow-up review on Management Control System

There were no significant issues in the internal control system during the period under review.

Corporate Governance Overview Statement

The Board of Directors of OpenSys (M) Berhad ("the Company") ("the Board") remains committed towards governing, guiding and monitoring the direction of the Company with the objective of enhancing long term sustainable value creation aligned to the interests of shareholders and stakeholders. The Board strives and advocates good corporate governance and views this as a fundamental part of discharging its roles and responsibilities.

The Board is fully committed to the principles and recommendations of the Malaysian Code on Corporate Governance 2021 ("the Code"). This Statement is prepared in compliance with the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") and it is to be read together with the Corporate Governance Report 2024 of the Company which is available on the Company's website at www.myopensys.com.

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS

The Board recognises the key role it plays in charting the strategic direction of the Company and has assumed the following principal responsibilities in discharging its fiduciary and leadership functions: -

- reviewing and adopting a strategic plan for the Company, addressing the sustainability of the Group's business;
- overseeing the conduct of the Group's business and evaluating whether or not its businesses are being properly managed;
- identify principal business risks faced by the Group and ensuring the implementation of appropriate internal controls and mitigating measures to address such risks;
- ensuring that all candidates appointed to senior management positions are of sufficient calibre, including the orderly succession of senior management personnel;
- overseeing the development and implementation of a shareholder communications policy, including an investor relations programme for the Company; and
- reviewing the adequacy and integrity of the Group's internal control and management information systems.

To assist in the discharge of its stewardship role, the Board has established Board Committees, namely the Audit and Risk Management Committee, Nomination Committee and Remuneration Committee, to examine specific issues within their respective terms of reference as approved by the Board and report to the Board with their recommendations. The ultimate responsibility for decision making, however, lies with the Board.

The Board Charter

The Board has established a Board Charter to provide clarity and guidance in the roles and responsibilities to the Board members. The Board Charter was reviewed by the Board on 24 February 2025 and is made available on the Company's website at www.myopensys.com.

The Board Charter will be reviewed and updated periodically to ensure their relevance and compliance.

Code of Conduct and Ethics

The Board has formulated the Code of Conduct and Ethics to enhance the standard of corporate governance and behaviour with a view to achieve the following objectives: -

- To establish standard of ethical conduct for directors based on acceptable belief and values that one upholds.
- To uphold the spirit of social responsibility and accountability of the Company in line with the legislations, regulations and guidelines governing it.

The Code of Conduct and Ethics are available on the Company's website.

Whistleblowing Policy

The Board has formalised the Whistleblowing Policy, which provides an avenue for employees to make good-faith disclosure and report instances of unethical, unlawful or undesirable conduct without fear of reprisal.

The details of lodgement channels in relation to whistleblowing are available on the Company's website.

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

Anti-Bribery and Corruption Policy

The Group adopts a zero-tolerance approach against all forms of bribery and corruption for all levels of employees in carrying out the Group's operations. The Group has established an Anti-Bribery and Corruption Policy ("ABC Policy") to ensure that the Group's business operations conform to the highest level of integrity and ethics. The ABC Policy represents the Group's stance on bribery and corruption in any form and serves to protect the Group from financial and reputational loss. All employees of the Group must comply with the ABC Policy and the relevant laws and regulations on anti-bribery and corruption.

Sustainability of Business

The Board is mindful of the importance of business sustainability and, in conducting the Group's business, the impact on the environmental, social and governance aspects is taken into consideration. Accordingly, the Board ensures that the Company takes into account of sustainability, the environment, social and governance elements in its business operations.

Supply of, and Access to, Information

The Board is supplied with relevant information and reports on financial, operational, corporate, regulatory, business development and audit matters, by way of Board reports or upon specific requests, for decisions to be made on an informed basis and effective discharge of Board's responsibilities.

Good practices have been observed for timely dissemination of meeting agenda, including the relevant Board and Board Committee papers to all Directors prior to the Board and Board Committee meetings, to provide facts and rationale to facilitate Board's decisions and to deal with matters arising from such meetings. The Management shall furnish comprehensive explanation and supporting facts and documents on pertinent issues for the discussion. The issues are then deliberated and discussed thoroughly in the meeting prior to decision making.

In addition, the Board members are updated on the Company's activities and its operations on a regular basis. All Directors have unrestricted access to all information of the Company, Company Secretary's advice and from other professional advice to enable them to discharge their duties and responsibilities.

Senior Management of the Group and external advisers are invited to attend Board meetings to provide additional insights and professional views, advice and explanations on specific items on the meeting agenda. Besides direct access to the Management, Directors may obtain independent professional advice at the Company's expense, if considered necessary, in furtherance of their duties.

The Board is supported by suitably qualified, experienced and competent Company Secretaries. The Company Secretaries are responsible for ensuring that the Board procedures are followed and the applicable rules and regulations for the conduct of the affairs of the Board are complied with. The Company Secretaries are also responsible for the secretarial functions such as compliance with all statutory and regulatory requirements, providing corporate advisory to the Board, unbiased minutes of all meetings proceedings and proper maintenance of secretarial records.

Currently, the Board consisted of seven (7) members, comprising three (3) Executive Directors, three (3) Independent Non-Executive Directors, and one (1) Alternate Director. This composition fulfils the requirements as set out under Paragraph 15.02(1) of the MMLR which stipulates that at least two (2) Directors or nearest one-third (1/3) of the Board, whichever is higher, must be Independent. In the event of any vacancy in the Board resulting in non-compliance with Paragraph 15.02(1) of the MMLR, the Company must fill the vacancy within three (3) months. The profile of each Director is set out in this Annual Report. The Directors, with their differing backgrounds and specializations, collectively bring with them a wide range of experience and expertise in areas such as finance; accounting and audit; corporate affairs; and marketing and operations.

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

Nomination Committee

A Nomination Committee has been established, with specific terms of reference, by the Board, comprising exclusively Independent Non-Executive Directors as follows: -

Chairperson

1. Hajjah Norizan Binti Yahya - Independent Non-Executive Director

Members

1. Wong Choong Wai - Independent Non-Executive Director
2. Datin Lee Choi Chew - Independent Non-Executive Director

The Terms of Reference of the Nomination Committee is made available on the Company's website at www.myopensys.com.

The Nomination Committee is primarily responsible for sourcing and recommending the right candidate to the Board, taking into consideration the Board structure, size, composition and the required mix of expertise and experience which the Director should bring to the Board. It assesses the effectiveness of the Board as a whole, the Board Committees and the contribution of each Director, including Non-Executive Directors.

The final decision on the appointment of a candidate recommended by Nomination Committee rests with the whole Board. The Board is entitled to the services of the Company Secretary who would ensure that the process and procedure on appointments are properly observed and adhered to the Code and MMLR.

Pursuant to the Company's Constitution, one-third (1/3) of the Directors including the Managing Director, shall retire from office each year, and all Directors shall retire at least once in three (3) years. Retiring directors can offer themselves for re-election. Directors who are appointed by the Board during the financial year are subject to re-election by shareholders at the next Annual General Meeting ("AGM") held following their appointment.

At the forthcoming AGM, Tan Kee Chung and Wong Choong Wai will retire by rotation pursuant to Clause 78 of the Constitution, being eligible, and offer themselves for re-election.

The Board, on the recommendation of the Nomination Committee, supported the re-election of the retiring Directors. The Board and the Nomination Committee had reviewed the assessment results of the board evaluation exercise conducted for the financial year ended 31 December 2024 with reference to the Directors' Fit and Proper Policy and are satisfied with the performance and contributions of the retiring Directors that they had effectively discharged their duties and responsibilities well.

During the financial year, the Nomination Committee has assessed the balance composition of Board members based on merits, Directors' contribution and Board effectiveness.

The Nomination Committee concluded that each Board member is competent and committed in discharging his duty and responsibility. Non-Executive Directors are independent in rendering their opinion and decision. All assessments and evaluations carried out by the Nomination Committee were properly documented.

Currently there are three (3) female Directors acting as Board members of the Company, representing 50% female representation in the Board. Board acknowledges the importance of diversity in terms of skills, experience, age, gender, cultural background and ethnicity and recognises the benefits of diversity at leadership and employee level.

The Board is of the view that the suitability of a candidate for the Board is dependent on the candidate's competency, skills, experience, expertise, character, time commitment, integrity and other qualities in meeting the needs of the Company, regardless of gender. The Company gives equal opportunity to all Board members and its staff regardless of the gender and ethnicity.

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

Remuneration Committee

A Remuneration Committee has been established by the Board, comprising entirely Independent Non-Executive Directors as follows:

Chairman

1. Wong Choong Wai - Independent Non-Executive Director

Members

1. Datin Lee Choi Chew - Independent Non-Executive Director
2. Hajjah Norizan Binti Yahya - Independent Non-Executive Director

The Remuneration Committee has been entrusted by the Board to determine that the levels of remuneration are sufficient to attract and retain Directors of quality and commitment to manage the business of the Group. The Remuneration Committee is entrusted under its terms of reference to assist the Board, amongst others, to recommend to the Board the remuneration of the Executive Directors. In the case of Non-Executive Directors, the level of remuneration shall reflect the experience and level of responsibilities undertaken by the Non-Executive Directors concerned. In all instances, the deliberations are conducted, with the Directors concerned abstaining from discussions on their individual remuneration. During the financial year under review, the Committee met once attended by all members.

Directors' Remuneration

Details of Directors' remuneration for the financial year ended 31 December 2024 are as follows: -

	Fees (RM)	Salaries & Bonus* (RM)	Company Meeting Allowances (RM)	Benefits in-kind (RM)	Total (RM)
Executive Directors	69,000	2,264,307	-	70,103	2,403,410
Non-Executive Directors	207,000	-	16,500	-	223,500
Total	276,000	2,264,307	16,500	70,103	2,626,910

* The Salaries and Bonus include employer's contribution to the Employees Provident Fund (EPF).

No fees, salaries, bonuses, allowances, or benefits were paid to the both Executive and Non-Executive Directors in the subsidiaries of the Company.

Independence of the Board

The Chairman and Chief Executive Officer positions are held by separate individuals. The roles of the Chairman and the Chief Executive Officer are separated with a clear division of responsibilities between them to ensure balance of power and authority.

The Chairman is responsible for ensuring the adequacy and effectiveness of the Board's governance process and acts as a facilitator at Board meetings to ensure that contributions from Directors are forthcoming on matters being deliberated and that no Board member dominates discussion. As the Chief Executive Officer, supported by fellow Executive Directors, he implements the Company's strategies, policies and decision adopted by the Board and oversees the operations and business development of the Company.

The Independent Non-Executive Directors deliberate every pertinent matter objectively. They give independent views, advice and unbiased judgment on interests, not only of the Group, but also of shareholders and stakeholders. Independent Non-Executive Directors are essential for protecting the interests of shareholders and can make significant contributions to the Company's decision making by bringing in the quality of detached impartiality.

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

Independence of the Board (cont'd)

The Board operates in an open environment in which opinions and information are freely exchanged and in these circumstances any concerns need not be focused on a single director as all members of the Board fulfil this role individually and collectively.

The Company does not have term limits for both Executive Directors and Independent Non-Executive Directors as the Board believes that continued contribution by Directors provides benefits to the Board and the Group as a whole. The integrity of Independent Director is not compromised by the long period of serving.

The Board recognizes the importance of establishing criteria on independence to be used in the annual assessment of its Independent Non-Executive Directors. In accordance with the Code, the Board must justify and seek shareholders' approval in the event it retains an independent director, a person who has served in that capacity for more than nine (9) years.

Following an assessment conducted by the Board through the Nomination Committee, the Board opined that the independence of director cannot be assessed based on the quantitative aspect as stated in MMLR, but the true independence emanates from intellectual honesty, manifested through a genuine commitment to serve the best interests of the Company.

The Independent Directors still can continue to remain objective and independence in expressing their respective view and participate in deliberation and decision making of the Board and the Board Committees. The Board is further of the view that the length of service of the Independent Directors on the Board does not in any way interfere with their independent judgment and ability to act in the best interest of the Group.

Board Meetings

The Board ordinarily meets at least four (4) times a year, scheduled well in advance before the end of the preceding financial year to facilitate the Directors in planning their meeting schedule for the year. Additional meetings are convened when urgent and important decisions need to be made between scheduled meetings. Board and Board Committee papers which are prepared by the Management provide the relevant facts and analysis for the convenience of Directors. The meeting agenda, the relevant reports and Board papers are furnished to the Directors and Board Committee members well before the meeting to allow the Directors sufficient time to peruse for effective discussion and decision-making during meetings. At the quarterly Board meetings, the Board reviews the business performance of the Group and discusses major operational and financial issues.

The Chairman of the Audit and Risk Management Committee ("ARMC") informs the Directors at each Board meeting of any salient matters noted by the ARMC and which require the Board's attention or direction. All pertinent issues discussed at Board meetings in arriving at the decisions and conclusions are properly recorded by the Company Secretary by way of minutes of meetings.

There were four (4) Board meetings held during the financial year ended 31 December 2024, with details of Directors' attendance set out below: -

Board Of Directors	Attendance
Tan Kee Chung	**4/4**
Ong Poh Hong	**4/4**
Lim Swee Keah	**4/4**
Datin Lee Choi Chew	**4/4**
Wong Choong Wai	**4/4**
Hajjah Norizan Binti Yahya	**4/4**

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

Independence of the Board (cont'd)

The Directors observe the recommendation of the Code that they are required to notify the Chairman before accepting any new directorship and to indicate the time expected to be spent on the new appointment. To ensure that the Directors have the time to focus and fulfil their roles and responsibilities effectively, they must not hold directorships at more than five (5) public listed companies and must be able to commit sufficient time to the Company.

The Board is satisfied with the level of time commitment given by the Directors towards fulfilling their roles and responsibilities as Directors of the Company. This is evidenced by the attendance record of the Directors at Board meetings.

The Board is mindful of the importance for its members to undergo continuous training to be apprised on changes to regulatory requirements and the impact such regulatory requirements have on the Group.

All the Directors of the Company have attended the Mandatory Accreditation Programme within the stipulated timeframe required in the MMLR.

Directors' Training

The Directors have attended the following trainings, conferences, and seminars during the financial year ended 31 December 2024: -

Directors	Training Programme/Conference/Seminar
Tan Kee Chung	• Enhanced Conflict of Interest Framework • Closed Period & Insider Trading
Lim Swee Keah	• Delivery of Strategic Thinking and Business Acumen with Managing Business Today • Enhanced Conflict of Interest Framework • Closed Period & Insider Trading
Ong Poh Hong	• Delivery of Strategic Thinking and Business Acumen with Managing Business Today • Enhanced Conflict of Interest Framework • Strategic Planning for Malaysia's 2025 Fiscal Shift • Closed Period & Insider Trading
Datin Lee Choi Chew	• Enhanced Conflict of Interest Framework • Closed Period & Insider Trading
Wong Choong Wai	• Enhanced Conflict of Interest Framework • Closed Period & Insider Trading
Hajjah Norizan Binti Yahya	• Mandatory Accreditation Programme ("MAP Part I")-Bursa Malaysia • Enhanced Conflict of Interest Framework • Closed Period & Insider Trading
Tune Hee Hian (Appointed on 1 March 2025 as Alternate Director)	• Enhanced Conflict of Interest Framework • Closed Period & Insider Trading

Throughout the year, all Directors regularly received updates and briefings, particularly from the Company Secretary, internal and external auditors on changes in regulatory. They continue to remain updated on industrial practice, business environment, IT products and knowledge.

The external auditors also briefed the Board members on any changes to the Malaysian Financial Reporting Standards that would affect the Group's financial statements during the financial year under review.

PRINCIPLE B - EFFECTIVE AUDIT AND RISK MANAGEMENT

In assisting the Board to discharge its duties on financial reporting, the Board has established an ARMC, comprising wholly Independent Non-Executive Directors, with Datin Lee Choi Chew as the Committee Chairperson. The composition of the ARMC, including its roles and responsibilities, are set out in the ARMC Report of this Annual Report. One of the key responsibilities of the ARMC in its specific terms of reference is to ensure that the financial statements of the Group and Company comply with applicable financial reporting standards in Malaysia. Such financial statements comprise the quarterly financial report announced to Bursa Securities and the annual statutory financial statements.

The Directors are responsible for the preparation of financial statements for each financial year and ensure that the financial statements give a true and fair view of the financial position of the Group and the Company as at 31 December 2024 and of the results of their operations and their cash flows for the year ended then. The Directors are responsible to ensure that the annual audited financial statements of the Group and of the Company are drawn up in accordance with the requirements of the applicable approved accounting standards in Malaysia, the provisions of the Companies Act 2016, and the MMLR.

The Directors are responsible for ensuring proper accounting records are kept, which disclose with reasonable accuracy, at any time, the financial position of the Group and of the Company. The Directors are also responsible for taking such reasonable steps to safeguard the assets of the Group and the Company to prevent fraud and other irregularities.

The Directors are satisfied that in preparing the financial statements of the Group and the Company for financial year ended 31 December 2024, the Group and the Company have used the appropriate accounting policies and applied them consistently and supported by reasonable and prudent judgments and estimates and prepared the annual audited financial statements on a going concern basis.

In assessing the independence of external auditors, the ARMC requires written assurance by the external auditors, confirming that they are, and have been, independent throughout the conduct of the audit engagement with the Company in accordance with the independence criteria set out by the International Federation of Accountants and the Malaysian Institute of Accountants.

During the financial year under review, the Management has a process in place to identify and evaluate the related business risks. The issues on risks were discussed by the Management with the Chief Executive Officer who would articulate risks associated with projects and investment, including any risk exposure that the Group faced in its operations. It is a continuous process, and the Management meets on ad hoc basis to update the monitoring and risk mitigation process.

The internal audit function of the Group is outsourced to an independent professional firm, whose work is performed with impartially, proficiency and due professional care, and in accordance with the International Professional Practices Framework of the Institute of Internal Auditors, Incorporated, which sets out professional standards on internal audit. It undertakes regular reviews of the adequacy and effectiveness of the Group's system of internal controls and risk management process, as well as appropriateness and effectiveness of the corporate governance practices. The Internal Audit reports directly to the ARMC. Further details on the internal audit function can be seen in the ARMC Report and the Statement on Risk Management and Internal Control in this Annual Report.

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

The Board is aware of the need to establish corporate disclosure policies and procedures to enable comprehensive, accurate and timely disclosures relating to the Company and its subsidiaries to be made to the regulators, shareholders and stakeholders. On this basis, the Board will not only comply with the disclosure requirements as stipulated in the MMLR, but also instruct the persons authorised and responsible to approve and disclose material information to regulators, shareholders and stakeholders.

The Company also maintains a corporate website, www.myopensys.com to disseminate information and enhance its investor relations. All timely disclosure, material information and announcements made to Bursa Securities are published on the website after the same are released by the Company.

The AGM, which is the principal forum for shareholder dialogue, allows shareholders to review the Group's performance via the Company's Annual Report and pose questions to the Board for clarification. At the AGM, shareholders participate in deliberating resolutions being proposed or on the Group's operations in general. At the last AGM, a question and answer session was held where the Chairman invited shareholders to raise questions with responses from the Board.

The Notice of AGM is circulated before the date of the meeting to enable shareholders to go through the Annual Report and papers supporting the resolutions proposed. Shareholders are invited to ask questions both about the resolutions being proposed before putting a resolution to vote as well as matters relating to the Group's operations in general. All the resolutions set out in the Notice of the last AGM were put to vote by way of poll and duly passed. The outcome of AGM was announced to Bursa Securities on the same meeting day.

Paragraph 8.29A of the MMLR provides that all resolutions set out in the notice of any general meeting shall be voted by poll where every one share has one vote. It also provides that a scrutineer independent of the polling process shall be appointed to validate the votes cast. During the last AGM, all resolutions were voted by poll.

The Board recognises the importance of being transparent and accountable to the Company's investors and, as such, has various channels to maintain communication with them. The various channels of communications are through the quarterly announcements on financial results to Bursa Securities, relevant announcements and circulars, when necessary, the Annual and Extraordinary General Meetings and through the Group's website at where shareholders can access pertinent information concerning the Group.

The Board recognises that there are always opportunities for improvement in its corporate governance activities in order for the Group to continue to create trust and confidence amongst stakeholders.

The Board is satisfied that this Corporate Governance Overview Statement provides the information necessary to enable shareholders to evaluate how the Code has been applied, and obligation are fulfilled under the Code and MMLR throughout the financial year 2024.

Additional Compliance Information

1. Audit Fee and Non-Audit Fee

Details of statutory audit, audit-related and non-audit fees paid/payable in the financial year ended 31 December 2024 to the external auditors are set out below: -

Fees paid/payable to HLB LER LUM CHEW PLT (RM)			
Description	**Company**	**Subsidiaries**	**Total**
Audit Fees	50,000	11,000	61,000
Non-Audit Fees	13,600	-	13,600
Total	**63,600**	**11,000**	**74,600**

2. Utilisation of Proceeds

The Company did not undertake any corporate exercise to raise funds during the financial year. Hence, no proceeds were raised.

3. Material Contracts

There were no material contracts entered into by the Company and/or its subsidiaries involving the Directors and/or major shareholders' interests, either still subsisting at the end of the financial year ended 31 December 2024 or since the end of previous financial year.

Statement on Risk Management and Internal Control

Introduction

Pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements ("MMLR"), the Board of Directors is pleased to make a statement on the state of the internal controls and risk management of the Group which has been prepared in accordance with the MMLR and with reference to the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers.

Responsibilities of the Board

The Board acknowledges its responsibility for maintaining sound systems of internal control and risk management and for reviewing the effectiveness, adequacy and integrity of the system to ensure shareholders' interests and the Group's assets are safeguarded. The systems of internal control cover financial controls, operational controls, compliance controls, and risk management. The Board also acknowledges that a sound system of internal control reduces, but cannot eliminate, the risk of failure to achieve business objectives. Accordingly, a sound system of internal control therefore provides reasonable, but not absolute, assurance against material misstatement, fraud and loss. Due to the ever-changing business environment and conditions, the effectiveness of an internal control system may vary over time.

Risk Management

The Board acknowledged that all areas of the Group's business activities involve some degree of risks that may affect the successful achievement of the Group's business objectives and recognises that effective risk management is part of good business management practice.

The Executive Directors together with the management pursues a continuous process of identifying, assessing and managing key business, operational and financial risks that affect the operations and business objectives of the Group. During the periodic management meetings, issues faced by the Group are discussed and action plans formulated to ensure significant risks are appropriately addressed. Significant risks of the Group are highlighted to the Board during the scheduled meetings.

Key Elements of Internal Control

The Group's Management conducts periodic meetings that are attended by key personnel and senior staff members to discuss the Group's current and future business conditions, and to assess the Group's financial and operational exposure. The respective head of departments and business units' heads also participate in such meetings to assist the Group in achieving its business performance, corporate plans and strategies with a structured segregation of duties and reporting responsibilities in monitoring operational issues, procedures and performance in a timely manner. The key elements of the Group's internal control system include the following: -

- Giving authority to the Board's committee members to investigate and report on any areas of improvement;
- Performing in-depth study on major variances and deliberating irregularities in the Board meetings and Audit and Risk Management Committee ("ARMC") meetings so as to identify the causes of the problems and formulate solutions to resolve them;
- Arranging regular interactive meetings to identify and rectify any weaknesses in the system of internal control. There would also be informed on the matters brought up in the ARMC meetings on a timely basis;
- Delegating necessary authority to the Chief Executive Officer in order for him to play a major role as the link between the Board and Management in implementing the Board's expectation of effective system of internal control;
- Keeping the Management informed on the development of the action plan for enhancing system of internal control allowing various management personnel to have access to important information for better decision making; and
- Monitoring key commercial, operational and financial risks through reviewing the system of internal control and operational structures.

Internal Audit Function

The internal audit function is presently out-sourced to a third-party professional firm who monitors and reports on the system of internal financial, accounting and operational controls. Its main responsibility is to undertake reviews of the system of internal control to ensure that such a system operates satisfactorily and effectively in the Group. It reports to the ARMC. The internal audit function adopts a risk-based approach and prepares its audit plans based on the risk profiles of the Group. The fee charged by the professional firm in respect of internal audit functions for the financial year ended 31 December 2024 was RM34,167.96 (inclusive of government tax and disbursements).

Review of Statement by External Auditors

The external auditors have reviewed this Statement on Risk Management and Internal Control for the inclusion in this Annual Report of the Group for the financial year ended 31 December 2024, and reported to the Board that nothing has come to their attention that causes them to believe that the Statement on Risk Management and Internal Control is inconsistent with their understanding of the process adopted by the Board in the review of the adequacy and integrity of the system of internal control of the Group.

Conclusion

The Board believes that the current system of internal control and risk management incorporated by the Group is adequate and effective. Notwithstanding this, the Board is cognizant of the fact that the Group's system of internal control must continuously be enhanced and evolved to meet the ever changing and challenging business environment. Therefore, the Board will, when necessary, put in place appropriate action plans to enhance the effectiveness and adequacy of the system of internal control.

The Board has received assurance from the Chief Executive Officer and Group Chief Financial Officer that the Group's risk management and internal control system, in all material aspects, is operating adequately and effectively. The Board is satisfied that for the financial year under review, there were no material losses, deficiencies or errors arising from any inadequacy or failure of the Group's system of internal control.

This Statement was approved by the Board of Directors.

Sustainability Statement

Our Approach

This Sustainability Statement highlights the Group's sustainability notions, practices and accomplishments of its sustainable progress and social responsibility from the economic, environmental and social as well as governance aspects, in line with Bursa Malaysia Securities Berhad Sustainability Reporting Guide (3rd Edition).

The Group understands that responsible corporate behaviour not only contributes to broad-based future benefits for the community and environment but can also enhance opportunities for business success for the Group as well as our stakeholders including, among others, our shareholders, customers and suppliers. In this respect, the Group mission is to ensure high standards of governance across our business to promote responsible business practices, manage environmental impacts, and meet the community's social (societal) needs in which the Group operate.

A strategic and concerted approach to address environmental, social and governance topics based on an inclusive perspective of the Group and its stakeholders mitigate business and operational risks and supports continued financial and non-financial value creation across the short, medium and long-term perspectives.

Sustainability Governance

Our governance structure was established such that sustainability is embedded in at every level of our organisation. The Group's sustainability agenda is led by the Board of Directors ("Board") with the Management team's assistance to oversee the implementation of the organisation's sustainability approaches and ensure that key targets are being met. As such, the Board is committed to embedding sustainability into business strategies and operations.

Through the formation of a committee comprising representatives from various business units, the committee is responsible for implementing, overseeing and addressing all sustainability related issues from the various stakeholders and updating the Board on the Group's sustainability management performance, key material issues identified by stakeholders, and planned follow-up measures.

Stakeholder Engagement

The Group acknowledges that it is essential to maintain regular and effective communication with our stakeholders, and through timely engagements to understand their concerns and expectations in formulating our business strategies and thus achieving the sustainable growth.

The Group is committed to developing and maintaining strong relationships with our many stakeholders. This initiative stems from our understanding that proactive stakeholder engagement is an integral aspect of our sustainability strategy. By responding to our stakeholders' different expectations and meeting their evolving needs, we are strengthening the Group's business continuity prospects. This is especially crucial as we continue to expand the Group's businesses in rapidly changing and highly-competitive markets.

Stakeholder Engagement (cont'd)

The Group's key stakeholders, engagement channel and objective are listed below:

Key Stakeholders	Engagement Channel	Engagement Objective
Shareholders and investors	• Annual General Meeting • Extraordinary General Meeting • Annual Reports and Quarterly Financial Reports • Corporate website • Corporate Announcement	• To enhance shareholders' and investors' confidence
Customers	• Meetings • Email correspondences • Social media • Electronic Direct Mail (EDM) • In-person service • Customer service channels • Website	• Customer engagement by our sales, software and customer service personnel • Quality products and services to address various needs • Promote a culture of open communication, trust and reliability
Employees	• Meetings • Informal discussions • Virtual/physical training programmes • Virtual/physical townhall meetings • Company events • Performance review	• Employees retention • Employees welfare, safety and well-being • Non-discrimination and equal opportunity • Career advancement and skills development
Suppliers	• Virtual/physical meetings • Supplier visit • Email correspondences	• Long-term business relationship • Business ethics and compliance • Maintaining soundness and strengthening competitiveness • Products and service quality • Leverage partnerships
Government and Regulatory	• Meetings • Email correspondences • Conferences & Seminars • Compliance reporting	• Government policies and regulatory compliance • Provide industry feedback and recommendations
Community	• Participating in charity events • Providing scholarships • Internship programs	• Enhancing the well-being of the community • Provide human resources development and employment opportunities

Ethical Business Practices

The Group conducts business responsibly and fairly, adhering to the long-standing business philosophy of providing our customers with the highest quality at the most competitive price. The Group upholds the principles of corporate governance, the code of ethic and compliance and adheres to anti-corruption and antitrust practices. Corporate Governance is incorporated into our Group's working culture to ensure sustainability.

All Board members and employees have accepted the Group's anti-bribery and corruption ("ABC") policy. The Group communicates the ABC policy to all employees during employee upon joining the Company, and the Company also reminds employees of its commitment to ABC through briefing on ABC policy.

Material Sustainability Matters

Materiality assessment is vital in guiding the Group's strategies and prioritising its sustainability endeavours. The Group define the material sustainability matters as those having a significant economic, environmental and social impact on the Group's business and stakeholders.

The materiality assessment process includes:

1 Identification

sustainability matters are identified based on internal and external sources of information

2 Prioritisation

sustainability matters are prioritised according to the importance of each issue to the Group and stakeholders

3 Validation

material sustainability matters with action plans are presented to the Senior Management for validation

ECONOMIC

Customer Satisfaction

The Group recognises that customers' satisfaction is one of the key factors underlying the long-term sustainability of our Group's operations. It is the fundamental policy of our Group that all products and services delivered to customers must be of the required quality that meets or exceeds the customers' expectations. We uphold the belief to deliver quality services and products to our customers and conducting business in an ethical manner.

We expeditiously response to our customers problems and needs and our sales, software and customer service personnel constantly engage with our customers. As such, we provide our customers with excellent service and also build a strong and conducive relationship with them. These also promote a culture of open communication, trust and reliability.

We continue focusing on technology ideas that can be a complementary to our current business and leverage on our captive market to implement new technology offerings and products in response to the ever-evolving customers' requirements, to enhance our financial performance and in turn shareholders' value.

Suppliers

We are committed to enhancing our processes and engagement with our suppliers to identify and manage risks, underpinned by the values of integrity and transparency. We look to create value by looking for opportunities to collaborate and share the best practices with our suppliers. Hence, our suppliers' engagement is filtered through with careful selection with specific criteria.

Regulatory Compliance

The Group believes that strict compliance with all relevant laws and regulations is a requisite to promote an ethical and responsible society. To this end, the Group strives to comply with all the relevant laws and regulations applicable to the Group's business operations. The Group's commitment to proper compliance with laws and regulations has proven to be favourable and value-enhancing for our stakeholders.

ENVIRONMENT

The Group does not operate in an environmentally sensitive business, but we are mindful of the environment that we live and operate in and recognise our duty to minimise our carbon footprint to the environment.

Renewable Energy

The Group created buySolar (www.buySolar.my), the first Malaysian one-stop online solar marketplace, to promote Environmental Sustainability and successfully launched it for public access in February 2020. This platform aims to increase the usage of sustainable energy amongst Malaysian in the coming years. This marketplace enables residential, commercial and industrial customers to purchase solar panels with the best financing options. buySolar brings together customers, solar photovoltaic service providers, financiers, insurers and the regulator SEDA (Sustainable Energy Development Authority) in the solar ecosystem onto an online marketplace platform to make purchasing, owning and operating solar panels simple and seamless.

Currently there are 20 solar photovoltaic service providers, 11 financier and financial services providers, 1 solar insurance provider and 2 solar photovoltaic ("PV") investors registered with the buySolar platform.

In 2024, buySolar has facilitated the successful installation of 945.93 kWp of solar systems in 95 residential premises and 273.82 kWp in 5 commercial and industrial premises in Malaysia. This represents a yearly offset of 1,202.11 tonnes Carbon Dioxide Emissions.

A 22.62 kWp solar PV system was installed on the rooftop at our Putra Heights office in 2024 and was fully operational in November 2024. The expected annual yield of the system is 29.41 MWh of electricity. This represents an annual offset of 22.29 tonnes of Carbon Dioxide Emissions. In 2024, the system generated 6.72 MWh of electricity, representing an offset of 5.09 tonnes of Carbon Dioxide Emissions.

Malaysia has set its goal to achieve 31% of its energy generation mix from renewable energy ("RE") by 2025. Consumers will have an option to purchase green energy without having to install their own RE installation via a subscription to the internationally recognized Renewable Energy Certificate ("REC"). Every purchase of REC will contribute to more funds for the RE developers to build even more RE generators. Consequently, more RECs will be available in the market and eventually, we will be depending less on brown energy to power up the nation and more on cleaner green energy.

In 2024, the Group has purchased 755 RECs representing 755 MWh of electricity generated from renewable sources. This will offset an approximate of 572.29 tonnes of Carbon Dioxide Emissions from purchased electricity used in the various offices of the Group.

In 2025, the Group will embark on further initiatives in the RE space.

Reduce, Reuse and Recycle

We have identified opportunities to reduce or reuse the resources we consume as we believe that efficient reuse, recycling and efficient utilisation of resources will help reduce our overall carbon footprint. These steps include reducing our energy consumption through the use of LED lighting, switching off unused lights and air conditioning and our paper management initiative to print only where necessary and where possible, recycling of used printed papers. Instead of discarding unwanted documents, we sent these documents for secure shredding after which the shredder papers are sent to be recycled into other paper-based products. We also sent used machines and parts to various scrapping companies that crushed and extracted metal components from these used machines. The extracted metal was subsequently used to manufacture new products.

SOCIAL

Employee Welfare

Human capital is pivotal to the Group's continuing success, as our dedicated employees are key to the effective functioning of all the departments within the Group. It is the Group's goal to create a safe and supportive working environment, so employees feel empowered and contribute their best.

The Group recognize the efforts and to boost the morale of our employees, the Group holds company trips or annual dinners in appreciation of all of our employees who have tirelessly worked to meet the demands of their jobs. Employees are also rewarded with our Long Service Awards to recognise their loyalty and dedication to the Group.

The Group also holds regular breakfast functions in which we provide the employees with talks on personal development, finance, and health. Our Chief Executive Officer also briefs the employees on the performance of the Group during these functions. To promote a healthy workforce, the Group has an internal Sports Club that organises various sporting events and social functions such as futsal, badminton, cooking class, movie nights and many other events. During festive seasons such as Hari Raya, Chinese New Year, Deepavali and Christmas, the Sports Club also organises lunches for our employees. All these events foster better interaction and team spirit amongst the staff.

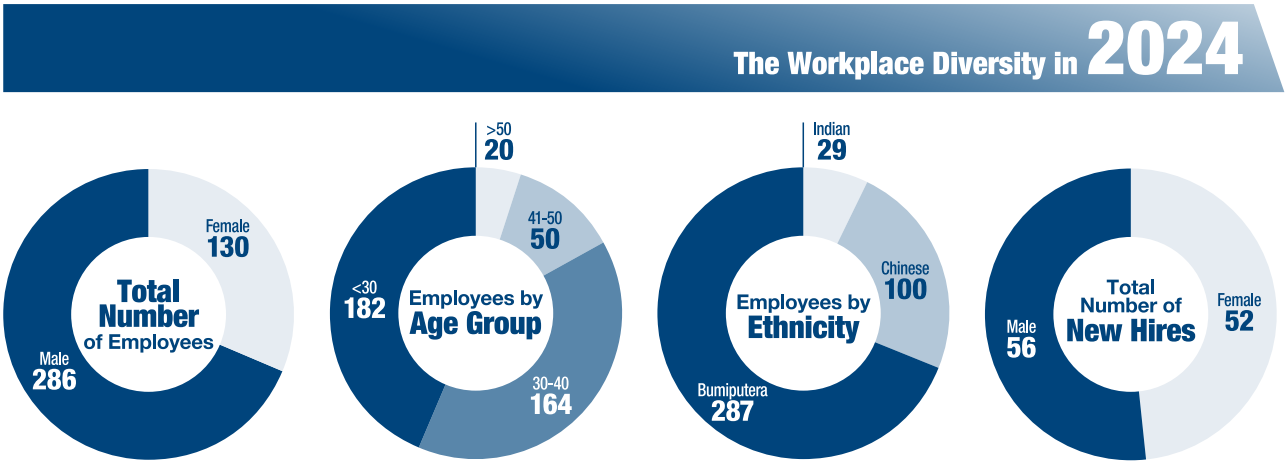
Employee health and safety continues to be a key priority for the Group. As part of our ongoing commitment to workplace flexibility and employee well-being, the Group has embraced hybrid work arrangements where applicable. Digital tools and platforms are utilised to facilitate effective communication and collaboration among employees, customers, and suppliers, ensuring business continuity and operational efficiency in an evolving work environment.

In July 2024, the Group installed five (5) units of Automated External Defibrillator ("AED") at the various office locations with thirty-two (32) staff trained on its usage. AEDs are used to help those experiencing sudden cardiac arrest. It's a sophisticated, yet easy-to-use, medical device that can analyse the heart's rhythm and, if necessary, deliver an electrical shock, or defibrillation, to help the heart re-establish an effective rhythm.

Equality and Diversity

The Group adopts a non-discriminatory policy for hiring and promoting employees. The Group support all employees regardless of age, race, gender, religion and cultural belief, as we recognise the importance of inclusivity and equality in retaining a capable workforce.

Equality and Diversity (cont'd)



Training and Development

The Group is committed to staff development by proving on-the-job training and external training programmes for all level of staff in order to improve their skills and knowledge. This will enhance their performance and productivity while at the same time, increase their value and their career advancement. The Group reviews the adequacy and suitability of the training requirements of the staff on a regular basis. The Group accepts interns by providing on job training to students from universities, colleges, polytechnics and other technical/vocational institutional. In 2024, the Group has provided twenty-six (26) interns with on job training. The Group had also provided scholarships to several students to support their financial needs during their studies at universities or colleges.

In 2024 the Group's staff turnover rate is 20.83% due to the good employee welfare, training and development programmes provided by the Group.

The Group will continue to focus on human capital development to nurture our employees to their full potential as they are our greatest asset. Every employee is given equal opportunity to rise up in their careers through hard work and dedication.

Community Care

The Group believe that a responsible organisation should not neglect its social obligations towards the community, as the well-being of the community has a bearing on the long-term sustainability and growth of our business.

In October 2024, the Group contributed RM8,000 to the UOB Heartbeat Run 2024, an annual charity initiative that raised RM2.185 million for various charitable causes. This event, organized by UOB Malaysia, aims to support underprivileged communities by providing them with better education, healthcare, and welfare.

As part of the Group's commitment to corporate social responsibility (CSR), this contribution aligns with its dedication to community well-being and social sustainability. The event brought together individuals, corporations, and organizations in a collective effort to make a meaningful difference in society. Through participation in initiatives like this, the Group continues to support programs that empower communities and foster positive social change.

Our Commitment

The Group is committed and remain steadfast in conducting our operations in a responsible and meaningful manner by upholding good corporate, social and environmental values which will make a difference to our business, societies and the environment.

The Group is continuously looking for new ways to incorporate sustainability practices into its business operations and continues to operate in a responsible manner.

This Sustainability Statement has not been subjected to an assurance process.

SUSTAINABILITY REPORT

Performance Data Table (Bursa ESG Reporting Platform)

Indicator	Measurement Unit	2023	2024
Bursa (Anti-corruption)			
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category			
Senior Management	Percentage	100.00	100.00
Managers	Percentage	100.00	100.00
Executives	Percentage	88.83	100.00
Non-executives	Percentage	15.38	42.47
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	77.78	88.89
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0
Bursa (Community/Society)			
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	1,000.00	8,000.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	192	50
Bursa (Diversity)			
Bursa C3(a) Percentage of employees by gender and age group, for each employee category			
Age Group by Employee Category			
Senior Management Under 30	Percentage	0.00	0.00
Senior Management Between 30-50	Percentage	3.67	4.81
Senior Management Above 50	Percentage	2.36	2.16
Managers Under 30	Percentage	0.52	0.00
Managers Between 30-50	Percentage	12.07	11.06
Managers Above 50	Percentage	0.26	0.48

Indicator	Measurement Unit	2023	2024
Bursa (Diversity) (cont'd)			
Bursa C3(a) Percentage of employees by gender and age group, for each employee category (cont'd)			
Age Group by Employee Category (cont'd)			
Executives Under 30	Percentage	23.36	24.52
Executives Between 30-50	Percentage	22.57	20.91
Executives Above 50	Percentage	1.05	0.96
Non-executives Under 30	Percentage	18.11	19.23
Non-executives Between 30-50	Percentage	14.44	14.18
Non-executives Above 50	Percentage	1.57	1.68
Gender Group by Employee Category			
Senior Management Male	Percentage	4.72	5.53
Senior Management Female	Percentage	1.31	1.44
Managers Male	Percentage	9.71	8.41
Managers Female	Percentage	3.15	3.13
Executives Male	Percentage	40.94	39.18
Executives Female	Percentage	6.04	7.21
Non-executives Male	Percentage	16.80	15.63
Non-executives Female	Percentage	17.32	19.47
Bursa C3(b) Percentage of directors by gender and age group			
Male	Percentage	66.67	50.00
Female	Percentage	33.37	50.00
Under 30	Percentage	0.00	0.00
Between 30-50	Percentage	16.67	16.67
Above 50	Percentage	83.33	83.33
Bursa (Energy management)			
Bursa C4(a) Total energy consumption	Megawatt	669.10	804.11
Bursa (Health and safety)			
Bursa C5(a) Number of work-related fatalities	Number	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.00	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	3	5

Indicator	Measurement Unit	2023	2024
Bursa (Labour practices and standards)			
Bursa C6(a) Total hours of training by employee category			
Senior Management	Hours	321	412
Managers	Hours	1,484*	1,365
Executives	Hours	1,228*	1,841
Non-executives	Hours	160	119
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	16.54	25.48
Bursa C6(c) Total number of employee turnover by employee category			
Senior Management	Number	0	0
Managers	Number	6	3
Executives	Number	12	24
Non-executives	Number	19	56
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0
Bursa (Supply chain management)			
Bursa C7(a) Proportion of spending on local suppliers	Percentage	51.03	49.39
Bursa (Data privacy and security)			
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0
Bursa (Water)			
Bursa C9(a) Total volume of water used	Megalitres	6.65*	8.94
Bursa (Waste management)			
Bursa C10(a) Total waste generated	Metric tonnes	-	58.53
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	-	46.83
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	-	11.71
Bursa (Emissions management)			
Bursa C11(a) Scope 1 emissions in tonnes of CO2e	Metric tonnes	-	706.30
Bursa C11(b) Scope 2 emissions in tonnes of CO2e	Metric tonnes	-	0.61
Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)	Metric tonnes	-	222.84

(*) Restated

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Twenty-ninth Annual General Meeting of the Company will be held at Atlanta Ballroom, Level 3, Hotel Armada Petaling Jaya, Lot 6, Lorong Utara C, Seksyen 52, 46200 Petaling Jaya, Selangor Darul Ehsan on Monday, 19 May 2025 at 3.00 p.m. for the following purposes: -

AGENDA

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 31 December 2024 and the Reports of the Directors and the Auditors thereon. *(Please refer to Note 1.)*

2. To approve the payment of Directors' fees and benefits payable up to RM315,500.00 for the period from this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company. **(ORDINARY RESOLUTION 1)**

3 To re-elect the following Directors retiring in accordance with the Company's Constitution: -

i)	Tan Kee Chung	Clause 78	**(ORDINARY RESOLUTION 2)**
ii)	Wong Choong Wai	Clause 78	**(ORDINARY RESOLUTION 3)**

4. To re-appoint Messrs. HLB Ler Lum Chew PLT as Auditors and to authorise the Board of Directors to fix their remuneration. **(ORDINARY RESOLUTION 4)**

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following Resolution: -

5. **ORDINARY RESOLUTION**
AUTHORITY TO ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016 AND WAIVER OF PRE-EMPTIVE RIGHTS

"THAT, subject always to the Companies Act 2016 ("the Act"), the Constitution of the Company and the approvals of the relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered, pursuant to Sections 75 and 76 of the Act, to allot shares in the Company from time to time at such price and upon such terms and conditions and for such purposes as the Directors may deem fit provided that the aggregate number of shares allotted pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company at the time of submission to the authority, and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company AND THAT the Directors be and are hereby also empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing of and quotation of the additional shares so allotted.

AND THAT pursuant to Section 85 of the Act to be read together with Clause 8 of the Company's Constitution, approval be and is hereby to waive the statutory pre-emptive rights of the shareholders of the Company to be offered with new Company shares ranking equally to the existing issued Company shares arising from any issuance of the new Company shares pursuant to Sections 75 and 76 of the Act." **(ORDINARY RESOLUTION 5)**

6. To transact any other business which may properly be transacted at an Annual General Meeting for which due notice shall have been given.

By Order of the Board

LIM SECK WAH (MAICSA 0799845)
(SSM PC NO. 202008000054)
KONG MEI KEE (MAICSA 7039391)
(SSM PC NO. 202008002882)
Company Secretaries

Dated this 28 April 2025
Kuala Lumpur

Notes:

1. *The Audited Financial Statements are for discussion only as the Company's Constitution provides that the audited financial statements are to be laid in the general meeting.*

2. *For the purpose of determining a member who shall be entitled to attend, speak and vote at the Annual General Meeting, the Company shall be requesting the Record of Depositors as at 9 May 2025. Only a depositor whose name appears on the Record of Depositors as at 9 May 2025 shall be entitled to attend the said meeting or appoint proxies to attend, speak and vote in his/her stead.*

3. *A member entitled to attend, speak and vote at the meeting is entitled to appoint up to two (2) proxies to attend, speak and vote in his/her stead. Where a member appoints two (2) proxies to attend at the same meeting, he/she shall specify the proportions of his/her holdings to be represented by each proxy. All voting will be conducted by way of poll.*

4. *(i) Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, he/she may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.*

   (ii) Where a member of the Company is an exempt authorized nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorized nominee may appoint in respect of each omnibus account it holds.

5. *The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorized in writing or, if the appointer is a corporation, either under its Common Seal or under the hand of an officer or attorney duly authorized.*

6. *The instrument appointing a proxy must be deposited at the Registered Office of the Company at Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur or email to mega-sharereg@megacorp.com.my not less than forty-eight (48) hours before the time for holding the meeting or any adjournment thereof. For those who have emailed the Form of Proxy, please submit the original at any time before the time appointed for holding the meeting or to the registration staff on the meeting day for the Company's records.*

7. *Explanatory notes on Special Business*

   7.1 The proposed Ordinary Resolution 5, if passed, will give the Directors of the Company the flexibility to allot new shares in the Company up to an amount not exceeding in total 10% of the total number of issued shares of the Company for such purposes as the Directors consider would be in the interest of the Company. This authority, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting of the Company.

   The Company continues to consider opportunities to broaden its earnings potential. If any of the expansion/diversification proposals involves the allotment of new shares, the Directors, under certain circumstances when the opportunity arises, would have to convene a general meeting to approve the allotment of new shares even though the number involved may be less than 10% of the total number of issued shares.

   In order to avoid any delay and costs involved in convening a general meeting to approve such allotment of shares, it is thus considered appropriate that the Directors be empowered to allot shares in the Company, up to any amount not exceeding in total 10% of the total number of issued shares of the Company at the time of submission, for such purposes. The renewed authority for allotment of shares will provide flexibility to the Company for the allotment of shares for the purpose of funding future investment, working capital and/or acquisitions.

   No shares have been issued and allotted by the Company since obtaining the said authority from its shareholders at the last Annual General Meeting held on 20 May 2024.

8. *By submitting the duly executed Form of Proxy, a member and his/her proxy consent to the Company (and/or its agents/service providers) collecting, using and disclosing the personal data therein in accordance with the Personal Data Protection Act 2010 for the meeting and any adjournment thereof.*

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Directors' Report

The Directors have pleasure in submitting their Report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2024.

DIRECTORS

The Directors who served on the Board of the Company during the financial year and during the period commencing from the end of the financial year and ending on the date of this Report are:-

Tan Kee Chung
Lim Swee Keah
Ong Poh Hong
Datin Lee Choi Chew
Wong Choong Wai
Puan Hajjah Norizan Binti Yahya

DIRECTOR OF SUBSIDIARIES

The following is a list of Director of the subsidiaries (excluding Director who is also Director of the Company) in office during the financial year until the date of this report:

Chee Hong Soon

PRINCIPAL ACTIVITIES

The principal activities of the Company are :-

(a) to provide solutions to the financial services industry in the areas of self-service machines and universal delivery systems and IT services such as systems integration, project management, software development, support services and training;

(b) investment holding; and

(c) to develop, assemble, manufacture, sell, import, export, let out, hire, lease, finance, install, alter, maintain, service, repair or otherwise deal in all kinds of computers, self-service machines, software application solutions and provision of related services.

The principal activities of the subsidiaries are set out in Note 11 to the Financial Statements.

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

FINANCIAL RESULTS

	Group RM	Company RM
Profit for the year	11,979,173	11,555,551
Attributable to:		
Owners of the Company	11,915,628	11,555,551
Non-controlling interests	63,545	-
	11,979,173	11,555,551

RESERVES AND PROVISIONS

All material transfers to or from reserves and provisions during the financial year are shown in the financial statements.

DIRECTORS' BENEFITS

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

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than the benefits included in the aggregate amount of remuneration received or due and receivable by Directors as shown below) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which he/she is a member, or with a Company in which he/she has a substantial financial interest.

Directors' remuneration

	Group/Company RM
Salaries	941,400
Fees	276,000
Benefit in kind	70,103
Others*	1,339,407
	2,626,910

* *Others include allowance, bonus & defined contribution plan*

DIRECTORS' INTERESTS IN SHARES

The Directors holding office at the end of the financial year and their interests in the share capital of the Company during the financial year were as follows :-

	Number of ordinary shares			
	Balance at 1.1.2024	Acquired	Disposed	Balance at 31.12.2024
Direct interests				
Tan Kee Chung	95,032,642	-	-	95,032,642
Lim Swee Keah	7,015,363	-	-	7,015,363
Ong Poh Hong	140,000	-	-	140,000
Indirect interests				
Lim Swee Keah	502,500[(1)]	-	-	502,500[(1)]
Ong Poh Hong	62,500[(1)]	-	-	62,500[(1)]

(1) Deemed interests by virtue of interests held by his/her spouse pursuant to Section 59(11)(c) of the Companies Act 2016.

DIRECTORS' INTERESTS IN SHARES (cont'd)

By virtue of his substantial interest in OpenSys (M) Berhad, Mr. Tan Kee Chung is deemed to be interested in the shares of all the subsidiaries to the extent of the Company's interests in the respective subsidiaries as disclosed in Note 11 to the Financial Statements.

Other than as disclosed above, Directors who held office at the end of the financial year did not have interests in the shares or debentures of the Company or related companies during the financial year.

DIVIDENDS

The amount of dividend paid since the end of the last financial year was as follows :-

	RM
In respect of the financial year ended 31 December 2024 :-	
The first interim dividend of 0.45 sen per ordinary share, paid on 25 March 2024	2,010,778
The second interim dividend of 0.45 sen per ordinary share, paid on 19 June 2024	2,010,778
The third interim dividend of 0.45 sen per ordinary share, paid on 13 September 2024	2,010,778
The fourth interim dividend of 0.45 sen per ordinary share, paid on 13 December 2024	2,010,778
	8,043,112

The Board of Directors does not recommend any final dividend for the current financial year ended 31 December 2024.

A first interim dividend of 0.45 sen per ordinary share amounting to RM2,010,778 was declared on 24 February 2025 and paid on 24 March 2025 in respect of the year ending 31 December 2025.

INDEMNITY AND INSURANCE FOR DIRECTORS AND OFFICERS

The Company effected Directors' and officers' liability insurance for purpose of Section 289 of the Companies Act 2016, which provides appropriate insurance cover for the Directors and officers of the Company to protect the Directors and officers of the Company against potential costs and liabilities arising from claims brought against the Directors and officers. The total amount of insurance premium paid for the Directors and officers of the Company was RM12,000.

STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS

(a) Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:-

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

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

(b) At the date of this Report, the Directors are not aware of any circumstances:-

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

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

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

STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS (cont'd)

(c) At the date of this Report, there does not exist:-

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

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

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

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

(f) In their opinion,

(i) the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and

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

AUDITORS' REMUNERATION

The auditors' remuneration of the Group and of the Company during the financial year is RM61,000 and RM50,000 respectively.

SUBSIDIARIES

Details of subsidiaries are set out in Note 11 to the Financial Statements.

AUDITORS

The auditors, HLB Ler Lum Chew PLT, have expressed their willingness to continue in office.

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

Tan Kee Chung

Dated: 25 March 2025
Kuala Lumpur

Lim Swee Keah

Statement by Directors

Pursuant To Section 251(2) Of The Companies Act 2016

We, TAN KEE CHUNG and LIM SWEE KEAH, being two of the Directors of OPENSYS (M) BERHAD, do hereby state that, in the opinion of the Directors, the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024 and of their financial performance and cash flows for the year then ended.

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

Tan Kee Chung

Dated: 25 March 2025
Kuala Lumpur

Lim Swee Keah

Statutory Declaration

Pursuant To Section 251(1) Of The Companies Act 2016

I, TAN KEE CHUNG, being the Director primarily responsible for the financial management of OPENSYS (M) BERHAD, do solemnly and sincerely declare that to the best of my knowledge and belief the accompanying financial statements are correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1960.

Tan Kee Chung

Subscribed and solemnly declared by the abovenamed TAN KEE CHUNG
at Kuala Lumpur on 25 March 2025

Before me :

Commissioner for Oaths

Independent Auditors' Report to the Members of OpenSys (M) Berhad (Registration No: 199501040614 (369818-W))

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of OpenSys (M) Berhad, which comprise the statements of financial position as at 31 December 2024 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, consolidated statement of changes in equity, statement of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 65 to 108.

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

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key Audit Matters

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

1. Revenue recognition

   The risk

   We refer to Note 3(q) and 4 to the Financial Statements, respectively.

   Revenue is recognised when the performance obligations are satisfied. We identified revenue recognition as a key audit matter because there was a risk that revenue might be overstated because of the pressure on the Group and the Company to achieve performance targets. Therefore, we specifically focused our audit efforts to determine the possibility of overstatement of revenue.

Key Audit Matters (cont'd)

1. Revenue recognition (continued)

   Our response:

   Ours audit procedures included the following:

   - read and understood the key terms and conditions of significant revenue agreements and assessed the management's assessment of the allocation of revenue between various multi element components.
   - evaluated and tested the internal controls to check the accuracy of revenue recognition, including assessment of key terms and conditions of sale contracts entered.
   - performed analytical procedures on the trend of revenue recognised to identify any abnormalities.
   - performed cut-off test by inspecting documents which evidenced the delivery of goods to customers, time of services rendered to the customers and the credit notes issued after the year end.
   - examined non-standard journal entries posted to revenue account.

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

Responsibilities of the Directors for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

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

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

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonable be expected to outweigh the public interest benefits of such communication.

Other Matters

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

HLB LER LUM CHEW PLT
201906002362 & AF 0276
Chartered Accountants

WONG CHEE HONG
03160/09/2026 J
Chartered Accountant

Dated: 25 March 2025
Kuala Lumpur

Statements of Profit or Loss and Other Comprehensive Income

for the Financial Year ended 31 December 2024

		Group		Company	
	Note	2024 RM	2023 RM	2024 RM	2023 RM
Revenue	4	92,749,146	88,377,528	92,357,506	88,169,529
Cost of sales		(57,626,732)	(55,952,551)	(60,340,998)	(58,175,450)
Gross profit		35,122,414	32,424,977	32,016,508	29,994,079
Other operating income		845,599	937,398	873,029	943,440
Selling & distribution costs		(1,183,919)	(1,011,944)	(929,814)	(817,041)
Administration expenses		(9,416,952)	(8,195,836)	(8,821,703)	(7,915,165)
Other operating expenses		(5,600,567)	(4,631,048)	(4,274,041)	(3,554,304)
Research & development expenses		(2,994,667)	(2,801,414)	(2,697,277)	(2,550,552)
Finance costs	5	(511,177)	(186,407)	(507,531)	(186,407)
Profit before tax	6	16,260,731	16,535,726	15,659,171	15,914,050
Income tax expense	8	(4,281,558)	(4,131,929)	(4,103,620)	(3,956,365)
Profit for the year, representing total comprehensive income for the year		11,979,173	12,403,797	11,555,551	11,957,685
Total comprehensive income attributable to:-					
Owners of the Company		11,915,628	12,336,880	11,555,551	11,957,685
Non-controlling interests		63,545	66,917	-	-
		11,979,173	12,403,797	11,555,551	11,957,685
Earnings per ordinary share Basic (Sen)	9	2.67	2.76		

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

Statements of Financial Position

as at 31 December 2024

	Note	Group 2024 RM	Group 2023 RM	Company 2024 RM	Company 2023 RM
ASSETS					
Non-current assets					
Property, plant & equipment	10	48,155,700	50,184,822	47,391,498	49,550,196
Investment in subsidiaries	11	-	-	85,000	85,000
Development expenditure	12	165,776	559,079	165,776	559,079
Fixed deposits	13	6,831,324	6,672,919	6,831,324	6,672,919
		55,152,800	57,416,820	54,473,598	56,867,194
Current assets					
Inventories	14	20,550,669	12,745,334	20,550,669	12,745,334
Trade receivables	15	17,046,046	14,774,656	17,031,648	14,749,761
Other receivables, deposits & prepayments	16	2,512,395	1,593,580	2,432,308	1,409,553
Amount due from subsidiary	11	-	-	5,000	-
Income tax assets		-	137,902	-	41,997
Cash and cash equivalents	17	31,844,063	31,002,030	28,449,159	29,576,370
		71,953,173	60,253,502	68,468,784	58,523,015
Total assets		127,105,973	117,670,322	122,942,382	115,390,209

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

	Note	Group 2024 RM	Group 2023 RM	Company 2024 RM	Company 2023 RM
EQUITY AND LIABILITIES					
Equity					
Share capital	18	29,789,202	29,789,202	29,789,202	29,789,202
Retained earnings		61,673,472	57,800,956	60,036,459	56,524,020
Total equity attributable to owners of the Company		91,462,674	87,590,158	89,825,661	86,313,222
Non-controlling interests		304,062	240,517	-	-
Total equity		91,766,736	87,830,675	89,825,661	86,313,222
Non-current liabilities					
Lease liabilities	19	1,257,781	1,103,471	1,174,554	1,103,471
Term loans	20	9,510,132	7,700,752	9,510,132	7,700,752
Deferred tax liabilities	21	3,166,148	3,602,541	3,131,148	3,567,541
Contract liabilities	22	629,083	830,826	629,083	830,826
		14,563,144	13,237,590	14,444,917	13,202,590
Current liabilities					
Trade payables	23	1,659,829	1,766,120	1,391,004	1,703,601
Other payables & accruals	24	11,086,135	8,654,184	7,360,362	6,395,023
Amount due to subsidiary	11	-	-	1,816,794	1,594,020
Banker's acceptance	25	1,485,000	1,304,000	1,485,000	1,304,000
Lease liabilities	19	659,243	713,103	636,792	713,103
Term loans	20	3,156,124	1,172,014	3,156,124	1,172,014
Contract liabilities	22	2,477,713	2,992,636	2,477,713	2,992,636
Income tax liabilities		252,049	-	348,015	-
		20,776,093	16,602,057	18,671,804	15,874,397
Total liabilities		35,339,237	29,839,647	33,116,721	29,076,987
Total equity and liabilities		127,105,973	117,670,322	122,942,382	115,390,209

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

Consolidated Statement of Changes in Equity

for the Financial Year ended 31 December 2024

	Attributable to owners				
	Share capital RM	Distributable Retained earnings RM	Total RM	Non controlling interests RM	Total equity RM
Balance at 1 January 2023	29,789,202	53,060,344	82,849,546	173,600	83,023,146
Profit for the year, representing total comprehensive income for the year	-	12,336,880	12,336,880	66,917	12,403,797
Dividends (Note 31)	-	(7,596,268)	(7,596,268)	-	(7,596,268)
Balance at 31 December 2023	29,789,202	57,800,956	87,590,158	240,517	87,830,675
Profit for the year, representing total comprehensive income for the year	-	11,915,628	11,915,628	63,545	11,979,173
Dividends (Note 31)	-	(8,043,112)	(8,043,112)	-	(8,043,112)
Balance at 31 December 2024	29,789,202	61,673,472	91,462,674	304,062	91,766,736

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

Statement of Changes in Equity

for the Financial Year ended 31 December 2024

	Attributable to owners		
		Distributable	
	Share capital RM	Retained earnings RM	Total equity RM
Balance at 1 January 2023	29,789,202	52,162,603	81,951,805
Profit for the year, representing total comprehensive income for the year	-	11,957,685	11,957,685
Dividends (Note 31)	-	(7,596,268)	(7,596,268)
Balance at 31 December 2023	29,789,202	56,524,020	86,313,222
Profit for the year, representing total comprehensive income for the year	-	11,555,551	11,555,551
Dividends (Note 31)	-	(8,043,112)	(8,043,112)
Balance at 31 December 2024	29,789,202	60,036,459	89,825,661

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

Statements of Cash Flows

for the Financial Year ended 31 December 2024

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Cash flows from operating activities				
Profit before tax	16,260,731	16,535,726	15,659,171	15,914,050
Adjustments for :-				
Amortisation	393,303	277,571	393,303	277,571
Depreciation	8,241,126	6,811,753	8,002,690	6,641,258
Gain on disposal of property, plant & equipment	(49,974)	(64,535)	(49,974)	(64,535)
Impairment loss on amount due from subsidiary	-	-	5,984	5,585
Interest expenses	511,177	186,407	507,531	186,407
Interest income	(744,135)	(855,811)	(612,779)	(855,811)
Inventories written off	-	20,789	-	20,789
Property, plant & equipment written off	347,796	371,834	347,796	371,834
Operating profit before working capital changes	24,960,024	23,283,734	24,253,722	22,497,148
Changes in working capital:-				
Inventories	(8,764,383)	(2,740,447)	(8,764,383)	(2,740,447)
Receivables	(3,181,458)	(1,721,414)	(3,295,896)	(1,618,297)
Payables	1,608,992	2,133,598	(63,927)	1,834,714
Related parties balances	-	-	211,790	536,091
Cash generated from operations	14,623,175	20,955,471	12,341,306	20,509,209
Interest paid	(511,177)	(186,407)	(507,531)	(186,407)
Interest received	744,135	855,811	612,779	855,811
Income tax paid	(4,328,000)	(4,568,681)	(4,150,000)	(4,388,379)
Net cash from operating activities	10,528,133	17,056,194	8,296,554	16,790,234

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

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Cash flows from investing activities				
Purchase of property, plant & equipment	(4,738,617)	(17,283,820)	(4,490,604)	(16,723,304)
Proceeds from disposal of property, plant & equipment	55,202	240,610	55,202	240,610
Net cash used in investing activities	(4,683,415)	(17,043,210)	(4,435,402)	(16,482,694)
Cash flows from financing activities				
Dividend paid	(8,043,112)	(7,596,268)	(8,043,112)	(7,596,268)
(Placement)/Proceeds of fixed deposit	(158,405)	1,929,898	(158,405)	1,929,898
Proceeds of bankers' acceptance	1,485,000	1,304,000	1,485,000	1,304,000
Repayment of bankers' acceptance	(1,304,000)	-	(1,304,000)	-
Proceeds of term loans	6,000,000	-	6,000,000	-
Repayment of term loan	(2,206,510)	(1,058,028)	(2,206,510)	(1,058,028)
Repayment of lease liabilities	(775,658)	(1,767,366)	(761,336)	(1,767,366)
Net cash used in financing activities	(5,002,685)	(7,187,764)	(4,988,363)	(7,187,764)
Net changes in cash and cash equivalents	842,033	(7,174,780)	(1,127,211)	(6,880,224)
Cash and cash equivalents brought forward	31,002,030	38,176,810	29,576,370	36,456,594
Cash and cash equivalents carried forward (Note 17)	31,844,063	31,002,030	28,449,159	29,576,370

NOTES TO THE STATEMENTS OF CASH FLOWS

(a) Analysis of acquisition of property, plant & equipment ("PPE"):-

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Cash	4,738,617	17,283,820	4,490,604	16,723,304
Lease arrangement	876,108	977,408	756,108	977,408
Transfer from inventories	959,047	668,672	959,048	668,672
Term loans	-	5,000,315	-	5,000,315
	6,573,772	23,930,215	6,205,760	23,369,699

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

NOTES TO THE STATEMENTS OF CASH FLOWS (cont'd)

(b) Reconciliation of liabilities arising from financing activities:-

	As at 1.1.2024 RM	Principal and interest payments RM	Proceeds RM	Acquisition of PPE RM	Interest expense RM	As at 31.12.2024 RM
2024						
Group						
Banker acceptance	1,304,000	(1,334,077)	1,485,000	-	30,077	1,485,000
Lease liabilities	1,816,574	(853,501)	-	876,108	77,843	1,917,024
Term loans	8,872,766	(2,609,767)	6,000,000	-	403,257	12,666,256
	11,993,340	(4,797,345)	7,485,000	876,108	511,177	16,068,280
Company						
Banker acceptance	1,304,000	(1,334,077)	1,485,000	-	30,077	1,485,000
Lease liabilities	1,816,574	(835,533)	-	756,108	74,197	1,811,346
Term loans	8,872,766	(2,609,767)	6,000,000	-	403,257	12,666,256
	11,993,340	(4,779,377)	7,485,000	756,108	507,531	15,962,602

	As at 1.1.2023 RM	Principal and interest payments RM	Proceeds RM	Acquisition of PPE RM	Interest expense RM	As at 31.12.2023 RM
2023						
Group/Company						
Banker acceptance	-	(707,872)	1,960,000	-	51,872	1,304,000
Lease liabilities	2,606,532	(1,884,847)	-	977,408	117,481	1,816,574
Term loans	4,930,479	(1,075,082)	-	5,000,315	17,054	8,872,766
	7,537,011	(3,667,801)	1,960,000	5,977,723	186,407	11,993,340

Notes to the Financial Statements

1. GENERAL INFORMATION

The principal activities of the Company are :-

(a) to provide solutions to the financial services industry in the areas of self-service machines and universal delivery systems and IT services such as systems integration, project management, software development, support services and training;

(b) investment holding; and

(c) to develop, assemble, manufacture, sell, import, export, let out, hire, lease, finance, install, alter, maintain, service, repair or otherwise deal in all kinds of computers, self-service machines, software application solutions and provision of related services.

The principal activities of the subsidiaries are set out in Note 11 to the Financial Statements.

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

The address of the registered office of the Company is as follows :-

Level 15-2, Bangunan Faber Imperial Court
Jalan Sultan Ismail
50250 Kuala Lumpur

The address of the principal place of business of the Company is as follows :-

Level 26, Tower A
Pinnacle PJ, Jalan Utara C
46200 Petaling Jaya
Selangor Darul Ehsan

2. FINANCIAL RISK MANAGEMENT AND OBJECTIVES

The Group's operations are subject to a variety of financial risks, including credit risk, foreign currency risk, interest rate risk, market risk, liquidity and cash flow risk.

The Group's financial risk management policy seeks to ensure that adequate resources are available to manage the above risks and to create value for its shareholders. It is not the Group's policy to engage in speculative transactions.

(a) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group and the Company. The Group and the Company adopts the policy of dealing only with:

- Customers of appropriate credit standing and history, and obtaining sufficient collateral where appropriate to mitigate credit risk; and
- High credit quality counterparties of at least an 'A' rating by external credit rating companies.

Credit exposure to an individual counterparty is restricted by credit limits that are approved by the Head of Credit Control based on ongoing credit evaluation. The counterparty's payment pattern and credit exposure are continuously monitored at the entity level by the respective management and at the Company level by the Head of Credit Control.

As at reporting date, 78.5% (2023: 80.8%) of the Group's trade receivables and contract assets were due from four (2023: four) major customers.

2. FINANCIAL RISK MANAGEMENT AND OBJECTIVES (cont'd)

(a) Credit risk (cont'd)

As the Group do not hold collateral, the maximum exposure to credit risk to each class of financial instruments is the carrying amount of that class of financial instruments presented on the statements of financial position.

Information regarding expected credit loss allowance for trade receivables are disclosed in Note 15 to the Financial Statements.

Trade and other receivables, fixed deposits and cash and cash equivalents are subject to immaterial credit loss.

(b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group has transactional currency exposures mainly arising from purchases that are denominated in a currency other than the functional currency of Group, which is primarily in RM. The foreign currency in which these transactions are denominated are mainly US Dollar & Euro.

Approximately 81.8% (2023: 74.4%) of the Group's purchases are denominated in the foreign currency of the Group. The currency exposure of trade payable at the reporting date are disclosed in the notes to the financial statements.

The Group does not enter into any financial instrument to hedge the movement in the foreign currency exchange rates as at reporting date.

Sensitivity analysis for foreign currency risk

The effect of the foreign currency risk is not significant as the majority of the Group's assets and liabilities are denominated in Ringgit Malaysia. As such, no sensitivity analysis has been conducted as at the reporting date.

(c) Interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market rates. Interest rate exposure arises from the Group's borrowings and deposits with the licensed financial institutions. Both financial instruments are managed through the use of floating rate debt and long term tenure without speculative interest respectively.

The Group's policy in dealing with interest-bearing financial liabilities is to minimise the interest expense by obtaining the most favourable interest rates available. As the influence of interest rate changes on the profit or loss is insignificant, no sensitivity analysis has been conducted.

(d) Market risk

The Group manages its exposure to fluctuation in prices of key products purchased used in its operations through floating price levels that the Group considers acceptable and enters into agreements with suppliers in order to establish determinable prices of key products used.

The Group does not face significant exposure to risk from changes in debt and equity prices.

(e) Liquidity and cash flow risk

Liquidity risk is the risk that the Group and the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

2. FINANCIAL RISK MANAGEMENT AND OBJECTIVES (cont'd)

(e) Liquidity and cash flow risk (cont'd)

The Group and the Company maintain a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

The table below summarises the maturity profile of the Group's and of the Company's liabilities at the reporting date based on contractual undiscounted repayment obligations.

	On demand or within one year RM	One to five years RM	More than five years RM	Total RM
Group				
31 December 2024				
Financial liabilities:				
Payables	12,745,964	-	-	12,745,964
Lease liabilities	729,696	1,334,608	-	2,064,304
Term loans	3,771,260	6,885,788	4,298,865	14,955,913
Banker acceptance	1,485,000	-	-	1,485,000
Total	18,731,920	8,220,396	4,298,865	31,251,181
31 December 2023				
Financial liabilities:				
Payables	10,420,304	-	-	10,420,304
Lease liabilities	775,439	1,164,406	-	1,939,845
Term loans	1,538,220	4,391,622	5,190,359	11,120,201
Banker acceptance	1,304,000	-	-	1,304,000
Total	14,037,963	5,556,028	5,190,359	24,784,350
Company				
31 December 2024				
Financial liabilities:				
Payables	8,751,366	-	-	8,751,366
Amount due to subsidiary	1,816,794	-	-	1,816,794
Lease liabilities	702,744	1,244,768	-	1,947,512
Term loans	3,771,260	6,885,788	4,298,865	14,955,913
Banker acceptance	1,485,000	-	-	1,485,000
Total	16,527,164	8,130,556	4,298,865	28,956,585

2. FINANCIAL RISK MANAGEMENT AND OBJECTIVES (cont'd)

(e) Liquidity and cash flow risk (cont'd)

	On demand or within one year RM	One to five years RM	More than five years RM	Total RM
Company (cont'd)				
31 December 2023				
Financial liabilities:				
Payables	8,098,624	-	-	8,098,624
Amount due to subsidiary	1,594,020	-	-	1,594,020
Lease liabilities	775,439	1,164,406	-	1,939,845
Term loans	1,538,220	4,391,622	5,190,359	11,120,201
Banker acceptance	1,304,000	-	-	1,304,000
Total	13,310,303	5,556,028	5,190,359	24,056,690

3. MATERIAL ACCOUNTING POLICY INFORMATION

(a) Basis of preparation

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

The preparation of financial statements in conformity with MFRS and the Companies Act 2016 requires the Directors to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities (if any) at the date of the financial statements and the reported amounts of revenue and expenses during the reported period actual results could differ from those estimates.

The areas involving a higher degree of judgment or complexity or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3(b) of the Financial Statements.

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

The financial statements have been prepared on the historical cost basis other than as disclosed in the significant accounting policies below.

MFRS, Amendments to MFRS and Issues Committee ("IC") Interpretations

(i) Adoption of new and revised MFRS

The accounting policies adopted by the Group and the Company are consistent with those adopted in the previous year, except as follows:

Amendments to MFRS 101	Non-current Liabilities with Covenants
Amendments to MFRS 16	Lease Liability in a Sale and Leaseback
Amendments to MFRS 107	Supplier Finance Arrangements

3. MATERIAL ACCOUNTING POLICIES (cont'd)

(a) Basis of preparation (cont'd)

MFRS, Amendments to MFRS and Issues Committee ("IC") Interpretations (cont'd)

(i) Adoption of new and revised MFRS (cont'd)

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

The Group and the Company apply the material accounting policies, as summarised below, consistently throughout all years presented in the financial statement, unless otherwise stated.

(ii) Standards issued but not yet effective

As at the date of authorisation of these financial statements, the following Amendments to Standards and IC Interpretations have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective and have not been adopted by the Group and the Company:

Effective for financial periods beginning on or after 1 January 2025

Amendments to MFRS 121	The Effects of Changes in Foreign Exchange Rate (Lack of Exchangeability)

Effective for financial periods beginning on or after 1 January 2026

Annual Improvement to MFRS Accounting Standards – Volume 11

* Amendments to MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards
* Amendments to MFRS 7	Financial Instruments: Disclosures
* Amendments to MFRS 9	Financial Instruments
* Amendments to MFRS 10	Consolidated Financial Statements
* Amendments to MFRS 107	Statements of Cash Flows

Amendments to MFRS 9, "Financial Instruments" and MFRS 7, "Financial Instruments: Disclosures" (Classification and Measurement of Financial Instruments)

Effective for financial periods beginning on or after 1 January 2027

MFRS 18	Presentation and Disclosure in Financial Statements
MFRS 19	Disclosures : Subsidiaries without Public Accountability

Effective date deferred

Amendments to MFRS 10, "Consolidated Financial Statements" and MFRS 128, "Investments in Associates and Joint Ventures" (Sale or Contribution of Assets between an Investor and its Associate or Joint Venture).

The Group and the Company will adopt the above pronouncements when they become effective in the respective financial periods. The Group and the Company are in the process of assessing the financial effect of these pronouncements upon their initial application.

3. MATERIAL ACCOUNTING POLICIES (cont'd)

(b) Significant accounting estimates and judgements

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

(i) Estimated useful lives of property, plant & equipment

The Group's business is fairly capital intensive. The depreciation charges form a significant component of total costs of profit or loss. The Group reviews the useful lives of property, plant & equipment at each reporting date in accordance with the accounting policy. The review is based on factors such as expected level of usage, business plans and strategies and future regulatory changes. The estimation of the useful lives involves significant judgement. A 5% difference in depreciation charge would results in approximately 3.4% (2023: 2.8%) variance in the Group's profit for the financial year.

(c) Property, plant & equipment and depreciation

Property, plant & equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation on property, plant & equipment is calculated on the straight line basis at rates required to write off the cost of the property, plant & equipment over their estimated useful lives.

The principal annual rates used are as follows :-

Building	2%
Computers	20% - 33.33%
Furniture & fittings	14.3% - 20%
Motor vehicles	14.3% - 16%
Renovations	10% - 20%
ESM equipment	10% - 20%
Office equipment	20%
Reworkable parts	8.33% - 25%

Gains and losses on disposals are determined by comparing net disposal proceeds with net carrying amount and are recognised in profit or loss.

(d) Impairment of non-financial assets

The carrying amounts of assets, other than inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated to determine the amount of impairment loss.

An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value-in-use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there is separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

An impairment loss is charged to profit or loss immediately. Any subsequent increase in the recoverable amount of an asset is treated as 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.

3. MATERIAL ACCOUNTING POLICIES (cont'd)

(e) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the reporting date. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Acquisitions of subsidiaries are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Adjustments to those fair values relating to previously held interests are treated as a revaluation and recognised in other comprehensive income.

(f) Transactions with non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(g) Investment in subsidiaries

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less accumulated impairment losses. On disposal of investments in subsidiaries, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

(h) Development expenditure

The cost of development expenditure comprises purchase, direct labour and other direct costs.

Development expenditure incurred is capitalised when it meets certain criteria that indicate it is probable that the costs will give rise to future economic benefits and are amortised over useful life of 2 to 5 years once the project is commercialised. They are written down to their recoverable amounts when there is insufficient certainty that future economic benefits will flow to the enterprise.

Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Capitalised development expenditure is stated at cost less accumulated amortisation and accumulated impairment losses.

3. MATERIAL ACCOUNTING POLICIES (cont'd)

(h) Development expenditure (cont'd)

Development expenditure for on-going project are stated at cost and are not amortised. Upon completion, depending on nature of assets and amortisation commences when they are ready for their intended used.

The policy for the recognition and measurement of impairment losses is in accordance with Note 3(d).

(i) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost of finished goods (cash recycling machines and cheque deposit machines) and cost of other inventories is determined on weighted average basis and includes all costs in bringing the inventories to their present location and condition.

Allowance is made for obsolete, slow-moving and defective inventories in arriving at the net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

(j) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

At initial recognition, the Group and the Company measure a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Group and the Company expect to be entitled in exchange for transferring promised goods or services to the customer, excluding amounts collected on behalf of third party, in the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement

Subsequent measurement of debt instruments depends on the Group's and the Company's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are:

(i) Amortised cost

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measures at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through amortisation process.

(ii) Fair value through other comprehensive income (FVOCI)

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Financial assets measured FVOCI are subsequently measures at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except for impairment losses, foreign exchange gains and losses and interest calculated using the effective interest method are recognised in profit loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognised.

3. MATERIAL ACCOUNTING POLICIES (cont'd)

(j) Financial assets (cont'd)

Subsequent measurement (cont'd)

(iii) Fair value through profit or loss

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt instruments that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss in the period in which it arises.

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the assets has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instrument is recognised in profit or loss.

(k) Impairment of financial assets

Expected credit losses (ECLs) are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12 months ECL). For those credit exposures for which there has been a significant losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

The Group and the Company consider a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group and the Company may also consider a financial asset to be in default when internal or external information indicates that the Group and the Company are unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group and the Company.

(l) Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, money market instruments, bank overdraft and deposits held at call with financial institutions and highly liquid investments which have an insignificant risk of changes in value.

(m) Share capital

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs.

Dividends to shareholders are recognised in equity in the period in which they are declared.

(n) Leases

(i) When the Group is the lessee:

At the inception of the contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

Right-of-use assets

The Group recognised a right-of-use asset and lease liability at the date which the underlying asset is available for use. Right-of use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

3. MATERIAL ACCOUNTING POLICIES (cont'd)

(n) Leases (cont'd)

(i) When the Group is the lessee: (cont'd)

Right-of-use assets (cont'd)

These right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Right-of-use assets (except for those which meets the definition of an investment property) are presented within "Property, plant & equipment".

Lease liabilities

The initial measurement of lease liability is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group shall use its incremental borrowing rate.

Lease payments include the following:

- Fixed payment (including in-substance fixed payments), less any lease incentives receivables;
- Payment of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

For contract that contain both lease and non-lease components, the Group allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease component. The Group has elected to not separate lease and non-lease component for property leases and account these as one single lease component.

Lease liability is measured at amortised cost using the effective interest method. Lease liability shall be remeasured when:

- There is a changes in the Group's assessment of whether it will exercise an extension option; or
- There are modification in the scope or the consideration of the lease that was not part of the original term.

Lease liability is remeasured with a corresponding adjustment to the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

(o) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument. The Group and the Company determine the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

3. MATERIAL ACCOUNTING POLICIES (cont'd)

(o) Financial liabilities (cont'd)

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognized in profit or loss.

(p) Contract assets/liabilities

Contract asset

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group and the Company perform by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Contract liability

A contract liability is the obligation to transfer goods or services to a customer for which the Group and the Company have received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group and the Company transfer goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group and the Company perform under the contract.

(q) Revenue recognition

Revenue from contracts with customers

(i) Sale of hardware

Revenue from sales of cash recycling machines, cheque deposit machines and other hardware equipments are recognised when the Group and the Company has delivered the equipment to the customers, the customers have accepted the equipment and the collectability of the related receivables is reasonably assured.

(ii) Revenue from software solution and service revenue

Revenue from software solution is recognised upon service completion based on the customisation or integration work that is performed by referring to the milestones of the contract activity at the end of the reporting period.

Support and maintenance, after sale services, cheque processing outsourcing and outsourcing of payment kiosks are recognised when the customer simultaneously consumes and receives the benefits provided by the performance of the service rendered. As such, transfer of control takes place over the period of service provided.

Revenue from cash-in-transit services is recognised when the Group provides services to the customer continuously over the term of the contract and the customer simultaneously receives and consumes the benefit of the services. Revenue from these services is therefore recognised over time.

Revenue from other sources

Specific revenue recognition criteria for other revenue and income earned by the Group and the Company are as follows:

(i) Interest income

Interest income is recognised on an accrual basis, using the effective interest method, unless collectability is in doubt, in which case it is recognised on a receipt basis.

3. MATERIAL ACCOUNTING POLICIES (cont'd)

(r) Employee benefits

(i) Short term employee benefits

Wages, salaries, social security contributions, paid annual leave, paid sick leave, bonuses and non-monetary benefits are recognised as an expense in the financial year when employees have rendered their services to the Group and the Company.

Short term accumulating compensated absences such as paid annual leave are recognised as expenses when employees render services that increase their entitlement to future compensated absences. Short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

Bonuses are recognised as an expense when there is a present, legal or constructive obligation to make such payments, as a result of past events and when a reliable estimate can be made of the amount of the obligation.

(ii) Post-employment benefits

Defined contribution plan

A defined contribution plan is a pension plan under which the Group and the Company pay fixed contributions into a separate entity (a fund) and will have no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

As required by law, companies in Malaysia make contributions to the state pension scheme, the Employees Provident Fund ("EPF"). Such contributions are recognised as an expense in profit or loss as incurred. Once the contributions have been paid, the Group and the Company have no further payment obligations.

(s) Borrowing costs

Borrowing costs consist of interest and other costs that the Group incurred in connection with the borrowing of funds. Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale.

All other borrowing costs are recognised as an expense in profit or loss in the period in which they are incurred.

(t) Income tax

Income tax on profit or loss for the financial year comprises current and deferred tax.

Current tax is the expected amount of income taxes payable in respect of the taxable profit for the financial year and is measured using the tax rates that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in full, using the liability method, on temporary differences arising between the amounts attributable to assets and liabilities for tax purposes and their carrying amounts in the financial statements. However, deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences or unabsorbed tax losses can be utilised.

3. MATERIAL ACCOUNTING POLICIES (cont'd)

(t) Income tax (cont'd)

Deferred tax is determined using tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

(u) Foreign currencies

(i) Functional and presentation currency

Items included in the financial statements of the Group and the Company are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in Ringgit Malaysia, which is the Group's and the Company's functional and presentational currency.

(ii) Foreign currency transactions

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

4. REVENUE

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Revenue from contract with customers				
Sale of hardware	11,570,866	20,600,180	11,570,866	20,600,180
Software solution & services rendered	81,178,280	67,777,348	80,786,640	67,569,349
	92,749,146	88,377,528	92,357,506	88,169,529
Timing of revenue recognition:				
At a point in time	11,952,506	20,730,814	11,570,866	20,600,180
At over time	80,796,640	67,646,714	80,786,640	67,569,349
	92,749,146	88,377,528	92,357,506	88,169,529

5. FINANCE COSTS

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Banker acceptance interest	30,077	51,872	30,077	51,872
Lease interest	77,843	117,481	74,197	117,481
Term loan interest	403,257	17,054	403,257	17,054
	511,177	186,407	507,531	186,407

6. PROFIT BEFORE TAX

Profit before tax is stated after charging/(crediting) (other than those disclosed in Note 4 & 5) :-

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Auditors' remuneration				
- statutory	61,000	55,000	50,000	46,000
- others	13,600	11,000	13,600	11,000
Depreciation	2,367,483	2,148,733	2,230,192	2,032,532
Directors' remuneration				
- emoluments	2,280,807	2,160,524	2,280,807	2,160,524
- fees	276,000	252,000	276,000	252,000
Impairment loss on amount due from subsidiary	-	-	5,984	5,585
Lease expenses not capitalised in lease liabilities				
- low value leases	49,203	47,502	49,203	47,502
Property, plant & equipment written off	5,836	28	5,836	28
Gain on disposal of property, plant & equipment	-	(39,461)	-	(39,461)
Interest income				
- fixed deposits	(169,798)	(182,661)	(169,769)	(182,661)
- money market instrument	(574,337)	(673,150)	(443,010)	(673,150)
Realised loss/(gain) on foreign exchange	4,597	(18,469)	4,597	(18,469)
Staff costs (excluding Directors' remuneration)				
- Salaries, wages, bonus & others	5,183,745	4,272,218	3,934,323	3,248,000
- Defined contribution plan expense	416,823	358,831	339,719	306,304
Included in the cost of sales are as follows:-				
Cost of inventories	15,124,297	20,582,874	15,124,297	20,582,874
Depreciation	5,873,643	4,663,020	5,772,498	4,608,726
Inventories written off	-	20,789	-	20,789
Property, plant & equipment written off	341,960	371,806	341,960	371,806
Gain on disposal of property, plant & equipment	(49,974)	(25,074)	(49,974)	(25,074)
Staff costs (excluding Directors' emoluments)				
- Salaries, wages, bonus & others	22,291,542	17,412,015	11,265,178	7,890,804
- Defined contribution plan expense	2,549,698	1,929,875	1,369,449	906,215
Included in the research & development expenses are as follows:-				
Amortisation of development expenditure	393,303	277,571	393,303	277,571
Staff costs (excluding Directors' emoluments)				
- Salaries, wages, bonus & others	2,322,039	2,250,091	2,058,279	2,028,157
- Defined contribution plan expense	279,325	273,753	245,694	244,824

7. DIRECTORS' REMUNERATION

The aggregate remuneration of Directors of the Group and of the Company categorised into appropriate components for the financial year ended are as follows :-

Group/Company

	Fees RM	Salaries RM	Others RM	BIK* RM	Total RM
2024					
Executive Directors	69,000	941,400	1,322,907	70,103	2,403,410
Non-executive Directors	207,000	-	16,500	-	223,500
2023					
Executive Directors	63,000	904,629	1,237,895	65,405	2,270,929
Non-executive Directors	189,000	-	18,000	-	207,000

* Benefits-in-kind

The number of Directors of the Group and of the Company whose total remuneration fall within the following bands for the financial year ended are as follows :-

	2024 Group/Company No. of Directors		2023 Group/Company No. of Directors	
Range of remuneration	**Executive**	**Non-executive**	**Executive**	**Non-executive**
Below RM50,001	-	-	-	-
RM50,001 – RM100,000	-	3	-	3
RM100,001 – RM150,000	-	-	1	-
RM400,001 – RM450,000	-	-	1	-
RM500,001 – RM550,000	1	-	-	-
RM600,001 – RM650,000	-	-	1	-
RM850,001 – RM900,000	1	-	-	-
RM1,000,001 – RM1,050,000	1	-	1	-

Included in the remuneration of Directors of the Group and of the Company is contribution to a defined contribution plan expense amounting to RM361,534 (2023: RM319,838) charged to profit or loss.

8. INCOME TAX EXPENSE

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Malaysian income tax based on results for the financial year				
- Current tax	4,729,783	4,206,470	4,552,115	4,058,002
- Over-provision in prior financial years	(11,832)	(47,000)	(12,102)	(45,188)
	4,717,951	4,159,470	4,540,013	4,012,814

8. INCOME TAX EXPENSE (cont'd)

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Deferred tax				
- Origination and reversal of temporary differences (Note 21)	(436,393)	(27,541)	(436,393)	(56,449)
	4,281,558	4,131,929	4,103,620	3,956,365

A reconciliation of income tax expense applicable to profit before tax at the statutory income tax rate to income tax expense at the effective income tax rate of the Group and of the Company is as follows :-

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Profit before tax	16,260,731	16,535,726	15,659,170	15,914,050
Income tax using Malaysian tax rate of 24%	3,902,575	3,968,574	3,758,201	3,819,372
Income not subject to tax	(137,841)	(161,556)	(106,322)	(161,556)
Non-deductible expenses	528,656	371,911	463,843	343,737
Over-provision of income tax in prior financial years	(11,832)	(47,000)	(12,102)	(45,188)
	4,281,558	4,131,929	4,103,620	3,956,365

The Company may distribute dividends out of its entire retained earnings as at 31 December 2024 under single-tier system.

Subject to agreement with the Inland Revenue Board, the Company has pioneer exempt income pursuant to Section 23(1) of the Promotion of Investments Act 1986 and Section 12 of the Income Tax (Amendment) Act 1999 estimated at RM459,194 (2023: RM459,194) and RM50,666 (2023: RM50,666) respectively, from which tax exempt dividends can be declared.

9. EARNINGS PER SHARE ("EPS")

(a) Basic earnings per share

Basic earnings per ordinary share is calculated by dividing the profit attributable to the owners of the Company by the weighted average number of ordinary shares in issue during the financial year.

	Group	
	2024	2023
Basic EPS		
Profit attributable to owners (RM'000)	11,916	12,337
Number of shares in issued ('000)	446,838	446,838
Basic EPS (sen)	2.67	2.76

(b) Diluted earnings per share

There is no diluted earnings per share as there is no potential dilutive securities outstanding at end of the financial year.

10. PROPERTY, PLANT & EQUIPMENT

Group – 2024

	Computers RM	Furniture & fittings RM	Motor vehicles RM	Renovations RM	ESM equipment RM	Office equipment RM	Building RM	Reworkable parts RM	Assets under construction RM	Total RM
Cost										
At 1.1.2024	13,050,141	2,161,838	4,460,255	2,178,469	33,545,764	2,329,249	25,961,614	8,175,944	173,760	92,037,034
Additions	1,030,189	312,761	1,024,735	244,438	1,536,841	298,448	56,108	2,070,252	-	6,573,772
Disposal	-	-	-	-	-	-	-	(27,105)	-	(27,105)
Transfer	-	82,830	-	90,930	-	-	-	760,103	(173,760)	760,103
Written off	(309,614)	(36,546)	-	-	(3,074,143)	(47,899)	-	(968,516)	-	(4,436,718)
At 31.12.2024	13,770,716	2,520,883	5,484,990	2,513,837	32,008,462	2,579,798	26,017,722	10,010,678	-	94,907,086
Accumulated Depreciation										
At 1.1.2024	5,489,819	1,904,904	1,932,744	1,378,341	22,624,515	1,598,611	2,394,885	4,528,393	-	41,852,212
Charge for the financial year	1,860,174	153,148	523,818	194,276	3,470,738	231,556	690,028	1,117,388	-	8,241,126
Disposal	-	-	-	-	-	-	-	(13,132)	-	(13,132)
Transfer	-	-	-	-	-	-	-	605,269	-	605,269
Written off	(309,551)	(36,536)	-	-	(2,602,465)	(42,145)	-	(943,392)	-	(3,934,089)
At 31.12.2024	7,040,442	2,021,516	2,456,562	1,572,617	23,492,788	1,788,022	3,084,913	5,294,526	-	46,751,386
Net Book Value										
At 31.12.2024	6,730,274	499,367	3,028,428	941,220	8,515,674	791,776	22,932,809	4,716,152	-	48,155,700

Company – 2024

	Computers RM	Furniture & fittings RM	Motor vehicles RM	Renovations RM	ESM equipment RM	Office equipment RM	Building RM	Reworkable parts RM	Assets under construction RM	Total RM
Cost										
At 1.1.2024	12,610,814	2,144,640	4,460,255	2,178,469	33,545,764	1,769,003	25,961,614	8,175,944	173,760	91,020,263
Additions	881,744	312,761	876,766	244,438	1,536,841	226,850	56,108	2,070,252	-	6,205,760
Disposal	-	-	-	-	-	-	-	(27,105)	-	(27,105)
Transfer	-	82,830	-	90,930	-	-	-	760,103	(173,760)	760,103
Written off	(309,614)	(36,546)	-	-	(3,074,143)	(47,899)	-	(968,516)	-	(4,436,718)
At 31.12.2024	13,182,944	2,503,685	5,337,021	2,513,837	32,008,462	1,947,954	26,017,722	10,010,678	-	93,522,303
Accumulated Depreciation										
At 1.1.2024	5,259,575	1,900,955	1,932,744	1,378,341	22,624,515	1,450,659	2,394,885	4,528,393	-	41,470,067
Charge for the financial year	1,746,454	149,710	511,221	194,276	3,470,738	122,875	690,028	1,117,388	-	8,002,690
Disposal	-	-	-	-	-	-	-	(13,132)	-	(13,132)
Transfer	-	-	-	-	-	-	-	605,269	-	605,269
Written off	(309,551)	(36,536)	-	-	(2,602,465)	(42,145)	-	(943,392)	-	(3,934,089)
At 31.12.2024	6,696,478	2,014,129	2,443,965	1,572,617	23,492,788	1,531,389	3,084,913	5,294,526	-	46,130,805
Net Book Value										
At 31.12.2024	6,486,466	489,556	2,893,056	941,220	8,515,674	416,565	22,932,809	4,716,152	-	47,391,498

10. PROPERTY, PLANT & EQUIPMENT (cont'd)

Group – 2023

	Computers RM	Furniture & fittings RM	Motor vehicles RM	Renovations RM	ESM equipment RM	Office equipment RM	Building RM	Reworkable parts RM	Assets under construction RM	Total RM
Cost										
At 1.1.2023	5,931,154	2,047,793	4,242,598	2,178,469	38,979,161	1,679,617	14,800,446	6,194,031	-	76,053,269
Additions	7,182,439	122,645	910,467	-	1,619,216	653,291	11,252,723	2,015,674	173,760	23,930,215
Disposal	-	-	(692,810)	-	(45,140)	-	-	(33,761)	-	(771,711)
Written off	(63,452)	(8,600)	-	-	(7,007,473)	(3,659)	-	-	-	(7,083,184)
Expiry*	-	-	-	-	-	-	(91,555)	-	-	(91,555)
At 31.12.2023	13,050,141	2,161,838	4,460,255	2,178,469	33,545,764	2,329,249	25,961,614	8,175,944	173,760	92,037,034
Accumulated Depreciation										
At 1.1.2023	4,949,911	1,779,087	1,969,816	1,183,696	25,530,129	1,428,311	2,021,381	3,576,669	-	42,439,000
Charge for the financial year	603,344	134,415	511,816	194,645	3,758,587	173,953	465,059	969,934	-	6,811,753
Disposal	-	-	(548,888)	-	(28,538)	-	-	(18,210)	-	(595,636)
Written off	(63,436)	(8,598)	-	-	(6,635,663)	(3,653)	-	-	-	(6,711,350)
Expiry*	-	-	-	-	-	-	(91,555)	-	-	(91,555)
At 31.12.2023	5,489,819	1,904,904	1,932,744	1,378,341	22,624,515	1,598,611	2,394,885	4,528,393	-	41,852,212
Net Book Value										
At 31.12.2023	7,560,322	256,934	2,527,511	800,128	10,921,249	730,638	23,566,729	3,647,551	173,760	50,184,822

Company – 2023

	Computers RM	Furniture & fittings RM	Motor vehicles RM	Renovations RM	ESM equipment RM	Office equipment RM	Building RM	Reworkable parts RM	Assets under construction RM	Total RM
Cost										
At 1.1.2023	5,599,764	2,044,554	4,242,598	2,178,469	38,979,161	1,557,991	14,800,446	6,194,031	-	75,597,014
Additions	7,074,502	108,686	910,467	-	1,619,216	214,671	11,252,723	2,015,674	173,760	23,369,699
Disposal	-	-	(692,810)	-	(45,140)	-	-	(33,761)	-	(771,711)
Written off	(63,452)	(8,600)	-	-	(7,007,473)	(3,659)	-	-	-	(7,083,184)
Expiry*	-	-	-	-	-	-	(91,555)	-	-	(91,555)
At 31.12.2023	12,610,814	2,144,640	4,460,255	2,178,469	33,545,764	1,769,003	25,961,614	8,175,944	173,760	91,020,263
Accumulated Depreciation										
At 1.1.2023	4,817,755	1,777,413	1,969,816	1,183,696	25,530,129	1,350,491	2,021,381	3,576,669	-	42,227,350
Charge for the financial year	505,256	132,140	511,816	194,645	3,758,587	103,821	465,059	969,934	-	6,641,258
Disposal	-	-	(548,888)	-	(28,538)	-	-	(18,210)	-	(595,636)
Written off	(63,436)	(8,598)	-	-	(6,635,663)	(3,653)	-	-	-	(6,711,350)
Expiry*	-	-	-	-	-	-	(91,555)	-	-	(91,555)
At 31.12.2023	5,259,575	1,900,955	1,932,744	1,378,341	22,624,515	1,450,659	2,394,885	4,528,393	-	41,470,067
Net Book Value										
At 31.12.2023	7,351,239	243,685	2,527,511	800,128	10,921,249	318,344	23,566,729	3,647,551	173,760	49,550,196

* Related to expiry of the tenancy agreement of right-of-use assets.

10. PROPERTY, PLANT & EQUIPMENT (cont'd)

Right-of-use of assets acquired under leasing arrangements are presented together with the owned assets of the same class. Details of such leased assets are disclosed in Note 26 to the Financial Statements.

Security

The carrying amount of the property, plant & equipment that have been charged to financial institutions for facilities granted to the Group and the Company are as follows :-

	Group/Company	
	2024 RM	2023 RM
Building	22,767,552	23,275,485
ESM equipment	448,985	706,312
Motor vehicles	2,517,627	2,290,637
	25,734,164	26,272,434

11. SUBSIDIARIES

(a) Investment in subsidiaries

	Company	
	2024 RM	2023 RM
Unquoted shares - at cost	86,000	86,000
Less: Accumulated impairment losses	(1,000)	(1,000)
	85,000	85,000

The Group had the following subsidiaries at 31 December 2024 and 31 December 2023. Unless otherwise stated, the subsidiaries as listed below have share capital consisting solely of ordinary shares and incorporated in Malaysia. The country of incorporation is also their place of principal place of business.

		Effective interest (%)	
Name of Company	**Principal Activities**	**2024**	**2023**
OpenSys Technologies Sdn. Bhd.	Call center operation, hardware maintenance and repair of self-service kiosks, online marketplace operations, trading of goods, software development for Fintech and IoT and software solution, cash-in-transit solution & services and cash management solution & services & supply, installation and maintenance of solar system and all types of renewable energy products and related solutions.	85	85
OpenSys Engineering Sdn. Bhd.	Dormant	100	100

11. SUBSIDIARIES (cont'd)

(a) Investment in subsidiaries (cont'd)

All subsidiary undertakings are included in the consolidation. The proportion of the voting rights in the subsidiary undertakings held directly by the parent company do not differ from the proportion of ordinary shares held.

The Group's subsidiary that have material non-controlling interests ("NCI") are as follows:-

	OpenSys Technologies Sdn. Bhd.	
	2024 RM	**2023 RM**
NCI effective equity interest	15%	15%
Carrying amount of NCI	304,062	240,517
Profit allocated to NCI	63,545	66,917
Summaries financial information before inter-company elimination		
As at 31 December		
Non-current assets	764,202	634,626
Current assets	5,397,160	3,324,507
Non-current liabilities	(118,227)	(35,000)
Current liabilities	(4,016,049)	(2,320,680)
Net assets	2,027,086	1,603,453
Year ended 31 December		
Revenue	20,599,422	18,169,055
Profit for the year	423,633	446,112
Total comprehensive income	423,633	446,112
Cash flow from operating activities	2,226,589	265,960
Cash flow used in investing activities	(248,013)	(560,516)
Cash flow used in financing activities	(14,322)	-
Net changes in cash and cash equivalents	1,964,254	(294,556)

There were no changes in the composition of the Group during the period under review.

11. SUBSIDIARIES (cont'd)

(b) Amount due from subsidiary

	Company	
	2024 RM	2023 RM
Amount due from subsidiary	80,594	69,610
Less: Accumulated impairment losses		
At beginning of the financial year	(69,610)	(64,025)
Impairment losses	(5,984)	(5,585)
At end of the financial year	(75,594)	(69,610)
Carrying amount at end of the financial year	5,000	-

The amount due from subsidiary pertained mainly to advances and payments on behalf. The outstanding amounts were unsecured, interest free and payable on demand.

(c) Amount due to subsidiary

	Company	
	2024 RM	2023 RM
Amount due to subsidiary	1,816,794	1,594,020

The amount due to subsidiary pertained mainly to contract services. The outstanding amounts were unsecured, interest free and the credit terms is 30 days (2023: 30 days).

12. DEVELOPMENT EXPENDITURE

This is mainly in respect of expenditure incurred for the development of software.

	Group/Company	
	2024 RM	2023 RM
Cost		
At beginning/end of the financial year	1,764,687	1,764,687
Less: Accumulated amortisation		
At beginning of the financial year	(1,205,608)	(928,037)
Amortisation for the financial year	(393,303)	(277,571)
At end of the financial year	(1,598,911)	(1,205,608)
Carrying amount at end of the financial year	165,776	559,079

13. FIXED DEPOSITS

The fixed deposits have been pledged to licensed banks for banking facilities granted to the Group and the Company.

The interest rate of deposits of the Group and of the Company as at reporting date ranged from 2.10% to 2.65% (2023: 2.40% to 2.95%) per annum.

Deposits of the Group and the Company have maturity of 31 days to 365 days (2023: 31 days to 366 days).

14. INVENTORIES

	Group/Company	
	2024 RM	**2023 RM**
Consumable components for maintenance service	6,735,129	5,721,491
Assembly components	3,026,074	3,180,631
Finished goods	10,789,466	3,843,212
	20,550,669	12,745,334
Recognised to profit or loss:-		
Inventories written off	-	20,789

15. TRADE RECEIVABLES

The table below is an analysis of trade receivables as at 31 December :-

	Group		Company	
	2024 RM	**2023 RM**	**2024 RM**	**2023 RM**
Trade receivables	12,725,315	12,439,412	12,710,917	12,414,517
Contract assets	4,320,731	2,335,244	4,320,731	2,335,244
Total trade receivables, net	17,046,046	14,774,656	17,031,648	14,749,761

The normal credit term of the Group and of the Company granted to trade receivables ranged from 30 days to 90 days (2023: 30 days to 90 days). Other credit terms are assessed and approved on a case-by-case basis. They are recognised at their original invoiced amounts which represent their fair values on initial recognition.

The Group's and the Company's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group and the Company trades only with recognised and creditworthy third parties. It is the Group's and the Company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's and the Company's exposure to bad debts is not significant.

15. TRADE RECEIVABLES (cont'd)

Impairment for trade receivable and contract asset are recognised based on the general approach within MFRS 9 using the forward looking expected credit loss model. The methodology used to determine the amount of the impairment is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. At the end of the reporting period, the Group and the Company assesses whether there has been a significant increase in credit risk for financial assets by comparing the risk of default occurring over the expected life with the risk of default since initial recognition. For those in which the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those in which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

The Group's credit risk exposure in relation to trade receivables as at 31 December are set out as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Current	15,943,476	7,392,149	15,929,078	7,367,254
1 to 90 days past due	1,098,461	7,292,398	1,098,461	7,292,398
91 days past due	4,109	90,109	4,109	90,109
Total trade receivables, net	17,046,046	14,774,656	17,031,648	14,749,761

Expected credit losses for trade receivables and contract assets impact are immaterial.

16. OTHER RECEIVABLES, DEPOSITS & PREPAYMENTS

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Other receivables	3,942	10,650	3,942	6,725
Deposits	190,324	148,294	188,523	146,694
Prepayments	2,318,129	1,434,636	2,239,843	1,256,134
	2,512,395	1,593,580	2,432,308	1,409,553

Included in the prepayments are advance payments made for purchase of inventories amounting RM991,307 (2023: RM155,219).

17. CASH AND CASH EQUIVALENTS

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Cash and cash equivalents comprise :-				
Money market instruments	13,015,130	13,045,793	12,783,803	13,045,793
Cash and bank balances	18,828,933	17,956,237	15,665,356	16,530,577
	31,844,063	31,002,030	28,449,159	29,576,370

Money market instruments consist of investment in income funds. The income funds are highly liquid, readily convertible to cash within 1 working day and subject to an insignificant risk of changes in value.

For the purpose of presenting the statements of cash flows, cash and cash equivalents comprise the following:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Fixed deposits (Note 13)	6,831,324	6,672,919	6,831,324	6,672,919
Cash and cash equivalent (as per above)	31,844,063	31,002,030	28,449,159	29,576,370
Cash and cash equivalent (as per above)	38,675,387	37,674,949	35,280,483	36,249,289
Less : Fixed deposits under lien	(6,831,324)	(6,672,919)	(6,831,324)	(6,672,919)
Cash and cash equivalents per statement of cash flows	31,844,063	31,002,030	28,449,159	29,576,370

18. SHARE CAPITAL

	Group/Company			
	2024		2023	
	Number of share Unit	Amount RM	Number of share Unit	Amount RM
Issued and fully paid :-				
Ordinary shares				
At beginning/end of the financial year	446,837,649	29,789,202	446,837,649	29,789,202

The ordinary shareholders are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and rank equally with regard to the Company residual assets.

19. LEASE LIABILITIES

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Lease liabilities	172,134	300,479	172,134	300,479
Finance lease liabilities	1,744,890	1,516,095	1,639,212	1,516,095
	1,917,024	1,816,574	1,811,346	1,816,574
Minimum lease payments :-				
Repayable not later than 1 year	729,696	775,439	702,744	775,439
Repayable later than 1 year and not later than 2 years	576,488	525,744	549,536	525,744
Repayable later than 2 years and not later than 5 years	758,120	638,662	695,232	638,662
	2,064,304	1,939,845	1,947,512	1,939,845
Less : Finance charges	(147,280)	(123,271)	(136,166)	(123,271)
Present value of minimum lease payments	1,917,024	1,816,574	1,811,346	1,816,574
Breakdown of present value of minimum lease payments :-				
Repayable not later than 1 year	659,243	713,103	636,792	713,103
Repayable later than 1 year and not later than 2 years	533,153	489,107	509,540	489,107
Repayable later than 2 years and not later than 5 years	724,628	614,364	665,014	614,364
	1,917,024	1,816,574	1,811,346	1,816,574
Represented by :-				
Current	659,243	713,103	636,792	713,103
Non-current	1,257,781	1,103,471	1,174,554	1,103,471
	1,917,024	1,816,574	1,811,346	1,816,574

The finance lease liabilities of the Group and of the Company carried interest at the reporting date which ranged from 3.84% to 5.66% (2023: 3.84% to 5.66%) per annum.

20. TERM LOANS

	Group/Company	
	2024 RM	2023 RM
Repayable not later than 1 year	3,156,124	1,172,014
Repayable later than 1 year and not later than 2 years	3,201,162	1,225,544
Repayable later than 2 years and not later than 5 years	2,668,320	2,177,311
Repayable later than 5 years	3,640,650	4,297,897
	12,666,256	8,872,766
Represented by :-		
Current	3,156,124	1,172,014
Non-current	9,510,132	7,700,752
	12,666,256	8,872,766

The carrying amounts of term loans of the Group and of the Company at the reporting date approximated their fair values.

The effective interest rate of term loans of the Group and of the Company at the reporting date ranged of 4.30% to 7.30% (2023: 4.27% to 4.52%) per annum.

The term loans are secured by :-

(a) a pledge of fixed deposit as disclosed in Note 13; and
(b) a fixed charge over the buildings.

21. DEFERRED TAX LIABILITIES

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
At beginning of the financial year	3,602,541	3,630,082	3,567,541	3,623,990
Charge for the year (Note 8)	(436,393)	(27,541)	(436,393)	(56,449)
At end of the financial year	3,166,148	3,602,541	3,131,148	3,567,541

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 tax authority. The following amounts determined after appropriate offsetting are shown in the statements of financial position: -

	At 1.1.2024 RM	Recognised in profit or loss RM	At 31.12.2024 RM
Group			
Deferred tax liabilities			
Property, plant & equipment			
- capital allowance in excess of depreciation	4,403,923	(504,844)	3,899,079
Development expenditure	132,271	(94,393)	37,878
	4,536,194	(599,237)	3,936,957

21. DEFERRED TAX LIABILITIES (cont'd)

	At 1.1.2024 RM	Recognised in profit or loss RM	At 31.12.2024 RM
Group (cont'd)			
Deferred tax asset			
- Contract liabilities	(917,630)	172,000	(745,630)
- Unabsorbed capital allowance	(16,023)	(9,156)	(25,179)
Net after offsetting	3,602,541	(436,393)	3,166,148

	At 1.1.2023 RM	Recognised in profit or loss RM	At 31.12.2023 RM
Deferred tax liabilities			
Property, plant & equipment			
- capital allowance in excess of depreciation	4,018,992	384,931	4,403,923
Development expenditure	198,888	(66,617)	132,271
	4,217,880	318,314	4,536,194
Deferred tax asset			
- Contract liabilities	(587,798)	(329,832)	(917,630)
- Unabsorbed capital allowance	-	(16,023)	(16,023)
Net after offsetting	3,630,082	(27,541)	3,602,541

	At 1.1.2024 RM	Recognised in profit or loss RM	At 31.12.2024 RM
Company			
Deferred tax liabilities			
Property, plant & equipment			
- capital allowance in excess of depreciation	4,352,900	(514,000)	3,838,900
Development expenditure	132,271	(94,393)	37,878
	4,485,171	(608,393)	3,876,778
Deferred tax asset			
- Contract liabilities	(917,630)	172,000	(745,630)
Net after offsetting	3,567,541	(436,393)	3,131,148

21. DEFERRED TAX LIABILITIES (cont'd)

	At 1.1.2023 RM	Recognised in profit or loss RM	At 31.12.2023 RM
Company (cont'd)			
Deferred tax liabilities			
Property, plant & equipment			
- capital allowance in excess of depreciation	4,012,900	340,000	4,352,900
Development expenditure	198,888	(66,617)	132,271
	4,211,788	273,383	4,485,171
Deferred tax asset			
- Contract liabilities	(587,798)	(329,832)	(917,630)
Net after offsetting	3,623,990	(56,449)	3,567,541

22. CONTRACT LIABILITIES

	Group/Company	
	2024 RM	2023 RM
Deferred revenue		
Represented by:		
Current	2,477,713	2,992,636
Non-current	629,083	830,826
	3,106,796	3,823,462

The Group and the Company recognises contract liabilities when a customer pays consideration, or is contractually required to pay consideration, before the Group and the Company recognises the related revenue.

Significant changes to contract liabilities balances during the period are as follows:

	Group/Company	
	2024 RM	2023 RM
At beginning of the financial year	3,823,462	2,449,162
Revenue recognised	(23,362,429)	(14,592,526)
Progress billing to customers	22,645,763	15,966,826
At end of the financial year	3,106,796	3,823,462

22. CONTRACT LIABILITIES (cont'd)

The below represents consideration received in respect of unsatisfied performance obligation which is recognised as revenue over the period the services are provided. The remaining performance obligations are expected to be recognised within 4 years.

Unsatisfied performance obligation yet to be recognised as revenue:

Group/Company

	2025 RM	2026 RM	2027 RM	2028 RM
As at 31 December 2024				
Revenue to be recognised on services contract	2,477,713	386,796	146,842	95,445

	2024 RM	2025 RM	2026 RM	2027 RM
As at 31 December 2023				
Revenue to be recognised on services contract	2,992,636	511,911	263,724	55,191

23. TRADE PAYABLES

The currency exposure profile of trade payables is as follows :-

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Ringgit Malaysia	1,150,155	1,520,411	881,330	1,457,892
US Dollar	509,674	245,709	509,674	245,709
	1,659,829	1,766,120	1,391,004	1,703,601

The normal credit terms of trade payables granted to the Group and the Company vary from 30 days to 90 days (2023: 30 days to 90 days). Other credit terms are assessed and approved on a case-by-case basis.

24. OTHER PAYABLES & ACCRUALS

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Other payables	3,868,538	1,773,787	2,081,627	1,065,221
Accruals – others	803,416	1,741,351	651,925	1,391,297
Accruals – staff costs	6,414,181	5,139,046	4,626,810	3,938,505
	11,086,135	8,654,184	7,360,362	6,395,023

25. BANKERS' ACCEPTANCE

The bankers' acceptance are secured by fixed deposits as disclosed in Note 13 to the Financial Statements.

The interest charges on the bankers' acceptance of the Group and of the Company during the financial year is 4.19% to 4.23% (2023: 4.23% to 5.00%) per annum.

26. LEASES

The Group and the Company have lease contracts for various items of building, plant, machinery, vehicles and other equipment used in its operations. Leases of motor vehicles generally have lease terms of 5 years, while plant and machinery and other equipment generally have lease terms between 3 and 5 years.

(a) Carrying amounts

Right-of-use ("ROU") assets classified within property, plant & equipment

	Group/Company	
	2024 RM	2023 RM
Motor vehicles	2,517,627	2,290,637
ESM equipment	448,985	706,312
Building	165,255	291,242
	3,131,867	3,288,191

(b) Depreciation charge during the year

	Group/Company	
	2024 RM	2023 RM
Motor vehicles	384,762	456,978
ESM equipment	257,327	737,981
Building	182,095	176,633
	824,184	1,371,592

(c) Lease expense

	Group/Company	
	2024 RM	2023 RM
Lease expense – low value leases (Note 6)	49,203	47,502

(d) Total cash outflow for all the leases during the financial year is RM884,736 (2023 : RM1,932,349).

(e) Addition of ROU assets during the financial year is RM932,874 (2023 : RM1,187,875) which included certain existing equipment had been financed by finance lease during the financial year.

27. OPERATING SEGMENTS

The Group is organised into the following main business segments are as follows :-

(i) Hardware

Including sale, assembly and distribution of cheque deposit machines, cash recycling machines and other hardware equipment.

(ii) Software Solution and Services

Including sale of software, software customisation, support and maintenance, after sale services, cheque processing outsourcing, outsourcing of payment kiosks and cash-in-transit services.

Management has determined the operating segments based on the reports reviewed by the chief operating decision-maker ("CODM") (i.e. the Executive Chairman, Chief Executive Officer, Group Chief Sustainability Officer, Group Chief Marketing Officer, Chief Financial Officer and Chief Operating Officer) that are used to make strategic decisions.

The geographical segment information is not presented as the Group's activities are carried out predominantly in Malaysia.

Major customers

There are three (2023: four) major customers with revenue equal or more than 10 percent of the Group's total revenue.

Segment assets and segment liabilities

Segment assets and segment liabilities information is neither included in the internal management reports nor provided regularly to the chief operating decision-maker. Hence no disclosure is made on segment assets and liabilities.

Segment capital expenditure

Segment capital expenditure is the total cost incurred during the financial year to acquire property, plant & equipment and development expenditure.

The segment information provided to the CODM for the reportable segments is as follows :-

	Hardware RM	Software Solution and Services RM	Total RM
2024			
Total revenue	11,570,866	81,178,280	92,749,146
Segment results	2,044,499	33,077,915	35,122,414
Unallocated other income			845,599
Unallocated operating expenses			(19,707,282)
Profit before tax			16,260,731

27. OPERATING SEGMENTS (cont'd)

	Hardware RM	Software Solution and Services RM	Total RM
2023			
Total revenue	20,600,180	67,777,348	88,377,528
Segment results	3,586,971	28,838,006	32,424,977
Unallocated other income			937,398
Unallocated operating expenses			(16,826,649)
Profit before tax			16,535,726

28. SIGNIFICANT RELATED PARTY TRANSACTIONS

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

a) Related party transactions

(i) The following significant transaction which have been transacted with the related company are as follows:

			Company	
Entity	**Relationship**	**Type of transactions**	**2024 RM**	**2023 RM**
OpenSys Technologies Sdn. Bhd.	Subsidiary	Services in relation to hardware maintenance, call center operation, cash in transit and software solutions	20,207,782	17,961,055
		Inter-company loan interest	151,463	-
		Rental income	12,000	12,000

(ii) The following significant transaction which have been transacted with the key management personnel are as follows:

	Group/Company	
	2024 RM	**2023 RM**
Proceeds from disposal of property, plant & equipment	-	68,800

The Directors are of the opinion that the above transactions have been entered into in the normal course of business and have been established on terms and conditions negotiated and agreed by the related parties.

28. SIGNIFICANT RELATED PARTY TRANSACTIONS (cont'd)

b) Key management personnel compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group and the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Directors' and key management personnel's remuneration				
- short-term employee benefits	4,501,407	4,383,048	4,073,139	3,977,778
- defined contribution plans	792,860	694,311	711,594	617,298
- benefits-in-kind	140,581	142,856	136,653	137,204
	5,434,848	5,220,215	4,921,386	4,732,280

29. CAPITAL MANAGEMENT

The primary objective of the Group's and of the Company's capital management are to ensure that it maintains healthy capital ratios in order to support its business and maximise its shareholders value.

The Group and the Company manage its capital structure and make adjustments to it, in the light of changes in economic conditions. To maintain or adjust the capital structure, the Group and the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Group and the Company monitor capital using return on equity, which are net income as percentage of average equity.

At the reporting date, the ratios were the following:

	Group		Company	
	2024 %	2023 %	2024 %	2023 %
Return on equity	13.31	14.48	13.12	14.21

The Company is not subject to externally imposed capital requirements for the financial years ended 31 December 2024 and 31 December 2023.

30. FINANCIAL INSTRUMENTS

Categories of financial instruments

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

	Financial assets at amortised cost			
	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Non-current				
Fixed deposits	6,831,324	6,672,919	6,831,324	6,672,919
Current				
Trade and other receivables	12,919,581	12,598,356	12,903,382	12,567,936
Cash and cash equivalents	31,844,063	31,002,030	28,449,159	29,576,370
	51,594,968	50,273,305	48,183,865	48,817,225

	Financial liabilities at amortised cost			
	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Non-current Lease liabilities	1,257,781	1,103,471	1,174,554	1,103,471
Term loans	9,510,132	7,700,752	9,510,132	7,700,752
Current				
Lease liabilities	659,243	713,103	636,792	713,103
Term loans	3,156,124	1,172,014	3,156,124	1,172,014
Trade and other payables	12,745,964	10,420,304	8,751,366	8,098,624
Amount due to subsidiary	-	-	1,816,794	1,594,020
	27,329,244	21,109,644	25,045,762	20,381,984

31. DIVIDENDS

	Group/Company			
	2024		2023	
	Gross dividend per share (sen)	Amount of dividend, net of tax RM	Gross dividend per share (sen)	Amount of dividend, net of tax RM
Dividend paid in respect of :-				
(a) Financial year ended 31 December 2024				
- first interim	0.45	2,010,778	-	-
- second interim	0.45	2,010,778	-	-
- third interim	0.45	2,010,778	-	-
- fourth interim	0.45	2,010,778	-	-

31. DIVIDENDS (cont'd)

	Group/Company			
	2024		2023	
	Gross dividend per share (sen)	Amount of dividend, net of tax RM	Gross dividend per share (sen)	Amount of dividend, net of tax RM
Dividend paid in respect of :- (cont'd)				
(b) Financial year ended 31 December 2023				
- first interim	-	-	0.40	1,787,356
- second interim	-	-	0.40	1,787,356
- third interim	-	-	0.45	2,010,778
- fourth interim	-	-	0.45	2,010,778
Dividend recognised as distribution to ordinary equity holders of the Company	1.80	8,043,112	1.70	7,596,268

An interim dividend of RM0.0045 per ordinary share, with the total amounting to RM2,010,778 in respect of the financial year ending 31 December 2025 declared on 24 February 2025. The financial statements for the current financial year do not reflect this declared dividend. Such dividend will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 December 2025.

32. CAPITAL COMMITMENT

Capital expenditure as at the reporting date is as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Approved and contracted for property, plant and equipment	-	103,773	-	53,607

33. AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

The financial statements have been authorised for issue in accordance with a resolution of the Board of Directors on 25 March 2025.

LODGER INFORMATION

Name	:	Mega Corporate Services Sdn. Bhd.
Company No.	:	198901010682 (187984-H)
Address	:	Level 15-2, Bangunan Faber Imperial Court Jalan Sultan Ismail 50250 Kuala Lumpur
Phone No.	:	03-2692 4271
Email	:	info@megacorp.com.my

List of Properties

A summary of the Group's properties as at 31 December 2024 is as follows:

Location	Approximate Built-up Area (square feet)	Brief Description and Existing Use	Tenure/Date of Expiry of Leasehold Land	Date of Acquisition/ Revaluation	Age of Building (years)	Net Book Value as at 31.12.2024 (RM'000)
No. 1, 1-1 & 1-2, Jalan Putra Mahkota 7/7B, Seksyen 7, Putra Heights, 47650 Subang Jaya, Selangor Darul Ehsan.	9,059	3 storey shop-office building for own use	Freehold	26 July 2012	17.5	2,275
Level 26, Tower A, Pinnacle Petaling Jaya, Jalan Utara C, Seksyen 52, 46200 Petaling Jaya, Selangor Darul Ehsan.	9,235	Office unit for own use	Leasehold for 99 years expiring on 15 January 2102	22 May 2013	8	6,939
Level 27, Tower A, Pinnacle Petaling Jaya, Jalan Utara C, Seksyen 52, 46200 Petaling Jaya, Selangor Darul Ehsan.	8,934	Office unit for own use	Leasehold for 99 years expiring on 15 January 2102	22 August 2023	8	10,756
Unit A-23-01, Tower A, Pinnacle Petaling Jaya, Jalan Utara C, Seksyen 52, 46200 Petaling Jaya, Selangor Darul Ehsan.	1,081	Office unit for own use	Leasehold for 99 years expiring on 15 January 2102	6 August 2018	8	1,003
Unit A-23-02, Tower A, Pinnacle Petaling Jaya, Jalan Utara C, Seksyen 52, 46200 Petaling Jaya, Selangor Darul Ehsan.	558	Office unit for own use	Leasehold for 99 years expiring on 15 January 2102	6 August 2018	8	518
Unit A-23-08, Tower A, Pinnacle Petaling Jaya, Jalan Utara C, Seksyen 52, 46200 Petaling Jaya, Selangor Darul Ehsan.	1,190	Office unit for own use	Leasehold for 99 years expiring on 15 January 2102	8 August 2018	8	1,104
Glory Beach Resort E-10-06, Batu 2, Jalan Seremban, Tanjung Gemok, Port Dickson, 71000 Negeri Sembilan.	870	Staff holiday apartment	Freehold	8 July 2020	25.3	173

Analysis of Shareholdings

as at 28 March 2025

Total Number of Issued Shares : 446,837,649 ordinary shares.
Class of Shares : There is only one class of shares in the Company.
Voting Rights : One vote per share.

ANALYSIS BY SIZE OF SHAREHOLDINGS

Size of Holdings	No. of Shareholders	Total Holdings	%
Less Than 100 Shares	991	57,828	0.01
100 To 1,000 Shares	975	553,303	0.12
1,001 To 10,000 Shares	4,010	22,387,041	5.01
10,001 To 100,000 Shares	3,334	108,733,211	24.34
100,001 To Less Than 5% Of Issued Shares	478	220,073,624	49.25
5% And Above Of Issued Shares	1	95,032,642	21.27
Total	**9,789**	**446,837,649**	**100.00**

SUBSTANTIAL SHAREHOLDERS

No.	Shareholder	Direct Interest Shares	Direct Interest %	Deemed Interest Shares	Deemed Interest %
1.	Tan Kee Chung	95,032,642	21.27	-	-

DIRECTORS' SHAREHOLDINGS

No.	Shareholder	Direct Interest Shares	Direct Interest %	Deemed Interest Shares	Deemed Interest %
1.	Tan Kee Chung	95,032,642	21.27	-	-
2.	Lim Swee Keah	7,015,363	1.57	502,500**	0.11
3.	Ong Poh Hong	140,000	0.03	62,500***	0.01
4.	Tune Hee Hian (Alternate Director)	6,030,363	1.35	2,024,999***	0.45

** Deemed interests by virtue of interests held by his spouse pursuant to Section 59(11)(c) of the Companies Act 2016.

*** Deemed interests by virtue of interests held by her spouse pursuant to Section 59(11)(c) of the Companies Act 2016.

**** Deemed interests by virtue of interests held by his spouse and children pursuant to Section 59(11)(c) of the Companies Act 2016.

LIST OF THIRTY (30) LARGEST SHAREHOLDERS

No.	Name	No. Of Shares Held	%
1.	Tan Kee Chung	95,032,642	21.27
2.	Chee Hong Soon	12,322,440	2.76
3.	Koh Lea Cheong	7,952,663	1.78
4.	Public Nominees (Tempatan) Sdn Bhd for Cheong Wai Juen (E-BPJ)	7,481,400	1.67
5.	Lim Swee Keah	7,015,363	1.57
6.	Tan Gaik Keow	6,652,863	1.49
7.	Goh Siew Tee	6,047,785	1.35
8.	Tune Hee Hian	6,030,363	1.35
9.	Haw Wan Chong	5,685,063	1.27
10.	Maybank Securities Nominees (Tempatan) Sdn Bhd for Tan Choon Seng (STF)	4,008,900	0.90
11.	Leong Yoke Wai	3,102,300	0.69
12.	Tham Kok Cheng	2,719,147	0.61
13.	Lim Choon Meng	2,500,000	0.56
14.	Tan Eng Hooi	2,387,400	0.53
15.	Ho Xi Wen	2,355,000	0.53
16.	Maybank Nominees (Tempatan) Sdn Bhd for Kenny Lam Tze Haur	2,137,500	0.48
17.	Low Suet Cheng	2,097,813	0.47
18.	Ng Ah Mooi	2,000,000	0.45
19.	Liew Swee Lian	1,999,999	0.45
20.	Oppstar Technology Sdn. Bhd.	1,888,200	0.42
21.	Maybank Securities Nominees (Tempatan) Sdn Bhd for Yong Lai Fong (REM 872)	1,790,000	0.40
22.	Tai Kien Teck	1,700,000	0.38
23.	Soong Sor Pow	1,672,500	0.37
24.	Lee Siang Diong	1,559,200	0.35
25.	Sabastian Tong Hung Yew	1,449,999	0.32
26.	Maybank Nominees (Tempatan) Sdn Bhd for Chau Guan Fock	1,425,000	0.32
27.	Chung Chien Yee	1,392,000	0.31
28.	Chin Fung Wei	1,244,800	0.28
29.	Tan Lee Ching	1,200,000	0.27
30.	Eng Ken Fui	1,181,800	0.26

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OPENSYS (M) BERHAD
Registration No. 199501040614 (369818-W)
(Incorporated in Malaysia)

FORM OF PROXY

(Before completing this form please refer to the notes below)

CDS Account No.	:	
No. of Shares Held	:	

I/We *_____ _____
(Full name in block) (NRIC/Passport/Registration No.*)

of_____
(Address)

with email address _____ mobile phone no. _____

being a member/members* of **OPENSYS (M) BERHAD** ("the Company") hereby appoint(s) the following person(s):-

Full Name (in Block)	**NRIC/ Passport No.**	**Proportion of Shareholdings (%)**
Address		
Email Address	**Mobile Phone No.**	

and / or*

Full Name (in Block)	**NRIC/ Passport No.**	**Proportion of Shareholdings (%)**
Address		
Email Address	**Mobile Phone No.**	

or failing him/her, the Chairman of the Meeting as *my/our proxy/proxies to attend and vote for *me/us and on my/ our behalf at the Twenty-ninth Annual General Meeting of the Company to be held at Atlanta Ballroom, Level 3, Hotel Armada Petaling Jaya, Lot 6, Lorong Utara C, Seksyen 52, 46200 Petaling Jaya, Selangor Darul Ehsan on Monday, 19 May 2025 at 3.00 p.m. and at every adjournment thereof to vote as indicated below: -

	FIRST PROXY		**SECOND PROXY**	
ORDINARY RESOLUTIONS	**FOR**	**AGAINST**	**FOR**	**AGAINST**
1. To approve the payment of Directors' fees and benefits				
2. To re-elect the director, Tan Kee Chung				
3. To re-elect the director, Wong Choong Wai				
4. To re-appoint the retiring auditors, Messrs. HLB Ler Lum Chew PLT				
5. Authority to allot shares and waiver of pre-emptive rights				

(Please indicate with an "x" in the space provided above on how you wish your vote to be cast. If you do not do so, the proxy will vote or abstain from voting at his/her discretion).

Dated this_____day of_____2025.

_____
Signature/Common Seal

** Strike out whichever is not desired.*

Notes:

1. *For the purpose of determining a member who shall be entitled to attend, speak and vote at the Annual General Meeting, the Company shall be requesting the Record of Depositors as at 9 May 2025. Only a depositor whose name appears on the Record of Depositors as at 9 May 2025 shall be entitled to attend the said meeting or appoint proxies to attend, speak and vote in his/her stead.*
2. *A member entitled to attend, speak and vote at the meeting is entitled to appoint up to two (2) proxies to attend, speak and vote in his/her stead. Where a member appoints two (2) proxies to attend at the same meeting, he/she shall specify the proportions of his/her holdings to be represented by each proxy. All voting will be conducted by way of poll.*
3. *(i) Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.*
   (ii) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
4. *The instrument appointing a proxy shall be in writing under the hand of appointer or his/her attorney duly authorised in writing or, if the appointer is a corporation, either under its Common Seal or under the hand of an officer or attorney duly authorised.*
5. *The instrument appointing a proxy must be deposited at the Registered Office of the Company at Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur or email to mega-sharereg@megacorp.com.my not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof. For those who have emailed the Form of Proxy, please submit the original at any time before the time appointed for holding the meeting or to the registration staff on the meeting day for the Company's records.*
6. *By submitting the duly executed Form of Proxy, a member and his/her proxy consent to the Company (and/or its agents/service providers) collecting, using and disclosing the personal data therein in accordance with the Personal Data Protection Act 2010 for the meeting and any adjournment thereof.*

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AFFIX STAMP

The Company Secretary
OPENSYS (M) BERHAD
REGISTRATION NO. 199501040614 (369818-W)
c/o Mega Corporate Services Sdn Bhd
Level 15-2, Bangunan Faber Imperial Court
Jalan Sultan Ismail
50250 Kuala Lumpur

1st fold here

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