

Shaping the Future  
of **BUSINESS**  
**SOLUTIONS**



# 2<sup>ND</sup> ANNUAL GENERAL MEETING

## VENUE

Saujana Resort,  
Jalan Lapangan  
Terbang SAAS, 40150  
Selangor Darul Ehsan,  
Malaysia

## TIME

25 June 2024  
Thursday, 10.30 a.m.



## COVER RATIONALE

### Shaping The Future of Business Solutions

In 2023, Autocount Dotcom Berhad emerged as a trailblazer in the realm of business solutions, embodying our tagline, “Shaping The Future of Business Solutions.” Through relentless innovation and strategic partnerships, we’ve empowered businesses worldwide to thrive in the digital age. Our commitment to excellence is evident in our comprehensive suite of cutting-edge software offerings, designed to streamline operations and drive sustainable growth.

Throughout the year, we forged strategic alliances with industry leaders, enriching our product portfolio and enhancing value for our customers. Our vision for tomorrow is clear: to continue pushing boundaries, breaking barriers, and redefining the possibilities of business solutions.

The cover of our annual report features modern infographics, symbolizing the interconnectedness of technology, finance, and time in today’s business landscape. Join us on this exhilarating journey as we shape the future, today.



Scan QR code to view our  
Annual Report 2023 online or visit  
[www.autocountsoft.com/investor-relations](http://www.autocountsoft.com/investor-relations)



## WHAT'S Inside the Book

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Annual General Meeting

Form of Proxy

# About AutoCount Dotcom Berhad



## WHY AUTOCOUNT?

For years, we have been working hard to build the brand and reputation, maintains high level of product quality and customer satisfaction.



### 28 YEARS OF EXPERIENCE

In matured software development, meeting requirements, fulfilling and improvising.



### EXTENSIVE SERVICE NETWORK

> 250 trained and experienced authorized dealers to provide excellent service and support.



### AFFORDABILITY, FLEXIBILITY & EXTENSIBILITY

High quality product with low pricing. You may start with basic package and later extant to upgrade/add-on when business grows.



### CONTINUOUS DEVELOPMENT

Established developer with ambitious missions. Products will be updated/updated to meet latest requirements and trends.



### GUARANTEED CUSTOMER SUPPORT

All customers and dealers are backup by dedicated team of technical support from the principal.



### ADVANCED TECHNOLOGIES

Adopts popular and advanced technologies to ensure the strength of platforms for long-term development.

# Corporate Overview

## About us

We are a leading software development company with **28 years** of expertise, specialising in developing and distributing financial management software comprising accounting, POS and payroll to meet the unique needs of SMEs, multinational companies and publicly listed organisations under the renowned “AutoCount” brand. Our range of AutoCount software is comprehensive as they are designed to support a wide range of fundamental finance and accounting functions of a business.

All our AutoCount software is developed in-house and distributed as off-the-shelf software to end-user customers through our network of authorised dealers and directly through our internal sales and marketing team. This allows us to focus our resources on the continuous enhancement of our existing software and the development of new software to cater to the changing digitalisation needs of businesses and companies. We also provide technical support and maintenance services to our authorised dealers as part of our service offerings to them, and to our direct end-user customers upon request.

With deep industry knowledge, we customise user-friendly software to meet diverse needs. Trusted by over 210,000 businesses worldwide, our products, such as AutoCount Accounting, Point of Sale, Cloud Accounting, Cloud Payroll and OneSales, are known for their reliability. We are supported by approximately 250 authorised dealers, who provide exceptional support and service. We aim to exceed client expectations and drive growth.

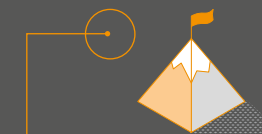
## Our Mission & Vision



### VISION

To be the **No.1** business software provider in Asia

By offering cost-effective software solutions, we aim to support the success and sustainability of SMEs, contributing to economic development and prosperity across the Asian region. Through this mission, we aspire to be the trusted partner of choice for SMEs, helping them thrive in an increasingly competitive business environment.



### MISSION

To provide cost-effective business software to SMEs in Asia

This vision represents our commitment to achieving market dominance, driving innovation, ensuring customer satisfaction, and influencing industry standards. We aim to position ourselves as the foremost provider of high-quality, comprehensive business software across Asia.



## Our Products

### ON-PREMISE

- **autocount<sup>®</sup>**  
**ACCOUNTING**
- **autocount<sup>®</sup>**  
**POS**
- **autocount<sup>®</sup>**  
**ON THE GO**



### CLOUD-BASED

- **a autocount<sup>®</sup>**  
**CloudAccounting**
- **P autocount<sup>®</sup>**  
**CloudPayroll**
- **S autocount<sup>®</sup>**  
**OneSales**



**autocount<sup>®</sup>**  
**ACCOUNTING**

**AUTOCOUNT  
ACCOUNTING IS  
THE FASTEST  
GROWING  
ACCOUNTING  
SOFTWARE IN  
MALAYSIA.**



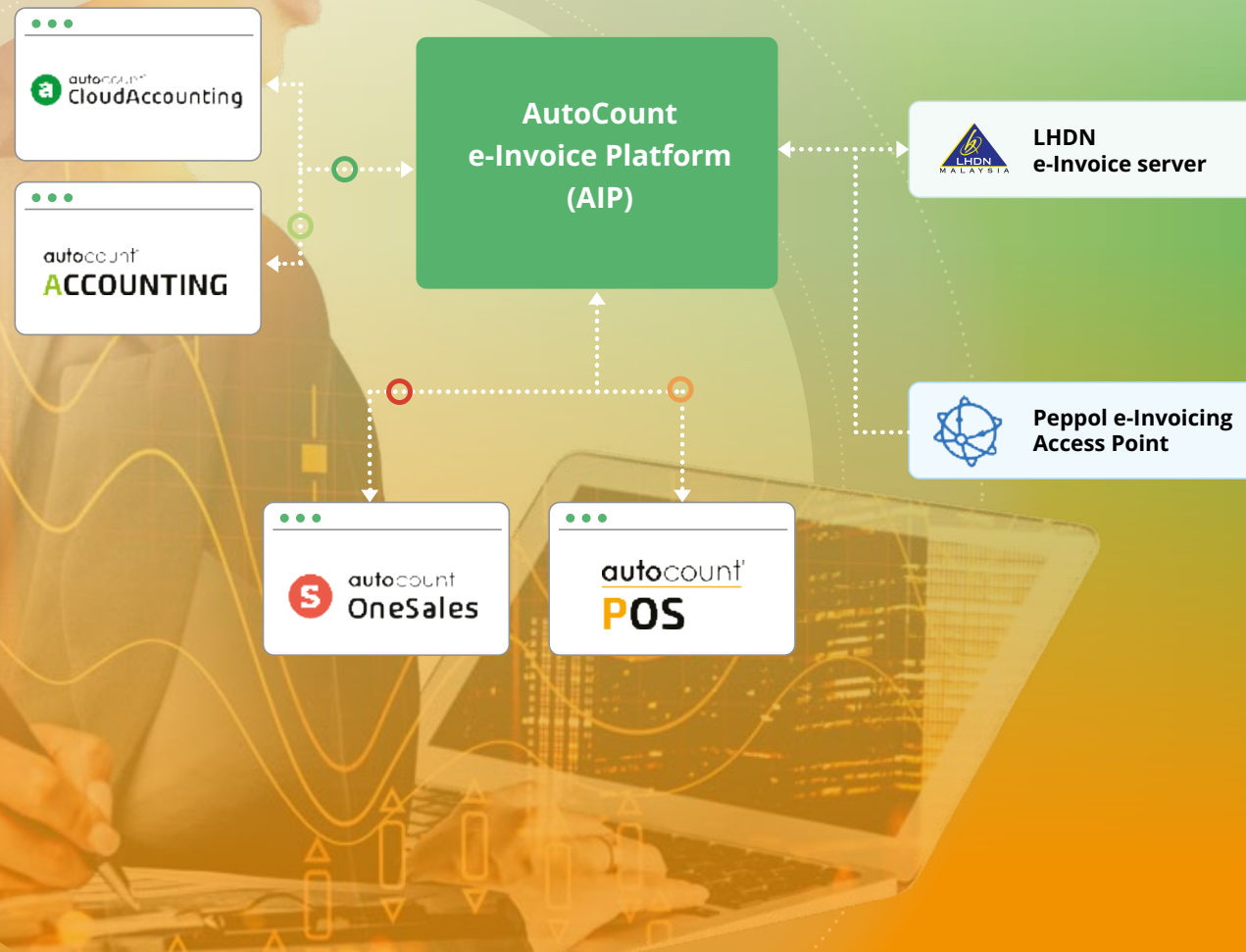
### EFFORTLESS PRODUCTIVITY

Create as many templates as you need for frequently used documents, and schedule all recurring transactions for future periods. Improve productivity and efficiency in daily routines with a few simple actions.



## AUTOCOUNT E-INVOICE SOLUTION

### AUTOCOUNT E-INVOICE PLATFORM (AIP)



#### EFFICIENT | ACCURATE | COMPLIANT

An e-Invoice is a digital proof of a transaction between a seller and a buyer, replacing traditional paper or electronic documents, with AutoCount e-Invoice Solution, business can generate, submit, process, and receive e-Invoice from LHDN MyInvois, in the officially recognized XML or JSON format, and promotes better efficiency by simplifying entire process.



A NEW WAY TO ACCESS YOUR ACCOUNTING SOFTWARE  
**WHEN AND WHERE** YOU NEED IT.



#### ACCESSIBILITY BECOMES LIMITLESS, SO DOES YOUR BUSINESS

As long as internet is accessible, AutoCount Cloud Accounting is always there to perform her duties as you wish. What you need is just a device, either a PC, mobile phone, tablet, or laptop.

autocount<sup>®</sup>  
POS

IT IS NOT JUST POS.  
WE INTEGRATE IT EFFECTIVELY  
WITH INVENTORY CONTROL,  
SALES, PURCHASE AND  
ACCOUNTING MODULES.



#### PRESERVE YOUR BUSINESS UNIQUENESS

Beside fascinating standard features and reports, you may customize the system to meet your unique requirements of operation and report.

eDashboard  
autocountPOS

BUSINESS MANAGERS CAN ACCESS  
**REAL-TIME SALES REPORT**  
THROUGH A MOBILE-FRIENDLY  
SALES DASHBOARD ON THE GO.



#### CLOUD-BASED E-DASHBOARD APP

AutoCount POS e-Dashboard app is designed to presents retail or F&B sales reporting metrics in a way that is easy to digest. It is a one-of-a-kind cloud-based mobile sales app to easily track and monitor outlets sales performance from wherever you are, at any time of the day. It is available for AutoCount POS 5.0 supporting both Android and iOS mobile devices.





## THE ALL-IN-ONE HR & PAYROLL SOFTWARE YOU NEED TO STREAMLINE YOUR PROCESSES



### EASY MANAGEMENT ANYWHERE, ANYTIME.

Securely access the system anytime, anywhere via any network capable device. New PC or Phone? No worries, just login via your email and password and access it anywhere. Our system supports mobile devices on iOS, Android and Huawei HarmonyOS.



## UNIFY CROSS-CHANNEL SALES DATA AND GROW CUSTOMER BASE FASTER.



### OMNICHANNEL SALES PLATFORM WHICH PROVIDE YOU A UNIFIED ONESALES REPORTING.

It consolidates your sales data across online & offline channels (OneSales Marketplace Solution, OneSales POS and Cloud Accounting) to create meaningful insights.



# Corporate Structure

## Corporate Structure (Cont'd)



AutoCount Dotcom Berhad  
(ADB)

100%

Autocount Software  
Sdn. Bhd. (ASSB)

100%

Auto Count Sdn. Bhd.  
(ACSB)

100%

Autocount (S) Pte. Ltd.  
(ACSPL)

100%

Autocount On The Go  
Sdn. Bhd. (AOTGSB)

100%

Autocount Philippines Inc.  
(API)

100%

Autocount (Thailand)  
Company Limited (ATCL)

100%

PT. Autocount Software  
Indonesia (PASI)

100%



# Corporate Information

## BOARD OF DIRECTORS

**Choo Chin Peng**  
Executive Director / Chairman

**Choo Yan Tiee**  
Executive Director / Managing Director

**Dato' Ng Wan Peng**  
Independent Non-Executive Director

**Dr. Liew Soung Yue**  
Independent Non-Executive Director

**Chin Chee Seng**  
Independent Non-Executive Director

## AUDIT AND RISK MANAGEMENT COMMITTEE

**Chairman**  
Chin Chee Seng

**Member**  
Dato' Ng Wan Peng  
Dr. Liew Soung Yue

## REMUNERATION COMMITTEE

**Chairperson**  
Dato' Ng Wan Peng

**Member**  
Dr. Liew Soung Yue  
Chin Chee Seng

## NOMINATION COMMITTEE

**Chairman**  
Dr. Liew Soung Yue

**Member**  
Dato' Ng Wan Peng  
Chin Chee Seng

## COMPANY SECRETARIES

Wong Youn Kim  
(MAICSA 7018778)  
(SSM Practicing Certificate No. 201908000410)

## REGISTERED OFFICE

Level 5, Tower 8, Avenue 5, Horizon 2  
Bangsar South City, 59200 Kuala Lumpur  
Wilayah Persekutuan (KL), Malaysia  
Tel No.: +603 2280 6388  
Fax No.: +603 2280 6399  
Email: listcomalaysia@acclime.com

## PRINCIPAL PLACE OF BUSINESS

B2-3A01 & B2-3A02, Meritus Tower @  
Oasis Corporate Park  
Oasis Damansara (Pusat Korporat  
Oasis)  
No. 2, Jalan PJU 1A/2, Ara  
Damansara  
47301 Petaling Jaya  
Selangor Darul Ehsan, Malaysia  
Tel No.: +603 3000 3000  
Website: <https://www.autocountsoft.com/>  
Email: [ir@autocountsoft.com](mailto:ir@autocountsoft.com)

## SHARE REGISTRAR

Boardroom Share Registrars Sdn Bhd  
(199601006647 (378993-D))  
11th Floor, Menara Symphony  
No. 5, Jalan Prof. Khoo Khay Kim  
Seksyen 13, 46200 Petaling Jaya  
Selangor Darul Ehsan, Malaysia  
Tel No.: +603 7890 4700

## AUDITORS

Baker Tilly Monteiro Heng PLT  
(201906000600 (LLP0019411-LCA) &  
AF 0117))  
Baker Tilly Tower, Level 10, Tower 1,  
Avenue 5 Bangsar South City,  
59200 Kuala Lumpur  
Wilayah Persekutuan (KL), Malaysia  
Tel No.: +603 2297 1000

## SPONSOR

Malacca Securities Sdn Bhd  
(197301002760 (16121-H))  
B01-A-13A, Level 13A, Menara 2  
No. 3, Jalan Bangsar  
KL Eco City, 59200 Kuala Lumpur  
Wilayah Persekutuan (KL), Malaysia  
Tel No.: +603 2201 2100

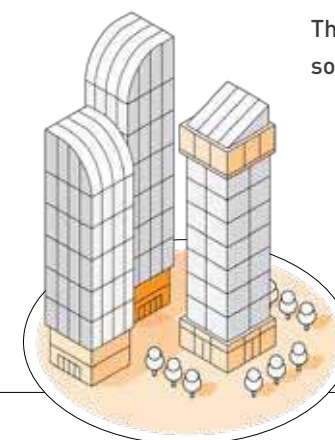
## STOCK EXCHANGE LISTING

Ace Market of Bursa Malaysia  
Securities Berhad  
Stock Name: ADB  
Stock Code: 0276  
Sector: Technology



# Corporate Milestone

<p><b>1996</b> Commencement in developing accounting software.</p> <p><b>1998</b> Launched our on-premise AutoCount Accounting software.</p> <p><b>1999</b> Launched our AutoCount Plus. Expansion to the Singapore market.</p>	<p><b>2007</b> Launched our <b>AutoCount Express 2006</b>. Expansion to the Indonesian market. Awarded Malaysia MSC Status Company.</p> <p><b>2009</b> Launched our AutoCount Retail POS.</p>	<p><b>2015</b> Our upgraded version of AutoCount Accounting with GST features boosted our sales</p> <p><b>2016</b> Set up our own YouTube Channel to publish AutoCount software tutorial videos and learning resources (<a href="http://www.youtube.com/AutoCountSoftware">www.youtube.com/AutoCountSoftware</a>). Incorporated Autocount On The Go Sdn Bhd to concentrate on developing an extended cloud-native application to enhance the features of AutoCount Accounting, offering users a hybrid experience.</p>	<p><b>2018</b> Launched <b>AutoCount Accounting 2.0 &amp; AutoCount Food and Beverages POS</b>. <b>autoaccount<sup>®</sup> ACCOUNTING POS</b> Awarded with Digital &amp; Technology Business Excellence and CIMB Regional Business Excellence by Sin Chew Media Corporation Berhad</p> <p><b>2020</b> Establishment of AutoCount Academy, at <a href="http://academy.autocountsoft.com">academy.autocountsoft.com</a>, a one-stop online self-learning platform. Identified as a Technology Solutions Provider (TSP) by the Malaysia Digital Economy Corporation (MDEC) to support Malaysian SMEs in digital adoption under the SME Business Digitisation Grant in Budget 2020.</p>	<p><b>2019</b> Launched our first cloud-native software, <b>AutoCount Cloud Payroll</b>. <b>autoaccount<sup>®</sup> CloudPayroll</b> The AutoCount Retail POS enhanced to allow payment through an electronic wallet ("e-wallet") Awarded as the Top 30 Finalist for the AmBank BizRace Programme</p>	<p><b>2021</b> Launched <b>AutoCount Cloud Accounting</b>, a cloud-native AutoCount accounting software. <b>autoaccount<sup>®</sup> CloudAccounting</b> Awarded as The Star Outstanding Business Awards – Certificate of Merit for the category of up to RM25million by Star Media Group Bhd</p> <p><b>2022</b> Obtained ISO 27001:2013 certificate by BSI Group of Companies. The 1st IRAS-verified TIER 3 solution provider in Singapore.</p>	<p><b>2023</b> Launched <b>AutoCount OneSales</b>, a cloud-native POS software. <b>autoaccount<sup>®</sup> OneSales</b> Listed on the ACE Market of Bursa Malaysia Securities Berhad on 9 May 2023. AutoCount Academy appointed by the Institute of Accountants &amp; Bookkeepers (IAB) as the exclusive accredited centre to offer joint awards in Malaysia Awarded the Accounting Software of the Year 2023 for the South East Asian Region by the Institute of Accountants &amp; Bookkeepers (IAB) Awarded with 2023 100 Go Digital Supporting Partner Outstanding Achievement by MDEC. Incorporated Autocount (Philippines) Inc., AutoCount (Thailand) Company Limited and PT AutoCount Software Indonesia for our overseas business expansions in the Philippines, Thailand and Indonesia.</p>
<p><b>2000</b> Launched our AutoCount Lite.</p> <p><b>2002</b> Launched our on-premise AutoCount Payroll.</p> <p><b>2003</b> Introduced AutoCount Computerized Accounting Course. Launched AutoCount Premier and a portable accounting software, which is a combination of AutoCount XP and Pocket AutoCount.</p> <p><b>2006</b> Launched our on-premise AutoCount Accounting 2006. Awarded Microsoft Certified Partner ISV / Software Solution.</p>	<p><b>2010</b> We established an education team and formed partnerships with universities and colleges where we provide AutoCount accounting software to these universities and colleges to be included as part of their accounting course syllabus. We began to publish AutoCount software tutorial videos and learning resources on YouTube through our existing employee's YouTube channel.</p> <p><b>2014</b> Launched <b>AutoCount Accounting 1.8</b> and <b>AutoCount Express 1.8</b> (GST Compliant Accounting Software accredited by the Royal Malaysian Customs Department (RMCD)).</p>	<p><b>2017</b> Relocated to a new office in Oasis Corporate Park @ Ara Damansara. Incorporated Autocount (S) Pte Ltd as a sales office in Singapore. Launched AutoCount On-The-Go, an extended cloud-native application. Awarded with the Most Promising Company for the Star Outstanding Business Awards from Star Media Group Bhd Awarded with Product Excellence Awards by Sin Chew Media Corporation Berhad. Awarded with Market Leadership Awards for The Golden Globe Tigers Awards.</p>	<p><b>2019</b> Launched our first cloud-native software, <b>AutoCount Cloud Payroll</b>. <b>autoaccount<sup>®</sup> CloudPayroll</b> The AutoCount Retail POS enhanced to allow payment through an electronic wallet ("e-wallet") Awarded as the Top 30 Finalist for the AmBank BizRace Programme</p>	<p><b>2021</b> Launched <b>AutoCount Cloud Accounting</b>, a cloud-native AutoCount accounting software. <b>autoaccount<sup>®</sup> CloudAccounting</b> Awarded as The Star Outstanding Business Awards – Certificate of Merit for the category of up to RM25million by Star Media Group Bhd</p> <p><b>2022</b> Obtained ISO 27001:2013 certificate by BSI Group of Companies. The 1st IRAS-verified TIER 3 solution provider in Singapore.</p>	<p><b>2023</b> Launched <b>AutoCount OneSales</b>, a cloud-native POS software. <b>autoaccount<sup>®</sup> OneSales</b> Listed on the ACE Market of Bursa Malaysia Securities Berhad on 9 May 2023. AutoCount Academy appointed by the Institute of Accountants &amp; Bookkeepers (IAB) as the exclusive accredited centre to offer joint awards in Malaysia Awarded the Accounting Software of the Year 2023 for the South East Asian Region by the Institute of Accountants &amp; Bookkeepers (IAB) Awarded with 2023 100 Go Digital Supporting Partner Outstanding Achievement by MDEC. Incorporated Autocount (Philippines) Inc., AutoCount (Thailand) Company Limited and PT AutoCount Software Indonesia for our overseas business expansions in the Philippines, Thailand and Indonesia.</p>	<p><b>2023</b> Launched <b>AutoCount OneSales</b>, a cloud-native POS software. <b>autoaccount<sup>®</sup> OneSales</b> Listed on the ACE Market of Bursa Malaysia Securities Berhad on 9 May 2023. AutoCount Academy appointed by the Institute of Accountants &amp; Bookkeepers (IAB) as the exclusive accredited centre to offer joint awards in Malaysia Awarded the Accounting Software of the Year 2023 for the South East Asian Region by the Institute of Accountants &amp; Bookkeepers (IAB) Awarded with 2023 100 Go Digital Supporting Partner Outstanding Achievement by MDEC. Incorporated Autocount (Philippines) Inc., AutoCount (Thailand) Company Limited and PT AutoCount Software Indonesia for our overseas business expansions in the Philippines, Thailand and Indonesia.</p>





## 5-Year Financial Highlights



FYE	2019	2020	2021	2022	2023
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
<b>Revenue</b>	18,891	19,638	29,483	38,717	<b>41,491</b>
<b>Cost of Sales</b>	(4,830)	(4,793)	(5,904)	(7,769)	<b>(10,486)</b>
<b>Other Income</b>	180	328	495	818	<b>1,031</b>
<b>Gross Profit</b>	14,061	14,845	23,579	30,948	<b>31,005</b>
<b>Profit Before Tax</b>	5,515	6,890	13,547	18,293	<b>17,273</b>
<b>Profit After Tax</b> (attributable to owners of ADB)	4,183	5,716	10,030	13,923	<b>12,983</b>
<b>Gross Profit margin (%) <sup>1</sup></b>	74.43	75.59	79.97	79.93	<b>74.73</b>
<b>Profit Before Tax margin (%) <sup>2</sup></b>	29.19	35.09	45.95	47.35	<b>41.63</b>
<b>Profit After Tax margin (%) <sup>2</sup></b>	22.14	29.11	34.02	35.96	<b>31.29</b>

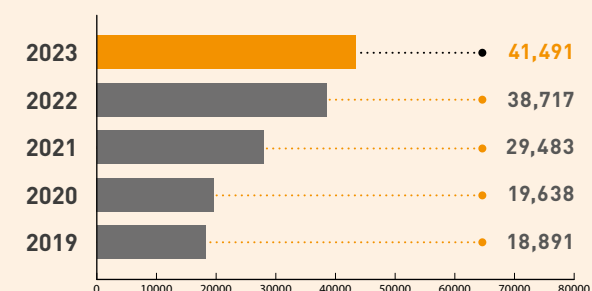
Notes:

<sup>1</sup> Calculated based on GP over revenue.

<sup>2</sup> Calculated based on PBT/PAT over revenue.

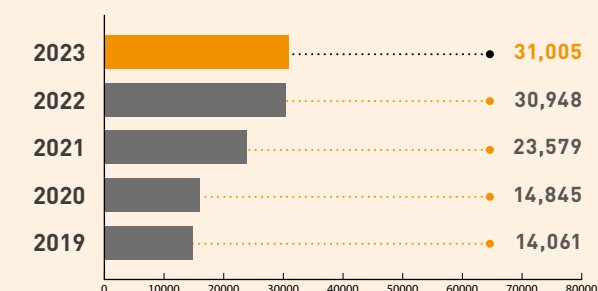
## 5-Year Financial Highlights (Cont'd)

### REVENUE (RM'000)



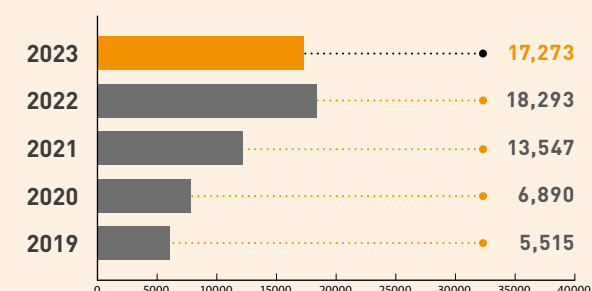
**RM 41,491 Million**  
FY2022: RM 38,717 million

### GROSS PROFIT (RM'000)



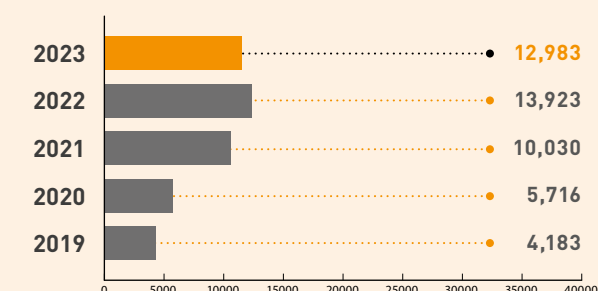
**RM 31,005 Million**  
FY2022: RM 30,948 million

### PROFIT BEFORE TAX (RM'000)



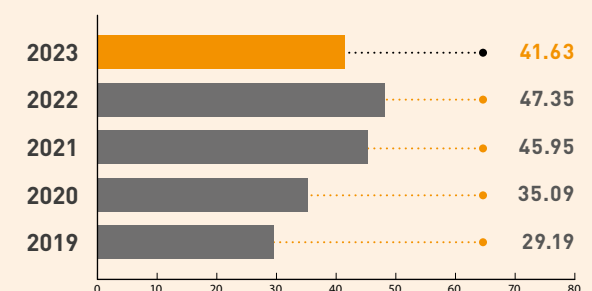
**RM 17,273 Million**  
FY2022: RM 18,293 million

### PROFIT AFTER TAX (RM'000) (attributable to owners of ADB)



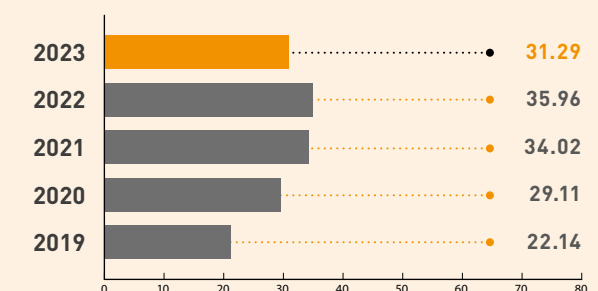
**RM 12,983 Million**  
FY2022: RM 13,923 million

### PROFIT BEFORE TAX MARGIN (%)



**41.63%**  
FY2022: 47.35%

### PROFIT AFTER TAX MARGIN (%)



**31.29%**  
FY2022: 35.96%

## Directors' Profile

### CHOO CHIN PENG



Executive Director / Chairman

54

Age

M

Gender



Nationality

Date of appointment

25 February 2022

Choo Chin Peng ("CCP") was appointed to our Board as Executive Director on 25 February 2022 and is responsible for overseeing our Group's strategic business planning, products development and operations.

CCP graduated with Bachelor of Science and Master of Science, both from The Institute of Computer Science and Information Engineering from National Chiao Tung University, Taiwan in 1993 and 1995 respectively.

In 1996, he co-founded Business Component Enterprise Sdn Bhd (formerly known as Ology Marketing Sdn Bhd) with other shareholders, including Choo Yan Tiee ("CYT") to undertake the business of sale of computer hardware as well as the development and sale of accounting software. He served as the director and was mainly responsible for the overall business operations, project management and strategic planning.

In 2000, he co-founded BCE Software Sdn Bhd with CYT to focus on the development and sale of accounting software business by assuming all accounting software business activities from Business Component Enterprise Sdn Bhd, where he also assumed the same role. Concurrently, they ceased their computer hardware business under Business Component Enterprise Sdn Bhd, which struck off in 2010.

In 2007, CCP and CYT acquired Soft Merit Sdn Bhd, later renamed to Auto Count Sdn Bhd, to assume all business operations of BCE Software Sdn Bhd in preparation to apply for MSC status for the company, where he also assumed the role as the director and was mainly responsible for the overall business operations and project management as well as strategic planning until BCE Software Sdn Bhd was struck off in 2015.

### CHOO YAN TIEE



Executive Director / Managing Director

54

Age

M

Gender



Nationality

Date of appointment

25 February 2022

Choo Yan Tiee ("CYT") was appointed to our Board as Executive Director on 25 February 2022 and is responsible for the overall strategy and corporate direction of our Group, including sales, marketing initiatives, general management, resources planning and business development.

He graduated with a qualification in Preparatory Programs for Overseas Chinese Students from National Taiwan Normal University, Taiwan, in 1990.

He began his career in 1991 as a Sales and Marketing Officer at Bao Lun Trading Limited, a China company involved in the business of timber trading, where he was responsible for sales and marketing activities. In 1995, he left Bao Lun Trading Limited and co-founded Business Component Enterprise Sdn Bhd (formerly known as Ology Marketing Sdn Bhd) in 1996 together with CCP and other shareholders.

In 2000, he co-founded BCE Software Sdn Bhd with CCP to focus on the development and sale of accounting software business by assuming all accounting software business activities from Business Component Enterprise Sdn Bhd. Concurrently, they ceased their computer hardware business under Business Component Enterprise Sdn Bhd, which struck off in 2010.

In 2007, CYT and CCP acquired Soft Merit Sdn Bhd, later renamed to Auto Count Sdn Bhd, to assume all business operations of BCE Software Sdn Bhd in preparation for applying for MSC status for the company,

CYT assumed the same role in Business Component Enterprise Sdn Bhd (formerly known as Ology Marketing Sdn Bhd, BCE Software Sdn Bhd and Soft Merit Sdn Bhd) whereby he was responsible for the overall strategy and corporate direction of our Group, including sales, marketing initiatives, general management, resources planning and business development.

## Directors' Profile (Cont'd)

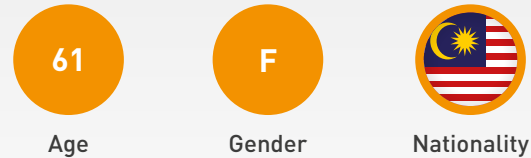


## Directors' Profile (Cont'd)

### DATO' NG WAN PENG



Independent Non-Executive Director



**Date of appointment**  
6 April 2022

**Other Directorship in public companies and listed corporations**

1. Fraser & Neave Holdings Berhad (INED)
2. Securemetric Berhad (INED)
3. Iris Corporation Berhad (INED)

Dato' Ng Wan Peng ("Dato' Ng") was appointed to our Board as an Independent Non-Executive Director on 6 April 2022. She is the Chairperson of our Remuneration Committee and a member of our Audit and Risk Management Committee and Nomination Committee.

She graduated with a Bachelor of Computer Science from Universiti Sains Malaysia, Malaysia in 1988.

She began her career in 1989 as a Systems Engineer with Uniphone Sdn Bhd, an ICT solutions development firm serving government, education, manufacturing, and utilities sectors. She was responsible for developing, managing, and monitoring ICT solutions for the company's clients.

In 1991, she left Uniphone Sdn Bhd and joined Sapura Advanced Systems Sdn Bhd. She was first appointed as Senior Systems Engineer and subsequently promoted to Project Manager and Program Manager. Her scope of work includes (i) leading and driving the successful implementation of large-scale ICT projects, (ii) managing a project team to deliver ICT projects, and (iii) leading and developing ICT solutions.

In 1998, she left Sapura Advanced Systems Sdn Bhd and joined MDEC (formerly known as Multimedia Development Corporation). Throughout her 22 years tenure until

December 2020 in MDEC, she held various senior leadership positions. She serves as Senior Manager in the Regulation Department where she led and drove successful implementation of key digitalisation initiatives under MSC flagship applications. As Vice President in the Capacity Development Division, she led and drove the successful development of key digital enablers such as talent development, industry capability development, legal and regulatory, cybercities, infostructure and technology policy research. Later as a Chief Operating Officer where she led and drove the successful implementation of the company's vision and strategy by ensuring all business unit initiatives/programmes were planned and executed in alignment with the company's strategy goals and formulated policies and standards of procedures to drive effective decision making and execution.

From February 2021 to October 2022, she joined Big Bad Wolf Ventures Sdn Bhd, a company which is engaged in retail and wholesale business in Malaysia and abroad as President, where she is tasked to lead and drive the group's technology and digital transformation to achieve the group's business expansion.

Further, she also holds directorships as independent and non-executive director in several public listed companies, such as Securemetric Berhad, Fraser & Neave Holdings Berhad and Iris Corporation Berhad.

## Directors' Profile (Cont'd)

### DR. LIEW SOUNG YUE



Independent Non-Executive Director



**Date of appointment**  
6 April 2022

Dr. Liew Soung Yue ("Dr. Liew") was appointed to our Board as Independent Non-Executive Director on 6 April 2022. He is the Chairperson of our Nomination Committee and a member of our Audit and Risk Management Committee and Remuneration Committee.

He holds a Doctor of Philosophy (Information Engineering), which he was conferred by The Chinese University of Hong Kong, Hong Kong in 1999.

In 1999, he served as an Assistant Professor in the Department of Information Engineering of The Chinese University of Hong Kong, where he was responsible for lecturing students, conducting research, and publishing its results, advising undergraduate and postgraduate students.

In 2000, he was appointed as a Postdoctoral Research Associate for the Department of Electrical Engineering, Polytechnic University, Brooklyn, New York and the Department of Information Engineering, The Chinese University of Hong Kong, where he was responsible for assisting the universities' research projects, preparing research reports, analysing research methods, and collecting information and related studies to support the research claims.

In 2003, he was appointed as an Assistant professor by Universiti Tunku Abdul Rahman, where he was responsible for lecturing students, conducting research and publishing its results, and advising undergraduate and graduate students. and was promoted as Associate Professor in 2006 till 2022, where he is responsible for lecturing students, leading research projects as a principal investigator, conducting research and publishing its results, advising undergraduate and graduate students, etc.

In 2009, he held the position of the Dean of the Faculty of Information and Communication Technology at Universiti Tunku Abdul Rahman. He leads the development and implementation of policies and procedures relating to teaching programmes and oversees the management and operation of the faculty. In January 2023, he was promoted to Professor.

## Directors' Profile (Cont'd)

### CHIN CHEE SENG



Independent Non-Executive Director



Date of appointment  
6 April 2022

Chin Chee Seng was appointed to our Board as Independent Non-Executive Director on 6 April 2022 and served as Chairman of our Audit and Risk Management Committee and a member of our Nomination Committee and Remuneration Committee.

He completed his Association of Chartered Certified Accountants Qualification exams in Malaysia in 1998.

He is currently the Managing Partner of CCS & Co PLT. He is an Approved Company Auditor, Licensed Tax Agent, member of the Malaysian Institute of Accountants (MIA), the Malaysian Institute of Certified Public Accountants (MICPA), Institute of Internal Auditors Malaysia (IIA Malaysia), and Institute of Corporate Directors Malaysia (ICDM), Fellow Members of the Association of Chartered Certified Accountants (ACCA) and Chartered Tax Institute of Malaysia (CTIM), and a registered ASEAN Chartered Professional Accountant.

He has over 29 years of experience in the financial and corporate sectors. His primary competence areas are audit, management accounting, financial planning, corporate consultancy, transfer pricing, human resources, and taxation. He conducts workshops in Malaysia, covering topics such as GST, SST, income tax, transfer pricing, and labour law.

He began his professional career in 1995 as an Audit Semi-Senior at S.K. Tee & Co where he was responsible for supporting the Audit Senior in all phases of ongoing projects and engagement management for multiple client. In 1996, he left S.K. Tee & Co to work as an Accounts Executive for Revenue Management Services Sdn Bhd, a Malaysian accounting firm where he was responsible for managing cash-flow statements, budgeting, and tax planning of clients.

In 1999, he left Revenue Management Services Sdn Bhd and joined Skrastin Lim, a public accounting firm, as an Audit Supervisor. He was mainly responsible for supervising audit engagements and communicating findings and recommendations to senior management.

In 2000, he left Skrastin Lim and served as a Manager for C.F.Looi & Co, a public firm where he was mainly responsible for planning, executing and managing audit assignments; performing financial, operational, and process audits; and compiling audit reports.

In 2004, he established his own accounting firm, CCS & CO, which provides accounting, tax, audit, and assurance services and has continued to operate until the present day. CCS & CO PLT was registered on 29 December 2022, and with effect from that date, CCS & CO converted from a conventional partnership into a limited liability partnership.

## Key Senior Management's Profile

### TAN WEE KONG



Chief Financial Officer



Tan Wee Kong graduated with a Bachelor of Commerce (Accounting) from Nelson Polytechnic, New Zealand in 1998. He has been a member of the Association of Chartered Certified Accountants since 2004 and the member of Malaysian Institute of Accountants since 2005.

He began his career as a real estate negotiator at Klang Realty from 1998 to 2001. For the period of 2001 until 2003, he held the role of Audit Senior at Messrs Thiang & Co, an audit firm. He then joined Courts Mammoth Bhd as Internal Audit Executive in 2004 and left the position in 2005.

In 2005, he joined Group Associated (C&L) Sdn Bhd as Finance and Administrative Manager which supervises and maintains financial and administrative records of such company and left the position in 2008. For the period of 2008 until 2012, he held the position of Finance Manager which responsible for budget planning and offering

financial advice to the board of directors in Welcome Air-Tech (Malaysia) Sdn Bhd. In 2012, he held the position of Managing Director in My Green Home Sdn Bhd to oversee the operation and business activities of such company and left the position in 2018.

In addition, he has also set up his own accountancy practice, namely Wee Kong & Associates in 2011, which had ceased operations since 21 June 2022 upon the smooth transitioning of the remaining clients, to allow Tan Wee Kong to focus his career with our Group.

He joined our Group as Chief Financial Officer in 2018 and is responsible for overseeing all finance-related matters of our Group.



# Key Senior Management’s Profile (Cont’d)

NG BOON THYE



Sales and Marketing Director

46

Age

M

Gender



Nationality

Ng Boon Thye graduated with a degree of Bachelor of Science in Computing from University of Portsmouth, United Kingdom in 2000.

He began his career in 2000 at Geotextiles (M) Sdn Bhd, where he held the position of Information Technology Executive. In this position, he was responsible for maintaining office servers, hardware, and software systems.

He left Geotextiles (M) Sdn Bhd in 2002 and co-founded a company, i.e. TM Century Solutions Sdn Bhd with Lim Kim Seng and other shareholders in 2002. TM Century Solutions Sdn Bhd is principally involved in the business of trading of computer hardware and software and for providing computer consultancy services. He was responsible for sales and marketing activities and for facilitating the operation activities in TM Century Solutions Sdn Bhd. TM Century Solutions Sdn Bhd ceased operations in 2016 since Ng Boon Thye and Lim Kim Seng decided to focus their career on our Group.

He joined our Group as Sales and Marketing Director in 2016 and is responsible for leading and managing matters pertaining to our Group’s project execution and management, allocation of project resources, and monitoring progress of each project.

Notes to Directors’ and Key Senior Managements’ Profile


1. Family Relationships  
None of the Directors and Key Senior Management do not have any family relationship with any Director and/or major shareholder of the Company.

2. Conflict of Interest  
None of the Directors and Key Senior Management has any personal interest / conflict of interest / potential conflict of interest, including interest in any competent business with the Company and the subsidiary.

3. Conviction of Offences  
None of the Directors and key Senior Management has been convicted for offences within the past five (5) years other than traffic offences or any public sanction or penalty imposed on him / her by the relevant regulatory bodies during the financial year ended 31 December 2023.

# Key Senior Management’s Profile (Cont’d)

LIM KIM SENG




Software Development Director

46

Age

M

Gender



Nationality

Lim Kim Seng graduated with a Higher Diploma in Business Information Technology from Asia Pacific Institute of Information Technology, Malaysia in 1999.

He began his career in 2000 at Body Fashion (M) Sdn Bhd and held the position of VB Analyst Programmer which responsible for analysis duties in the development and implementation of information systems and applications. He left Body Fashion (M) Sdn Bhd in 2003 and joined PJ Development Management Services Sdn Bhd as C# Analyst Programmer which responsible for system design and application development works.

He subsequently left PJ Development Management Services Sdn Bhd and joined NKK Technology Sdn Bhd as Senior C# Developer in 2005 of which such position was held for a period of six (6) months and he was responsible for overseeing the design and implementation of programs and applications offered by such company.

It’s also worth noting that in 2002, he co-founded a company, i.e. TM Century Solutions Sdn Bhd together with Ng Boon Thye and other shareholders. He was responsible for providing consultancy services regarding products and services offered by TM Century Solutions Sdn Bhd.

He joined our Group as Software Development Director in 2016 and is responsible to lead and facilitate the research and development activities of our Group for new products, to develop and enhance existing products and services as offered by our Group and the maintenance of the information security system implemented by our Group.

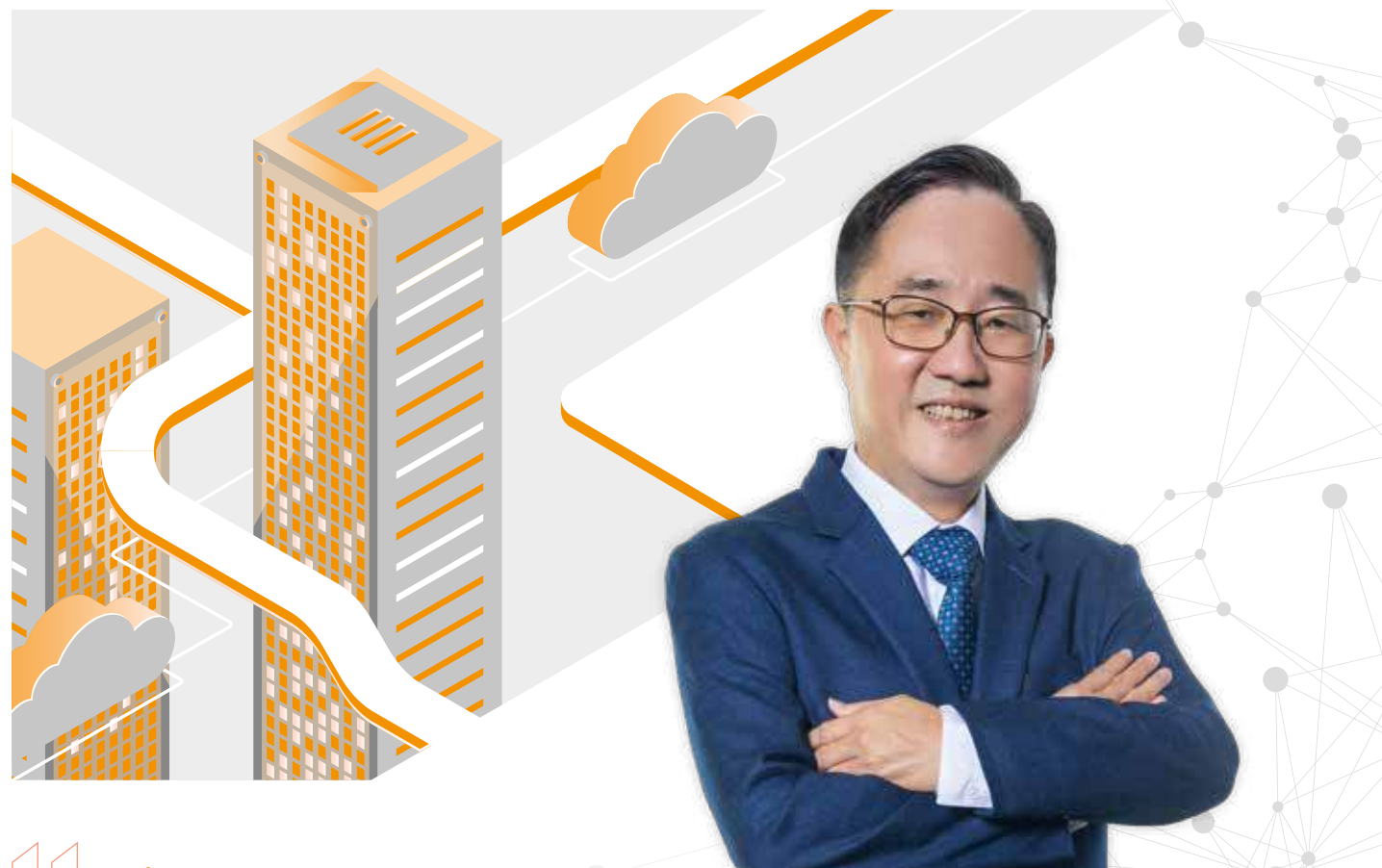
Notes to Directors’ and Key Senior Managements’ Profile (Cont’d)

4. Attendance at Board Meetings  
The details of attendance of the Directors at the Board Meeting are set out on page 78 of this Annual Report.

5. Directors’ shareholdings  
The details of the Directors’ interest in the securities of the Company are set out in the Analysis of Shareholdings on page 166 of this Annual Report.

6. Directorships in Public Companies and Listed Issuers  
Save for Dato’ Ng, none of the Directors and Key Senior Management hold any other directorship of public companies and listed issuers.

## Chairman's Statement



I am pleased to share with you ADB's significant achievements in 2023, especially since our successful listing on the ACE Market of Bursa Malaysia Securities Berhad on 9 May 2023, in which we raised RM30.88 million through the initial public offering ("IPO"). This milestone marks the beginning of an exciting new chapter in our journey towards excellence and growth.

**Mr. Choo Chin Peng /**  
Executive Chairman



In our inaugural year as a public listed company, I am proud to report that our business has continued to thrive, with expansion into overseas markets. As part of our strategic growth plans, we have established subsidiaries in the Philippines,

Thailand and Indonesia. These offices will serve as our local sales office to promote our AutoCount software to local customers and to serve our customers more efficiently, which will further bolster our presence across the ASEAN region.

## Chairman's Statement (Cont'd)

I am delighted to announce that ADB has been honoured with the prestigious Accounting Software of the Year 2023 award for the Southeast Asian Region by the Institute of Accounts & Bookkeepers (IAB). Furthermore, our commitment to innovation remains steadfast, as evidenced by the launch of our new cloud-native platform, namely AutoCount OneSales, during FYE 2023. AutoCount OneSales is an omnichannel sales platform that consists of POS functions for retail and F&B businesses, as well as e-commerce solutions.

### Financial Performance

Financially, FYE 2023 has been a robust year for us, with record-high revenue of RM41.49 million, representing a 7.16% increase as compared to FYE 2022. Additionally, our Group achieved a commendable Profit After Tax (PAT) of RM12.98 million for FYE 2023. Detailed insights into our financial performance are provided in the Management's Discussion and Analysis section of this Report.

### Looking Ahead

We are dedicated to driving innovation and expanding our suite of solutions to further propel our growth trajectory. To this end, we have identified several strategic initiatives aimed at strengthening our business for years to come.

In Budget 2024, the government announced an allocation of RM100.00 million to provide digitalisation grants, covering 50% of the invoiced amount or up to RM5,000.

These grants will benefit more than 20,000 small and medium enterprises (SMEs) and micro-entrepreneurs through the Malaysia Digital Economy Corporation (MDEC). These grants aim to support businesses in implementing digital technologies such as electronic point of sales systems (e-POS), Customer Relationship Management (CRM) systems, digital marketing and sales, e-commerce and remote working solutions.

### REVENUE



**RM**  
**41.49 million**  
representing a  
7.16% increase as  
compared to  
FYE 2022

### PROFIT AFTER TAX



Our Group achieved  
a commendable  
Profit After Tax  
(PAT) of **RM12.98**  
**million** for  
FYE 2023.





## Chairman's Statement (Cont'd)

### Looking Ahead (Cont'd)

Additionally, our Group will focus on the implementation of e-invoicing by the targeted date of 1 August 2024. To ensure seamless integration of e-invoicing across our operations, we will meticulously identify the impacted areas within each division and allocate the necessary resources to implement it seamlessly. This move will facilitate effective reporting, streamline work processes, and ensure tax compliance.

With these endeavours, our Group anticipates increased demands for our software in the upcoming years.



Our Group will focus on the implementation of **e-invoicing** by the targeted date of **1 August 2024**.

### Sustainability

We recognise the importance of sustainable practices for our long-term success and the well-being of the communities we serve. Accordingly, we integrate sustainability considerations in all aspects of our operations, striving to minimise our environmental footprint while pursuing our strategic business goals. The Sustainability Statement of this Annual Report outlines further information on our sustainability efforts.

### Appreciation

I would like to extend my sincere appreciation to the Board for their invaluable guidance in steering our Group toward its objectives. My gratitude also goes to our dedicated management team and valued employees, whose passion and dedication have been instrumental in delivering exceptional solutions and services to our clients.

On behalf of the Board of Directors and Management of ADB, I express my heartfelt thanks to our shareholders for their continued support. We remain committed to creating sustainable value and surpassing your expectations.

**Choo Chin Peng**  
25 April 2024

### Overview Of The Group Business And Operations

We specialise in developing and distributing financial management software comprising accounting, POS and payroll to meet the unique needs of SMEs, multinational companies and publicly listed organisations under the renowned "AutoCount" brand. Our range of AutoCount software is comprehensive as they are designed to support a wide range of fundamental finance and accounting functions of a business.

All our AutoCount software are developed in-house and distributed as off-the-shelf software to end-user customers through our network of Authorised Dealers and directly through our internal sales and marketing team. It allows us to focus our resources on the continuous enhancement of our existing software and the development of new software to cater to the changing digitalisation needs of businesses and companies. We also provide technical support and maintenance services to our authorised dealers as part of our service offerings to them and our direct end-user customers upon request.

On 9 May 2023, our Group successfully listed on the ACE Market of Bursa Malaysia Securities Berhad ("Bursa Securities"), marking a key milestone in our journey to become the leading business software provider.

Our Group's revenue derived mainly from the distribution of financial management software and was primarily contributed by the local market. At the same time, we have also established our presence in other geographical markets (i.e., Singapore, Indonesia, Brunei, Myanmar, Thailand, Hong Kong, Cambodia, China, Vietnam, Philippines, Australia).



Our Group's revenue derived mainly from the distribution of **financial management software** and was primarily contributed by the local market.



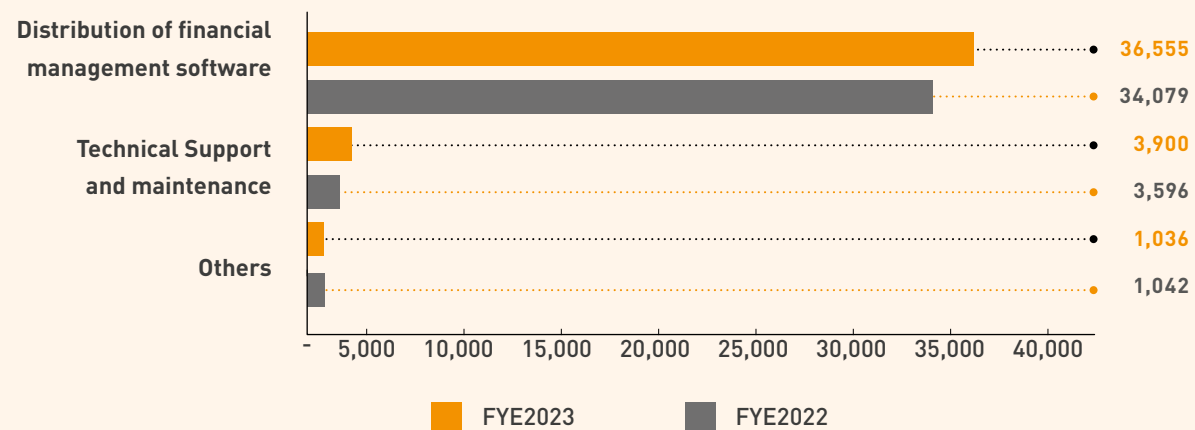
## Management Discussion and Analysis (Cont'd)

### Financial Performance

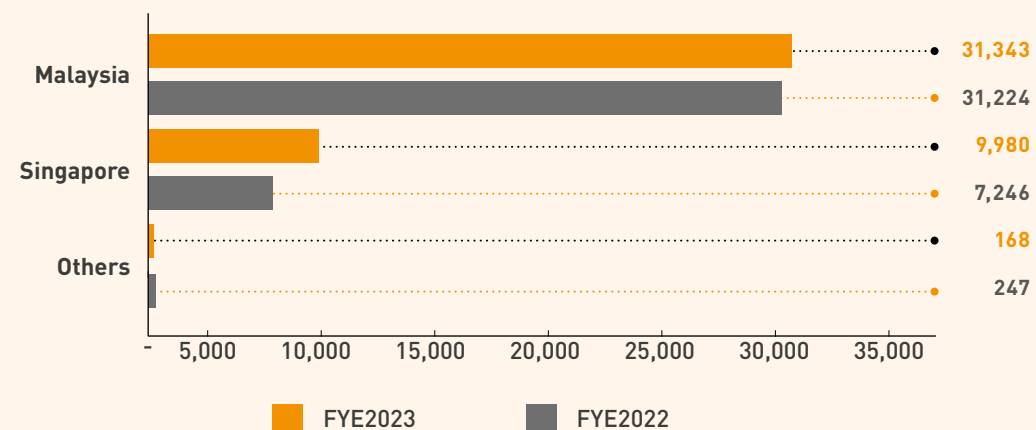
Financial year ended	2023	2022	Variance	Variance
31 December	(RM'000)	(RM'000)	(RM'000)	%
Revenue	41,491	38,717	2,774	7.16
Profit before tax ("PBT")	17,273	18,293	(1,020)	(5.58)
Profit after tax ("PAT")	12,983	13,923	(940)	(6.75)

### Revenue

Revenue by business segment (RM'000)



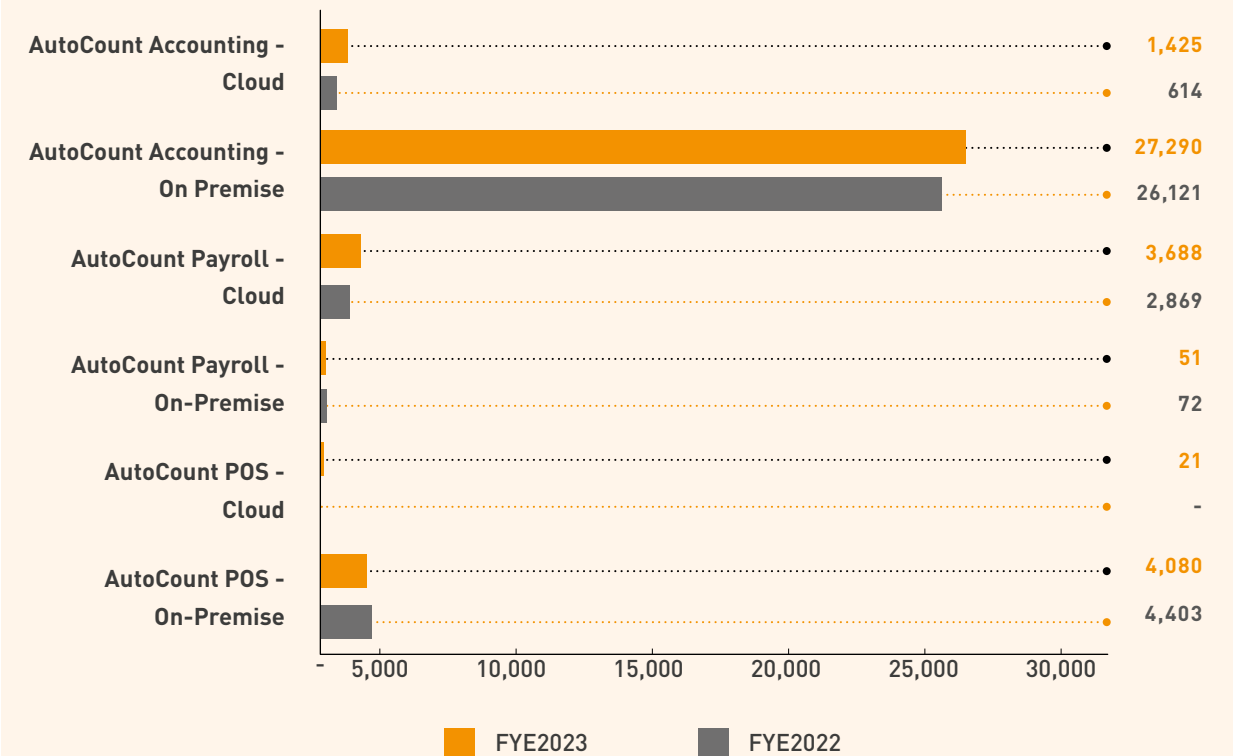
Analysis of revenue by geographical location (RM'000)



## Management Discussion and Analysis (Cont'd)

### Revenue (Cont'd)

Analysis of revenue by software (RM'000)



Our Group's revenue increased by RM2.77 million or 7.16% to RM41.49 million for FYE 2023 (FYE 2022: RM38.72 million), primarily driven by higher revenue from the distribution of financial management software segment, which recorded RM36.56 million or 88.10% of our Group's total revenue for FYE 2023 (FYE 2022: RM34.08 million or 88.02%).

The sale of our AutoCount Accounting was our primary revenue contribution within the distribution of financial management software segment, which recorded RM28.72 million or 69.21% of our total revenue for FYE 2023 (FYE 2022: RM26.74 million or 69.05%).

The Malaysia market remains our Group's primary revenue stream, contributing RM31.34 million or 75.54% of our total revenue for FYE 2023 (FYE 2022: RM31.22 million or 80.65%). However, our Group has also made significant efforts to expand into the Singapore market, which has yielded promising results. Consequently, our revenue from the Singapore market has increased to RM9.98 million or 24.05% (FYE 2022: RM7.25 million or 18.72%).

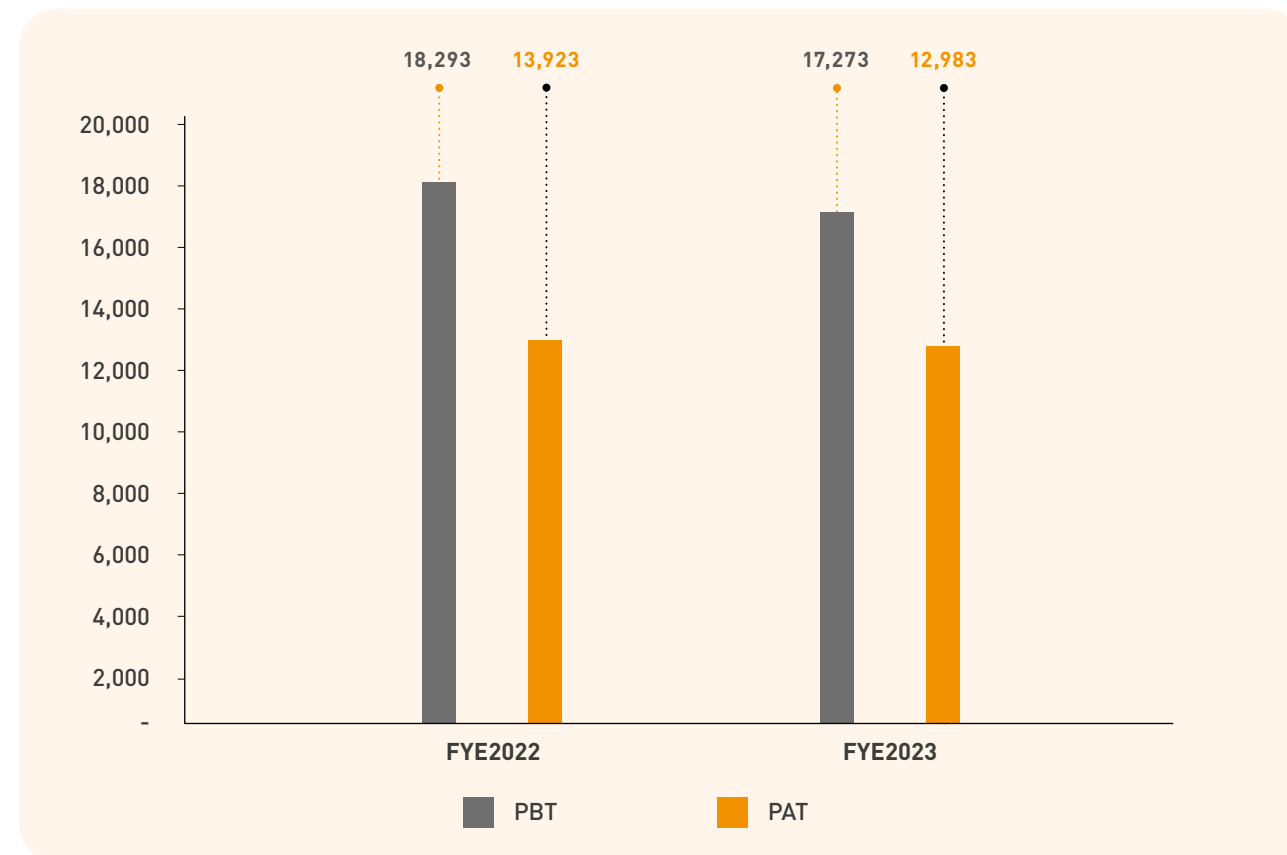


Our revenue from the Singapore market has increased to **RM9.98 million** or **24.05%** (FYE 2022: RM7.25 million or 18.72%).



## Management Discussion and Analysis (Cont'd)

### PBT and PAT



Our Group recorded a PBT of RM17.27 million for FYE 2023, compared to RM18.29 million in FYE 2022, representing a decrease of RM1.02 million. This decrease was primarily attributable to the lower gross profit margin of 74.73% in FYE 2023, down from 79.93% in FYE 2022. The PBT margin decrease was mainly due to higher outsourcing fees paid to our dealers to provide our customers with implementation and/or training services due to the increased sales of software sold under the MSME Digitalisation Grant toward the last quarter of FYE 2023, which typically yielded lower margins. Additionally, our Group incurred higher selling and distribution expenses in FYE 2023, primarily due to proactive marketing initiatives aimed at promoting our Group's software products by increasing the number of roadshows throughout FYE 2023. Moreover, our Group incurred higher staff costs in FYE 2023 to support our growth strategies by expanding the workforce.

Our Group recorded a PAT of RM12.98 million in FYE 2023 as compared to RM13.92 million in FYE 2022, mainly due to higher cost of sales, selling and distribution expenses and staff costs as explained above.

### Financial position

As at 31 December	2023 (RM'000)	2022 (RM'000)	Variance (RM'000)	Variance %
Total assets	71,103	37,302	33,801	90.61
Total liabilities	17,289	15,639	1,650	10.55
Total shareholders' equity	53,814	21,663	32,151	148.41
Cash and short-term deposits	31,409	22,609	8,800	38.92

## Management Discussion and Analysis (Cont'd)

### Total assets

Our Group's total assets increased by RM33.80 million or 90.61% to RM71.10 million in FYE 2023, mainly due to an increase in short-term investments and cash and short-term deposits, contributed primarily by internally generated funds from our business growth in FYE 2023 as well as proceeds from the public issue in conjunction with our listing on the ACE Market of Bursa Securities ("Public Issue").

In addition, our Group's property, plant and equipment increased by RM3.27 million, mainly due to the purchase of a retail shop lot, new motor vehicles and software development licenses for our software development.

### Total liabilities

Our Group's total liabilities increased by RM1.65 million or 10.55%, mainly due to higher contract liabilities resulting from the advanced billings to our customers for the submission to Bank Simpanan Nasional ("BSN") for the purchase of our financial management software and sales and service tax ("SST") payable to Royal Malaysian Customs Department.

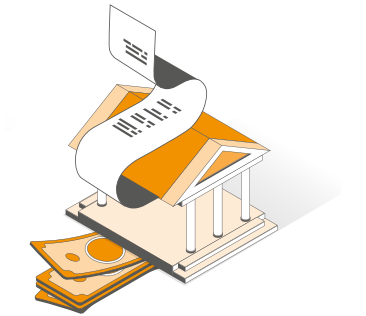
The above increases were narrowed partially by the decrease in borrowings of RM4.98 million resulting from the full settlement of a term loan in FYE 2023.

### Total shareholders' equity

Our Group's total shareholders' equity increased by RM32.15 million or 148.41% to RM53.81 million as at 31 December 2023 (as at 31 December 2022: RM21.66 million), mainly resulting from proceeds received from the Public Issue as well as the increase in our retained earnings that resulted from the net profits recorded for FYE 2023.

### Liquidity and Capital Resources

The cash and cash equivalent increased by RM8.80 million or 38.92% to RM31.41 million (FYE 2022: RM22.61 million), mainly due to the increase in cash and short-term deposits due to internally generated funds from our business growth in FYE 2023 as well as proceeds from the Public Issue. Our Group has no borrowing as at 31 December 2023 as we have fully settled the term loan via internally generated funds during FYE 2023.



Our Group's property, plant and equipment increased by **RM3.27 million**, mainly due to the purchase of a retail shop lot, new motor vehicles and software development licenses for our software development.

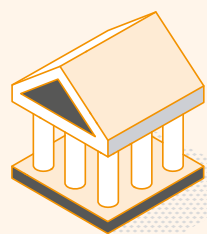


The cash and cash equivalent increased by **RM8.80 million** or **38.92%** to **RM31.41 million** (FYE 2022: RM22.61 million), mainly due to the increase in cash and short-term deposits due to internally generated funds from our business growth in FYE 2023 as well as proceeds from the Public Issue.

## Management Discussion and Analysis (Cont'd)

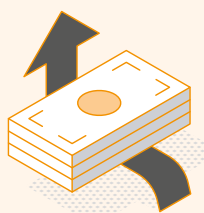
### Anticipated or known risk

#### Ownership rights



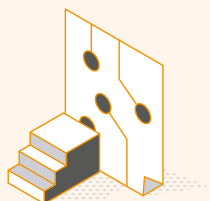
As all our AutoCount software are developed in-house by our Group, we retain the ownership rights of our software. However, there can be no assurance that the ownership rights will adequately protect our software against any infringement by third parties. Further, in the development of our software, including all ongoing and future enhancements and modifications, there are possibilities that we could inadvertently infringe ownership rights held by third party(s). This would result in the risk of the third party challenging our Group's ownership rights or taking legal action against us. There is no assurance that any of the above incidents will be resolved in our favour. In the event that we are unsuccessful in pursuing any action against third party infringers, or a third party has successfully established that we have infringed its ownership rights, we may suffer significant loss arising from financial penalties and/or litigation costs. We may also be exposed to other risks such as adverse reputation and/or being prevented from selling any of our applications, which may impact our range of offerings and financial performance. Since its inception, our Group has not encountered any issues relating to the infringement of our ownership rights, nor as far as management is aware, have we inadvertently infringed on third parties' ownership rights.

#### Foreign exchange risks



We are exposed to foreign exchange transaction risk, mainly from our revenue exposure to SGD, which constituted 24.05% of our total revenue in FYE 2023. We currently do not have a formal policy with respect to our foreign exchange transactions, and we do not hedge our exposure to fluctuations in foreign currency exchange rates. As such, we are subject to foreign exchange fluctuation risk for our revenue and purchases denominated in foreign currencies in which we transact, especially the SGD. In FYE 2023, our Group has expanded to other Southeast Asia countries, including Thailand, Indonesia and the Philippines. As such, our exposure to foreign exchange risk is expected to increase.

#### Investments in Research and Development ("R&D")



Our Group recognises the increasing demand for technology applications and infrastructure solutions in all industries. Hence, our R&D activities focus on developing and enhancing our suite of financial management software, which comprises accounting software, POS software and payroll software. As part of our continuous effort to improve our range of financial management software, we actively engage in R&D activities to expand the functions and enhance the features of our AutoCount software.

Despite the commitments and efforts placed into R&D, there is no assurance that our R&D activities will yield results and develop software which suits the digitalisation needs of all businesses and companies and can substantially improve our financial performance. Further, if the enhancement of our existing software and the development of any new software in the future are not able to be completed in a timely manner, it could result in the loss of opportunities available in the market.

## Management Discussion and Analysis (Cont'd)

### Anticipated or known risk (Cont'd)

#### Availability of experienced talent in the market



In the IT industry, the technical skillset may be difficult to source as experienced personnel with a combination of IT skillset as well as accounting and/or financial knowledge may not be widely available in the market at competitive salary rates. Even if we manage to hire suitable talents equipped with IT skillsets as well as accounting and/or financial knowledge, there can be no assurance that we will be able to retain them for a long duration at competitive salary rates. If we are unable to source for suitable talent that meets our Group's requirements timely and in sufficient numbers, we may experience a slowdown in software development and face challenges in upkeeping and enhancing our software. Thus, our financial performance may be adversely affected. Our profitability may be adversely affected if we are required to incur overly high salary costs to hire and retain talents to support our business operations.

#### We face risks of not adapting quickly to the latest digitalisation needs of businesses and companies as well as the latest technological development



The IT industry undergoes continuous and rapid technological developments, with increasing levels of complexity and capabilities to digitalise business operations.

Our ability to adapt to these changes and requirements by developing new software or enhancing our existing software to meet the digitalisation needs of businesses and companies will determine the sustainability of our business. There can be no assurance that we would have sufficient resources to successfully and accurately capture the latest digitalisation needs of end-user customers and thereafter develop new software or enhance our software by adopting relevant features and functions in our software on a timely and cost-effective manner. As such, any failure to meet the requirements by businesses and companies for business digitalisation may have a negative impact on our business and financial performance as well as our ability to retain our existing dealers and recruit new dealers.

We also face the risk of not adapting to the latest technological developments. Our ability to adapt and enhance our AutoCount software to remain technologically relevant determines the sustainability of our business and our ability to retain existing users and attract new dealers. In the event that we fail to keep up with technological developments which are applicable to our business in a timely manner, we may experience a loss of a substantial number of dealers in a short period of time, which may, in turn, adversely impact our Group's business sustainability and financial performance.



## Management Discussion and Analysis (Cont'd)

### Future Prospect

The financial management software industry is poised to sustain its growth momentum, driven by several factors. Firstly, the increasing number of businesses underscores the rising demand for streamlined financial management processes. Businesses continually seek automation to enhance efficiency in response to the accelerating pace of digitalisation efforts and technological advancements. This drive towards automation is essential for businesses to remain agile in dynamic environments.

Additionally, the industry is expected to benefit from the governmental initiatives for digital transformation across Malaysia, Singapore, Thailand, Indonesia, Vietnam and the Philippines.

We are confident in our strategic positioning to capitalise on the anticipated growth trajectory in the financial management software industry and initiatives by governments. These opportunities, coupled with our Group's regional expansion plans funded by the utilisation of initial public offering ("IPO") proceeds, are expected to positively impact our Group's financial performance for the financial year ending 31 December 2024.

Looking ahead, our commitment to driving innovation and expanding our solutions remains unwavering. We have outlined strategic initiatives aimed at bolstering our business for the long term. In Budget 2024, the government announced RM100.00 million in digitalisation grants, benefiting over 20,000 SMEs and micro-entrepreneurs through MDEC. These grants support the adoption of digital technologies like e-POS systems, CRM systems, digital marketing, e-commerce, and remote working solutions.

Additionally, we are prioritising the implementation of e-invoicing by 1 August 2024. To ensure seamless integration, we will meticulously identify and allocate resources for a smooth transition, enhancing reporting, streamlining processes, and ensuring tax compliance. With these efforts, we anticipate increased demands for our software in the coming years.

### Dividend policy

Our Group presently does not have any formal dividend policy, and the declaration of dividends and other distributions are subject to the discretion of our Board of Directors. In line with our Group's performance and as recognition for the continuous support of our loyal shareholders, during FYE 2023, the Board of Directors has declared and paid a first interim single-tier dividend of RM0.02 per ordinary share amounting to RM11,010,000 in respect of the financial year ended 31 December 2023.

The Board is of the view that the recommended dividends provide an adequate balance between rewarding the shareholders and investors with appropriate returns while retaining sufficient profits to sustain growth in the future.

## Sustainability Statement

Autocount Dotcom Berhad ("AutoCount or the Group"), boasts a prominent position as a software development company with 27 years of industry experience. We are deeply committed to sustainability, integrating initiatives into our operations. Our team works collaboratively to deliver high-quality software solutions to our customers, prioritising both customer satisfaction and our environmental stewardship pledge.

# Sustainability Statement (Cont'd)

## Our Core Businesses

The Group’s primary focus is on developing and distributing financial management software, which includes accounting, point-of-sale (“POS”), and payroll solutions. We specialise in delivering high-quality accounting software and business applications tailored to the unique needs of small and medium-sized enterprises (“SMEs”), multinational corporations, and publicly traded entities. Our product lineup includes AutoCount Accounting, POS, Cloud Accounting, Cloud Payroll, and OneSales, trusted by over 210,000 businesses across various industries. Our comprehensive suite of AutoCount software is designed to support a wide range of essential finance and accounting functions within businesses. Supported by our in-house programmers, sales and marketing team, and AutoCount Academy, our deep industry knowledge and programming expertise form the cornerstone of our business.

## In-house supporting system



## ABOUT THIS STATEMENT

At AutoCount, we are committed to creating a better future through ethical business practices, steadfast focus on our objectives, and efficient operations. This statement summarises our dedication to making a positive impact on the local economy, society, environment, and governance through the actions and endeavours of our organisation.

## Scope and Basis of Scope

The reporting period corresponds with our fiscal year spanning from 1<sup>st</sup> January to 31<sup>st</sup> December 2023. This Statement comprehensively addresses the Group’s sustainability performance and highlights the progress of our business operations in Malaysia.

Details of the Group’s subsidiaries are shown in the table below.

Name of Company	Principal Activities	Country of Incorporation/Operation
Subsidiaries of Autocount Dotcom Berhad (“ADB”)		
Auto Count Sdn Bhd (“ACSB”)	Trading and development of software	Malaysia
Autocount Software Sdn Bhd (“ASSB”)	Dormant	Malaysia

# Sustainability Statement (Cont'd)

## Scope and Basis of Scope

Details of the Group’s subsidiaries are shown in the table below.

Name of Company	Principal Activities	Country of Incorporation/Operation
Subsidiaries of Auto Count Sdn. Bhd. (“ACSB”)		
Autocount On The Go Sdn Bhd (“AOTGSB”)	Developing and distributing software	Malaysia
Autocount (S) Pte Ltd (“ACSPL”)	Wholesale of computer software (except games) and development of other software and programming activities	Singapore
Autocount (Thailand) Co Ltd (“ATCL”)	Wholesale of software and software related services	Thailand
Autocount (Philippines) Inc (“API”)	Wholesale of software and software related services	Philippines
PT Autocount Software Indonesia (“PASI”)	Wholesale of software and software related services	Indonesia

## Reporting Framework and Standards

This report is prepared in accordance with the Bursa Malaysia Sustainability Reporting Guide 3rd Edition and is adopted in line with the IFRS Foundations - International Integrated Reporting Framework and Integrated Thinking Principles. The Company also decided to adopt the TCFD recommendations and Sustainable Development Goals (“SDGs”) as part of the report as well.

## Feedback

We welcome and encourage our stakeholders to provide feedback pertaining to this Statement and the issues covered to us at [sustainability@autocountsoft.com](mailto:sustainability@autocountsoft.com).





# Sustainability Statement (Cont'd)

SUSTAINABILITY STRATEGY

Sustainability Governance

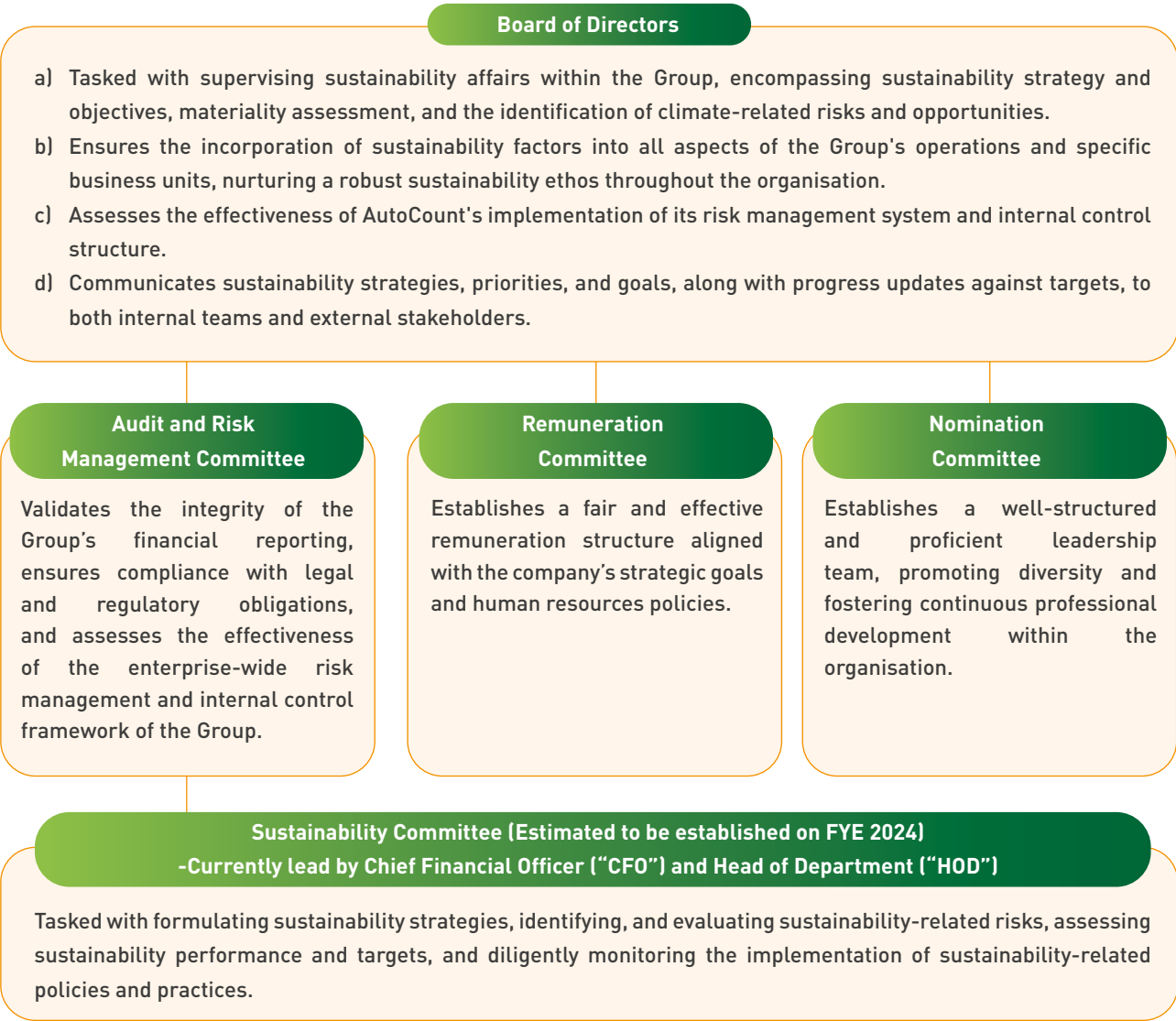
Sustainability holds significant importance within AutoCount, serving as an integral component of our identity. To effectively meet our sustainability targets and objectives, we have established a systematic and comprehensive governance framework.

The Board of Directors plays a pivotal role in advancing sustainability across the organisation and oversees the Company's sustainability strategy. Their responsibilities include ensuring the achievement of key objectives, establishing a robust risk management framework, and maintaining an efficient internal control system. Additionally, the Board receives support from various committees such as the Audit and Risk Management,

Remuneration, and Nomination Committees, which aid in monitoring organisational performance and enhancing the effectiveness of risk management and internal controls.

In our pursuit of greater efficiency in sustainability endeavours, we are currently in the process of forming a dedicated Sustainability Committee. This committee will focus specifically on the Company's objectives, policies, and practices related to sustainability or ESG matters. Their duties will involve crafting sustainability strategies, identifying and evaluating sustainability-related risks, assessing sustainability performance and targets, and diligently overseeing the implementation of sustainability-related policies and practices.

To demonstrate our commitment to establishing a strong governance framework, the table below outlines the roles and responsibilities of our board and committees.






# Sustainability Statement (Cont'd)

Stakeholder Engagement

As a company committed to sustainability, we recognise that our actions impact a range of stakeholders, including customers, employees, investors, government agencies, and local communities. These stakeholders provide valuable insights into our operations, helping us identify areas for improvement and potential opportunities.

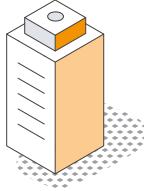

To emphasise our steadfast dedication to nurturing positive relationships with stakeholders and fostering a sustainable business, we actively maintain open lines of communication. This is achieved through regular engagements using both formal and informal methods. These interactions are crucial for gathering feedback and addressing the needs and concerns of our stakeholders more effectively.

The table below outlines the key stakeholders of our company and explores the various methods and channels we use to engage with them.

Stakeholder	Areas of Concern/ Interest	Engagement Approach	Our Responses
<div>Customers</div> <div></div>	<ul style="list-style-type: none"><li>Product and service quality and compliance</li><li>Privacy and security measures</li><li>Customer service and experience</li><li>Up-to-date legal and regulatory requirements</li></ul>	<ul style="list-style-type: none"><li>Reliable service and prompt response time</li><li>Customer relationship management</li></ul>	<ul style="list-style-type: none"><li>Consistent enhancement and maintenance and compliance with up-to-date legal and regulatory for software</li><li>Adhere to privacy policy and strengthen cybersecurity measures</li></ul>
<div>Employees</div> <div></div>	<ul style="list-style-type: none"><li>Mental health and well-being</li><li>Welfare and remuneration</li><li>Workplace diversity</li><li>Training and career development</li><li>Value equal opportunities</li></ul>	<ul style="list-style-type: none"><li>Employee engagement programmes and events</li><li>Training programmes</li><li>Performance appraisal</li><li>Management and staff meetings</li></ul>	<ul style="list-style-type: none"><li>Encourage transparent communication with employees</li><li>Ensure equal employment opportunities for all individuals without discrimination</li><li>Provide reasonable benefits and remuneration package</li></ul>
<div>Investors</div> <div></div>	<ul style="list-style-type: none"><li>Financial performance</li><li>Business strategies</li><li>Shareholder value</li><li>Good corporate governance</li></ul>	<ul style="list-style-type: none"><li>Annual report</li><li>Annual general meeting</li><li>Financial report</li><li>Corporate website</li><li>Company announcements</li><li>Investor relations activities</li></ul>	<ul style="list-style-type: none"><li>Provide timely updates on the Group's strategy and financial performance through investor briefings and announcements</li><li>Uphold good governance practices across the Group</li></ul>

# Sustainability Statement (Cont'd)

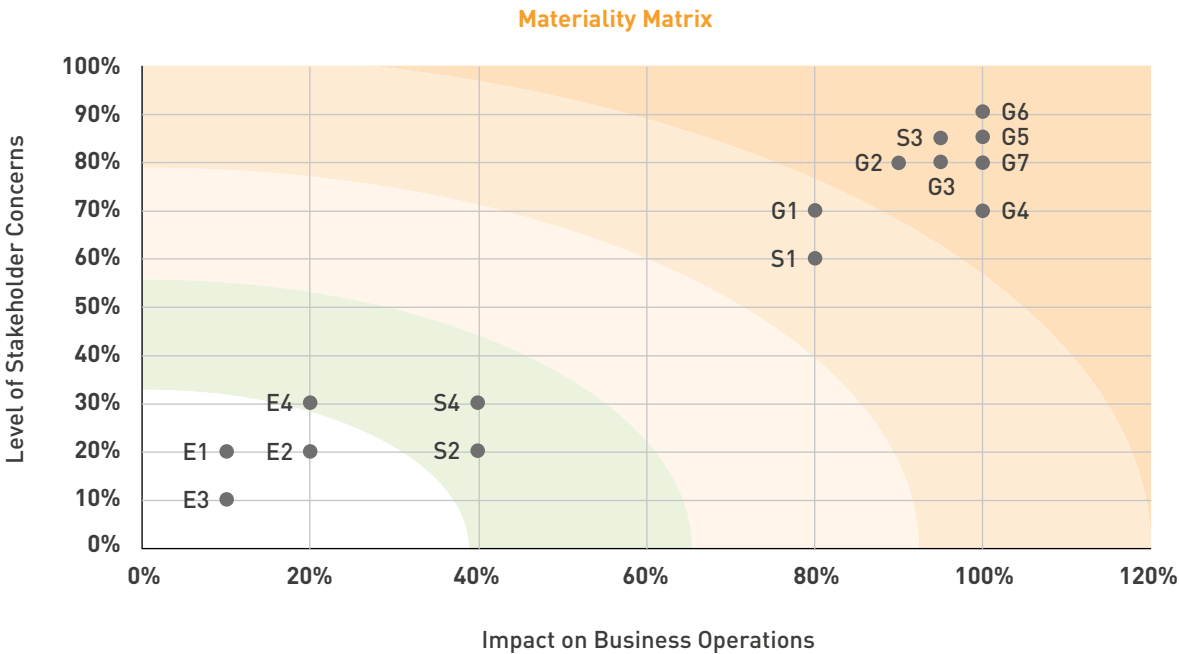
## Stakeholder Engagement (Cont'd)

Stakeholder	Areas of Concern/ Interest	Engagement Approach	Our Responses
<div>Government Agencies</div> <div></div>	<ul style="list-style-type: none"><li>Governance compliance</li><li>Environment management and compliance</li><li>Fair labour practices</li></ul>	<ul style="list-style-type: none"><li>Annual report</li><li>Meeting and seminars</li><li>Public announcement</li><li>Inspection/audit by local authority</li></ul>	<ul style="list-style-type: none"><li>Full compliance with regulatory requirements</li><li>Adoption of practices outlined in the Malaysian code on corporate governance</li></ul>
<div>Local Communities</div> <div></div>	<ul style="list-style-type: none"><li>Impact of business operation</li><li>Social issue</li></ul>	<ul style="list-style-type: none"><li>Community programmes</li><li>Customer relationship and engagement</li></ul>	<ul style="list-style-type: none"><li>Investing in education and welfare to enhance community well-being</li></ul>

## Materiality Matrix

The Group recognises that our material issues can significantly impact our ability to generate lasting value for our stakeholders, both directly and indirectly. In line with our commitment to sustainable practices, we plan to conduct a thorough materiality assessment annually, starting from the financial year 2023. This process aims to identify the most critical sustainability issues relevant to both our business and stakeholders. It involves assessing industry trends, developments, and global as well as local sustainability issues.

Outlined below are the material topics identified in 2023:



# Sustainability Statement (Cont'd)

## Materiality Matrix (Cont'd)

Material Sustainability Matter	Relevant Stakeholders
E1 – Water Management	Employees, Regulatory Agencies and Local Communities
E2 – Energy Consumption	Employees, Regulatory Agencies and Local Communities
E3 – Waste Management	Employees, Regulatory Agencies and Local Communities
E4 – Climate Change	Employees, Regulatory Agencies and Local Communities
S1 – Labour Standards and Human Right	Employees and Regulatory Agencies
S2 – Occupational Health and Safety	Employees and Regulatory Agencies
S3 – Training and Development	Employees and Regulatory Agencies
S4 – Social Contribution	Investors and Public
G1 – Business Ethics and Compliance	Regulatory Agencies and Local Communities
G2 – Governing Purpose	Regulatory Agencies and Local Communities
G3 – Business Continuity Risk Management	Regulatory Agencies and Local Communities
G4 – Licensing and Compliance	Regulatory Agencies and Local Communities
G5 – Cybersecurity	Regulatory Agencies and Local Communities
G6 – Data Protection and Security	Regulatory Agencies and Local Communities
G7 – Tax Governance	Regulatory Agencies

The table below provides a detailed analysis of the materiality level of sustainability matters:

High Priority Materiality	
S3 – Training and Development	For a software company, acquiring proper licensing and establishing good governance are crucial aspects of our operations. Additionally, safeguarding both our system and customers' data and privacy is our top priority to maintain the reputation and reliability of our company.
G2 – Governing Purpose	
G3 – Business Continuity Risk Management	
G4 – Licensing and Compliance	
G5 – Cybersecurity	The governing purpose includes: <ul style="list-style-type: none"><li>Board Charter and Terms of Reference</li><li>Anti-Bribery and Corruption Management</li><li>Anti Money Laundering</li><li>Conflict of Interest</li><li>Executive Pay</li></ul>
G6 – Data Protection and Security	
G7 – Tax Governance	



# Sustainability Statement (Cont'd)

## Materiality Matrix (Cont'd)







The table below provides a detailed analysis of the materiality level of sustainability matters: (Cont'd)

Medium Priority Materiality	
S1 – Labour Standards and Human Right (Gender Diversity)	While these material sustainability matters may currently be ranked as medium in terms of materiality, they remain significant to the Group. They represent fundamental aspects that a company must comply with and address as part of sustainability efforts, ultimately providing lasting value to stakeholders. As per the Malaysian Code on Corporate Governance (“MCCG”) best practices, it is recommended that the Board of Directors comprise at least 30% women directors, a target we are actively working towards achieving.
G1 – Business Ethics and Compliance	
Low Priority Materiality	
E1 – Water Management	Social and environmental impacts are generally considered to have a lesser materiality impact on software companies, given our reliance on cloud-based infrastructure. However, it is important to note that even though direct environmental impacts may be reduced, software companies still have a responsibility to address broader social and environmental issues. This includes considerations such as the social implications of technology use, data privacy, and cybersecurity, as well as indirect environmental impacts associated with energy consumption and resource usage in data centres.
E2 – Energy Consumption	
E3 – Waste Management	
E4 – Climate Change	
S2 – Occupational Health and Safety	
S4 – Social Contribution	

# Sustainability Statement (Cont'd)

## Sustainability Framework

AutoCount believes in balancing economic, social, and environmental responsibilities while keeping the well-being of our stakeholders in mind. To adapt to changes in the business world, we have adopted the IFRS Foundation - International Integrated Reporting Framework and Integrated Thinking Principles<sup>1</sup>, using the Six Capitals model. This model helps us understand how sustainability affects our finances, allowing us to create value for our business and stakeholders over time. It also helps us stay aligned with global standards like the UN Sustainable Development Goals (“SDGs”). The Six Capitals represent the key sources of value that are important for our business. The six capitals are defined as per below:

Financial	Technology and Intellectual	Governance
Funds available to firm from operations and financing	Trademark, patent R&D, innovation, human resources and external relationships, which can determine the organisation’s competitive advantage	Governance, Internal control system and procedures
<div>Financial Highlight</div> <div>Resources to support the Group’s operation and implement other Capitals</div> <div>Main focus areas:<ul style="list-style-type: none"><li>Economic Performance</li></ul></div>	<div>Marketplace</div> <div>Creating value through research and innovation, brand influent, accreditation and certification</div> <div>Main focus areas:<ul style="list-style-type: none"><li>Cybersecurity and Data Protection</li><li>Product and Service Quality and Compliance</li></ul></div>	<div>Governance</div> <div>Board engagement on strategy, internal control to enhance the sustainability initiative</div> <div>Main focus areas:<ul style="list-style-type: none"><li>Anti-corruption</li></ul></div>
Human	Social	Natural
Skills, motivation, alignment with organisational goals	Relations with key institutions, stakeholder groups, shared norms and values, trust and confidence, and its social license to operate	Renewable and non-renewable natural elements, and the eco-system, used as inputs by the firm now or in the past or future, and impact of firm on them
<div>Workplace</div> <div>Creating a safe and supportive working environment, training, and self-development</div> <div>Main focus areas:<ul style="list-style-type: none"><li>Health and Safety</li><li>Employee Management</li><li>Diversity, Equity and Inclusion</li></ul></div>	<div>Community</div> <div>Contributing to local community development</div> <div>Main focus areas:<ul style="list-style-type: none"><li>Contributing to Local Communities/CSR</li><li>Customer Satisfaction</li></ul></div>	<div>Environment</div> <div>Improving our environment by utilising greener alternatives</div> <div>Main focus areas:<ul style="list-style-type: none"><li>Climate Change (Energy Management and Emissions)</li><li>Waste Management</li><li>Water Management</li></ul></div>

<sup>1</sup> The Integrated Reporting Framework and Integrated Thinking Principles are maintained under the auspices of the IFRS Foundation, a global not-for-profit, public interest organisation established to develop high-quality, understandable, enforceable and globally accepted accounting and sustainability disclosure standards. (<https://integratedreporting.ifrs.org/the-iirc-2/>)

# Sustainability Statement (Cont'd)

## Management Approach for Material Matters

Economic

Resources to support the Group's operation and implement other Capitals

### Economic Performance

AutoCount recognises that its robust financial performance serves as the foundation for creating enduring value and advancing the Group's sustainability objectives. We are steadfast in our commitment to providing high-quality employment opportunities and fostering economic development within local communities. Our overarching goal is to ensure long-term resilience by efficiently managing our assets and equitably distributing generated wealth among all stakeholders. Through these efforts, we aim to not only drive sustainable growth but also make meaningful contributions to the well-being of our employees, communities, and shareholders alike.

### Our approach and performance

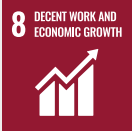
The Group's strategy for sustaining and achieving strong economic performance comprises several key elements. These include developing a comprehensive business strategy that involves staying abreast of market trends, maintaining a healthy balance sheet and robust cash flow, pursuing technological advancements, and proactively mitigating identified risks relevant to our business operations.

In FY 2023, the Group attained a total economic value generated of RM43.64 million, marking a 9.96% increase compared to the previous year. Our economic value retained remains robust, totalling approximately RM12.98 million. This notable revenue underscores our dedication to generating wealth for our stakeholders. The financial results of AutoCount provided below illustrate our commitment to delivering value to our stakeholders, maintaining a strong financial position, and pursuing sustainable growth opportunities.

	2021 (RM'000)	2022 (RM'000)	2023 (RM'000)
Economic value generated (e.g., revenue and other income)	29,978	39,686	43,639
Economic value distributed:			
• Cost of sales	5,904	7,769	10,486
• Operating costs (e.g., administrative expenses, sales and distribution expenses, etc.)	10,441	13,435	15,690
• Payment to providers of capital (e.g., financing cost)	86	189	190
• Payment to government (e.g., tax)	3,517	4,370	4,290
Economic value retained	10,030	13,923	12,983

Moving forward, we are steadfast in our commitment to optimising financial performance while advancing ESG objectives.

### Related UNSDGs:



# Sustainability Statement (Cont'd)

## Management Approach for Material Matters (Cont'd)

Marketplace

Implementing sustainability through product quality and compliance

### Cybersecurity and Data Protection

Due to the surging popularity of remote work, e-commerce, and automation, there has been a notable increase in the utilisation of digital tools. However, this uptrend also means there is a greater risk of hackers getting hold of sensitive data. Consequently, it is imperative for AutoCount to take proactive measures to mitigate the escalating risks of cyber-attacks, ensuring the protection of our customers' confidential data and preventing any potential leaks, threats, or compromises in our sector.

### Our approach and performance

In our ongoing commitment to strengthening cybersecurity measures, the Group maintains strict adherence to our Privacy Policy, developed in accordance with the Personal Data Protection Act ("PDPA") 2010 and Computer Crimes Act 1997. We uphold a robust cybersecurity framework that is embedded within our operational infrastructure and systems, consistently meeting all requisite regulatory standards. Furthermore, our dedication to excellence in information security is demonstrated by our attainment of ISO 27001:2013 certification, underscoring our unwavering commitment to proactive management practices.

As of 31 December 2023, the Group is pleased to report zero substantiated complaints pertaining to breaches in customer privacy or data loss.



The Group is pleased to report **zero** substantiated complaints pertaining to breaches in customer privacy or data loss.

	2021	2022	2023
Number of substantiated complaints concerning breaches in customer privacy or data loss	0	0	0

### Related UNSDGs:





# Sustainability Statement (Cont'd)

## Management Approach for Material Matters (Cont'd)

### Marketplace (Cont'd)

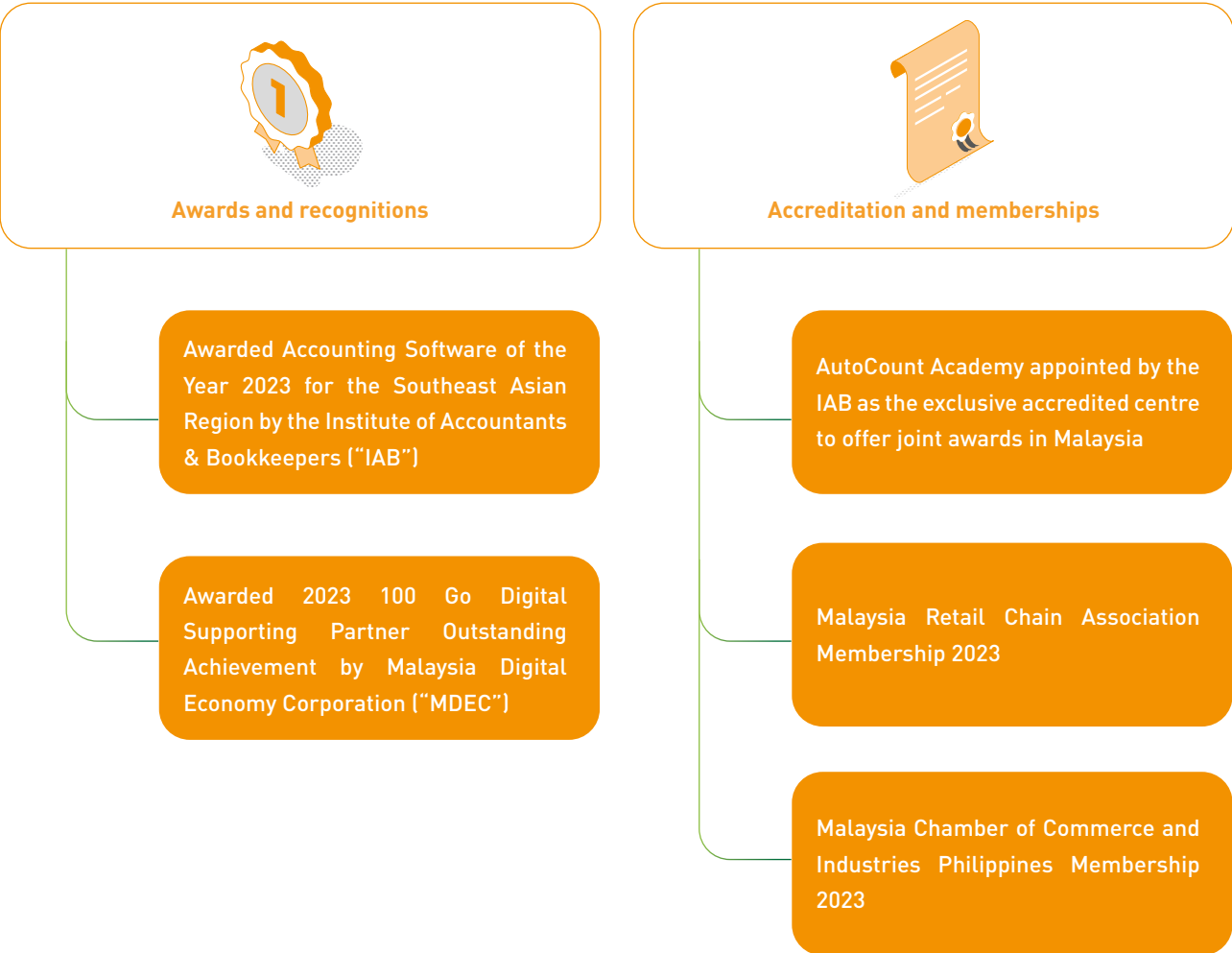
#### Product and Service Quality and Compliance

At AutoCount, we prioritise maintaining and delivering exceptional standards of product and service quality to support our commitment to creating value and driving sustainable business growth. Our unwavering dedication to upholding industry-leading quality standards has resulted in positive outcomes, including heightened customer satisfaction, reinforced reputation, effective risk management, and a motivated workforce committed to excellence.

#### Our approach and performance

As an organisation committed to reliability and trustworthiness, we place paramount importance on benchmarking our products and services against the highest industry standards. Our unwavering focus remains on delivering excellence, underpinned by thorough assessments to ensure alignment with the unique needs and preferences of each client. Simultaneously, we prioritise the welfare of our clients by providing a robust network comprising approximately 250 authorised dealers renowned for their exceptional support and service.

In alignment with our steadfast dedication to delivering quality and dependable services, the Group proudly boasts the following awards and recognition, and has obtained accreditation and memberships from the following associations:



# Sustainability Statement (Cont'd)

## Management Approach for Material Matters (Cont'd)



### Anti-corruption

AutoCount prioritises good governance and maintains high standards of business ethics and compliance throughout the Group. The Board understands the importance of a strong risk management framework and internal control system in promoting sound corporate governance. By sharing relevant sustainability-related information, we aim to enhance transparency in our management practices, building trust among our customers, stakeholders, and the public.

#### Our approach and performance

The Group remains steadfast in its commitment to conducting business with integrity, guided by our comprehensive Code of Conduct ("CoC"), which provides fundamental principles and guidelines for all employees. We uphold a zero-tolerance approach towards fraud, bribery, corruption, money laundering, and insider trading to reinforce our dedication to ethical practices. Our Anti-Bribery and Corruption ("ABC") Policy and Whistleblowing Policy play vital roles in promoting transparency and fostering a governance-friendly environment. These essential policies, along with our CoC, are easily accessible to all employees on our corporate website, ensuring availability for all stakeholders.

In addition, all employees are required to sign a declaration confirming their receipt and acceptance of the ABC agreement, ensuring compliance with our ABC policy. Moreover, AutoCount has established a dedicated reporting form under the Whistleblowing Policy, enabling both employees and external stakeholders to confidentially report any misconduct via email. As of 31 December 2023, we have not recorded any incidents of corruption across the Group's business operations.

	2021	2022	2023
Number of confirmed corruption incidents	0	0	0

As an extra measure to combat corruption, we perform both internal and external corruption risk assessments annually to identify and address any potential corruption risks.

	2021	2022	2023
Percentage of operations assessed for corruption-related risks (%)	100	100	100

# Sustainability Statement (Cont'd)

## Management Approach for Material Matters (Cont'd)

### Governance (Cont'd)

To reinforce the significance of ABC in the workplace, we have displayed posters addressing the issue in common areas of the office and on our website. Mandatory annual training on Anti-Bribery and Corruption is also required for all employees to ensure awareness and compliance. In FY 2023, our employees received training conducted by CAS Academy Sdn. Bhd. titled “Preparation and Implementation of the Section 17A of MACC (Amendment) Act 2018.” The table below details the completion rates of trained employees at AutoCount.

Employee Category	Completion Rate (%)		
	2021	2022	2023
Management	N/A	N/A	100
Executive	N/A	N/A	0.05
Non-executive/Technical Staff	N/A	N/A	0
General Workers	N/A	N/A	0

### Related UNSDGs:



# Sustainability Statement (Cont'd)

## Management Approach for Material Matters (Cont'd)

### Workplace

Creating a safe and supportive working environment, training, and self-development

### Health and Safety

Health and safety in the workplace are fundamental aspects of any organisation’s operations. We understand that nurturing a safe and healthy work environment cultivates positive morale and engagement among employees, leading to increased productivity and reduced turnover rates. Beyond its internal benefits, this dedication to health and safety enhances the Group’s reputation, attracting top talent and fostering stakeholder confidence.

### Our approach and performance

Recognising the significance of employees’ health and safety at work, we are dedicated to prioritising their well-being and ensuring protection from external and physical risks, despite our workplace being free from machinery and hazardous materials. However, we remain vigilant about our surroundings and potential health issues.

In FY 2023, our employees participated in first aid training sessions. As an additional measure to safeguard our employees’ health and safety, we intend to increase investment and efforts in safety and health measures and initiatives. This includes enhancing understanding of health and safety standards. We plan to implement further initiatives in the FY 2024, reaffirming our commitment to occupational health and safety performance.

	2021	2022	2023
Number of employees trained on health and safety standards	0	0	14

### Related UNSDGs:



### Employee Management

The Group places significant importance on our employees, recognising them as the backbone of our organisation’s ongoing growth and success. Therefore, we prioritise the well-being and overall satisfaction of our stakeholders as a fundamental criterion in our management strategy. This commitment extends to the recruitment, development, and retention of high-performing employees within a work environment that is both conducive and empowering. Furthermore, we make substantial investments in development programmes to ensure our employees remain competitive, progressive, and prepared for the future.

### Our approach and performance

AutoCount strictly adheres to labour practices and standards in its current employment terms. The Human Resources department focuses on three key aspects of employee management: Training and Development, Remuneration Packages and Performance Management, and Employee Engagement and Initiatives. These approaches aim to enhance employees’ working productivity and encourage continuous performance improvement.



# Sustainability Statement (Cont'd)

## Management Approach for Material Matters (Cont'd)

### Workplace (Cont'd)

#### Training and Development

We firmly believe in the importance of investing in workforce development to attract and retain top talent, ultimately leading to enhanced financial performance. Therefore, the Group is dedicated to prioritising human capital by investing in employee training to support their growth and align with evolving business needs. Understanding the significance of continuous learning, we offer a variety of both internal and external training programmes. Our objective is to provide a comprehensive training experience that empowers employees to reach their fullest potential and acquire the necessary skills for effective performance. Additionally, we conduct an analysis of each department’s training needs to ensure the continued relevance of our training initiatives

Our training and development programmes in FY 2023 include the following:

No.	Training and Development Programmes
1	Developing a Strong Onboarding Programme: Unleash Your Onboarding & Integration Process
2	ISO IEC 27001 Internal Auditor Training for Information Security Management System
3	Establishing a Powerful & Effective Training Needs Analysis
4	Malaysia HR Forum Conference – Future HR: Building Resilient Proof Organisation in the Digital Era
5	Malaysia Leadership Summit (“MLS” 2023): Breakthrough to the Future
6	Managing Probationers & Performance Improvement Plan (“PIP”)
7	Training on Preparation & Implementation of the Section 17a Of MACC (Amendment) Act 2018
8	Environmental, Social, and Governance (“ESG”) Reporting - Sustainability Report Awareness, Sustainable Development Goals (“SDGs”), and ESG Risk Assessment
9	Microsoft Excel VBA Programming
10	How to Sell in Tough Time (1) – (5)
11	Behavioural & Competency Based Interview Skills
12	Bursa Malaysia Mandatory Accreditation Programme (“MAP”)
13	Tax Webinar of Malaysia Budget 2023 & Transfer Pricing
14	Virtual MIA International Accountants Conference 2023
15	MIA Webinar Series <ul style="list-style-type: none"><li>Budget 2023 - Key Updates and Changes for Corporate Accountants</li><li>Introduction to ESG and Sustainable Finance</li><li>Chapter 10 - Transactions with 3rd Party and Related Party</li></ul>

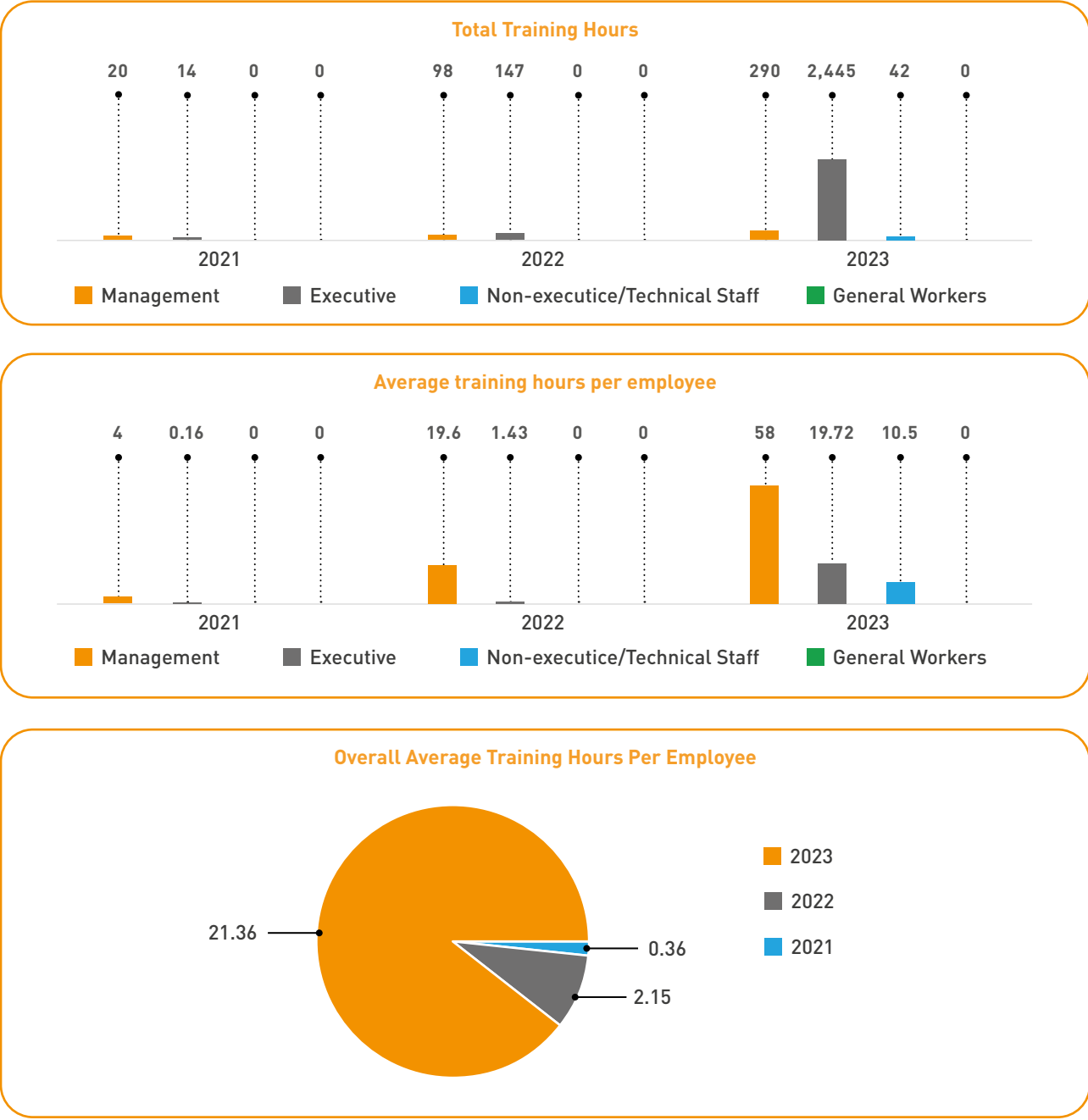
# Sustainability Statement (Cont'd)

## Management Approach for Material Matters (Cont'd)

### Workplace (Cont'd)

#### Training and Development (Cont'd)

In total, we have invested a sum of RM98,481 on training and the employees received a total of 2,777 training hours in FY 2023. The details of the employees’ training hours are detailed as follows:



## Sustainability Statement (Cont'd)

### Management Approach for Material Matters (Cont'd)

#### Workplace (Cont'd)

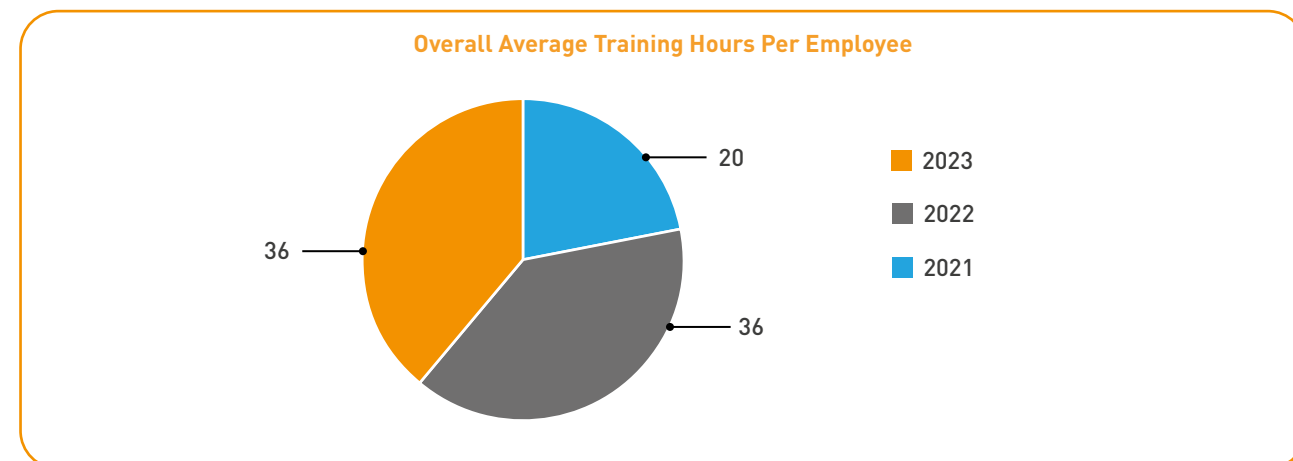
##### Remuneration Packages and Performance Management

AutoCount recognises our employees as the foundation of the Group's enduring growth and accomplishments. Guided by principles of being result-driven, accountable, collaborative, and embracing shared success, we strive to elevate individual and team performance. To nurture a high-performance culture, we conduct semi-annual performance and career development reviews, providing employees with opportunities for self-assessment, feedback, coaching, and support.

Recognition and celebration of exceptional work experience and performance, as well as high-quality results and achievements, are integral to our remuneration and reward system. Our aim is to cultivate a motivating and supportive environment by offering competitive benefits and compensation packages to attract and retain top talent. Aligned with our commitment to safeguarding their well-being, the Group's current employment terms adhere to standard industry practices. Additionally, we provide various employment benefits, including:



In addition to achieving a 100% rate of employees undergoing performance reviews, we are proud to maintain a highly engaged workforce. Below are charts outlining the total number of new hires, employee turnover, as well as new hires and turnover rate over the past three years.

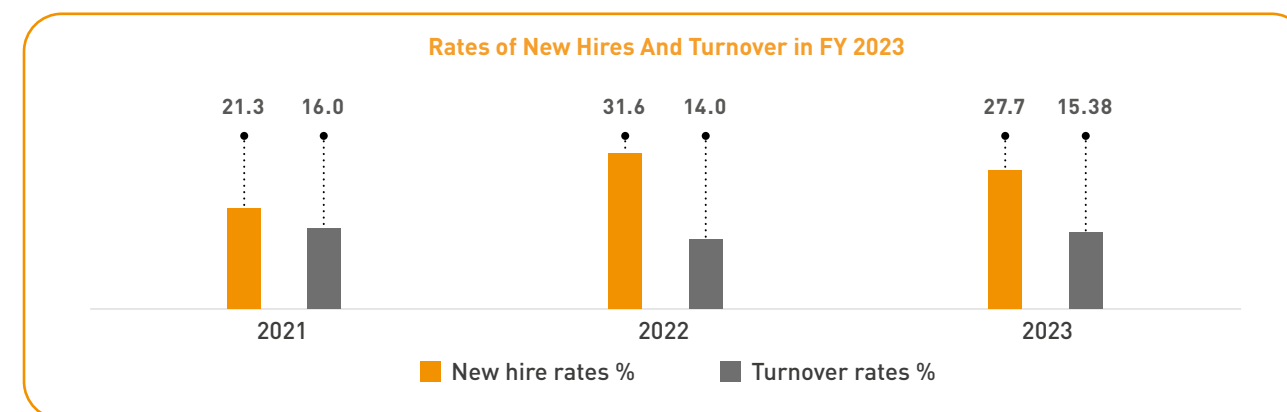
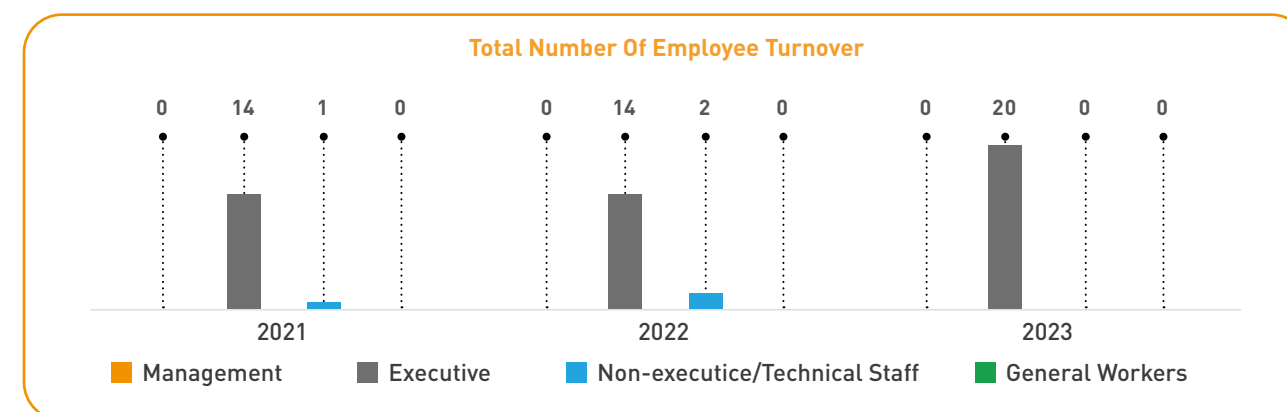


## Sustainability Statement (Cont'd)

### Management Approach for Material Matters (Cont'd)

#### Workplace (Cont'd)

##### Remuneration Packages and Performance Management (Cont'd)



In FY 2023, the Group experienced a higher new hire rate compared to the turnover rate, with new hire rates recorded at 27.7% and a voluntary turnover rate of approximately 15.38%.

##### Employee Engagement and Initiatives

As a company that prioritises employees' health and safety, we are equally dedicated to nurturing their mental well-being. Recognising the intrinsic connection between employee health, overall job satisfaction, and productivity, we are firmly committed to creating a workplace that promotes both comfort and harmony, while championing a healthy work-life balance. To fulfil this commitment, we have carefully designed a series of engaging initiatives for our employees, such as, bi-monthly birthday celebrations, festive celebrations, annual dinner, and other recreational activities.



## Sustainability Statement (Cont'd)

### Management Approach for Material Matters (Cont'd)

#### Workplace (Cont'd)

#### Remuneration Packages and Performance Management (Cont'd)

Below are the photos showcasing the team activities organised by AutoCount during FY 2023.



Bi-monthly Birthday Celebration



CNY Annual Dinner



CNY Lion Dance



Iftar



Badminton

## Sustainability Statement (Cont'd)



Charity Run



#### Related UNSDGs:





## Sustainability Statement (Cont'd)

### Management Approach for Material Matters (Cont'd)

#### Workplace (Cont'd)

#### Diversity, Equity and Inclusion

AutoCount is deeply committed to fostering a nurturing work environment that firmly opposes all forms of unlawful discrimination, regardless of factors such as race, colour, gender, religion, age, disability, or any other legally protected classification. This steadfast commitment extends to providing our employees with a culture that champions inclusivity and offers equal opportunities, empowering them to thrive and reach their highest potential.

#### Our approach and performance

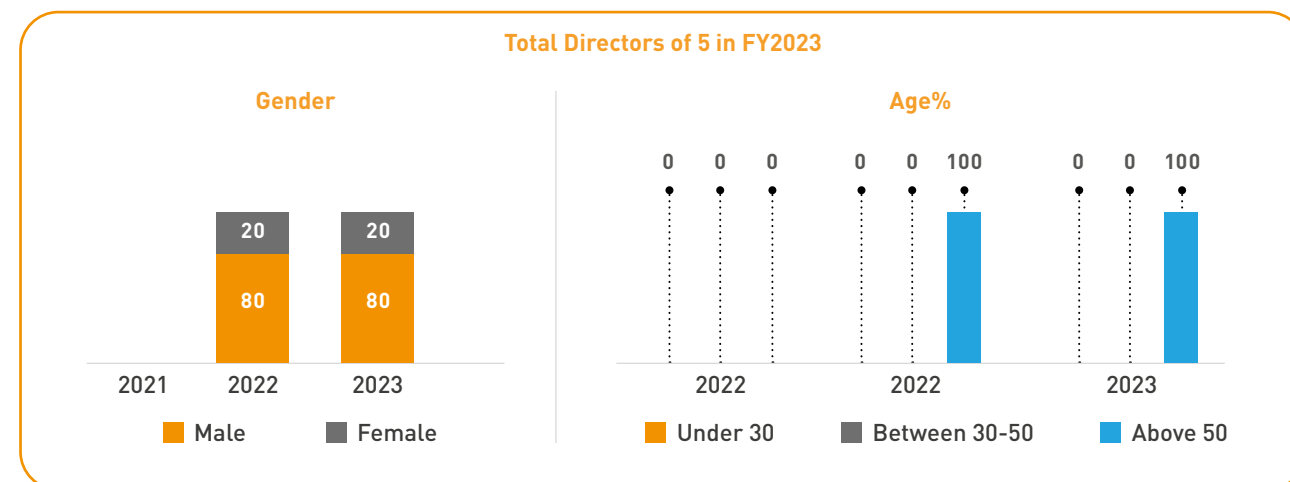
The Group is steadfast in its commitment to conducting all operations with fairness and equity, extending this principle to the treatment of employees, customers, and investors. Our Code of Conduct statement, as outlined in our Employee Handbook, expressly prohibits any form of harassment or discrimination based on protected grounds. We strive to cultivate an inclusive environment where employees from diverse backgrounds feel respected, appreciated, and empowered to offer their unique perspectives and talents. In FY 2023, we have recorded zero cases of complaints regarding human rights violations.

	2021	2022	2023
Number of substantiated complaints concerning human rights violation	0	0	0

Furthermore, we are devoted to ensuring equitable access to career advancement opportunities and leadership roles for all employees, irrespective of their personal characteristics. Our talent management process involves annual skills assessments and career development planning for all individuals, promoting equal opportunities for professional progression and enrichment. This approach serves to attract and retain exceptional talent, thereby enhancing overall business performance.

The charts below showcase the Group's board diversity performance and workforce profile.

#### Board Diversity

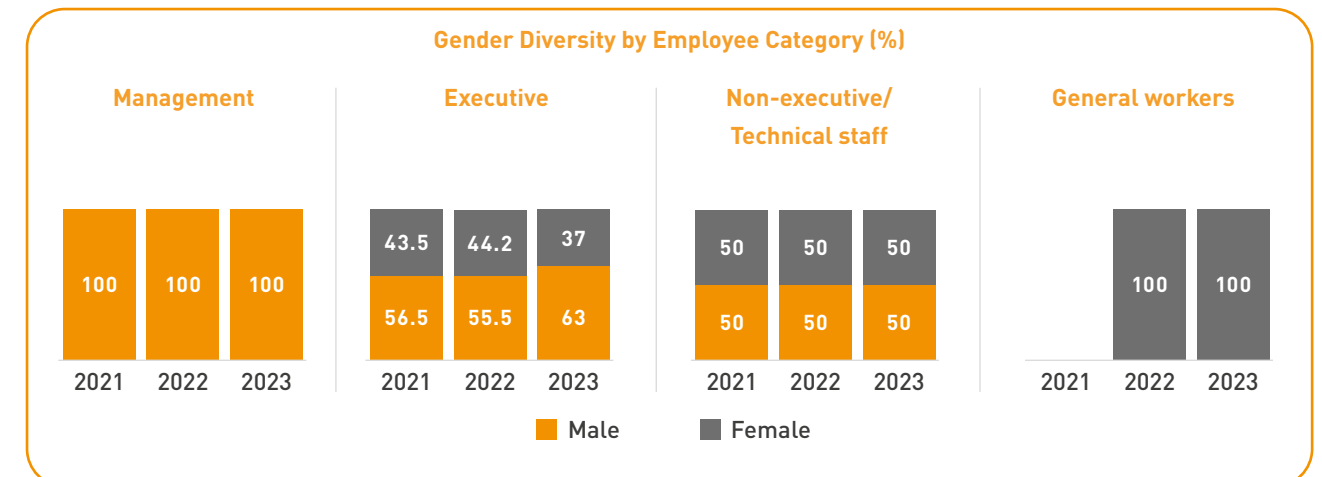
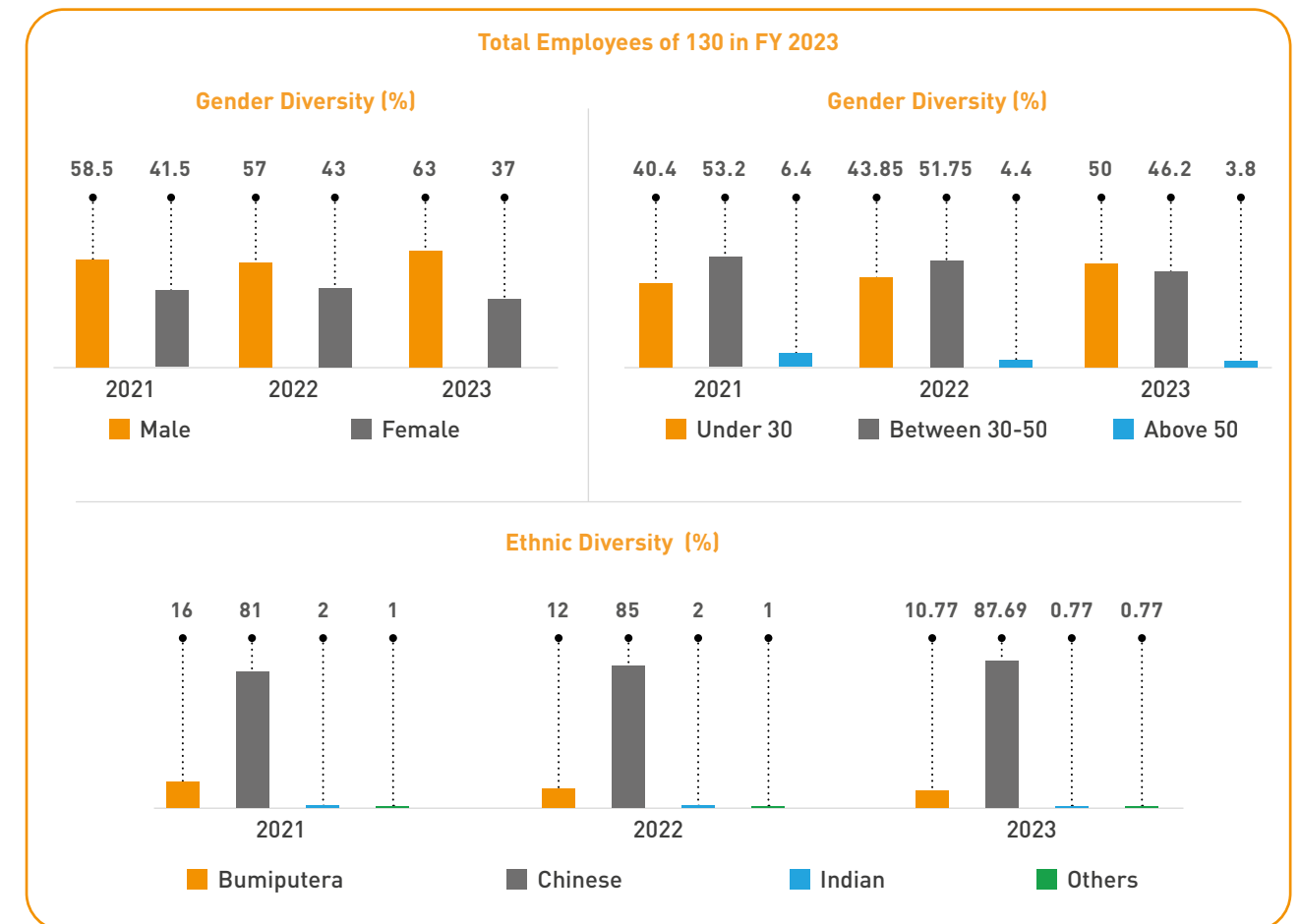


## Sustainability Statement (Cont'd)

### Management Approach for Material Matters (Cont'd)

#### Workplace (Cont'd)

#### Workforce Profile



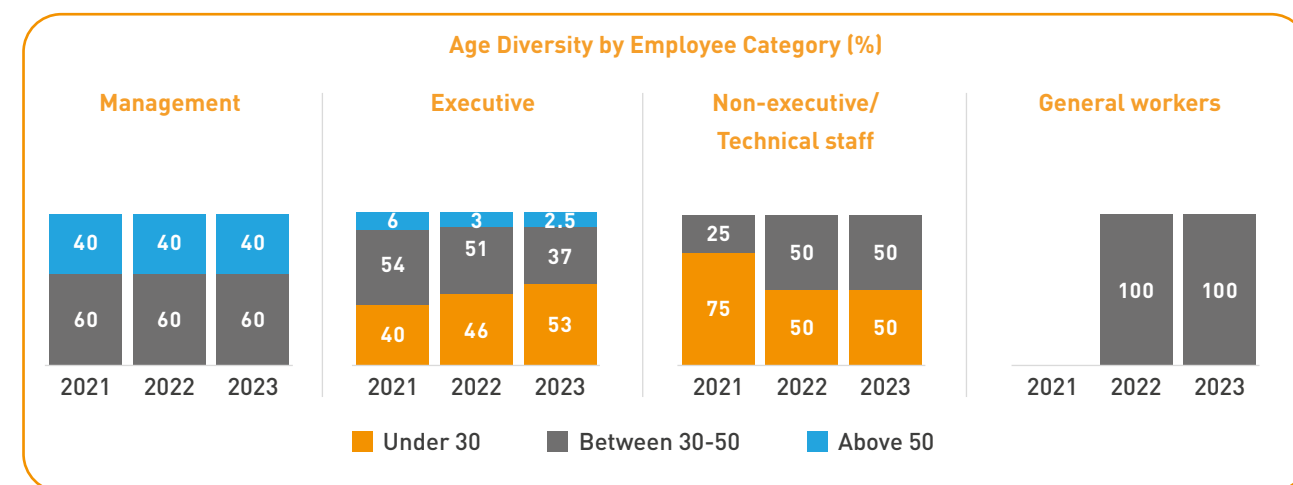


## Sustainability Statement (Cont'd)

### Management Approach for Material Matters (Cont'd)

#### Workplace (Cont'd)

#### Workforce Profile (Cont'd)



#### Related UNSDGs:



#### Community

Contributing to local community development

#### Contributing to Local Communities/CSR

As a company dedicated to fostering positive relationships between businesses and communities, AutoCount prioritises social inclusion and aims for enduring positive outcomes. We are committed to maintaining ongoing engagement with the local community, giving back through community impact programmes, and bolstering our brand image and reputation in the process. Our commitment goes beyond merely satisfying customers and delivering exceptional products and services; we also invest in education to nurture local talent and provide opportunities for them to reach their full potential. This investment not only benefits AutoCount in the short term but also helps cultivate future leaders for organisations. Additionally, our involvement in welfare-related initiatives further strengthens our bond with local communities and contributes to their betterment.

#### Our approach and performance

Our dedication to nurturing talented individuals is evident through our sustained collaboration with local educational institutions and community groups. This collaborative effort not only enhances our relationship with the community but also enriches the overall well-being of the local area. In FY 2023, we have supported five types of educational welfare initiatives: charity runs, convocations, provision of uniforms, programme competitions, and community projects. In total, AutoCount has contributed RM181,900 worth of monetary and non-monetary donations to these initiatives.

## Sustainability Statement (Cont'd)

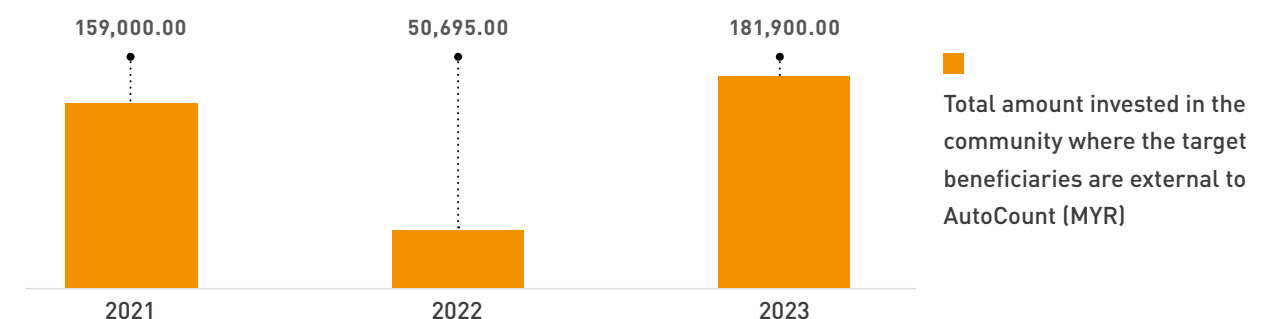
### Management Approach for Material Matters (Cont'd)

#### Community (Cont'd)

#### Our approach and performance (Cont'd)



Additionally, the Group has been committed and actively involved in various community programs in previous years, as depicted in the table below:



	2021	2022	2023
Total number of beneficiaries (categories and institutions) of the investment in the communities	27	12	22

#### Related UNSDGs:



# Sustainability Statement (Cont'd)

## Management Approach for Material Matters (Cont'd)

### Community (Cont'd)

#### Customer Satisfaction

Understanding the importance of customer satisfaction, our company is currently in the process of developing a new methodology that incorporates sustainability elements to enhance customer requirements and demands. This new methodology aims to integrate sustainability considerations directly into our products and services, ensuring that they meet not only the functional needs of our customers but also their environmental and social expectations. By aligning our offerings with sustainability principles, we seek to not only enhance customer satisfaction but also contribute positively to environmental and social outcomes. Through this initiative, we aim to demonstrate our commitment to responsible business practices and meet the evolving expectations of our customers in an increasingly sustainability-conscious world.

Related UNSDGs:



Environment

Improving our environment by utilising greener alternatives

### Climate Change (Energy Management and Emissions)

As a company committed to environmental responsibility, we emphasise on making positive contributions to the environment. Acknowledging the significant impact of energy consumption and greenhouse gas emissions on climate change, we are steadfast in our commitment to conducting operations in a sustainable and responsible manner while also actively seeking out opportunities to embrace the transition to a low-carbon economy.

#### Our approach and performance

Despite our operations being predominantly office-based and cloud-dependent, we remain committed to mitigating climate change and minimising environmental footprints to deliver lasting value to our business and stakeholders. As part of our sustainability efforts, we have implemented energy-friendly practices and enhanced energy efficiency in the workplace through various initiatives. These initiatives include:



Going paperless

We are cutting down on paper use to reduce waste and save energy. This also means using fewer printers and less energy to run them.



Turning off devices and lights

We remind our employees to switch off computers, printers, air conditioners, fans, and lights when they are not being used.

# Sustainability Statement (Cont'd)

## Environment (Cont'd)

### Our approach and performance (Cont'd)

Furthermore, as an environmentally conscious company, we have also monitored our total energy consumption and emissions, as depicted in the table below.

	2021	2022	2023
Total energy consumption (GJ)	120.791	257.530	359.255

Total emissions by scope (tCO <sub>2</sub> e)	2021	2022	2023
Scope 1	N/A	N/A	N/A
Scope 2	16.0	34.1	47.6
Scope 3	26.98	58.64	39.43

Related UNSDGs:



### Waste Management

As a software company, our operations typically do not generate physical waste. However, we are committed to reducing waste and promoting proper waste management practices in the workplace.

Related UNSDGs:





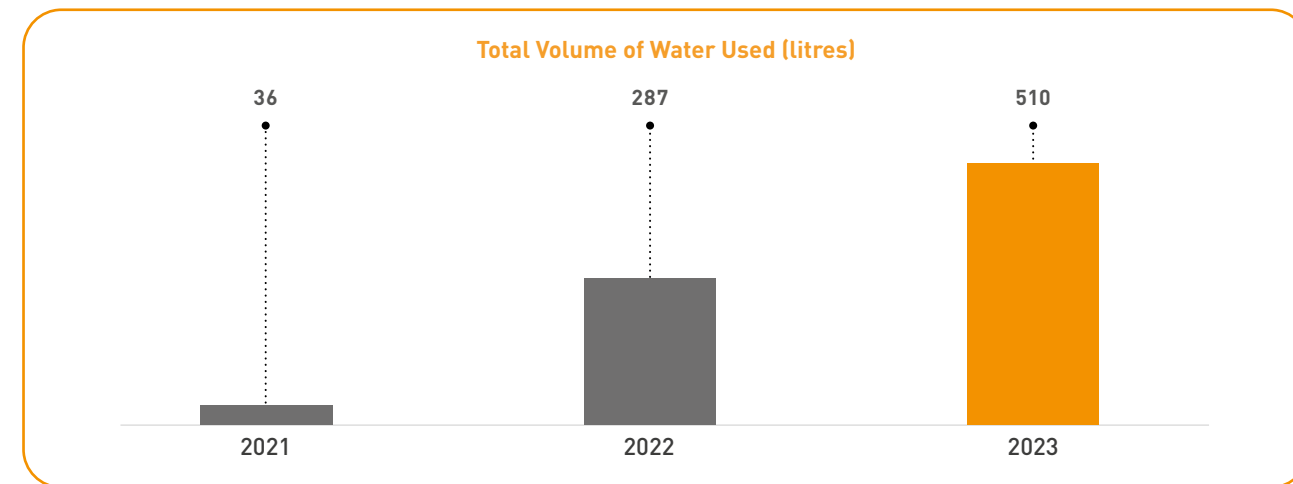
## Sustainability Statement (Cont'd)

### Water Management

Uncontrolled and excessive water usage can put a heavy burden on water resources and may lead to contamination of waterways, resulting in a decline in water quality. These effects can harm local ecosystems, jeopardising important services provided by these ecosystems and negatively impacting the quality of life in nearby communities. It is also crucial to ensure access to clean drinking water to maintain public health and well-being.

### Our approach and performance

At AutoCount, we prioritise efficient water usage and ensure that all our employees have access to clean drinking water by providing water dispensers in the office. In FY 2023, the company's average water consumption was 510 litres per year. Understanding the significance of water conservation, we are dedicated to implementing water conservation initiatives and raising awareness among employees about proper water management.



#### Related UNSDGs:



## Sustainability Statement (Cont'd)

### Performance Data Table

Indicator	Unit	2021	2022	2023	Target
<b>Economic Performance</b>					
Economic value generated (e.g., revenue and other income)	RM'000	29,978	39,686	43,639	
Economic value distributed (e.g., cost of sales, operating costs, payment to providers of capital, and payment to government)	RM'000	19,948	25,763	30,656	
Economic value retained	RM'000	10,030	13,923	12,983	
<b>Cybersecurity and Data Protection</b>					
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy or losses of customer	Number	0	0	0	
<b>Anti-Corruption</b>					
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category					
Management	Percentage	N/A	N/A	100	
Executive	Percentage	N/A	N/A	0.05	
Non-executive/ Technical Staff	Percentage	N/A	N/A	0	
General Workers	Percentage	N/A	N/A	0	
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100	100	100	
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0	0	
<b>Health and Safety</b>					
Bursa C5(c) Number of employees trained on health and safety standards	Number	N/A	N/A	14	
<b>Labour Practices and Standards/Employee Management</b>					
Bursa C6(a) Total hours of training by employee category					
Management	Hours	20	98	290	
Executive	Hours	14	147	2,445	
Non-executive/ Technical Staff	Hours	0	0	42	
General Workers	Hours	0	0	0	
Bursa C6(c) Total number of employee turnover by employee category					
Management	Number	0	0	0	
Executive	Number	14	14	20	
Non-executive/Technical Staff	Number	1	2	0	
General Workers	Number	0	0	0	

Sustainability Statement  
(Cont'd)

Performance Data Table (Cont'd)

Indicator	Unit	2021	2022	2023	Target
Diversity, Equity and Inclusion					
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0	0	Looking forward to increase participation of women in leadership roles at management level
Bursa C3(a) Percentage of employees by gender and age group by employee category					
Gender group by employee category					
Management - Male	Percentage	100	100	100	
Management - Female	Percentage	0	0	0	
Executive - Male	Percentage	56.5	55.8	63	
Executive - Female	Percentage	43.5	44.2	37	
Non-executive/Technical Staff - Male	Percentage	50	50	50	
Non-executive/Technical Staff - Female	Percentage	50	50	50	
General Workers - Male	Percentage	0	0	0	
General Workers - Female	Percentage	0	100	100	
Age group by employee category					
Management - Under 30	Percentage	0	0	0	
Management - Between 30-50	Percentage	60	60	60	
Management - Above 50	Percentage	40	40	40	
Executive - Under 30	Percentage	40	46	53	
Executive - Between 30-50	Percentage	54	51	44.5	
Executive - Above 50	Percentage	6	3	2.5	
Non-executive/Technical Staff - Under 30	Percentage	75	50	50	

Sustainability Statement  
(Cont'd)

Performance Data Table (Cont'd)

Indicator	Unit	2021	2022	2023	Target
Diversity, Equity and Inclusion (Cont'd)					
Non-executive/Technical Staff - Between 30-50	Percentage	25	50	50	Increase participation of women in leadership roles at director level to 30% by 2025
Non-executive/Technical Staff - Above 50	Percentage	0	0	0	
General Workers - Under 30	Number	0	0	0	
General Workers - Between 30-50		0	100	100	
General Workers - Above 50	Percentage	0	0	0	
Bursa C3(b) Percentage of directors by gender and age group					
Male	Percentage	N/A	80	80	
Female	Percentage	N/A	20	20	
Under 30	Percentage	N/A	0	0	
Between 30-50	Percentage	N/A	0	0	
Above 50	Percentage	N/A	100	100	
Percentage of gender, age, and ethnic diversity in the workforce					
Gender diversity - Male	Percentage	58.5	57	63	
Gender diversity - Female	Percentage	41.5	43	37	
Age diversity - Under 30	Percentage	40.4	43.85	50	
Age diversity - Between 30-50	Percentage	53.2	51.75	46.2	
Age diversity - Above 50	Percentage	6.4	4.4	3.8	
Ethnic diversity - Bumiputera	Percentage	16	12	10.77	
Ethnic diversity - Chinese	Percentage	81	85	87.69	
Ethnic diversity - Indian	Percentage	2	2	0.77	
Ethnic diversity - Others	Percentage	1	1	0.77	
Contributing to Local Communities/CSR					
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	RM	159,000	50,695	181,900	
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	27	12	22	

# Sustainability Statement (Cont'd)

Performance Data Table (Cont'd)

Indicator	Unit	2021	2022	2023	Target
Climate Change (Energy Management and Emissions)					
Bursa C4(a) Total energy consumption	Gigajoules	120.791	257.530	359.255	
Bursa C11(a) Scope 1 emissions in tonnes of CO2e	tCO2e	N/A	N/A	N/A	
Bursa C11(b) Scope 2 emissions in tonnes of CO2e	tCO2e	16.0	34.1	47.6	
Bursa C11 (c) Scope 3 emissions in tonnes of CO2e	tCO2e	26.98	58.64	39.43	
Waste Management					
Bursa C10(a) Total waste generated	Metric tonnes	N/A	N/A	N/A	
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	N/A	N/A	N/A	
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	N/A	N/A	N/A	
Water Management					
Bursa C9(a) Total volume of water used	Litres	36	287	510	

Internal assurance	External assurance	No assurance	(*) Restated
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Note: Italicised fonts represent indicators other than those under the common material matters.

# Sustainability Statement (Cont'd)

## ASSURANCE STATEMENT

To bolster the credibility of our Sustainability Statement, specific sections have been subjected to internal review by the Group's Internal Auditors.

The Scope, Subject Matter(s) covered, and Conclusion (where applicable) are provided below:

Type of Assurance	Material Matters	Subject Matter	Scope	Conclusion
 Internal Review	Economic Performance	Direct economic value generated and distributed	Operations assessed: Malaysia and Singapore	Not applicable
	Anti-corruption	Percentage of employees who have received training on anti-corruption by employee category		
		Percentage of operations assessed for corruption-related risk		
		Confirmed incidents of corruption and action taken		
	Cybersecurity and Data Protection	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data		
	Employee Management	Total hours of training by employee category		
		Total number of employee turnover by employee category		

Moving forward, we are committed to enhancing the accuracy and quality of our data to bolster our disclosures. We aim to achieve this by subjecting all indicators to independent assurance over the next five years. This proactive approach underscores our dedication to transparency and accountability in our sustainability reporting practices.

- \*Note: In preparing the Subject Matter mentioned above, AutoCount applied the following criteria:
- IFRS Foundations - International Integrated Reporting Framework and Integrated Thinking Principles
  - AutoCount's relevant policies and procedures

## LOOKING FORWARD

As a publicly listed software company, we prioritise transparency and integrity across all facets of our business operations. Our primary goal is to ensure that all stakeholders benefit from our business practices, with the assurance that their privacy and interests are safeguarded. To achieve this, our Sustainability Statement serves as a pivotal tool for communicating our sustainability initiatives and fostering trust among stakeholders.

In alignment with this commitment, we have implemented robust policies, including the Anti-Bribery and Corruption Policy and Whistleblowing Policy. Our unwavering stance against fraudulent behaviour, bribery, corruption, money laundering, and insider trading underscores our zero-tolerance approach. Upholding these core values and principles is paramount in fostering trust and confidence with our stakeholders, solidifying our reputation as a responsible corporate entity.

Looking ahead, our management remains dedicated to enhancing our capabilities to better address customer needs and promote sustainable innovations across our operations. Our ongoing focus on sustainability is rooted in the progress we have made in delivering value to our stakeholders and engaging with them on social and ethical issues.



# Sustainability Statement (Cont'd)

RELATIONSHIP WITH UNSDGs

Sustainable Development Goals		Main Activity	Detailed Information
	No Poverty	Providing equal work opportunities	<ul style="list-style-type: none"><li>• Workplace</li></ul>
	Zero Hunger	-	-
	Good Health and Well-being	Safe working environment	<ul style="list-style-type: none"><li>• Workplace</li></ul>
	Quality Education	Training and development for employees	<ul style="list-style-type: none"><li>• Community</li></ul>
	Clean Water and Sanitation	Provision of clean drinking water	<ul style="list-style-type: none"><li>• Environment</li></ul>
	Affordable and Clean Energy	-	-
	Decent Work and Economic Growth	Good management	<ul style="list-style-type: none"><li>• Economic</li><li>• Workplace</li><li>• Community</li></ul>
	Industry, Innovation, and Infrastructure	Fostering innovation and adopting new technologies	<ul style="list-style-type: none"><li>• Community</li></ul>
	Reducing Inequality	Employment policy of no discrimination	<ul style="list-style-type: none"><li>• Workplace</li></ul>

# Sustainability Statement (Cont'd)

RELATIONSHIP WITH UNSDGs (CONT'D)

Sustainable Development Goals		Main Activity	Detailed Information
	Sustainable Cities and Communities	-	-
	Responsible Consumption and Production	Raising awareness on environmental issues	<ul style="list-style-type: none"><li>• Environment</li></ul>
	Climate Action	Reduce CO <sub>2</sub> emission	<ul style="list-style-type: none"><li>• Environment</li></ul>
	Life Below Water	-	-
	Life On Land	-	-
	Peace, Justice, and Strong Institutions	Anti-corruption, cybersecurity and data protection	<ul style="list-style-type: none"><li>• Marketplace</li><li>• Governance</li></ul>
	Partnerships for the Goals	Sustainability report initiative	<ul style="list-style-type: none"><li>• Looking Forward</li></ul>

## Sustainability Statement (Cont'd)

### TCFD-ALIGNED DISCLOSURES

(As recommended by IFRS1 and IFRS2, we can continue using the TCFD recommendations)

TCFD Recommendation	AutoCount Disclosure	Reference
<b>Governance – Disclose the organisation's governance around climate-related risks and opportunities</b>		
a) Describe the Board's oversight of climate -related risks and opportunities	<ul style="list-style-type: none"> <li>Risk management Board skills and experience – climate change</li> <li>Sustainability Committee – role and focus</li> </ul>	<ul style="list-style-type: none"> <li>Chairman Statement</li> <li>Governance</li> </ul>
b) Describe management's role in assessing and managing climate-related risks and opportunities	<ul style="list-style-type: none"> <li>Risk management Climate change – managing risk and opportunity</li> <li>Sustainability Committee – role and focus FY 2023</li> </ul>	<ul style="list-style-type: none"> <li>Governance</li> <li>Environment</li> </ul>
<b>Strategy – Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material</b>		
a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term	<ul style="list-style-type: none"> <li>Risk management – Risk factors (climate change, greenhouse gas emissions and energy)</li> <li>Climate change – managing risk and opportunity</li> </ul>	<ul style="list-style-type: none"> <li>Materiality Matrix</li> </ul>
b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning	<ul style="list-style-type: none"> <li>Risk management – Risk factors (climate change, greenhouse gas emissions and energy)</li> <li>Climate change – managing risk and opportunity</li> </ul>	<ul style="list-style-type: none"> <li>Materiality Matrix</li> </ul>
c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	<ul style="list-style-type: none"> <li>Climate change – evaluating the resilience of our portfolio</li> </ul>	<ul style="list-style-type: none"> <li>Energy Management &amp; Emissions</li> </ul>
<b>Risk management – Disclose how the organisation identifies, assesses, and manages climate-related risks</b>		
a) Describe the organisation's processes for identifying and assessing climate-related risks	<ul style="list-style-type: none"> <li>Risk management</li> </ul>	<ul style="list-style-type: none"> <li>Materiality Matrix</li> </ul>
b) Describe the organisation's processes for managing climate-related risks.	<ul style="list-style-type: none"> <li>Risk management – Risk factors (climate change, greenhouse gas emissions and energy)</li> </ul>	<ul style="list-style-type: none"> <li>Materiality Matrix</li> <li>Energy Management &amp; Emissions</li> </ul>

## Sustainability Statement (Cont'd)

### TCFD-ALIGNED DISCLOSURES

(As recommended by IFRS1 and IFRS2, we can continue using the TCFD recommendations)

TCFD Recommendation	AutoCount Disclosure	Reference
<b>Risk management – Disclose how the organisation identifies, assesses, and manages climate-related risks (Cont'd)</b>		
c) Describe how processes for identifying, assessing, and managing climate related risks are integrated into the organisation's overall risk management.	<ul style="list-style-type: none"> <li>Risk management non-financial KPIs – sustainability KPIs</li> <li>Risk management – Risk factors (climate change, greenhouse gas emissions and energy)</li> </ul>	<ul style="list-style-type: none"> <li>Materiality Matrix</li> <li>Energy Management &amp; Emissions</li> </ul>
<b>Metrics and targets – Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material</b>		
a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	<ul style="list-style-type: none"> <li>Non-financial KPIs – sustainability</li> <li>KPIs Climate change – Operational emissions</li> <li>Climate change – Scope 3 emissions</li> </ul>	<ul style="list-style-type: none"> <li>Energy Management &amp; Emissions</li> </ul>
b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	<ul style="list-style-type: none"> <li>Non-financial KPIs – sustainability KPIs</li> <li>Climate change – operational emissions performance</li> <li>Climate change – Scope 3 emissions performance Climate change data</li> </ul>	<ul style="list-style-type: none"> <li>Energy Management &amp; Emissions</li> </ul>
c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	<ul style="list-style-type: none"> <li>Non-financial KPIs – sustainability KPIs</li> <li>Climate change – operational emissions performance FY 2023 performance outcomes</li> </ul>	<ul style="list-style-type: none"> <li>Energy Management &amp; Emissions</li> </ul>

# Corporate Governance Overview Statement

The Board of Directors (“the Board”) of Autocount Dotcom Berhad (“ADB” or “the Company”) is pleased to present the Corporate Governance (“CG”) Overview Statement for the financial year ended 31 December 2023 (“FY2023”), which has been prepared in compliance with Rule 15.25 of the ACE Market Listing Requirements (“AMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and has set out an overview on the application of the Principles of corporate governance as promulgated by the Malaysian Code on Corporate Governance issued in April 2021 (“MCCG 2021”). This CG Overview Statement should be read in conjunction with the Company’s CG Report, which has set out details on how the Company has applied the Practices as set out in MCCG 2021.

The Company firmly believes that good corporate governance is key towards the enhancement of shareholders value, the promotion of the Group’s long-term value as well as the building of a sustainable business. To this end, the Board is steadfast towards maintaining high standards of corporate governance within ADB Group and to uphold the Principles of MCCG 2021 towards achieving the Intended Outcome as set out in MCCG 2021.

This CG Overview Statement provides a summary of the corporate governance practices implemented by ADB during the financial year with reference to the three Principles of MCCG whilst explanations on how the Company has applied the Practices promoted by MCCG 2021 are disclosed in the CG Report. Where there is a departure from a Practice, explanations for the departure are provided in the CG Report with disclosure on the applicable alternative practice which ADB has adopted.

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

The Group acknowledges the vital role played by the Board in the stewardship of the direction and business operations of the Group and ultimately the enhancement of long-term shareholders’ value. To fulfil this role, the Board is responsible for the overall corporate governance of the Group, including its strategic direction, establishing goals for management and monitoring the achievement of these goals, consideration of significant financial matters, review of the financial and operating performance of the Group and undertaking of major investments and capital expenditures.

### I. BOARD RESPONSIBILITIES

The Company has an experienced Board that is primarily responsible for charting and reviewing the strategic direction of the Group and delegates the implementation of these directions to the management. The Board also ensures the implementation of appropriate risk management and internal control systems, including financial, operational and compliance to safeguard the shareholders’ interest and the Group’s assets. The Board has adopted certain responsibilities for effective discharge of its functions through formalising its Board Charter (available at the Company’s website: <https://www.autocountsoft.com/investor-relations/>) which, inter alia, sets a list of specific functions that are reserved for the Board and Chairman; and the authorisation limit which defines relevant matters and applicable limits reserved for Chairman and Executive Directors that are further cascaded to senior management team within the Company.

The Board have established Board Committees namely the Audit and Risk Management Committee, Nomination Committee and Remuneration Committee, which are entrusted with specific oversight responsibilities for Autocount Group’s affairs. The Board Committees are granted the authorities to act on each Board’s behalf in accordance with their respective Terms of Reference (“TOR”) and to report to the Board with the necessary recommendation. The TOR of the Board Committees are available at the Company’s website. Further, as part of the Boards’ responsibilities in ensuring compliance by the Company and the Group with the AMLR, the Companies Act 2016 and rules of other relevant authorities.

# Corporate Governance Overview Statement (Cont’d)

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT’D)

### I. BOARD RESPONSIBILITIES (CONT’D)

The Group aims to ensure a balance of power and authority between the Chairman and Executive Directors with a clear division of responsibility between the running of the Board and the Company’s business respectively. The Group also emphasises and practices a division of responsibility between the Executive and Non-Executive Directors. The distinct and separate roles of the Chairman and Executive Directors, with a clear division of responsibilities, ensure a balance of power and authority, such that no one individual has unfettered powers of decision-making.

The Chairman is responsible for ensuring the integrity and effectiveness of the governance process of the Board, acts as facilitator at the meetings and ensure that Board proceedings is in compliance with good conduct and best practices. Whilst the Executive Directors are responsible for making and implementing operational and corporate decision as well as developing, coordinating and implementing business and corporate strategies. The Independent Non-Executive Directors of the Company play a key role in providing unbiased and independent views, advice and contributing their knowledge and experience toward the formulation of policies and in the decision-making process.

All Directors have unrestricted access to all information pertaining to the Group’s business and affair and has full access to management, Company Secretary and External Auditors for information needed to carry out their duties and responsibilities. This is to enable them to carry out their duties effectively and diligently. As and when necessary, the Board may obtain independent professional advice, in furtherance of their duties, at the Company’s expenses.

The Board had adopted the Code of Conduct, Anti-Bribery and Corruption Policy, Whistle Blowing Policy, Fit and Proper Policy, Investor Relations Policy and Remuneration Policy which is available on the Company’s website.

### II. BOARD COMPOSITION

As at the date of this report, the Board consists five (5) Directors i.e. three (3) Independent Non-Executive Directors and two (2) Executive Director. The Independent Non-Executive Directors fulfilled the criteria of “Independence” as prescribed under the AMLR. This is in compliance with the AMLR which requires at least two (2) Directors or one-third (1/3) of the Board, whichever is higher, are Independent Directors. All Independent Non-Executive Directors are independent of management and have no family or business relationships with the Executive Directors and major shareholders which would interfere with the exercise of their independent judgment.

As the date of this Annual Report, the Board comprised of five (5) Directors, of whom one (1) is female, providing a representation rate of 20% which complies with the new requirement of ACE Market Listing Requirements of Bursa Securities to have at least one (1) woman Director on the Board.

The Board is mindful that any gender representation should be in the best interest of the Company. Although the Company has not reached the 30% woman representation target at the Board level as required, the Board is channelling its effort in getting other women who could meet the objective criteria, merit and with due regard for diversity in skills, experience and age to join the Board.



## Corporate Governance Overview Statement (Cont'd)

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

#### II. BOARD COMPOSITION (CONT'D)

The Board currently does not have a formal policy on its boardroom or gender diversity. The evaluation and selection criteria of a director are very much dependent on the effective blend of knowledge, skills, competencies, experiences and time commitment of the new Board member. Nonetheless, the Board is supportive of gender diversity in the Boardroom composition as recommended by the MCCG and will endeavour to consider suitable and qualified female candidates for appointment to the Board.

The Board meets on a quarterly basis with additional meetings being convened when necessary to address urgent matters. All the Directors have complied with the minimum attendance requirements as stipulated by the AMLR. The Board met on four (4) occasions during the financial year ended 31 December 2023 and the details of attendance at Board Meetings is set out below:-

Name of Directors	Attendance	Percentage of attendance [%]
Choo Chin Peng	4/4	100%
Choo Yan Tiee	4/4	100%
Dato' Ng Wan Peng	4/4	100%
Dr. Liew Soung Yue	4/4	100%
Chin Chee Seng	4/4	100%

Prior to each meeting, a reasonable notice of meetings and agenda were circulated to all Directors together with the draft minutes of the previous meeting together with the respective reports/papers and other board meeting reference materials such as management reports and financial reports to be discussed were furnished to the Directors at least seven (7) days prior to the Board meeting via e-mail so that each Director had ample time to review the papers to enable informed decision making. The deliberations and decisions at Board and Board Committee meetings are well documented in the minutes.

All Directors are encouraged to participate in relevant training programmes for continuous professional development and to further enhance their skills and knowledge. The Directors are aware that they shall receive appropriate training which may be required from time to time to keep them abreast with the current developments in the industry as well as new statutory and regulatory developments including changes in accounting standards.



## Corporate Governance Overview Statement (Cont'd)

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

#### II. BOARD COMPOSITION (CONT'D)

Training programmes and seminars attended by the Directors of the Company during the financial year ended 31 December 2023 are as follows:-

Name of Directors	Date	Training Programmes/Seminars/Workshops/ Conferences Attended
Choo Chin Peng	4 to 6 April 2023	Mandatory Accreditation Programme (MAP)
	17 & 20 March 2023	ISO IEC 27001 Internal Auditor Training for Information Security Management System
	28 July 2023	Training on Preparation and Implementation of the Section 17A of MACC (Amendment) Act 2018
	25 September 2023	Sustainability Report Awareness
	26 September 2023	Sustainability Report - Sustainable Development Goals (SDGs)
	27 & 28 September 2023	Sustainability Report - ESG Risk Assessment
Choo Yan Tiee	4 to 6 April 2023	Mandatory Accreditation Programme (MAP)
	17 & 20 March 2023	ISO IEC 27001 Internal Auditor Training for Information Security Management System
	28 July 2023	Training on Preparation and Implementation of the Section 17A of MACC (Amendment) Act 2018
	25 September 2023	Sustainability Report Awareness
	26 September 2023	Sustainability Report - Sustainable Development Goals (SDGs)
	27 & 28 September 2023	Sustainability Report - ESG Risk Assessment
Dato' Ng Wan Peng	12 January 2023	Can America stop China's rise Will ASEAN be damaged?
	28 March 2023	ESG Sharing by PwC
	18 April 2023	Cybersecurity & Digital Sustainability
	9 June 2023	Anti-Bribery and Corruption Refresher
	12 June 2023	Crisis Management & Negotiation
	19 June 2023	Understanding the Cybersecurity Landscape
	18 September 2023	Sustainability Report Awareness
	19 September 2023	Sustainability Report - Sustainable Development Goals
	20 September 2023	Integrated Reporting and GRI
	12 October 2023	Talk: AI and the Future of Work & Panel: Buiding the Digital Economy through Urban Rejuvenation
	15 November 2023	AML/CFT & TFS: Evolving Challenges & Expectations in Regulatory Compliance
	27 November 2023	AOB's Conversation with Audit Committees
	28 November 2023	PLCT Chairperson Masterclass: Leading the Change - Mastering Climate Action as a Chairperson - Managing Scope 3 Emissions

# Corporate Governance Overview Statement (Cont'd)

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

II. BOARD COMPOSITION (CONT'D)

Training programmes and seminars attended by the Directors of the Company during the financial year ended 31 December 2023 are as follows:- (Cont'd)

Name of Directors	Date	Training Programmes/Seminars/Workshops/ Conferences Attended
Dr. Liew Soung Yue	8 to 10 February 2023	UTAR 10-Year Strategic Plan 2023-2032 workshop
	4 to 6 April 2023	Mandatory Accreditation Programme (MAP)
	5 May 2023	Changing Investment Landscape with AI and ChatGPT
	28 June 2023	ChatGPT in Education: Issues and Challenges
	1 November 2023	All You Need to Know About Safeguarding Data in The Digital Age
	12 December 2023	Sharing Economy and Smart City Development
Chin Chee Seng	10 February 2023	ISQM Implementation Part 3 - Forms and Other Documentation
	15 February 2023	Audit of Internal Controls and Awareness of Fraud Risks
	21 February 2023	Reinvestment Allowance & Automation Capital Allowance
	23 February 2023	Transfer Pricing Essentials
	6 March 2023	Tax Implications on Business Restructuring
	7 March 2023	Seminar Percukaian Kebangsaan 2022
	28 March 2023	2023 Budget Seminar
	4 to 6 April 2023	Mandatory Accreditation Programme (MAP)
	12 April 2023	Malaysia AML/CFT Regulations & Trends 2023
	19 May 2023	Financial Reporting on Impact of Climate Change Effects
	21 & 22 June 2023	Embracing ESG in Value Creation
	10 July 2023	Taxation of Digital Nomads, Expatriates Employees in Malaysia, Employees Seconded Overseas and Share Scheme Benefits Received by Employees
	1 & 2 August 2023	National Tax Conference 2023
	14 September 2023	Audit Committee Conference 2023

During the financial year ended 31 December 2023, the External Auditors briefed the Board members on the changes to the Malaysian Financial Reporting Standards have impact on the Group's and the Company's financial statements for the financial year. The Board was also briefed on the amendments to the LR such as Conflict of Interest and Mandatory Accreditation Programme Part II by the Company Secretary.

Company Secretary

The Board is supported by a qualified secretary who is a Fellow member of the Malaysian Institute of Chartered Secretaries and Administrators ("MAICSA") and is qualified to act as Company Secretary under the Companies Act, 2016. As a practicing Company Secretary, she has also attended continuous professional development programmes as required by MAICSA and Companies Commission of Malaysia.

# Corporate Governance Overview Statement (Cont'd)

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

II. BOARD COMPOSITION (CONT'D)

Company Secretary (Cont'd)

She is also responsible for ensuring that the Company's Constitution, procedures, policies and regulations are complied with. Also ensuring that, all obligations required by the regulatory and under the AMLR are fulfilled in a timely manner. The Board is regularly updated and advised by the Company Secretary on any new statutory and regulatory requirements in relation to their duties and responsibilities. The Board recognises that the Company Secretary is suitably qualified and capable of carrying out the duties as required. The Board is satisfied with the service and support rendered by the Company Secretary in discharging her functions.

Nomination Committee

The Board has established Nomination Committee ("NC") to assist the Board in their responsibilities in nomination new nominees to the Board and to assess the performance of the Board, the Board Committees and the Directors of the Company on a on-going basis. Full details of the NC duties and responsibilities are stated in its TOR which is available on the Company's website.

The NC comprises exclusively Independent Non-Executive Directors as follows:-

- 1. Dr. Liew Soung Yue (Chairman)
- 2. Dato' Ng Wan Peng
- 3. Chin Chee Seng

The NC is responsible for the Board evaluation process covering the Board, the Board Committees and individual Director.

The Company's Constitution provides that one third (1/3) or nearest to one-third (1/3) of the Directors for the time being shall retire from office and be eligible for re-election provided always that all the Directors shall retire from office at least once in every three (3) years, but shall be eligible for re-election. All the retiring Directors will abstain from deliberations and decisions on their own eligibility to stand for re-election at the Board Meeting.

In considering whether to recommend a Director who is eligible to stand for re-election, the NC would consider a variety of factors, including:

- the Director's contributions to the Board and ability to continue to contribute productively;
- the Director's attendance at Board and committee meetings;
- the Director's compliance with the Code;
- whether the Director continues to possess the attributes, capabilities and qualifications considered necessary or desirable for Board service; and
- the independence of the Director.

# Corporate Governance Overview Statement (Cont'd)

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

II. BOARD COMPOSITION (CONT'D)

Nomination Committee (Cont'd)

There was no committee meeting held during the FY2023 as the Company was only listed on the ACE Market of Bursa Securities on 9 May 2023. However, the NC had on 25 April 2024 conducted the annual assessment on the effectiveness of the Board, the Board Committees and all individual Directors, based on their performance for the FY2023.

Based on the assessment, the NC concluded that the current structure, size and composition of the Board, which comprises Directors who possess a wide range of expertise, experience and skill in various fields enable them to discharge their duties and responsibilities effectively. The Chairman of the Board had performed excellently and contributed to the Board.

III. DIRECTORS' REMUNERATION

The Remuneration Committee ("RC") comprises exclusively Independent Non-Executive Directors as follows:-

- 1. Dato' Ng Wan Peng (Chairman)
- 2. Dr. Liew Soung Yue
- 3. Chin Chee Seng

The RC is responsible for evaluating, deliberating and recommending to the Board the compensation and benefits that are fairly guided by market norms and industry practices for the business the company is in. The RC is also responsible for evaluating the Executive Directors' remuneration which is linked to the performance of the Executive Director and performance of the Group. Individual Director do not participate in the discussion and decision making of his own remuneration to avoid conflict of interest.

The Company aims to set remuneration at levels which are sufficient to attract and retain the Directors and Senior Management needed to run the Company successfully, taking into consideration all relevant factors including the skill function, workload and responsibilities involved, and after giving due consideration to the Group's performance.

Pursuant to Section 230(1) of the Companies Act, 2016, fees and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting.

The annual review during the financial year ended 31 December 2023 was conducted by the Remuneration Committee on 25 April 2024.

# Corporate Governance Overview Statement (Cont'd)

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

III. DIRECTORS' REMUNERATION (CONT'D)

The remuneration of individual Directors of the Company, including the remuneration for services rendered to the Group and the Company for the financial year ended 31 December 2023 are as follows:-

Category	Salaries	Fees	Meeting	Bonuses	Benefit-	Other	Total
	RM	RM	Allowances	RM	in-kind	emoluments	
	RM		RM		RM	RM	RM
Executive Directors							
Choo Chin Peng	523,162	-	2,000	243,399	23,950	58,877	849,388
Choo Yan Tiee	488,400	-	2,000	240,439	24,600	93,870	847,309
Non-Executive Directors							
Dato' Ng Wan Peng	-	38,500	2,000	-	-	-	40,500
Dr. Liew Soung Yue	-	38,500	2,000	-	-	-	40,500
Chin Chee Seng	-	38,500	2,000	-	-	-	40,500

The details of the remuneration of the top Senior Management (including salary, bonus, benefit in kind and other emoluments) in each successive bands of RM50,000.00 during the financial year ended 31 December 2023 are as follows:-

Range of Remuneration (RM)	Designation of Top Senior Management
300,001 – 350,000	Chief Financial Officer, Sales & Marketing Director, Software Development Director

There was no RC meeting held during the FY2023 as the Company was only listed on the ACE Market of Bursa Securities on 9 May 2023.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

I. Audit and Risk Management Committee

The Board is assisted by the Audit and Risk Management Committee ("ARMC") which comprises exclusively of three (3) Independent Non-Executive Directors, to oversee the integrity of the financial statements, compliance with relevant accounting standards and the Group's risk management and internal controls.

The members of ARMC are as follows:

- 1. Chin Chee Seng (Chairman)
- 2. Dato' Ng Wan Peng
- 3. Dr. Liew Soung Yue



## Corporate Governance Overview Statement (Cont'd)

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

#### I. Audit and Risk Management Committee (Cont'd)

The Chairman of the ARMC is not the Chairman of the Board. The ARMC Chairman is able to assess to the Executive Directors, Senior Management, External Auditors and Internal Auditors. To-date, the Company has not appointed a former audit partner to be a member of the ARMC. In addition, the ARMC has revised the TOR of ARMC to update the cooling-off period of a former audit partner to three (3) years before he/she can be considered for appointment as a member of ARMC which aligns with the MCCG 2021.

The composition of the ARMC is reviewed annually with the view to maintain an independent and effective ARMC, and in line with the principles of the MCCG 2021. The ARMC members are expected to continuously update their knowledge and enhance their skills. Based on the performance evaluation of the ARMC for the financial year ended 31 December 2023, the Board is satisfied that the Chairman and the members of ARMC have discharge their responsibilities effectively.

The independence, suitability and appointment/re-appointment of the External Auditors is reviewed by the ARMC annually based on the External Auditors Assessment.

#### II. Risk Management and Internal Control Framework

The Board affirms its responsibilities over the Group's system of risk management and internal control and acknowledges that such system is an integral part of effective management practice. To this end, the Board confirms that the Group has implemented an ongoing process of identifying, evaluating, monitoring and managing the significant risks faced by the Company and the Group under its risk management and internal control framework. Details of the Group's risk management and internal control framework are set out in the Statement on Risk Management and Internal Control in the Annual Report.

The Board has delegated the review on the adequacy and effectiveness of the Group's risk management and internal control framework to the ARMC.

### PRINCIPLE C – INTEGRITY IN CORPORATE REPORTING AND MEANING RELATIONSHIP WITH STAKEHOLDERS

#### I. Engagement with Stakeholders

The Company aims to ensure that the shareholders and investors are kept informed of all major corporate developments, financial performance, AGM and other relevant information by promptly disseminating such information to shareholders and investors via announcements to Bursa Securities and the Company's website at <https://www.autocountsoft.com/investor-relations/>.

The Board believes that a constructive and effective investor relationship is essential in enhancing shareholder value and recognises the importance of timely dissemination of information to shareholders or stakeholders. The Board is accountable to shareholders as well as other stakeholders of the Company for the performances and operations of the Company. As such, the Board endeavours to provide timely and accurate disclosure of all material information of the Group to the shareholders and investors.

## Corporate Governance Overview Statement (Cont'd)

### PRINCIPLE C – INTEGRITY IN CORPORATE REPORTING AND MEANING RELATIONSHIP WITH STAKEHOLDERS (CONT'D)

#### II. Conduct of General Meetings

The Annual General Meeting ("AGM") represents the principal forum for dialogue and interaction with shareholders. The Chairman together with other Directors and External Auditors will be present at the forthcoming AGM to answer any enquires from the shareholders. Shareholders who are unable to attend the AGM are allowed to appoint proxies to attend and vote on their behalf.

As recommended by the MCCG 2021, the notice of AGM will be sent to shareholders at least twenty-eight (28) days before the AGM, to allow shareholders to have additional time to go through the Annual Report and make the necessary attendance and voting arrangements. The notice of AGM, which sets out the business to be transacted at the AGM, is also published in a major local newspaper.

The Board will ensure that each item of special business included in the notices of the AGM or Extraordinary General Meeting is accompanied by a full explanation of the effects of any proposed resolution. In line with Rule 8.31A of the AMLR of Bursa Securities, all resolutions set out in the notice of general meeting will be put to vote by poll. The Company will also appoint an independent scrutineer to validate the vote cast in the general meeting. The outcome of the general meeting will then be announced to Bursa Securities on the same meeting day while the minutes of the general meeting will be uploaded on the Company's website within thirty (30) business days from the date of the general meeting.

### STATEMENT OF DIRECTORS' RESPONSIBILITY FOR PREPARING THE FINANCIAL STATEMENTS

The Directors are required by the Companies Act, 2016 to prepare the financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the Group at the end of financial year and of the results and cash flows of the Company and of the Group for the financial year then ended.

The Directors are satisfied that in preparing the financial statements of the Company and of the Group for the financial year ended 31 December 2023. The Company and the Group have used the appropriate accounting policies and applied them consistently and prudently. The Directors also consider that all relevant approved accounting standards have been followed in the preparation of these financial statements.

### COMPLIANCE STATEMENT

The Board strikes to ensure that the Group complies with the principles and practices of the MCCG 2021. The Board will endeavour to improve and enhance procedures in the Group to ensure compliance from time to time.

This Corporate Governance Overview Statement was approved by the Board on 25 April 2024.

## Additional Compliance Information

The following disclosures are made in accordance with Part A of Appendix 9C of the Listing Requirements of Bursa Securities:-

### 1.0 Material Contracts Involving Directors and/or Major Shareholders

There were no material contracts outside the ordinary course of business entered into by the Company and its subsidiaries involving Director's and major shareholder's interest which were still subsisting at the end of the financial year ended 31 December 2023 or entered into since the end of the previous financial year.

### 2.0 Utilisation of Proceeds Raised from Corporate Proposals

During the financial year, there were no proceeds raised by the Company and its subsidiaries from any corporate proposals.

### 3.0 Contracts Relate to a Loan

There were no contracts which relate to a loan entered into by the Company and its subsidiaries during the financial year ended 31 December 2023.

### 4.0 Recurrent Related Party Transactions of Revenue or Trading Nature ("RRPT")

There were no RRPT conducted during the financial year ended 31 December 2023.

### 5.0 Non-Audit Fees

The audit fees and non-audit fees paid and payable to External Auditors by the Group for the financial year ended 31 December 2023 are as follow:

Category	Group RM	Company RM
Audit fees	168,000	95,800
Non-Audit fees	85,100	74,600

## Statement on Risk Management and Internal Control

### Introduction

The Board of Directors ("Board") of Autocount Dotcom Berhad is pleased to present its Statement on Risk Management and Internal Control ("Statement") for the financial year ended 31 December 2023 ("FYE 2023"). This statement prepared pursuant to Rule 15.26(b) of the Ace Market Listing Requirements of Bursa Securities and Principle B of the Malaysian Code of Corporate Governance ("MCCG") with guidance from the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers ("the Guideline"), outlines the key elements of risk management and internal control systems within the Group for the current financial year.

### Board Responsibility

The Board acknowledges its overall responsibility for maintaining a sound risk management framework and internal control system to safeguard shareholders' investments and the Group's assets, as well as reviewing its effectiveness, adequacy and integrity on a regular basis. In acknowledging that having a sound risk management and internal control system is imperative, the Board has established a governance structure that ensures effective oversight of risks and internal controls within the Group at all levels.

The Board focuses on effective risk oversight, which is critical in setting the tone and culture towards effective risk management and internal control. The Board has established an ongoing process for identifying, evaluating, managing and monitoring the significant risks faced by the Group, and this process includes enhancing the system of risk management and internal control as and when there are changes to the business environment or regulatory guidelines.

It is important to note that the system of risk management and internal control is designed to manage the Group's risks within an acceptable risk profile, rather than to eliminate the risk of failure to achieve the business objectives. Hence, the system, by its nature, can only provide reasonable assurance, and not absolute assurance against any material misstatement of financial information and records, financial losses, errors, or fraud.

### Risk Management Framework

The Board regards core risk management is an integral and critical part of the day-to-day operations of the Group. The experience, knowledge and expertise to identify and manage such risks throughout the financial year under review enable the Group to make a cautious, mindful and well-informed decisions through the formulation and implementation of requisite action plans and monitoring regimes, which is imperative in ensuring the accomplishment of the Group's objectives.

The Board is assisted by the ARMC to provide oversight, direction and counsel to the Group's risk management process by identifying and assessing risks and making recommendations to monitor, evaluate, manage and mitigate such risks throughout the business operations particularly, in respect of key risks which the Group faces on a regular basis. In addition, evaluate, measure, monitor and report risks as well as deficiencies and non-compliance with internal controls and for taking appropriate and timely remedial actions as required.

As part of our Risk Management processes, the Group has adopted a Risk Management System, and the ARMC has performed, amongst others, the following:

- To oversee and recommend the risk management policies and procedures of the Group;
- To review and recommend changes as needed to ensure that the Group has in place at all times a risk management policy which addresses the strategies, operational, financial and compliance risks;

# Statement on Risk Management and Internal Control (Cont'd)

## Risk Management Framework (Cont'd)

As part of our Risk Management processes, the Group has adopted a Risk Management System, and the ARMC has performed, amongst others, the following: (Cont'd)

- To implement and maintain a sound risk management framework which identifies, assesses, manages and monitors the Group's business risks;
- To set reporting guidelines for management to report to the committee on the effectiveness of the Group's management of its business risks;
- To review the risk profile of the Group and to evaluate the measures taken to mitigate the business risks; and
- To review the adequacy of management's response to issues identified in risk registers, ensuring that the risks are managed within the Group's risk appetite.

The Board regards risk management as an integral part of the Group's business operations and has oversight over the critical areas through the ARMC. This helps to reduce the uncertainties surrounding the Group's internal and external environment, thus allowing it to maximise and minimise adverse incidences that may arise.

## Internal Audit Function ("IAF")

The Board acknowledges the importance of the internal audit function. The Group has outsourced its IAF to CAS Consulting Services Sdn. Bhd. ("internal Auditor"), an outsourced internal audit service provider. The Internal Auditors independently review the procedures and control processes and report directly to the ARMC on the adequacy and effectiveness of the established internal control system.

The Internal Auditor reports directly to the ARMC during the ARMC meeting. The Internal Auditor is free from any relationship with the Board and Management or any conflict of interest in the operations and activities of the Group, which could impair their objectivity and independence. The Board will continue to outsource its internal audit function to the independent consulting firm to provide an independent evaluation of the system of internal control of the Group.

Internal audits are carried out based on the annual audit plan approved by the ARMC. The internal audit plan covers the key functional areas and business activities of the major subsidiaries of the Group as well as issues relating to control deficiencies and areas for improvements including the relevant recommendations to address the issues. The ARMC works with the Internal Auditors to ensure that the internal audit plan encompasses the audit of the essential services and the follow-up on the audits.

The scope of the IAF's work was not restricted, and the Internal Auditors were allowed full and unrestricted access to the records pertinent to the internal audit and relevant personnel of the Group.

The Internal Auditor present to the ARMC the internal audit reports on a regular basis. The assessment of the adequacy and effectiveness of internal control established in mitigating risks is carried out through interviews and discussions with the management team, review of relevant established policies and procedures and authority limits, and observing and testing of the internal control on a sampling basis.

# Statement on Risk Management and Internal Control (Cont'd)


## Internal Audit Function ("IAF") (Cont'd)

During FYE 2023, the consulting firm undertook internal control audits covering the two internal audit reviews on the Group as follows:

Reporting month	Audit areas
February 2023	<ul style="list-style-type: none"><li>• Control environmental assessments on a subsidiary, Auto Count Sdn Bhd, which covered product development system, investment and fund management system, human resource management and payroll system, sales, billing and collection system, purchase and payment system, account preparation and financial reporting system, fixed assets management and control system, marketing system, licensing system and training, education and support system.</li><li>• Enterprise risk management assessment</li><li>• Review of corporate governance framework and structure</li></ul>
October 2023	<ul style="list-style-type: none"><li>• Control environmental assessment on a subsidiary, AutoCount (S) Pte Ltd, which covered human resource management and payroll system, sales, billing, and collection system, purchase and payment system, account preparation and financial reporting system, fixed assets management and control system, marketing system and support system.</li></ul>

## Other Key Elements of Risk Management and Internal Control System


The other key elements of the Group's internal control system include:




Well-defined organisational structure with clear lines of authority, limits of authority, accountability and responsibilities of the Managing Director, Executive Directors and Senior Management.



Clearly defined terms of reference, authorities and responsibilities of the various Board committees which include the ARMC, Remuneration Committee and Nomination Committee.



Clearly defined and formalised policies and procedures and guidelines are in place to support the Group in achieving its corporate objectives. These policies and procedures including Anti-Bribery and Anti-Corruption Policy provide a basis for ensuring compliance with applicable laws and regulations, and also internal controls with respect to the conduct of business.



The management meets regularly to discuss key operational and management issues. Under the purview of the Managing Director, the heads of the respective operational units of the Group are empowered with the responsibilities of managing their respective operations and business.



## Statement on Risk Management and Internal Control (Cont'd)

### Review of Statement by the External Auditor

In accordance with Rule 15.23 of the Listing Requirements of Bursa Securities, the External Auditors have reviewed this Statement for inclusion in the Annual Report for FYE 2023. Their review was performed in accordance with the Audit and Assurance Practice Guide 3 ("AAPG 3") issued by the Malaysian Institute of Accountants.

Based on their review, the External Auditors have reported to the Board that, based on their review procedures performed and evidence obtained, nothing has come to their attention that causes them to believe that the Statement on Risk Management and Internal Control is not prepared, in all material respects, in accordance with the disclosures required in Paragraphs 41 and 42 of the Guidelines, nor is the Statement factually inaccurate.

### Conclusion

The Board is of the opinion that the Group's risk management and internal control system are satisfactory and have no internal control failure nor any significant weaknesses that resulted in any loss to the Group during the financial year under review. The Board is also cognisant that the Group's risk management framework and system of internal control must be continuously reviewed and evolved to meet the changing business environment. The Group is committed to continuing to take all necessary measures to strengthen the risk management and internal control system to further enhance its effectiveness to ensure all identified risks are managed on a timely basis and are within tolerance limits.

The Board is satisfied that the Group's risk management framework and system of internal control are operating adequately and effectively in all material aspects for FYE 2023.

The Managing Director and Chief Financial Officer of the Group have given the Board the assurance that the Group's risk management and internal control system have been operating adequately and effectively in all critical aspects.

This statement is made in accordance with a resolution of the Board of Directors dated 25 April 2024.

## Audit and Risk Management Committee Report

The Board of Director ("the Board") of Autocount Dotcom Berhad ("ADB" or "the Company") is pleased to present the Report of the Audit and Risk Management Committee ("the ARMC Report") for the financial year ended 31 December 2023 ("FYE 2023"). The ARMC Report provides insights into the manner the ARMC discharged its duties and responsibilities in accordance with its Terms of Reference ("TOR") for FYE 2023.

The ARMC was established to assist the Board in fulfilling its oversight responsibilities, specifically in the areas of financial reporting, corporate governance, risk management, internal control and financial reporting of ADB and its subsidiary companies ("ADB Group" or "the Group"), as well as other areas of responsibilities that may be promulgated by the ACE Market Listing Requirements ("AMLR") and the Malaysian Code on Corporate Governance 2021 ("MCCG" 2021) from time to time. The duties, responsibilities and authority of the ARMC are set out in its terms of reference which have been approved by the Board.

### COMPOSITION & MEETING

The ARMC comprises of three (3) members, all of whom are Independent Non-Executive Directors ("INEDs"). The composition of the ARMC complies with Rule 15.09 (1) of AMLR. The composition and the details of each ARMC members' attendance for FYE 2023 are set out below:

Name	Designation	Meeting Attendance
Mr. Chin Chee Seng	Chairman	4/4
Dato' Ng Wan Peng	Member	4/4
Dr. Liew Soung Yue	Member	4/4

The members of the ARMC have the relevant experience and expertise in finance and accounting and have carried out their duties in accordance with the terms of reference of the ARMC. None of the members were former key audit partners of the Company's existing External Auditors, Baker Tilly Monteiro Heng PLT. The ARMC Chairperson, Chin Chee Seng, is a member of the Malaysian Institute of Accountants (MIA), the Malaysian Institute of Certified Public Accountants (MICPA), and a fellow member of the Association of Chartered Certified Accountants (ACCA) and a registered ASEAN CPA. Profiles of the ARMC members are set out in Directors' Profile Section of this Annual Report.

The notice of ARMC meeting and relevant meeting papers are distributed in advance, normally seven (7) days prior to the meetings to enable the ARMC have sufficient time to review the materials and allowing for better preparation and understanding of the issues to be discussed. The quorum for a meeting shall be two (2) members and the majority members present at the meeting must be independent.

The Company Secretary shall be the Secretary of the ARMC and shall be responsible, in conjunction with the Chairman, for drawing up the agenda and circulating it prior to each meeting. The Company Secretary shall also be responsible for recording the proceedings of the meetings. Minutes of meetings were circulated to all members of ARMC and table for confirmation at the next ARMC meeting.

The ARMC may call for a meeting as and when required with reasonable notice as the ARMC members deem fit. ARMC members may participate in a meeting by means of tele-conference, telephone call, conference, videophone or any similar or other communications method by means of which all persons participating in the meeting can hear each other. Such participation in a meeting shall constitute presence in person at such meeting and shall satisfy the quorum requirement.



# Audit and Risk Management Committee Report (Cont'd)

The Managing Director, Executive Director and Chief Financial Officer (“CFO”) are invited to ARMC meetings to facilitate direct reporting by Executive Management and to enable the provision of updates on the Group’s operations, activities and financial performances. Representatives from the internal auditors, external auditors and other representatives of the Group were also invited to attend the ARMC meetings to discuss specific matters which required their input and advice.

The ARMC reports regularly to the Board on its activities, deliberations and recommendations in discharging its duties and responsibilities. The summary of the work and key matters considered by the ARMC during FYE 2023 are as follows:

1. Financial Reporting
- Reviewed and discussed the unaudited quarterly financial results of ADB Group with the Management and recommended the same for Board’s consideration and approved before releasing to Bursa Securities;
  - Reviewed and discussed the audited financial statements together with the Directors’ and auditor’s statements with external auditors and the Management and recommended the same for the Board’s consideration and approvals; and
2. Internal Audit
- Reviewed and approved the Annual Audit Plan for year 2023 to ensure adequate and comprehensive coverage of the activities of the Group; and
  - Discussed and approved the internal audit reports which highlighted the findings and management’s responses.
3. External Audit
- Reviewed the external auditors’ terms of engagement, audit plan, scope of work, audit fees and non-audit fees for the year under review;
  - Reviewed the independence, performance and effectiveness of external auditors and made recommendations to the Board on their re-appointment and remuneration;
  - Reviewed and discussed the significant issues arising from the financial audits;
  - Held one (1) private discussion with the external auditors without the presence of Management to ensure no restrictions on the scope of their audit and to discuss any matters that they wish to present.
4. Risk Management
- Reviewed, evaluated and make recommendations to the Board on the following matters:-
    - Adequacy and effectiveness of ADB’s Risk Management Framework to ensure appropriate systems and processes are in place; and
    - ADB’s Enterprise Risk Management, Risk Profile to monitor and manage identified risks effectively.
5. Related Party Transactions
- Reviewed related party transactions and recurrent related party transactions entered by the Group on a quarterly basis and ensure all transactions are carry out on arm’s length basis and not detrimental to the Company’s minority shareholders.

# Audit and Risk Management Committee Report (Cont'd)

The ARMC reports regularly to the Board on its activities, deliberations and recommendations in discharging its duties and responsibilities. The summary of the work and key matters considered by the ARMC during FYE 2023 are as follows:  
(Cont'd)

6. Conflict of Interest
- Reviewed potential conflict of interest situations that may arise and the measure to mitigate the conflict of interest.
7. Other Activities
- Reviewed the Statement of on Risk Management and Internal Control and recommend for the Board of Approval; and
  - Reviewed the Corporate Governance Overview Statement and Corporate Governance Report.

## Internal Audit Function

The ARMC recognises the importance of an adequately resourced internal audit function to assist in undertaking a systematic and disciplined approach to assess, evaluate and enhance the effectiveness of the Group’s risk management, internal control and governance systems and processes, and to provide reasonable assurance that such systems and processes continue to operate effectively and in compliance with the Group’s established objectives.

ADB has outsourced its internal audit function to a professional services firm, namely CAS Consulting Services Sdn Bhd (“CAS”), to assist the ARMC in undertaking independent assessment on the adequacy, efficiency and effectiveness of the Group’s system of risk management and internal control.

During the financial year under review, CAS has undertaken the following activities:

- a) Developed risk-based internal audit plan for ARMC’s approval
- b) Conducted internal audit reviews in accordance with the internal audit plan that is approved by the ARMC
- c) Presented results of internal audit reviews together with recommendations for improvement and management’s responses to the internal audit results during quarterly ARMC meetings
- d) Reviewed the adequacy and effectiveness of the system of internal control in managing risks that may impede the Group from achieving its business objectives

Total costs incurred on the outsourced internal audit function of the Group for FYE2023 was approximately at RM38,000.



# Financial Statements

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## Directors' Report

The directors hereby submit their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2023.

### PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of its subsidiaries include wholesale of computer hardware, software and peripherals, trading of software and services and development of software, and programming activities.

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

### RESULTS

	Group RM	Company RM
Profit for the financial year, net of tax	12,982,975	15,345,529
Attributable to: Owners of the Company	12,982,975	15,345,529

### DIVIDENDS

The amount of dividend declared and paid by the Company since the end of the previous financial period was as follow:

	RM
Single tier interim dividend of RM0.02 per ordinary share in respect of the financial year ended 31 December 2023, paid on 29 September 2023	11,010,000

The directors do not recommend the payment of any final dividends in respect of the financial year ended 31 December 2023.

### RESERVES OR PROVISIONS

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



## Directors' Report (Cont'd)

### BAD AND DOUBTFUL DEBTS

Before the financial statements of the Company were prepared, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and had satisfied themselves that there were no known bad debts and that no allowance for doubtful debts was required.

At the date of this report, the directors are not aware of any circumstances which would render it necessary to write off any bad debts or to make any allowance for doubtful debts in the financial statements of the Company.

### CURRENT ASSETS

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

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

### VALUATION METHODS

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

### CONTINGENT AND OTHER LIABILITIES

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

- (i) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; and
- (ii) any contingent liabilities in respect of the Group and of the Company that has arisen since the end of the financial year.

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

## Directors' Report (Cont'd)

### CHANGE OF CIRCUMSTANCES

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

### ITEMS OF MATERIAL AND UNUSUAL NATURE

In the opinion of the directors,

- (i) the results of the operations of the Group and of the Company for the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
- (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

### AUDITORS' REMUNERATION AND INDEMNITY

The auditors' remuneration of the Group and of the Company during the financial year were RM196,893 and RM69,000 respectively.

The Company has agreed to indemnify the auditors of the Company as permitted under Section 289 of the Companies Act 2016 in Malaysia.

### ISSUE OF SHARES AND DEBENTURES

During the financial year, the Company issued 93,585,000 new ordinary shares at a price of RM0.33 per ordinary share for a total cash consideration of RM30,883,050 pursuant to the Initial Public Offering of the Company on the ACE Market of Bursa Malaysia Securities Berhad.

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

There was no issuance of debentures during the financial year.

### OPTIONS GRANTED OVER UNISSUED SHARES

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

Directors’ Report (Cont’d)

DIRECTORS

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

Choo Chin Peng\*  
Choo Yan Tiee\*  
Dato’ Ng Wan Peng  
Chin Chee Seng  
Liew Soung Yue

\* Director of the Company and certain subsidiaries.

Other than as stated above, the name of the director of the subsidiaries of the Company in office during the financial year and during the period from the end of the financial year to the date of this report are:

Tan Wee Kong

DIRECTORS’ INTERESTS

According to the Register of Directors’ Shareholdings required to be kept by the Company under Section 59 of the Companies Act 2016 in Malaysia, the interests of directors in office at the end of the financial year in shares in the Company during the financial year were as follows:

Interests in the Company

	Number of ordinary shares			At 31.12.2023
	At 1.1.2023	Bought	Sold	
Direct interests:				
Choo Chin Peng	187,421,964	-	(18,064,768)	169,357,196
Choo Yan Tiee	187,421,964	-	(18,064,768)	169,357,196

By virtue of their interests in the ordinary shares of the Company and pursuant to Section 8 of the Companies Act 2016 in Malaysia, Choo Chin Peng and Choo Yan Tiee are deemed to have an interest in the ordinary shares of the subsidiaries to the extent that the Company has an interest.

Other than as stated above, none of the other directors in office at the end of the financial year had any interest in ordinary shares or debentures of the Company and its related corporations during the financial year.

Directors’ Report (Cont’d)

DIRECTORS’ BENEFITS

Since the end of the previous financial period, no director of the Company has received or become entitled to receive any benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable, by the 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 the director is a member, or with a company in which the director has a substantial financial interest.

The directors’ benefits of the Group and of the Company were as follows:

	Group RM	Company RM
Directors of the Company:		
Executive directors		
- Fees	-	-
- Salaries, bonus and wages	1,495,400	-
- Defined contribution plans	139,474	-
- Other emoluments	17,273	4,000
- Benefits-in-kind	48,550	-
	1,700,697	4,000
Non-executive directors		
- Fees	115,500	115,500
- Other emoluments	6,000	6,000
	121,500	121,500
	1,822,197	125,500

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

INDEMNITY TO DIRECTORS AND OFFICERS

During the financial year, the total amount of indemnity coverage and insurance premium paid for the directors of the Group and of the Company were RM1,150,000 and RM14,000 respectively.

During the financial year, no indemnity was given to or insurance effected for, any officers of the Group and of the Company.

Directors’ Report (Cont’d)

SUBSIDIARIES

The details of the Company’s subsidiaries are as follows:

Name of the company	Principal place of business/ Country of incorporation	Effective Equity Interest		Principal activities
		2023 %	2022 %	
Autocount Software Sdn. Bhd.	Malaysia	100	100	Dormant
Auto Count Sdn. Bhd.	Malaysia	100	100	Trading and development of software
<u>Subsidiaries of Auto Count Sdn. Bhd.</u> Autocount (S) Pte Ltd.	Singapore	100	100	Wholesale of computer software (except games) and also development of other software and programming activities
Autocount On The Go Sdn. Bhd.	Malaysia	100	100	Developing and distributing software
Autocount (Thailand) Co., Ltd. *	Thailand	100	-	Wholesale of software and software related services
Autocount (Philippines) Inc.*	Philippines	100	-	Wholesale of software and software related services
PT Autocount Software Indonesia*	Indonesia	100	-	Wholesale of software and software related services

\* Auditors’ report is not available.

The available auditors’ reports on the accounts of the subsidiaries did not contain any qualification.

Directors’ Report (Cont’d)

SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

Listing on ACE Market of Bursa Malaysia Securities Berhad

On 14 April 2023, the Company issued its Prospectus in relation to the Initial Public Offering comprising the public issue of 93,585,000 new ordinary shares of the Company at an Initial Public Offering price of RM0.33 per share, representing 25% of the enlarged issued share capital, to be allocated and allotted in the following manner:

- (a)

Public issue of 93,585,000 new ordinary shares in the Company (“shares”) in the following manner:

(i)

27,525,000 new shares available for application by the Malaysia public;

(ii)

11,010,000 new shares available for application by our eligible employees and persons who have contributed to the success of the Group and of the Company; and

(iii)

55,050,000 new shares available by way of placement to selected investors, and
- (b)

Offer for sale of 44,040,000 existing shares by way of private placement to selected investors.

On 9 May 2023, the Company was listed on the ACE Market of Bursa Malaysia Securities Berhad comprising public issue of 93,585,000 new ordinary shares.



Directors’ Report (Cont’d)

AUDITORS

The auditors, Messrs Baker Tilly Monteiro Heng PLT, have expressed their willingness to continue in office.

This report was approved and signed on behalf of the Board of Directors in accordance with a resolution of the directors.

CHOO CHIN PENG  
Director

CHOO YAN TIEE  
Director

Date: 25 April 2024

Statements of Financial Position  
as at 31 December 2023

	Note	Group 2023 RM	2022 RM	Company 2023 RM	2022 RM
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	5	14,938,747	11,664,693	-	-
Right-of-use asset	6	103,213	-	-	-
Intangible assets	7	1,672,567	1,706,466	-	-
Investment in subsidiaries	8	-	-	8,013,009	8,013,009
Deferred tax assets	9	1,612,708	706,742	-	-
<b>Total non-current assets</b>		<b>18,327,235</b>	<b>14,077,901</b>	<b>8,013,009</b>	<b>8,013,009</b>
<b>Current assets</b>					
Trade and other receivables	10	4,487,520	479,562	5,327,025	-
Contract assets	11	-	136,060	-	-
Contract costs	12	403,411	-	-	-
Short-term investments	13	16,475,526	-	8,805,559	-
Cash and short-term deposits	14	31,409,371	22,608,688	20,119,203	2
<b>Total current assets</b>		<b>52,775,828</b>	<b>23,224,310</b>	<b>34,251,787</b>	<b>2</b>
<b>TOTAL ASSETS</b>		<b>71,103,063</b>	<b>37,302,211</b>	<b>42,264,796</b>	<b>8,013,011</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity attributable to owners of the Company</b>					
Share capital	15	38,154,067	8,007,511	38,154,067	8,007,511
Exchange reserve	16	135,927	104,852	-	-
Merger deficit	17	(7,506,009)	(7,506,009)	-	-
Retained earnings/(Accumulated loss)		23,029,585	21,056,610	3,975,850	(359,679)
<b>TOTAL EQUITY</b>		<b>53,813,570</b>	<b>21,662,964</b>	<b>42,129,917</b>	<b>7,647,832</b>
<b>Non-current liabilities</b>					
Term loans	18	-	4,510,219	-	-
Lease liability	19	31,566	-	-	-
Deferred tax liabilities	9	70,834	6,224	65,108	-
<b>Total non-current liabilities</b>		<b>102,400</b>	<b>4,516,443</b>	<b>65,108</b>	<b>-</b>
<b>Current liabilities</b>					
Term loans	18	-	465,423	-	-
Lease liability	19	73,136	-	-	-
Current tax liabilities		995,164	1,375,766	23,784	-
Other payables	20	7,389,807	4,693,201	45,987	365,179
Contract liabilities	11	8,728,986	4,588,414	-	-
<b>Total current liabilities</b>		<b>17,187,093</b>	<b>11,122,804</b>	<b>69,771</b>	<b>365,179</b>
<b>TOTAL LIABILITIES</b>		<b>17,289,493</b>	<b>15,639,247</b>	<b>134,879</b>	<b>365,179</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>71,103,063</b>	<b>37,302,211</b>	<b>42,264,796</b>	<b>8,013,011</b>

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

## Statements of Comprehensive Income for the financial year ended 31 December 2023

	Note	Group		Company	
		1.1.2023 to 31.12.2023 RM	1.1.2022 to 31.12.2022 RM	1.1.2023 to 31.12.2023 RM	25.2.2022 (Date of incorporation) to 31.12.2022 RM
Revenue	21	41,491,261	38,716,784	16,010,000	-
Cost of sales		(10,485,608)	(7,768,630)	-	-
<b>Gross profit</b>		<b>31,005,653</b>	<b>30,948,154</b>	<b>16,010,000</b>	<b>-</b>
Other income	22	1,031,210	818,468	-	-
Administrative expenses		(6,905,669)	(6,079,601)	(1,197,474)	(359,679)
Selling and distribution expenses		(7,783,147)	(6,760,232)	-	-
Other operating expenses		(1,000,792)	(595,300)	-	-
<b>Operating profit/(loss)</b>		<b>16,347,255</b>	<b>18,331,489</b>	<b>14,812,526</b>	<b>(359,679)</b>
Finance income	23	1,116,367	150,217	673,870	-
Finance costs	24	(190,270)	(189,050)	-	-
<b>Profit/(Loss) before tax</b>	<b>25</b>	<b>17,273,352</b>	<b>18,292,656</b>	<b>15,486,396</b>	<b>(359,679)</b>
Income tax expense	27	(4,290,377)	(4,370,066)	(140,867)	-
Profit/(Loss) for the financial year/period		12,982,975	13,922,590	15,345,529	(359,679)
<b>Other comprehensive income</b>					
<i>Item that may be reclassified subsequently to profit or loss</i>					
Exchange differences on translation of foreign operations		31,075	104,030	-	-
<b>Total comprehensive income/(loss) for the financial year/period</b>		<b>13,014,050</b>	<b>14,026,620</b>	<b>15,345,529</b>	<b>(359,679)</b>
<b>Profit/(Loss) attributable to owners of the Company</b>		<b>12,982,975</b>	<b>13,922,590</b>	<b>15,345,529</b>	<b>(359,679)</b>
<b>Total comprehensive income/(loss) attributable to owners of the Company</b>		<b>13,014,050</b>	<b>14,026,620</b>	<b>15,345,529</b>	<b>(359,679)</b>
<b>Earnings per share attributable to ordinary shareholders of the Company (sen)</b>					
Basic and diluted	28	2.51	4.84		

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

## Statements of Changes in Equity for the financial year ended 31 December 2023

	Note	Attributable to owners of the Company				Total equity RM
		Share capital RM	Exchange reserve RM	Merger deficit RM	Retained earnings RM	
<b>Group</b>						
<b>At 1 January 2023</b>		8,007,511	104,852	(7,506,009)	21,056,610	21,662,964
<b>Total comprehensive income for the financial year</b>						
Profit for the financial year		-	-	-	12,982,975	12,982,975
Exchange differences on translation of foreign operations		-	31,075	-	-	31,075
<b>Total comprehensive income</b>		-	31,075	-	12,982,975	13,014,050
<b>Transactions with owners</b>						
Issue of ordinary shares	15	30,883,050	-	-	-	30,883,050
Transaction costs of share issue		(736,494)	-	-	-	(736,494)
Dividends paid on shares	29	-	-	-	(11,010,000)	(11,010,000)
<b>Total transactions with owners</b>		<b>30,146,556</b>	<b>-</b>	<b>-</b>	<b>(11,010,000)</b>	<b>19,136,556</b>
<b>At 31 December 2023</b>		<b>38,154,067</b>	<b>135,927</b>	<b>(7,506,009)</b>	<b>23,029,585</b>	<b>53,813,570</b>

Statements of Changes in Equity  
for the financial year ended 31 December 2023 (Cont'd)

	Note	Attributable to owners of the Company					Total equity RM
		Share capital RM	Invested equity RM	Exchange reserve RM	Merger deficit RM	Retained earnings RM	
Group							
At 1 January 2022		-	801,600	822	-	7,134,020	7,936,442
Total comprehensive income for the financial year							
Profit for the financial year		-	-	-	-	13,922,590	13,922,590
Exchange differences on translation of foreign operation		-	-	104,030	-	-	104,030
Total comprehensive income		-	-	104,030	-	13,922,590	14,026,620
Transactions with owners							
Issue of ordinary shares	15	2	-	-	-	-	2
Shares issued for acquisition of subsidiaries	15, 17	8,007,509	(801,600)	-	(7,506,009)	-	(300,100)
Total transactions with owners		8,007,511	(801,600)	-	(7,506,009)	-	(300,098)
At 31 December 2022		8,007,511	-	104,852	(7,506,009)	21,056,610	21,662,964

Statements of Changes in Equity  
for the financial year ended 31 December 2023 (Cont'd)

← Attributable to owners of the Company →				
			(Accumulated loss)/ Retained earning RM	Total equity RM
	Note	Share capital RM		
<b>Company</b>				
At 25 February 2022 (date of incorporation)		2	-	2
<b>Total comprehensive loss for the financial period</b>				
Loss for the financial period, representing total comprehensive loss for the financial period		-	(359,679)	(359,679)
<b>Transaction with owners</b>				
Issue of ordinary shares, representing total transaction with owners	15	8,007,509	-	8,007,509
At 31 December 2022		8,007,511	(359,679)	7,647,832
<b>Total comprehensive income for the financial year</b>				
Profit for the financial year, representing total comprehensive income for the financial year		-	15,345,529	15,345,529
<b>Transactions with owners</b>				
Issue of ordinary shares	15	30,883,050	-	30,883,050
Transaction costs of share issue		(736,494)	-	(736,494)
Dividends paid on shares	29	-	(11,010,000)	(11,010,000)
Total transactions with owners		30,146,556	(11,010,000)	19,136,556
At 31 December 2023		38,154,067	3,975,850	42,129,917



# Statements of Cash Flows

## for the financial year ended 31 December 2023

Note	Group		Company	
	1.1.2023 to 31.12.2023 RM	1.1.2022 to 31.12.2022 RM	1.1.2023 to 31.12.2023 RM	25.2.2022 (Date of incorporation) to 31.12.2022 RM
<b>Cash flows from operating activities</b>				
Profit/(Loss) before tax	17,273,352	18,292,656	15,486,396	(359,679)
Adjustments for:				
Amortisation of intangible assets	178,429	87,183	-	-
Deposit written off	21,490	-	-	-
Depreciation of property, plant and equipment	834,972	605,928	-	-
Depreciation of right- of-use asset	41,528	6,735	-	-
Dividend income	-	-	(5,000,000)	-
Fair value gain on short-term investments	(41,606)	-	-	-
Finance costs	190,270	189,050	-	-
Finance income	(1,116,367)	(150,217)	(673,870)	-
Gain on disposal of a subsidiary	-	(307,945)	-	-
Gain on disposal of short-term investments	(28,510)	-	-	-
Gain on disposal of property, plant and equipment	(167,196)	-	-	-
Net unrealised loss/(gain) on foreign exchange	133,804	(364,187)	-	-
Property, plant and equipment written off	-	2,500	-	-
<b>Operating profit/(loss) before changes in working capital</b>	<b>17,320,166</b>	<b>18,361,703</b>	<b>9,812,526</b>	<b>(359,679)</b>
<b>Changes in working capital:</b>				
Trade and other receivables	(3,705,209)	3,239,786	(15,478)	-
Contract assets	136,060	(16,251)	-	-
Contract costs	(403,411)	-	-	-
Other payables	2,394,199	1,057,693	39,837	6,150
Contract liabilities	4,287,403	(498,847)	-	-
<b>Cash generated from/(used in) operations</b>	<b>20,029,208</b>	<b>22,144,084</b>	<b>9,836,885</b>	<b>(353,529)</b>
Income tax paid	(5,524,691)	(4,578,251)	(51,975)	-
<b>Net cash from/(used in) operating activities</b>	<b>14,504,517</b>	<b>17,565,833</b>	<b>9,784,910</b>	<b>(353,529)</b>

# Statements of Cash Flows

## for the financial year ended 31 December 2023 (Cont'd)

Note	Group		Company	
	1.1.2023 to 31.12.2023 RM	1.1.2022 to 31.12.2022 RM	1.1.2023 to 31.12.2023 RM	25.2.2022 (Date of incorporation) to 31.12.2022 RM
<b>Cash flows from investing activities</b>				
Purchase of property, plant and equipment	(a)	(4,106,976)	(2,313,139)	-
Proceeds from disposal of property, plant and equipment		167,200	-	-
Development of intangible assets		(144,530)	(603,310)	-
Purchase of short-term investments		(32,510,700)	-	(19,800,000)
Proceeds from disposal of short-term investments		16,106,401	-	10,994,441
Proceeds from disposal of a subsidiary	8(c)	-	205,081	-
Drawdown of short-term deposits		1,800,000	-	-
Placement of short-term deposits		(20,000,000)	(1,800,000)	(20,000,000)
Advances to a subsidiary		-	-	(16,171)
Acquisition of subsidiaries, net of cash acquired	8(b)	-	(469,442)	-
Interest received		799,369	150,217	378,494
<b>Net cash used in investing activities</b>		<b>(37,889,236)</b>	<b>(4,830,593)</b>	<b>(28,443,236)</b>
<b>Cash flows from financing activities</b>				
Repayment of term loans	(b)	(4,975,642)	(462,244)	-
Payment of lease liability	(b)	(41,088)	(7,151)	-
Interest paid		(190,270)	(189,050)	-
(Repayment to)/Advances from a subsidiary	(b)	-	-	(359,029)
Dividend paid on shares				
- Owners of the Company		(11,010,000)	(16,000,000)	(11,010,000)
Repayment to a director	(b)	-	(240,558)	-
Net proceeds from issuance of ordinary shares		30,146,556	2	30,146,556
<b>Net cash from/(used in) financing activities</b>		<b>13,929,556</b>	<b>(16,899,001)</b>	<b>18,777,527</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(9,455,163)</b>	<b>(4,163,761)</b>	<b>119,201</b>
<b>Cash and cash equivalents at the beginning of the year/date of incorporation</b>		<b>20,808,688</b>	<b>24,856,281</b>	<b>2</b>
Effects of exchange rate changes on cash and cash equivalents		55,846	116,168	-
<b>Cash and cash equivalents at the end of the financial year/period</b>	<b>14</b>	<b>11,409,371</b>	<b>20,808,688</b>	<b>119,203</b>

## Statements of Cash Flows for the financial year ended 31 December 2023 (Cont'd)

### (a) Purchase of property, plant and equipment

During the financial year, the Group acquired PPE with an aggregate cost of RM4,106,976 (2022: RM2,313,139) which are satisfied by cash payments.

### (b) Reconciliation of liabilities arising from financing activities

	1.1.2023 RM	Cash flows RM	Non-cash Acquisition RM	31.12.2023 RM
<b>Group</b>				
Term loans	4,975,642	(4,975,642)	-	-
Lease liability	-	(41,088)	145,790	104,702
	4,975,642	(5,016,730)	145,790	104,702

	1.1.2023 RM	Cash flows RM	Non-cash RM	31.12.2023 RM
<b>Company</b>				
Amount owing to a subsidiary	359,029	(359,029)	-	-

	1.1.2022 RM	Cash flows RM	Non-cash RM	31.12.2022 RM
<b>Group</b>				
Term loans	5,437,886	(462,244)	-	4,975,642
Lease liability	7,151	(7,151)	-	-
Amount owing to a director	240,558	(240,558)	-	-
	5,685,595	(709,953)	-	4,975,642

	25.2.2022 (Date of incorporation) RM	Cash flows RM	Non-cash RM	31.12.2022 RM
<b>Company</b>				
Amount owing to a subsidiary	-	359,029	-	359,029

## Statements of Cash Flows for the financial year ended 31 December 2023 (Cont'd)

### (c) Total cash outflow for leases as a lessee:

	Note	Group 2023 RM	2022 RM
<b>Included in net cash from/(used in) operating activities:</b>			
Payments relating to short-term leases	25	21,920	75,640
Payments relating to lease of low value assets	25	7,073	9,018
		28,993	84,658
<b>Included in net cash from/(used in) financing activities:</b>			
Interest paid in relation to lease liability	24	3,474	49
Payment of lease liability		41,088	7,151
<b>Total cash outflows of leases</b>		<b>73,555</b>	<b>91,858</b>

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

# Notes to the Financial Statements

1. CORPORATE INFORMATION

Autocount Dotcom Berhad (“the Company”) is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the ACE Market of Bursa Malaysia Securities Berhad on 9 May 2023. The registered office of the Company is located at Level 5, Tower 8, Avenue 5, Horizon 2, Bangsar South City, 59200 Kuala Lumpur, Malaysia. The principal place of business of the Company is located at B2-3A-01, Level 3A, Block B2, Meritus @ Oasis Corporate Park, No. 2, Jalan PJU 1A/2, Ara Damansara, 47301 Petaling Jaya, Selangor.

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are set out in Note 8. There have been no significant changes in the nature of these activities during the financial year.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 25 April 2024.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

2.2 Adoption of new MFRS and amendments to MFRSs

The Group and the Company have adopted the following applicable new MFRS and amendments to MFRSs for the current financial year:

New MFRS	
MFRS 1	Insurance Contracts

Amendments to MFRSs	
MFRS 101	Presentation of Financial Statements
MFRS 108	Accounting Policies, Change in Accounting Estimates and Errors
MFRS 112	Income Taxes

The adoption of the above new MFRS and amendments to MFRSs did not have any significant effect on the financial statements of the Group and of the Company and did not result in significant changes to the Group’s and the Company’s existing accounting policies, except as discussed below:

*Amendments to MFRS 101 Presentation of Financial Statements*

The amendments require an entity to disclose its material accounting policy information rather than significant accounting policies. The amendments, amongst others, also include examples of circumstances in which an entity is likely to consider an accounting policy information to be material to its financial statements.

# Notes to the Financial Statements (Cont’d)

2. BASIS OF PREPARATION (CONT’D)

2.2 Adoption of new MFRS and amendments to MFRSs (Cont’d)

Accordingly, the Group and the Company disclosed their material accounting policy information in these financial statements. However, the amendments did not result in changes to the accounting policies of the Group and of the Company.

2.3 Amendments to MFRSs that have been issued, but yet to be effective

The Group and the Company have not adopted the following amendments to MFRSs that have been issued, but yet to be effective:

		Effective for financial periods beginning on or after
<u>Amendments to MFRSs</u>		
MFRS 7	Financial Instruments: Disclosures	1 January 2024
MFRS 10	Consolidated Financial Statements	Deferred
MFRS 16	Leases	1 January 2024
MFRS 101	Presentation of Financial Statements	1 January 2024
MFRS 107	Statements of Cash Flows	1 January 2024
MFRS 121	The Effects of Changes in Foreign Exchange Rates	1 January 2025
MFRS 128	Investments in Associates and Joint Ventures	Deferred

2.3.1 The Group and the Company plan to adopt the above applicable amendments to MFRSs when they become effective. The initial application of the applicable amendments to MFRSs is not expected to have material impact to the current and prior periods financial statements.

2.4 Functional and presentation currency

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

2.5 Basis of measurement

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



Notes to the Financial Statements (Cont’d)

3. MATERIAL ACCOUNTING POLICY INFORMATION

Unless otherwise stated, the following material accounting policy information have been applied consistently to all the financial years presented in the financial statements of the Group and of the Company.

3.1 Basis of consolidation

(a) Subsidiaries and business combination

The subsidiaries are accounted for using merger method of accounting.

A business combination involving entities under common control is a business combination in which all the combining entities or subsidiaries are ultimately controlled by the same party and parties both before and after the business combination, and that control is not transitory. Under the merger method of accounting, the results of subsidiaries are presented as if the business combination had been affected throughout the current and previous financial years. The assets and liabilities combined are accounted for based on the carrying amounts from the perspective of the common control shareholder at the date of transfer. On consolidation, the difference between costs of acquisition over the nominal value of share capital of the subsidiaries is taken to merger reserve or merger deficit.

3.2 Separate financial statements

In the Company’s statement of financial position, investments in subsidiaries are measured at cost less any accumulated impairment losses.

3.3 Financial instruments

Financial assets – subsequent measurement and gain and losses

Financial assets at fair value through profit or loss

The Group and the Company subsequently measure these assets at fair value. Net gains and losses, including income are recognised in profit or loss.

Debt instruments at amortised cost

The Group and the Company subsequently measure these assets at amortised cost under the effective interest method. The gross carrying amount is reduced by impairment losses. Interest income, foreign exchange gain and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities – subsequent measurement and gain and losses

The Group and the Company subsequently measure all financial liabilities at amortised cost under the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Notes to the Financial Statements (Cont’d)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.4 Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

All property, plant and equipment are depreciated on straight-line basis by allocating their depreciable amounts over their remaining useful lives.

The principal annual rates used for this purpose are:

Leasehold building	2%
Freehold buildings	2%
Office equipment, furniture and fittings	10%
Computers	20% - 40%
Renovation	10%
Motor vehicles	20%

3.5 Leases

Lessee accounting

The Group presents right-of-use assets and lease liabilities as separate lines in the statements of financial position.

Short-term leases and leases of low value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. Accordingly, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Right-of-use assets

The right-of-use assets are measured at cost less accumulated depreciation and any accumulated impairment losses, and adjust for any remeasurement of the lease liabilities. The right-of-use assets are depreciated using 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.

Lease liabilities

The lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the incremental borrowing rate.

The Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

Notes to the Financial Statements (Cont’d)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.6 Intangible assets

Intangible assets that are developed by the Group, which have finite useful lives, are measured at cost less any accumulated amortisation and any accumulated impairment losses.

The amortisation methods used and the estimated useful lives are as follows:

	Method	Useful lives (years)
Development costs	Straight-line	10

Intangible assets under development included in intangible assets are not amortised as these assets are not yet available for use.

3.7 Revenue and other income

(a) Revenue from trading of software and other related products

The Group sells a range of software products to customers.

Revenue from on-premise software products are recognised at a point in time when control of the products has been transferred, being when the customers accept to the delivery of the goods. Revenue is recognised based on the price specified in the contract, net of volume discounts.

Revenue from cloud-native software is recognised overtime as the customer receives and uses the benefits simultaneously. This is determined based on time elapsed.

Sales are made with credit terms of 7 to 30 days and no element of financing is present. A receivable is recognised when the customer accepts the delivery of the goods as the consideration is unconditional other than the passage of time before the payment is due.

(b) Rendering of services

Revenue from a contract provide services is recognised over time as the services are rendered because the customer services and uses the benefits simultaneously. This is determined based on the time elapsed (output method).

Sales are made with credit term of 7 to 30 days and no element of financing is present. A receivable is recognised when the customer accepts the delivery of the goods as the consideration is unconditional other than passage of time before the payment is due.

(c) Dividend income

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

(d) Interest income

Interest income is recognised using the effective interest method.

Notes to the Financial Statements (Cont’d)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.8 Contract costs

In the previous financial years, the Group has applied the practical expedient to recognise the incremental costs of obtaining contracts as an expense when incurred if the armortisation periods of the asset that the Group otherwise would have recognised are one year or less.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

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

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

Revenue from trading of software activities

Significant judgement is required to be made by the Group, in particular with regards to determining the transaction price and the satisfaction of performance obligation. The revenue recognised is affected by the effects of variable consideration and the consideration payable to customer included in transaction price.

The carrying amounts of the Group’s contract assets, contract costs and contract liabilities are disclosed in Notes 11 and 12.

Notes to the Financial Statements (Cont'd)

5. PROPERTY, PLANT AND EQUIPMENT

Group 2023									
Cost									
At 1 January 2023	680,000	9,689,500	1,230,345	505,133	1,375,047	1,920,601		15,400,626	
Additions	-	1,500,925	528,905	510,948	276,739	1,289,459		4,106,976	
Disposal	-	-	-	-	-	(925,596)		(925,596)	
Exchange differences	-	-	2,239	899	2,081	-		5,219	
At 31 December 2023	680,000	11,190,425	1,761,489	1,016,980	1,653,867	2,284,464		18,587,225	
Accumulated depreciation									
At 1 January 2023	95,200	243,536	601,387	382,764	557,453	1,855,593		3,735,933	
Depreciation charge for the financial year	25	13,600	206,298	143,403	156,503	151,887		834,972	
Disposal	-	-	-	-	-	(925,592)		(925,592)	
Exchange differences	-	-	1,172	873	1,120	-		3,165	
At 31 December 2023	108,800	449,834	765,840	527,040	715,076	1,081,888		3,648,478	
Carrying amount									
At 31 December 2023	571,200	10,740,591	995,649	489,940	938,791	1,202,576		14,938,747	

Notes to the Financial Statements (Cont'd)

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

Group 2022									
Cost									
At 1 January 2022		680,000	8,139,500	1,164,520	524,546	1,029,404	1,920,601	13,458,571	
Additions		-	1,550,000	197,926	112,631	452,582	-	2,313,139	
Written off		-	-	(119,226)	(130,952)	(99,768)	-	(349,946)	
Disposal of a subsidiary	8(c)	-	-	(15,729)	(1,946)	(9,584)	-	(27,259)	
Exchange differences		-	-	2,854	854	2,413	-	6,121	
At 31 December 2022		680,000	9,689,500	1,230,345	505,133	1,375,047	1,920,601	15,400,626	
Accumulated depreciation									
At 1 January 2022		81,600	67,830	611,392	431,340	557,063	1,735,369	3,484,594	
Depreciation charge for the financial year	25	13,600	175,706	110,898	83,478	102,022	120,224	605,928	
Written off		-	-	(116,935)	(130,841)	(99,670)	-	(347,446)	
Disposal of a subsidiary	8(c)	-	-	(5,025)	(1,946)	(2,877)	-	(9,848)	
Exchange differences		-	-	1,057	733	915	-	2,705	
At 31 December 2022		95,200	243,536	601,387	382,764	557,453	1,855,593	3,735,933	
Carrying amount									
At 31 December 2022		584,800	9,445,964	628,958	122,369	817,594	65,008	11,664,693	



## Notes to the Financial Statements (Cont'd)

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

- (a) Leasehold building has remaining lease term of 74 years (2022: 75 years).
- (b) In the previous financial year, freehold buildings with total carrying amount of RM7,908,880 has been pledged as security to secure term loans of the Group as disclosed in Noted 18.

## 6. RIGHT-OF-USE ASSET

	Note	Building RM
<b>Group</b>		
At 1 January 2022		67,551
Derecognition		(67,551)
At 31 December 2022		-
Addition		145,712
At 31 December 2023		145,712
<b>Accumulated depreciation</b>		
At 1 January 2022		60,816
Depreciation charge for the financial year	25	6,735
Derecognition		(67,551)
At 31 December 2022		-
Depreciation charge for the financial year	25	41,528
Translation differences		971
At 31 December 2023		42,499
<b>Carrying amount</b>		
At 31 December 2022		-
At 31 December 2023		103,213

The Group leases building for their office space with lease term of 2 years.

## Notes to the Financial Statements (Cont'd)

## 7. INTANGIBLE ASSETS

	Note	Development costs RM
<b>Group</b>		
<b>Cost</b>		
At 1 January 2022		1,219,400
Additions		
- developed internally		603,310
At 31 December 2022		1,822,710
Additions		
- acquired separately		100,000
- developed internally		44,530
At 31 December 2023		1,967,240
<b>Accumulated amortisation</b>		
At 1 January 2022		29,061
Amortisation charge for the financial year	25	87,183
At 31 December 2022		116,244
Amortisation charge for the financial year	25	178,429
At 31 December 2023		294,673
<b>Carrying amount</b>		
At 31 December 2022		1,706,466
At 31 December 2023		1,672,567

## (a) Development costs

Development costs principally comprise internally generated expenditure on major projects where it is reasonably anticipated that the costs will be recovered through future commercial activities.

## (b) Amortisation

The amortisation of development costs of the Group amounting to RM178,429 (2022: RM87,183) are included in cost of sales.

## Notes to the Financial Statements (Cont'd)

## 8. INVESTMENT IN SUBSIDIARIES

	Company 2023 RM	2022 RM
Unquoted shares, at cost	8,013,009	8,013,009

The details of the subsidiaries are as follows:

Name of the company	Principal place of business/ Country of incorporation	Effective Equity Interest		Principal activities
		2023 %	2022 %	
Autocount Software Sdn. Bhd.	Malaysia	100	100	Dormant
Auto Count Sdn. Bhd.	Malaysia	100	100	Trading and development of software
<b><u>Subsidiaries of Auto Count Sdn. Bhd.</u></b>				
Autocount (S) Pte. Ltd. ^	Singapore	100	100	Wholesale of computer software (except games) and also development of other software and programming activities
Autocount On The Go Sdn. Bhd.	Malaysia	100	100	Developing and distributing software
Autocount (Thailand) Co., Ltd. *	Thailand	100	-	Wholesale of software and software related services
Autocount (Philippines) Inc. *	Philippines	100	-	Wholesale of software and software related services
PT Autocount Software Indonesia *	Indonesia	100	-	Wholesale of software and software related services

^ Audited by an independent member firm of Baker Tilly International, other than Baker Tilly Monteiro Heng PLT.

\* Consolidated using unaudited management financial statements, auditors' report is not available.

## Notes to the Financial Statements (Cont'd)

## 8. INVESTMENT IN SUBSIDIARIES (CONT'D)

## (a) Incorporation of new subsidiaries

**2023**

- (i) On 6 October 2023, a wholly-owned subsidiary of the Company, Auto Count Sdn. Bhd. incorporated a wholly-owned subsidiary, namely Autocount (Thailand) Co., Ltd. with an issued and paid-up share capital of 600,000 ordinary shares in THB 3,000,000 (equivalent to approximately RM382,830).
- (ii) On 4 December 2023, a wholly-owned subsidiary of the Company, Auto Count Sdn. Bhd. incorporated a wholly-owned subsidiary, namely Autocount (Philippines) Inc. with an issued and paid-up share capital of 11,400,000 ordinary shares in PHP 11,400,000 (equivalent to approximately RM960,917).
- (iii) On 13 December 2023, a wholly-owned subsidiary of the Company, Auto Count Sdn. Bhd. incorporated a wholly-owned subsidiary, namely PT Autocount Software Indonesia with an issued and paid-up share capital of 10,001 ordinary shares in IDR 10,001,000,000 (equivalent to approximately RM3,020,302).

## (b) Acquisition of new subsidiaries

**2022**

- (i) Acquisition of Autocount On The Go Sdn. Bhd. and Autocount Software Sdn. Bhd.

On 18 February 2022, a wholly-owned subsidiary of the Company, Auto Count Sdn. Bhd. entered into a share sale agreement to acquire the entire issued share capital of Autocount On The Go Sdn. Bhd. ("AOTGSB") comprising 300,000 ordinary shares for a total purchase consideration of RM300,000 which was wholly satisfied by cash. The acquisition was completed on 15 April 2022.

On 6 April 2022, the Company entered into a conditional share sale agreement to acquire the entire issued share capital of Autocount Software Sdn. Bhd. ("ASSB") comprising 5,500 ordinary shares for a total purchase consideration of RM5,500 which was wholly satisfied in cash. The acquisition was completed on 9 May 2022.

Notes to the Financial Statements (Cont'd)

8. INVESTMENT IN SUBSIDIARIES (CONT'D)

(b) Acquisition of new subsidiaries (Cont'd)

2022 (Cont'd)

(i) Acquisition of Autocount On The Go Sdn. Bhd. and Autocount Software Sdn. Bhd. (Cont'd)

Effects of acquisition on cash flows of the Group:

	AOTGSB RM	ASSB RM	Total RM
Cash consideration transferred	300,000	5,500	305,500
<b>Recognised</b>			
Fair value of identifiable net liabilities			
Trade and other receivables	(21,285)	-	(21,285)
Cash and short-term deposits	(53,660)	(100)	(53,760)
Other payables	231,600	7,387	238,987
	156,655	7,287	163,942
<b>Merger adjustment arising on acquisition using merger method</b>	456,655	12,787	469,442

(ii) Acquisition of Auto Count Sdn. Bhd.

On 9 May 2022, the Company entered into a conditional share sale agreement to acquire the entire issued share capital of Auto Count Sdn. Bhd. comprising 515,000 ordinary shares for a total purchase consideration of RM8,007,509 which was wholly satisfied by the issuance of:

- 456,914,898 new ordinary shares of the Company at a price of RM0.0175 per share; and
- 100 new ordinary shares of the Company at a price of RM114.98 per ordinary share

The acquisition of Auto Count Sdn. Bhd. is a business combination under common control and does not result in any change in economic substance.

Notes to the Financial Statements (Cont'd)

8. INVESTMENT IN SUBSIDIARIES (CONT'D)

(c) Disposal of a subsidiary

2022

On 12 May 2022, an indirect wholly-owned subsidiary, Autocount (S) Pte. Ltd. disposed its wholly-owned subsidiary, Autocount (Myanmar) Co. Ltd. ("AMCL") to a third party for a total consideration of USD50,000. The said disposal was completed on 12 May 2022.

Summary of the effects of disposal of AMCL:

	AMCL RM
Cash consideration transferred	216,422
<b>Derecognised</b>	
Fair value of identified net liabilities at disposal date:	
Property, plant and equipment (Note 5)	(17,411)
Trade and other receivables	(5,139)
Cash and short-term deposits	(11,341)
Other payables	125,414
	91,523
<b>Gain on disposal of AMCL</b>	307,945

Effect of disposals on cash flows of the Group:

	AMCL RM
Cash consideration transferred	216,422
Less: Cash and cash equivalents of subsidiary disposed	(11,341)
<b>Net cash inflows on disposal</b>	205,081



## Notes to the Financial Statements (Cont'd)

## 9. DEFERRED TAX ASSETS/(LIABILITIES)

Deferred tax relates to the following:

	As at 1.1.2023 RM	Recognised in profit or loss (Note 27) RM	Exchange differences RM	As at 31.12.2023 RM
<b>Group</b>				
<b>Deferred tax assets:</b>				
Contract liabilities	804,382	1,124,073	-	1,928,455
Provision	-	134,016	-	134,016
Lease liability	-	17,394	407	17,801
	804,382	1,275,483	407	2,080,272
<b>Deferred tax liabilities:</b>				
Property, plant and equipment	(71,210)	(287,339)	(375)	(358,924)
Right-of-use asset	-	(17,146)	(401)	(17,547)
Contract costs	(32,654)	32,654	-	-
Contract assets	-	(96,819)	-	(96,819)
Interest receivable	-	(65,108)	-	(65,108)
	(103,864)	(433,758)	(776)	(538,398)
	700,518	841,725	(369)	1,541,874

	As at 1.1.2022 RM	Recognised in profit or loss (Note 27) RM	Exchange differences RM	As at 31.12.2022 RM
<b>Group</b>				
<b>Deferred tax assets:</b>				
Contract liabilities	732,593	71,789	-	804,382
Lease liability	1,716	(1,716)	-	-
	734,309	70,073	-	804,382
<b>Deferred tax liabilities:</b>				
Property, plant and equipment	(79,108)	8,297	(399)	(71,210)
Right-of-use asset	(1,616)	1,616	-	-
Contract assets	(28,754)	(3,900)	-	(32,654)
	(109,478)	6,013	(399)	(103,864)
	624,831	76,086	(399)	700,518

## Notes to the Financial Statements (Cont'd)

## 9. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

Deferred tax relates to the following: (Cont'd)

	As at 1.1.2022 RM	Recognised in profit or loss (Note 27) RM	Exchange differences RM	As at 31.12.2022 RM
<b>Company</b>				
Deferred tax liabilities:				
Interest receivable	-	(65,108)	-	(65,108)

Presenting after appropriate offsetting as follows:

	Group 2023 RM	2022 RM	Company 2023 RM	2022 RM
Deferred tax assets	1,612,708	706,742	-	-
Deferred tax liabilities	(70,834)	(6,224)	(65,108)	-
	1,541,874	700,518	(65,108)	-

## Unrecognised deferred tax asset

Deferred tax asset has not been recognised in respect of the following item (stated at gross):

	Group 2023 RM	2022 RM
Unused tax losses	254,272	333,511

The availability of unused tax losses for offsetting against future taxable profits of the respective subsidiaries in Malaysia are subject to requirements under the Income Tax Act, 1967 and guidelines issued by the tax authority.

The unused tax losses are available for offset against future taxable profits of the Group up to the following financial year:

	Group 2023 RM	2022 RM
2028	254,272	333,511

## Notes to the Financial Statements (Cont'd)

## 10. TRADE AND OTHER RECEIVABLES

	Note	Group 2023 RM	2022 RM	Company 2023 RM	2022 RM
<b>Trade</b>					
Trade receivables	(a)	3,017,909	218,603	-	-
<b>Non-trade</b>					
Other receivables		552,530	31,390	295,376	-
Amount owing by a subsidiary	(b)	-	-	16,171	-
Dividend receivable		-	-	5,000,000	-
Deposits		80,665	70,160	1,000	-
Advance payments to suppliers		478,233	3,200	-	-
Prepayments		358,183	156,209	14,478	-
		1,469,611	260,959	5,327,025	-
<b>Total trade and other receivables</b>		<b>4,487,520</b>	<b>479,562</b>	<b>5,327,025</b>	<b>-</b>

- (a) Trade receivables are unsecured, non-interest bearing and normal credit terms offered by the Group ranging from 7 to 30 (2022: 7 to 30) days. Other credit terms are assessed and approved on a case-to-case basis.

The information about the credit exposures are disclosed in the Note 30(b)(i).

- (b) Amount owing by a subsidiary is unsecured, non-interest bearing, repayable on demand and is expected to be settled in cash.

## 11. CONTRACT ASSETS/(LIABILITIES)

	Group 2023 RM	2022 RM
Contract assets relating to services contracts	-	136,060
Contract liabilities relating to service contracts	(8,728,986)	(4,588,414)

## (a) Contract assets

The contract assets represent the Group's rights to consideration for the services rendered but yet to be billed. Contract assets are transferred to receivables when the Group issues invoice. Typically, the amount will be billed upon the acceptance of orders and payments is expected within 7 to 30 days.

## Notes to the Financial Statements (Cont'd)

## 11. CONTRACT ASSETS/(LIABILITIES) (CONT'D)

## (b) Contract liabilities

The contract liabilities represent advance billing and deposits received from contract customers for which performance obligations have not been satisfied. The contract liabilities are expected to be recognised as revenue over a period of 1 to 36 months.

## (c) Significant changes in contract balances

	2023 Contract assets increase/ (decrease) RM	Contract liabilities (increase)/ decrease RM	2022 Contract assets increase/ (decrease) RM	Contract liabilities (increase)/ decrease RM
<b>Group</b>				
Revenue recognised that was included in contract liabilities at the beginning of year	-	(5,154,836)	-	(5,087,261)
Increase due to consideration received consideration received from customers, but revenue not recognised	-	9,442,573	-	4,588,414
Increase due to revenue recognised for unbilled services transferred to customers	-	-	136,060	-
Transfer from contract assets recognised at the beginning of the year to receivables	(136,060)	-	(119,809)	-
Exchange differences	-	(147,165)	-	-

## 12. CONTRACT COSTS

	Group 2023 RM	2022 RM
<b>Current:</b>		
- Costs to obtain contracts	403,411	-

The costs to obtain contracts are amortised in accordance with the pattern of transfer of goods or services to which relates.

The amortisation of contract costs of the Group was RM825,277 (2022: RM Nil).

## Notes to the Financial Statements (Cont'd)

## 13. SHORT-TERM INVESTMENTS

	Group 2023 RM	2022 RM	Company 2023 RM	2022 RM
Financial assets at fair value through profit or loss				
Money market funds	16,475,526	-	8,805,559	-

The money market funds of the Group and of the Company are redeemable upon request or 1 day notice and bear dividend yield at fund's valuation point in time as at the financial year end.

## 14. CASH AND SHORT-TERM DEPOSITS

	Group 2023 RM	2022 RM	Company 2023 RM	2022 RM
Cash and bank balances	8,800,346	7,061,785	119,203	2
Short-term deposits	22,609,025	15,546,903	20,000,000	-
	31,409,371	22,608,688	20,119,203	2

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

	Group 2023 RM	2022 RM	Company 2023 RM	2022 RM
Short-term deposits	22,609,025	15,546,903	20,000,000	-
Less: Short-term deposits with maturities of more than three months	(20,000,000)	(1,800,000)	(20,000,000)	-
	2,609,025	13,746,903	-	-
Cash and bank balances	8,800,346	7,061,785	119,203	2
	11,409,371	20,808,688	119,203	2

The short-term deposits placed with licensed banks of the Group and of the Company at the end of the reporting year bear effective interest rates ranging from 3.20% to 4.10% (2022: 0.23% to 4.05%) and 3.85% to 4.10% (2022: Nil) per annum respectively. The fixed deposits of the Group and of the Company have maturity period ranging from 3 months to 12 months (2022: 7 days to 6 months) and 6 months to 12 months (2022: Nil) respectively.

## Notes to the Financial Statements (Cont'd)

## 15. SHARE CAPITAL

## (a) Share Capital

	Number of shares		Amount	
	2023 Unit	2022 Unit	2023 RM	2022 RM
<b>Group</b>				
<b>Issued and fully paid up (no par value):</b>				
At 1 January	456,915,000	-	8,007,511	-
Issued during the financial year	93,585,000	2	30,883,050	2
Issuance of shares pursuant to acquisition of subsidiaries	-	456,914,998	-	8,007,509
Transaction costs of share issue	-	-	(736,494)	-
At 31 December	550,500,000	456,915,000	38,154,067	8,007,511
<b>Company</b>				
<b>Issued and fully paid up (no par value):</b>				
At 1 January 2023/25 February 2022 (date of incorporation)	456,915,000	2	8,007,511	2
Issued during the financial year/period	93,585,000	456,914,998	30,883,050	8,007,509
Transaction costs of share issue	-	-	(736,494)	-
At 31 December	550,500,000	456,915,000	38,154,067	8,007,511

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meeting of the Company. All ordinary shares rank equally with regards to the Company's residual assets.

## (b) Invested Equity

	Number of shares 2022 Unit	Amount 2022 RM
<b>Group</b>		
<b>Issued and fully paid up (no par value):</b>		
At 1 January	801,600	801,600
Acquisition of subsidiaries	(801,600)	(801,600)
At 31 December	-	-

The invested equity is the aggregate of the share capital of the combining entities constituting the Group.



Notes to the Financial Statements (Cont'd)

15. SHARE CAPITAL (CONT'D)

(b) Invested Equity (Cont'd)

2023

On 14 April 2023, the Company issued its Prospectus in relation to the Initial Public Offering comprising the public issue of 93,585,000 new ordinary shares of the Company at an Initial Public Offering price of RM0.33 per share, representing 25% of the enlarged issued share capital, to be allocated and allotted in the following manner:

- (a) Public issue of 93,585,000 new ordinary shares in the Company ("shares") in the following manner:
  - (i) 27,525,000 new shares available for application by the Malaysia public;
  - (ii) 11,010,000 new shares available for application by our eligible employees and persons who have contributed to the success of the Group and of the Company and
  - (iii) 55,050,000 new shares available by way of placement to selected investors, and

(b) Offer for sale of 44,040,000 existing shares by way of private placement to selected investors.

2022

In the previous financial period, the Company:

- (i) issued 456,914,898 new ordinary shares at a price of RM0.0175 per ordinary for the acquisition of 100% equity interest in Auto Count Sdn. Bhd. pursuant to conditional share sale agreements dated 9 May 2022; and
- (ii) issued 100 new ordinary shares at a price of RM114.98 per ordinary share for the acquisition of equity interest in Auto Count Sdn. Bhd. pursuant to conditional share sale agreements dated 9 May 2022.

The allotment of new ordinary share was completed on 20 June 2022.

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

Notes to the Financial Statements (Cont'd)

16. EXCHANGE RESERVE

The exchange reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency as well as the foreign currency differences arising from monetary items which form part of the Group's net investment in foreign operations, where the monetary item is denominated in either the functional currency of the reporting entity or the foreign operation or another currency.

17. MERGER DEFICIT

	Group 2023 RM	2022 RM
At 1 January	7,506,009	-
Effect of acquisition of subsidiaries	-	7,506,009
At 31 December	7,506,009	7,506,009

The merger deficit arose from the differences between the carrying value of the investment and the nominal value of the shares of the subsidiaries upon consolidation under the merger accounting principle.

18. TERM LOANS

	Group 2023 RM	2022 RM
<b>Non-current:</b>		
Term loans	-	4,510,219
<b>Current:</b>		
Term loans	-	465,423
	-	4,975,642

In the previous financial year, term loans of the Group bore interest at a rate of 4.27% per annum and was repayable by monthly instalments of RM55,503 over 120 months commencing from the day of first drawdown and is secured and supported as follows:

- (i) Facilities agreement for the sum of RM5,500,000 as principal instrument;
- (ii) Deed of Assignment over property of the Group as disclosed in Note 5; and
- (iii) Joint and several guarantee by the directors of the Company.

The term loans have been fully settled during the financial year.

## Notes to the Financial Statements (Cont'd)

## 19. LEASE LIABILITY

	Group 2023 RM	2022 RM
<b>Non-current:</b>		
Lease liability	31,566	-
<b>Current:</b>		
Lease liability	73,136	-
	104,702	-

The incremental borrowing rate applied to lease liabilities was 5% (2022: Nil).

Future minimum lease payments together with the present value of net minimum lease payments are as follow:

	Group 2023 RM	2022 RM
Minimum lease payment:		
- Not later than one year	76,392	-
- Later than one year and not later than five years	31,830	-
	108,222	-
Less:		
- Future finance charges	(3,520)	-
Present value of minimum lease payments	104,702	-
Present value of minimum lease payments:		
- Not later than one year	73,136	-
- Later than one year and not later than five years	31,566	-
	104,702	-
Less: Amount due within 12 months	(73,136)	-
Amount due after 12 months	31,566	-

## Notes to the Financial Statements (Cont'd)

## 20. OTHER PAYABLES

	Note	Group 2023 RM	2022 RM	Company 2023 RM	2022 RM
<b>Non-trade</b>					
Other payables		3,736,030	1,955,685	-	-
Amount owing to a subsidiary	(a)	-	-	-	359,029
Accruals		2,953,860	2,480,765	45,987	6,150
Sales and services tax payable		699,917	256,751	-	-
		7,389,807	4,693,201	45,987	365,179

(a) Amount owing to a subsidiary was unsecured, non-interest bearing, repayable upon demand and was expected to be settled in cash.

For explanation on the Group's and the Company's liquidity risk management processes, refer to Note 30(b)(iii).

## 21. REVENUE

	Group		Company	
	1.1.2023 to 31.12.2023 RM	1.1.2022 to 31.12.2022 RM	1.1.2023 to 31.12.2023 RM	25.2.2022 (Date of incorporation) to 31.12.2022 RM
<b>Revenue from contract with customers:</b>				
Sale of goods	36,842,229	34,553,575	-	-
Services rendered	4,649,032	4,163,209	-	-
	41,491,261	38,716,784	-	-
<b>Revenue from other source:</b>				
Dividend income	-	-	16,010,000	-
	41,491,261	38,716,784	16,010,000	-

## Notes to the Financial Statements (Cont'd)

## 21. REVENUE (CONT'D)

## (a) Disaggregation of revenue

For the purpose of disclosure of disaggregation of revenue, it disaggregates revenue into major goods or services and timing of revenue recognition (i.e. goods or services transferred at a point in time or over time).

	Group	
	1.1.2023 to 31.12.2023 (12 months) RM	1.1.2022 to 31.12.2022 (12 months) RM
<b>Software activities</b>		
<b>Major goods or services:</b>		
Software	35,806,406	33,511,634
Other related products	1,035,823	1,041,941
Training	748,772	566,722
Support and maintenance	3,900,260	3,596,487
	41,491,261	38,716,784
<b>Timing of revenue recognition:</b>		
At a point in time	31,687,402	31,120,965
Over time	9,803,859	7,595,819
	41,491,261	38,716,784

## (b) Transaction price allocated to the remaining performance obligation

As of 31 December 2023, the aggregate amount of the transaction price allocated to the remaining performance obligation is RM8,728,986 (2022: RM4,588,414) and the Group will recognise this revenue as the services are performed, which is expected to occur over the next three years (2022: three years).

## Notes to the Financial Statements (Cont'd)

## 22. OTHER INCOME

	Group	
	1.1.2023 to 31.12.2023 RM	1.1.2022 to 31.12.2022 RM
Fair value gain on short-term investments	41,606	-
Gain on disposal of a subsidiary	-	307,945
Gain on disposal of short-term investments	28,510	-
Gain on disposal of property, plant and equipment	167,196	-
Grant income	101,976	79,890
Government subsidy	6,795	11,693
Net foreign exchange gain:		
- realised	539,034	29,247
- unrealised	-	364,187
Others	146,093	25,506
	1,031,210	818,468

## 23. FINANCE INCOME

	Group		Company	
	1.1.2023 to 31.12.2023 RM	1.1.2022 to 31.12.2022 RM	1.1.2023 to 31.12.2023 RM	25.2.2022 (Date of incorporation) to 31.12.2022 RM
Interest income from cash and short-term deposits	999,920	150,217	588,562	-
Income from short-term investments	116,447	-	85,308	-
	1,116,367	150,217	673,870	-

## 24. FINANCE COSTS

	Group	
	1.1.2023 to 31.12.2023 RM	1.1.2022 to 31.12.2022 RM
Interest expense on:		
- Term loans	186,796	189,001
- Lease liabilities	3,474	49
	190,270	189,050



## Notes to the Financial Statements (Cont'd)

## 25. PROFIT/(LOSS) BEFORE TAX

Other than disclosed elsewhere in the financial statements, the following items have been charged in arriving at profit/(loss) before tax:

Note	Group		Company	
	1.1.2023 to 31.12.2023 RM	1.1.2022 to 31.12.2022 RM	1.1.2023 to 31.12.2023 RM	25.2.2022 (Date of incorporation) to 31.12.2022 RM
Amortisation of intangible assets	7	178,429	87,183	-
Auditors' remuneration				
- statutory audit:				
- Baker Tilly Monteiro Heng PLT		168,000	95,800	69,000
- Member firms of Baker Tilly International		28,893	19,174	-
- other services:				
- Baker Tilly Monteiro Heng PLT		57,000	185,000	57,000
- Member firms of Baker Tilly International		28,100	47,200	17,600
Deposit written off		21,490	-	-
Depreciation on property, plant and equipment	5	834,972	605,928	-
Depreciation on right-of-use asset	6	41,528	6,735	-
Employee benefits expense	26	15,123,468	12,817,998	125,500
Expense relating to short-term lease		21,920	75,640	-
Expense relating to lease of low value assets		7,073	9,018	-
Net unrealised foreign exchange loss		133,804	-	-
Property, plant, and equipment written off		-	2,500	-

## Notes to the Financial Statements (Cont'd)

## 26. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	1.1.2023 to 31.12.2023 RM	1.1.2022 to 31.12.2022 RM	1.1.2023 to 31.12.2023 RM	25.2.2022 (Date of incorporation) to 31.12.2022 RM
Directors' fee	115,500	-	115,500	-
Salaries, bonus and wages	12,629,734	10,631,145	-	-
Defined contribution plans	1,468,017	1,228,075	-	-
Other staff related benefits	804,042	866,628	10,000	-
Benefits-in-kind	106,175	92,150	-	-
	15,123,468	12,817,998	125,500	-

Included in employee benefits expense are:

	Group		Company	
	1.1.2023 to 31.12.2023 RM	1.1.2022 to 31.12.2022 RM	1.1.2023 to 31.12.2023 RM	25.2.2022 (Date of incorporation) to 31.12.2022 RM
<b>Directors of the Company:</b>				
Executive directors				
- Salaries, bonus and wages	1,495,400	1,492,866	-	-
- Defined contribution plans	139,474	150,000	-	-
- Other emoluments	17,273	16,004	4,000	-
- Benefits-in-kind	48,550	48,550	-	-
	1,700,697	1,707,420	4,000	-
<b>Non-executive directors</b>				
- Fees	115,500	-	115,500	-
- Other emoluments	6,000	-	6,000	-
	121,500	-	121,500	-
	1,822,197	1,707,420	125,500	-

## Notes to the Financial Statements (Cont'd)

## 27. INCOME TAX EXPENSE

The major components of income tax expense for the financial years ended 31 December 2023 and 31 December 2022 are as follows:

	Group		Company 25.2.2022 (Date of incorporation) to 31.12.2022	
	1.1.2023 to 31.12.2023 RM	1.1.2022 to 31.12.2022 RM	1.1.2023 to 31.12.2023 RM	to 31.12.2022 RM
<b>Statements of comprehensive income</b>				
<b>Current income tax:</b>				
Taxation in Malaysia:				
- Current income tax charge	4,874,366	4,283,494	75,759	-
- Adjustment in respect of prior years	82,929	(20,581)	-	-
	4,957,295	4,262,913	75,759	-
Taxation outside Malaysia:				
- Current income tax charge	168,824	127,153	-	-
- Adjustment in respect of prior years	5,983	56,086	-	-
	174,807	183,239	-	-
	5,132,102	4,446,152	75,759	-
<b>Deferred tax (Note 9):</b>				
- Origination of temporary differences	(761,763)	(75,251)	65,108	-
- Adjustment in respect of prior years	(79,962)	(835)	-	-
	(841,725)	(76,086)	65,108	-
Income tax expense recognised in profit or loss	4,290,377	4,370,066	140,867	-

Domestic income tax is calculated at the Malaysian statutory income tax rate of 24% (2022: 24%) of the estimated assessable profit for the financial year.

Tax expense for other jurisdiction is calculated at the rate prevailing in the jurisdiction.

## Notes to the Financial Statements (Cont'd)

## 27. INCOME TAX EXPENSE (CONT'D)

The reconciliations from the tax amount at the statutory income tax rate to the Group's and Company's tax expenses are as follows:

	Group		Company 25.2.2022 (Date of incorporation) to 31.12.2022	
	1.1.2023 to 31.12.2023 RM	1.1.2022 to 31.12.2022 RM	1.1.2023 to 31.12.2023 RM	to 31.12.2022 RM
Profit/(Loss) before tax	17,273,352	18,292,656	15,486,396	(359,679)
Tax at Malaysian statutory income tax rate of 24%	4,145,604	4,390,237	3,716,735	(86,323)
Different tax rate in other country	(148,392)	(87,518)	-	-
Adjustments:				
Income not subject to tax	(329,672)	(115,741)	(3,862,874)	-
Non-deductible expenses	692,135	227,584	287,006	86,323
Adjustment in respect of prior years				
- current income tax	88,912	35,505	-	-
- deferred tax	(79,962)	(835)	-	-
Partial tax exemption	(59,231)	(55,683)	-	-
Utilisation of deferred tax asset not recognised in prior financial years	(19,017)	(23,483)	-	-
Income tax expense	4,290,377	4,370,066	140,867	-

## Notes to the Financial Statements (Cont'd)

### 28. EARNINGS PER SHARE

#### Basic earnings per ordinary share

Basic earnings per ordinary share are based on the profit for the financial year attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the financial year, calculated as follows:

	Group	
	1.1.2023 to 31.12.2023	1.1.2022 to 31.12.2022
Profit attributable to ordinary shareholders of the Company (RM)	12,982,975	13,922,590
Weighted average number of ordinary shares for basic earnings per share (unit)	517,681,151	287,414,275
Basic earnings per share attributable to the ordinary shareholders of the Company (sen)	2.51	4.84

#### Diluted earnings per share

The diluted earnings per share of the Group for the financial years ended 31 December 2023 and 31 December 2022 is same as the basic earnings per share of the Group as the Company has no dilutive potential ordinary shares.

### 29. DIVIDENDS

	2023 RM
<b>Recognised during the financial year:</b>	
Dividend on ordinary shares:	
Single tier interim dividend of RM0.02 per ordinary share in respect of the the financial year ended 31 December 2023	11,010,000

## Notes to the Financial Statements (Cont'd)

### 30. FINANCIAL INSTRUMENTS

#### (a) Categories of financial instruments

The following table analyses the financial instruments in the statements of financial position by the classes of financial instruments to which they are assigned:

- (i) Amortised cost
- (ii) Fair value through profit or loss ("FVPL")

	Carrying amount RM	Amortised cost RM	FVPL RM
<b>Group 2023</b>			
<b>Financial assets</b>			
Trade and other receivables, excluding prepayments and advance payment to suppliers	3,651,104	3,651,104	-
Short-term investments	16,475,526	-	16,475,526
Cash and short-term deposits	31,409,371	31,409,371	-
	51,536,001	35,060,475	16,475,526
<b>Financial liabilities</b>			
Lease liability	104,702	104,702	-
Other payables, excluding sales and services tax payable	6,689,890	6,689,890	-
	6,794,592	6,794,592	-
<b>2022</b>			
<b>Financial assets</b>			
Trade and other receivables, excluding prepayments and advance payment to suppliers	320,153	320,153	-
Cash and short-term deposits	22,608,688	22,608,688	-
	22,928,841	22,928,841	-
<b>Financial liabilities</b>			
Term loans	4,975,642	4,975,642	-
Other payables, excluding sales and services tax payable	4,436,450	4,436,450	-
	9,412,092	9,412,092	-



Notes to the Financial Statements (Cont'd)

30. FINANCIAL INSTRUMENTS (CONT'D)

(a) Categories of financial instruments (Cont'd)

	Carrying amount RM	Amortised cost RM	FVPL RM
<b>Company</b>			
<b>2023</b>			
<b>Financial assets</b>			
Trade and other receivables, excluding dividend receivable and prepayments	312,547	312,547	-
Short-term investments	8,805,559	-	8,805,559
Cash and short-term deposits	20,119,203	20,119,203	-
	29,237,309	20,431,750	8,805,559
<b>Financial liability</b>			
Other payables	45,987	45,987	-
<b>2022</b>			
<b>Financial asset</b>			
Cash and short-term deposits	2	2	-
<b>Financial liability</b>			
Other payables	365,179	365,179	-

(b) Financial risk management

The Group's and the Company's activities are exposed to a variety of financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk and foreign currency risk. The Group's and the Company's overall financial risk management objective is to optimise value for their shareholders. The Group and the Company do not trade in financial instruments.

The Board of Directors review and agree to policies and procedures for the management of these risks, which are executed by the Group's and the Company's senior management.

(i) Credit risk

Credit risk is the risk of financial loss to the Group and the Company that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company is exposed to credit risk arises from its operating activities (primarily from trade receivables, including deposits with banks and financial institutions and foreign exchange transactions). The Group and the Company have a credit policy in place and the exposure to credit risk is managed through the application of credit approvals, credit limits and monitoring procedures.

Notes to the Financial Statements (Cont'd)

30. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(i) Credit risk (Cont'd)

The Group and the Company consider a financial asset to be in default when:

- the counterparty is unable to pay its credit obligations to the Group and the Company in full, without taking into account any credit enhancements held by the Group and the Company; or
- the contractual payment of the financial asset is more than 30 days past due unless the Group and the Company have reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

At each reporting date, the Group and the Company assess whether financial assets carried at amortised cost is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired include observable data about the following events:

- significant financial difficulty of the counterparty;
- a breach of contract, including a default event;
- a concession or restructuring of loans granted by the lender of the counterparty relating to the counterparty's financial difficulty; or
- it is becoming probable that the counterparty will enter bankruptcy or other financial reorganisation.

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

Notes to the Financial Statements (Cont'd)

30. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(i) Credit risk (Cont'd)

Trade receivables and contract assets

As at the reporting date, the maximum exposure to credit risk arising from trade receivables and contract assets is represented by their carrying amounts in the statements of financial position.

The carrying amount of trade receivables and contract assets are not secured by any collateral or supported by any other credit enhancements. In determining the recoverability of these receivables, the Group considers any change in the credit quality of the receivables from the date the credit was initially granted up to the reporting date. The Group has adopted a policy of dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults.

Credit risk concentration profile

In the previous financial year, the Group has significant concentration of credit risk that many arise from exposure of two major customers who accounted for 38% of total trade receivables.

The Group applies the simplified approach to providing for impairment losses prescribed by MFRS 9 *Financial Instruments*, which permits the use of the lifetime expected credit losses provision for all trade receivables and contract assets. To measure the impairment losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The impairment losses also incorporate forward looking information. Forward-looking information considered includes consideration of various external sources of actual and forecast economic information that relate to the Group’s core operations. There is no impairment loss recognised during the financial year.

Notes to the Financial Statements (Cont'd)

30. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(i) Credit risk (Cont'd)

The information about the credit risk exposure on the Group's trade receivables and contract assets are as follows:

	Contract assets RM	Trade receivables				Total RM
		1 to 30 days past due RM	31 to 60 days past due RM	61 to 90 days past due RM	91 to 120 days past due RM	
Group						
At 31 December 2023						
Gross carrying amount at default	-	29,750	28,681	-	-	3,017,909
At 31 December 2022						
Gross carrying amount at default	136,060	30,320	46,452	-	6,500	218,603

Notes to the Financial Statements (Cont’d)

30. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(i) Credit risk (Cont'd)

Other receivables and other financial assets

For other receivables and other financial assets (including investment securities, short-term funds, cash and short-term deposits), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties. At the reporting date, the Group's and the Company's maximum exposure to credit risk arising from other financial assets is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

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

Macroeconomic information (such as market interest rates or growth rates) is incorporated as part of the internal rating model.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than the credit term in making a contractual payment.

Some intercompany balances between entities within the Group comprise loans or advances which are repayable on demand. The Company regularly monitors the financial performance and position of these entities on an individual basis. When these entities' financial performance and position deteriorates significantly, the Company assumes that there is a significant increase in credit risk, and thereby a lifetime expected credit loss assessment is necessary. As the Company is able to determine the timing of repayment of the loans or advances, the Company will consider the loans or advances to be in default when these entities are unable to pay based on the expected manner of recovery and recovery period. The Company determines the probability of default for these loans or advances using internally available information. The Company considers the loans or advances to be credit-impaired when the entities are unlikely to repay their debts.

As at the end of the reporting date, the Group and the Company consider the other receivables and other financial assets as low credit risk and any loss allowance would be negligible.

Notes to the Financial Statements (Cont’d)

30. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(iii) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations when they fall due. The Group's and the Company's exposure to liquidity risk arise primarily from mismatches of the maturities between financial assets and liabilities. The Group's and the Company's exposure to liquidity risk arise principally from other payables, term loans and lease liability.

The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility. The Group and the Company maintain sufficient liquidity and available funds to meet daily cash needs, while maintaining controls and security over cash movements. The Group and the Company use a series of processes to obtain maximum benefits from its flow of funds, such that they are efficiently managed to maximise income from investment and minimise cost on borrowed funds. The Group's and the Company's finance department also ensure that there are sufficient unutilised stand-by facilities, funding and liquid assets available to meet both short-term and long-term funding requirements.

Maturity analysis

The maturity analysis of the Group's and the Company's financial liabilities by their relevant maturity at the reporting date are based on contractual undiscounted repayment obligation as follows:

	Contractual cash flows				
	Carrying amount RM	On demand or within one year RM	Between one and five years RM	More than five years RM	Total RM
Group					
2023					
Lease liability	104,702	76,392	31,830	-	108,222
Other payables	6,689,890	6,689,890	-	-	6,689,890
	6,794,592	6,766,282	31,830	-	6,798,112
2022					
Term loans	4,975,642	672,912	2,691,648	2,598,985	5,963,545
Other payables	4,436,450	4,436,450	-	-	4,436,450
	9,412,092	5,109,362	2,691,648	2,598,985	10,399,995



## Notes to the Financial Statements (Cont'd)

### 30. FINANCIAL INSTRUMENTS (CONT'D)

#### (b) Financial risk management (Cont'd)

##### (ii) Liquidity risk (Cont'd)

##### Maturity analysis (Cont'd)

The maturity analysis of the Group's and the Company's financial liabilities by their relevant maturity at the reporting date are based on contractual undiscounted repayment obligation as follows: (Cont'd)

	Contractual cash flows				Total RM
	Carrying amount RM	On demand or within one year RM	Between one and five years RM	More than five years RM	
<b>Company</b>					
<b>2023</b>					
Other payables	45,987	45,987	-	-	45,987
<b>2022</b>					
Other payables	365,179	365,179	-	-	365,179

##### (iii) Interest rate risk

Interest rate risk is the risk of fluctuation in fair value or future cash flows of the Group's and the Company's financial instruments as a result of changes in market interest rates. The Group's and the Company's exposure to interest rate risk arises primarily from its borrowings with floating interest rates.

##### Sensitivity analysis for interest rate risk

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant on the total equity and profit for the financial year.

	Change in basis point	Effect on profit for the financial year RM	Effect on equity RM
<b>Group</b>			
<b>2022</b>	+ 50	(18,907)	(18,907)
	- 50	18,907	18,907

## Notes to the Financial Statements (Cont'd)

### 30. FINANCIAL INSTRUMENTS (CONT'D)

#### (b) Financial risk management (Cont'd)

##### (iv) Foreign currency risk

Foreign currency risk is the risk of fluctuation in fair value or future cash flows of a financial instrument as a result of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when sales is denominated in a foreign currency) and the Group's net investments in foreign subsidiaries.

Management has set up a policy that requires all companies within the Group to manage its treasury activities and exposures. The Group takes advantage of any natural effects of its foreign currencies revenues and expenses by maintaining current accounts in foreign currencies.

The Group's unhedged financial assets and financial liabilities that are not denominated in their functional currencies are as follow:

	2023 RM	2022 RM
<b>Group</b>		
<b>United States Dollar</b>		
Cash and bank balances	367,937	299,520
Other payables	(2,673)	(17,225)
	365,264	282,295
<b>Singapore Dollar</b>		
Cash and bank balances	3,071,760	329,666
Short-term deposits	2,609,025	9,845,700
	5,680,785	10,175,366
<b>Brunei Dollar</b>		
Other payables	-	(54,978)

Notes to the Financial Statements (Cont'd)

30. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(iv) Foreign currency risk (Cont'd)

Sensitivity analysis for foreign currency risk

The Group's principal foreign currency exposure relates mainly to United States Dollar ("USD"), Singapore Dollar ("SGD ") and Brunei Dollar ("BND").

The following table demonstrates the sensitivity to a reasonably possible change in the USD, SGD and BND, with all other variables held constant on the Group's total equity and profit for the financial year.

	Change in basis point %	Effect on profit for the financial year RM	Effect on equity RM
<b>Group</b>			
<b>31 December 2023</b>			
- USD	+5%	13,880	10,727
	-5%	(13,880)	(10,727)
- SGD	+5%	215,870	386,664
	-5%	(215,870)	(386,664)
<b>31 December 2022</b>			
- USD	+5%	10,727	10,727
	-5%	(10,727)	(10,727)
- SGD	+5%	386,664	386,664
	-5%	(386,664)	(386,664)
- BND	5%	(2,089)	(2,089)
	-5%	2,089	2,089

(c) Fair value measurement

The carrying amounts of cash and cash equivalents, short-term receivables and payables and short-term term loans reasonably approximate to their fair values due to the relatively short-term nature of these financial instruments.

There have been no material transfers between Level 1 and Level 2 during the financial year (2022: no transfer in either direction).

Notes to the Financial Statements (Cont'd)

30. FINANCIAL INSTRUMENTS (CONT'D)

(c) Fair value measurement (Cont'd)

The following table provides the fair value measurement hierarchy of the Group's financial instruments:

	Carrying amount Total RM	Fair value of financial instruments carried at fair value			Fair value of financial instruments not carried at fair value			Total RM
		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	
		RM	RM	RM	RM	RM	RM	
2023								
Group								
Financial asset								
Short-term investments	16,475,526	16,475,526	-	-	-	-	-	-
Company								
Financial asset								
Short-term investments	8,805,559	8,805,559	-	-	-	-	-	-
2022								
Group								
Financial liability								
Term loans	4,975,642	-	-	-	-	-	5,963,545	5,963,545
Level 3 fair value								

Fair value of financial instruments not carried at fair value

The fair value of term loans was determined using the discounted cash flows method based on discount rates that reflects the issuer's borrowing rate as at the end of the reporting period.

## Notes to the Financial Statements (Cont'd)

### 31. RELATED PARTIES

#### (a) Identification of related parties

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

Related parties of the Group include:

- (i) Subsidiaries; and
- (ii) Key management personnel of the Group which comprise persons (including directors) have authority and responsibility for planning, directing, controlling the activities directly or indirectly.

#### (b) Significant related party transaction

Significant related party transactions other than disclosed elsewhere in the financial statements are follows:

	Group 2023 RM	2022 RM	Company 2023 RM	2022 RM
<b>Received or receivable from a subsidiary</b>				
Dividend income	-	-	16,010,000	-

Significant outstanding balances with related parties at the end of the reporting period are as disclosed in Notes 10 and 20.

#### (c) Compensation of key management personnel

	Group 2023 RM	2022 RM	Company 2023 RM	2022 RM
- Director fees	115,500	-	115,500	-
- Salaries, bonus and wages	2,270,116	2,235,292	-	-
- Defined contribution plans	234,521	239,129	-	-
- Other staff related benefits	26,750	19,010	10,000	-
- Benefits-in-kind	106,175	92,150	-	-
	2,753,062	2,585,581	125,500	-

## Notes to the Financial Statements (Cont'd)

### 32. SEGMENT INFORMATION

Operating segments are reported in a manner consistent with the internal reporting provided to the Executive Directors for resource allocation and performance assessment. Segment information is not presented as there is only one reportable segment based on the information reviewed by the Executive Directors.

#### Geographical information

Revenue information is based on geographical location of customers and non-current assets information are based on the geographical location of the assets.

	Revenue RM	Non-current assets RM
<b>31 December 2023</b>		
<b>Group</b>		
Malaysia	31,342,950	16,562,133
Singapore	9,980,231	138,397
Others	168,080	13,997
	41,491,261	16,714,527

	Revenue RM	Non-current assets RM
<b>31 December 2022</b>		
<b>Group</b>		
Malaysia	31,224,230	13,334,520
Singapore	7,245,547	36,639
Others	247,007	-
	38,716,784	13,371,159

#### Information about major customers

There is no single customer with revenue equal or more than 10% of the Group's total revenue during the financial year ended 31 December 2023 and 31 December 2022.



Notes to the Financial Statements (Cont'd)

33. CAPITAL MANAGEMENT

The Group and the Company manage their capital to ensure that they will be able to maintain an optimal capital structure so as to support its business and maximise shareholders’ value. To achieve this objective, the Group and the Company may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group and the Company manage their capital based on debt-to-equity ratio. The Group’s and the Company’s strategies were unchanged from the previous financial year. The debt-to-equity ratio is calculated as net debt divided by total equity. Net debt is calculated as term loans plus lease liability and other payables less short-term investments and cash and short-term deposits.

The debt-to-equity ratio of Group and the Company as at the end of the reporting year are as follows:

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
Term loans	-	4,975,642	-	-
Lease liability	104,702	-	-	-
Other payables	7,389,807	4,693,201	45,987	365,179
	7,494,509	9,668,843	45,987	365,179
Less:				
Short-term investments	(16,475,526)	-	(8,805,559)	-
Cash and short-term deposits	(31,409,371)	(22,608,688)	(20,119,203)	(2)
Net (cash)/debts	(40,390,388)	(12,939,845)	(28,878,775)	365,177
Total equity	53,813,570	21,662,964	42,129,917	7,647,832
Debt-to-equity ratio	*	*	*	0.05

\* Not meaningful

Notes to the Financial Statements (Cont'd)

34. SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

Listing on ACE Market of Bursa Malaysia Securities Berhad

On 14 April 2023, the Company issued its the Prospectus in relation to the Initial Public Offering (“IPO”) comprising the public issue of 93,585,000 new ordinary shares of the Company at an IPO price of RM0.33 per share, representing 25% of the enlarged issued share capital, to be allocated and allotted in the following manner:

- (a) Public issue of 93,585,000 new ordinary shares in the Company (“shares”) in the following manner:
  - (i) 27,525,000 new shares available for application by the Malaysia public;
  - (ii) 11,010,000 new shares available for application by our eligible employees and persons who have contributed to the success of the Company and its subsidiaries (“Group”); and
  - (iii) 55,050,000 new shares available by way of placement to selected investors
- (b) Offer for sale of 44,040,000 existing shares by way of private placement to selected investors.

On 9 May 2023, the Company was listed on the ACE Market of Bursa Malaysia Securities Berhad comprising public issue of 93,585,000 new ordinary shares.

35. COMPARATIVE FIGURES

The comparative figures of the Company are stated for the financial period from 25 February 2022 (date of incorporation) to 31 December 2022. Accordingly, the statements of comprehensive income, statements of changes in equity, statements of cash flows and the related notes are not comparable to that for the current twelve (12) month financial year ended 31 December 2023.

# Statement by Directors

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

We, **CHOO CHIN PENG** and **CHOO YAN TIEE**, being the directors of Autocount Dotcom Berhad, do hereby state that in the opinion of the directors, the accompanying financial statements are properly drawn up in accordance with the 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 2023 and of their financial performance and cash flows for the financial year then ended.

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

**CHOO CHIN PENG**  
Director

**CHOO YAN TIEE**  
Director

Kuala Lumpur

Date: 25 April 2024

# Statutory Declaration

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

I, **CHOO YAN TIEE**, being the director primarily responsible for the financial management of Autocount Dotcom 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.

**CHOO YAN TIEE**

Subscribed and solemnly declared by the above named at Kuala Lumpur in the Federal Territory on 25 April 2024.

Before me,

# Independent Auditors’ Report

## to the members of Autocount Dotcom Berhad

(Incorporated in Malaysia)

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Autocount Dotcom Berhad., which comprise the statements of financial position as at 31 December 2023 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 103 to 157.

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 2023, and of their financial performance and cash flows for the financial year then ended in accordance with the 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.

# Independent Auditors’ Report

## to the members of Autocount Dotcom Berhad (Cont’d)

(Incorporated in Malaysia)

### Key Audit Matters

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

#### Group

#### Revenue recognition (Notes 4 and 21 to the financial statements)

The Group’s primary source of revenue is attributed to the sale of software licenses.

We focused on this area because significant judgement is required to be made by the Group, in particular with regards to determining the transaction price and the satisfaction of performance obligation. The revenue recognised is affected by the effects of variable consideration and the consideration payable to customer included in transaction price.

#### Our response:

Our audit procedures included, among others:

- reading the terms and conditions of sample contract with customers;
- understanding the composition of the revenue and its attributes, discussing the specific risk areas associated with revenue recognition;
- discussing with the Group on management’s control procedures in the key operating cycle and testing the controls over the sales and receipts cycle;
- understanding the basis in determining transaction price and satisfaction of performance obligation; and
- performing cut-off test related to sale.

#### Company

We have determined that there are no key audit matters to be communicated in our report which arise from the audit of the financial statements of the Company.

# Independent Auditors’ Report

## to the members of Autocount Dotcom Berhad (Cont’d)

(Incorporated in Malaysia)

### 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 this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with the 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.

The directors of the Company are responsible for overseeing the Group’s financial reporting process.

# Independent Auditors’ Report

## to the members of Autocount Dotcom Berhad (Cont’d)

(Incorporated in Malaysia)

### 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 the Company’s internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- conclude on the appropriateness of the directors’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s and of 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 and of the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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



# Independent Auditors’ Report

## to the members of Autocount Dotcom Berhad (Cont’d)

(Incorporated in Malaysia)

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

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

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

### Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 8 to the financial statements.

# Independent Auditors’ Report

## to the members of Autocount Dotcom Berhad (Cont’d)

(Incorporated in Malaysia)

### 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 contents of this report.

Baker Tilly Monteiro Heng PLT  
201906000600 (LLP0019411-LCA) & AF 0117  
Chartered Accountants

Dato' Lock Peng Kuan  
No. 02819/10/2024 J  
Chartered Accountant

Kuala Lumpur

Date: 25 April 2024

# Analysis of Shareholdings as at 2 April 2024

Issued and Paid-Up Share Capital : RM38,502,524.00  
Number of Issued Shares : 550,500,000 ordinary shares  
Class of Shares : Ordinary shares  
Number of Shareholders : 2,965  
Voting Rights : One (1) vote per ordinary share held

## ANALYSIS BY SIZE OF SHAREHOLDINGS AS AT 2 APRIL 2024

Size of Shareholdings	No. of Shareholders	Percentage [%]	No. of Shares	Percentage [%]
Less than 100	5	0.17	99	0.00
100 – 1,000	446	15.04	258,801	0.05
1,001 – 10,000	1,525	51.43	8,269,100	1.50
10,001 – 100,000	813	27.42	27,305,800	4.96
100,001 – 27,524,999*	174	5.87	181,951,808	33.05
27,525,000 and above**	2	0.07	332,714,392	60.44
TOTAL	2,965	100.00	550,500,000	100.00

Notes:-  
\* Less than 5% of the issued and paid-up share capital.  
\*\* 5% and above of the issued and paid-up share capital.

## DIRECTORS’ SHAREHOLDINGS AS PER THE REGISTER OF DIRECTORS’ SHAREHOLDINGS AS AT 2 APRIL 2024

Name of Directors	No. of Shares (Direct)	Percentage [%]	No. of Shares (Indirect)	Percentage [%]
Choo Chin Peng	169,357,196	30.76	-	-
Choo Yan Tiee	169,357,196	30.76	-	-
Chin Chee Seng	-	-	-	-
Liew Soung Yue	-	-	-	-
Ng Wan Peng	-	-	-	-

## SUBSTANTIAL SHAREHOLDERS AS PER THE REGISTER OF SUBSTANTIAL SHAREHOLDERS AS AT 2 APRIL 2024

Name of Substantial Shareholders	No. of Shares (Direct)	Percentage [%]	No. of Shares (Indirect)	Percentage [%]
Choo Chin Peng	169,357,196	30.76	-	-
Choo Yan Tiee	169,357,196	30.76	-	-

# Analysis of Shareholdings as at 2 April 2024 (Cont’d)

## THIRTY (30) LARGEST SHAREHOLDERS AS AT 2 APRIL 2024

No.	Name of Shareholders	No. of Shares	Percentage [%]
1.	CHOO CHIN PENG	169,357,196	30.76
2.	CHOO YAN TIEE	163,357,196	29.67
3.	NG BOON THYE	16,049,969	2.92
4.	LIM KIM SENG	15,999,969	2.91
5.	LIAW HUAH SENG	11,877,049	2.16
6.	CITIGROUP NOMINEES (ASING) SDN BHD UBS AG	10,770,400	1.96
7.	PERTH PROPERTY DEVELOPMENT SDN	8,597,100	1.56
8.	NG BOON THYE	8,150,000	1.48
9.	TEY WAH SHENG	6,854,961	1.24
10.	HSBC NOMINEES (ASING) SDN BHD J.P. MORGAN SECURITIES PLC	5,093,900	0.93
11.	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHOO YAN TIEE	4,500,000	0.82
12.	LIM KIM SENG	4,000,000	0.73
13.	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIM KIM SENG	4,000,000	0.73
14.	CITIGROUP NOMINEES (ASING) SDN BHD EXEMPT AN FOR CITIBANK NEW YORK (NORGES BANK 19)	3,650,000	0.66
15.	HII HAO HAO	3,500,000	0.64
16.	GAN KIAN GEE	3,400,000	0.62
17.	CHOO PEE LAY	3,122,800	0.57
18.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (LGF)	3,009,400	0.55

Analysis of Shareholdings  
as at 2 April 2024  
(Cont'd)

THIRTY (30) LARGEST SHAREHOLDERS AS AT 2 APRIL 2024 (CONT'D)

No.	Name of Shareholders	No. of Shares	Percentage [%]
19.	LEE CHERN SIONG	2,630,060	0.48
20.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEOW CHOON CHANG (7010861)	2,439,200	0.44
21.	HSBC NOMINEES (TEMPATAN) SDN BHD HSBC (M) TRUSTEE BHD FOR MANULIFE INVESTMENT PROGRESS FUND (4082)	2,347,000	0.43
22.	HSBC NOMINEES (TEMPATAN) SDN BHD HSBC (M) TRUSTEE BHD FOR MANULIFE INVESTMENT GROWTH FUND (4074)	2,330,300	0.42
23.	EDWIN ONG BENG KOON	2,296,300	0.42
24.	LEE CHERN SIONG	2,000,000	0.36
25.	UNIVERSAL TRUSTEE (MALAYSIA) BERHAD KAF CORE INCOME FUND	1,700,000	0.31
26.	AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR CHOO YAN TIEE (M04)	1,500,000	0.27
27.	LIEW KIM SENG	1,451,000	0.26
28.	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR DOH JEE MING	1,440,000	0.26
29.	CARTABAN NOMINEES (ASING) SDN BHD EXEMPT AN FOR BARCLAYS CAPITAL SECURITIES LTD (SBL/PB)	1,307,000	0.24
30.	HSBC NOMINEES (TEMPATAN) SDN BHD HSBC (M) TRUSTEE BHD FOR MANULIFE INVESTMENT DIVIDEND FUND (5311-401)	1,219,600	0.22
TOTAL		467,950,400	85.00

List of Properties  
as at 31 December 2023

Postal address	Description of Property/ existing use	Land/ Built-up area (sq ft)	Approximately Age of the Buidling/Tenure	Date of acquisition	Audited NBV as at 31 December 2023(RM'000)
AUTO COUNT SDN. BHD.					
B2-3A-01, Level 3A, Block B2 Meritus @ Oasis Corporate Park, No. 2, Jalan PJU 1A/2, Ara Damansara, 47301 Petaling Jaya	Office unit on 4th floor/ Headquarter office	Not applicable/ 5,993	7 years/ Freehold	18 December 2020	3,992
B2-3A-02, Level 3A, Block B2 Meritus @ Oasis Corporate Park, No. 2, Jalan PJU 1A/2, Ara Damansara, 47301 Petaling Jaya	Office unit on 4th floor/ Headquarter office	Not applicable/ 5,635	7 years/ Freehold	18 December 2020	3,754
No. 39, Jalan Bayu Laut 1/KS09, Kota Bayuemas Klang, 41200 Klang, Selangor	1 unit of 4 storey shop lot/ Branch office	1,647/ 6,588	5 years/ Freehold	10 June 2022	1,506
C-G-06, Block C, Centum @ Oasis, Pusat Korporate Oasis No. 2, Jalan PJU 1A/2, Ara Damansara, 47301 Petaling Jaya, Selangor Darul Ehsan	Retail shop/ vacant	Not applicable/ 2,713	8 years/ Freehold	17 August 2023	1,488
A-7-9, Pacific Place Commercial Centre, Jalan PJU 1A/4, Ara Damansara, 47301, Petaling Jaya, Selangor Darul Ehsan	1 parcel of apartment/ Staff hostel	Not applicable/ 1,325	9 years/ Leasehold valid for 99 years expiring on 4 September 2097	6 October 2015	571

# Notice of 2nd Annual General Meeting



## NOTICE OF THE SECOND ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the Second Annual General Meeting of the Company will be held at Saujana Resort, Jalan Lapangan Terbang SAAS, 40150 Selangor Darul Ehsan, Malaysia on Tuesday, 25 June 2024 at 10.30 a.m. to transact the following business:

**AGENDA**  
**As Ordinary Business**

1.

To receive the Audited Financial Statements for the financial year ended 31 December 2023 together with the Reports of the Directors and Auditors thereon.

Please refer to Note B
2.

To approve the payment of Directors’ fees and benefits of Non-Executive Directors of RM121,500 for the financial year ended 31 December 2023.

Ordinary Resolution 1
3.

To approve the payment of Directors’ fees and benefits of Non-Executive Directors of up to RM250,000 for the period from 1 January 2024 until the date of the next Annual General Meeting of the Company to be held in 2025.

Ordinary Resolution 2
4.

To re-elect the following Directors who retire in accordance with Clause 94.1 of the Company’s Constitution and being eligible, offer themselves for re-election:-  
(a) Mr. Choo Chin Peng  
(b) Mr. Choo Yan Tiee

Ordinary Resolution 3  
Ordinary Resolution 4
5.

To re-appoint Messrs. Baker Tilly Monteiro Heng PLT as the Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration.

Ordinary Resolution 5

**As Special Business**

To consider and, if thought fit, to pass with or without modifications, the following Resolutions:

**ORDINARY RESOLUTIONS**

6.

Authority to allot and issue shares pursuant to Section 75 and Section 76 of the Companies Act, 2016

Ordinary Resolution 6
- “THAT pursuant to Sections 75 and 76 of the Companies Act, 2016 and the approvals of the relevant government and/or regulatory authorities, the Directors of the Company be and are hereby authorised to issue and allot shares in the Company at any time until the conclusion of the next Annual General Meeting upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares to be issued does not exceed ten percent (10%) of the total number of issued shares of the Company for the time being, subject always to the approval of all relevant regulatory bodies being obtained for such allotment and issue.

# Notice of 2nd Annual General Meeting (Cont’d)

6.

Authority to allot and issue shares pursuant to Section 75 and Section 76 of the Companies Act, 2016 (Cont’d)

**AND THAT** the Directors of the Company whether solely or jointly, be authorised to complete and do all such acts and things (including executing such relevant documents) as he/they may consider necessary, expedient or in the interest of the Company to give effect to the aforesaid mandate.”

**AND FURTHER THAT** pursuant to Section 85 of the Companies Act, 2016 read together with Clause 51 of the Company’s Constitution, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company and to offer new shares arising from the issuance and allotment of the new shares pursuant to Sections 75 and 76 of the Companies Act, 2016 **AND THAT** the Board of Directors of the Company is exempted from the obligation to offer such new shares first to the existing shareholders of the Company.”

7.

To transact any other business for which due notice shall have been given in accordance with the Company’s Constitution and the Act.

By Order of the Board

**WONG YOUN KIM**  
**(MAICSA 7018778)**  
**(SSM Practising Certificate No.: 201908000410)**  
Company Secretary

Kuala Lumpur  
30 April 2024

**Notes:-**

- A.

Proxy
1.

A proxy may but need not be a member of the Company.
2.

To be valid, this form, duly completed must be deposited at the Registered Office of the Company, Level 5, Tower 8, Avenue 5, Horizon 2, Bangsar South City, 59200 Kuala Lumpur, not less than 24 hours before the time for holding the meeting Provided That in the event the member(s) duly executes the form of proxy but does not name any proxy, such member(s) shall be deemed to have appointed the Chairman of the meeting as his/her/their proxy, Provided Always that the rest of the proxy form, other than the particulars of the proxy/proxies have been duly completed by the member(s).
3.

A member may appoint up to two (2) proxies to attend and vote at the same meeting. Where a member appoints two (2) proxies, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
4.

Where a member of the Company is an authorised nominee as defined under the Central Depositories Act, it may appoint at least 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.
5.

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”) as defined under the Securities Industry (Central Depositories) Act, 1991, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
6.

If the appointor is a corporation, this form must be executed under its common seal or under the hand of an attorney duly authorised.
7.

Only depositors whose names appear in the Record of Depositors as at 18 June 2024 shall be entitled to attend the Second AGM.



# Notice of 2nd Annual General Meeting (Cont'd)

Notes:- (Cont'd)

B. Audited Financial Statements

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

Explanatory Notes on Special Business

C. Resolution 6 – Authority to allot and issue shares pursuant to Sections 75 and 76 of the Act

The Ordinary Resolution 6 proposed under Item 6 above is a new general mandate and, if passed, is to give the Directors of the Company flexibility to issue and allot shares up to an amount not exceeding ten per centum (10%) of the Company's total number of issued share capital for the time being upon such terms and conditions and for such purposes and to such person or persons as Directors of the Company in their absolute discretion consider to be in the interest of the Company, without having to convene a separate general meeting so as to avoid incurring additional cost and time. The purpose of this general mandate is for possible fund-raising exercises including but not limited to further placement of shares for purposes of funding current and/or future investment projects, working capital and/or acquisitions.

The Board is of the opinion that the issue and allot shares up to an amount not exceeding ten per centum (10%) is in the best interest of the Company.

This authority will expire at the conclusion of the next Annual General Meeting of the Company or at the expiration of the period within which the next Annual General Meeting is required by law to be held, whichever is earlier.

The approval of the issuance and allotment of the new shares under Sections 75 and 76 of the Companies Act, 2016 shall have the effect of the shareholders having agreed to waive their statutory pre-emptive rights pursuant to Section 85 of the Companies Act, 2016 and Clause 51 of the Constitution of the Company, the shareholders of the Company hereby agree to waive and are deemed to have waived their statutory pre-emptive rights pursuant to Section 85 of the Companies Act, 2016 and Clause 51 of the Constitution of the Company pertaining to the issuance and allotment of new shares under Sections 75 and 76 of the Companies Act 2016, which will result in a dilution to their shareholding percentage in the Company.

By adding the above paragraph, the shareholders of the Company shall agree to waive and deemed to have waived their statutory pre-emptive rights pursuant to Section 85 of the Companies Act, 2016.

Personal data privacy:

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

# Statement Accompanying the Notice of Annual General Meeting

1. Second Annual General Meeting of the Company will be held at Saujana Resort, Jalan Lapangan Terbang SAAS, 40150 Selangor Darul Ehsan, Malaysia on Tuesday, 25 June 2024 at 10:30 a.m.
2. The Directors who are standing for re-election at the Second Annual General Meeting of the Company pursuant to Clause 94.1 of the Company's Constitution are:

(i) Mr. Choo Chin Peng

(ii) Mr. Choo Yan Tiee

Mr. Choo Chin Peng and Mr. Choo Yan Tiee have no conflict of interest or potential conflict of interest including any interest in any competitor business with ADB or its subsidiaries.

The details of the above Directors seeking re-election are set out in the Board of Directors' Profile as disclosed on page 20 and 24 of this Annual Report.

3. The details of the above Directors' interest in the securities of the Company are stated on page 98 of this Annual Report.
4. The details of attendance of the Directors of the Company at Board of Directors' Meetings held during the financial year ended 31 December 2023 are disclosed in the Statement on Corporate Governance set out on page 76 of this Annual Report.





AUTOCOUNT DOTCOM BERHAD  
Registration No. 202201006885 (1452582-U)  
(Incorporated in Malaysia)

PROXY FORM

CDS Account No.	
No. of Shares Held	

I/We \_\_\_\_\_ \*NRIC No./Co. No \_\_\_\_\_  
*(FULL NAME IN BLOCK LETTERS)*  
of \_\_\_\_\_  
*(FULL ADDRESS)*  
Telephone No. \_\_\_\_\_ Email Address: \_\_\_\_\_

being a \*member / members of Autocount Dotcom Berhad [Registration No. 202201006885 (1452582-U)] (“the Company”), hereby appoint the following person(s):

Name of Proxy	NRIC No	Address	No. of Shares to be represented
1.			
2.			

or failing him/her, THE CHAIRMAN OF THE MEETING as \*my/our proxy to vote for \*me/us on \*my/our behalf at the Second Annual General Meeting of the Company to be held at Saujana Resort, Jalan Lapangan Terbang SAAS, 40150 Selangor Darul Ehsan, Malaysia on Tuesday, 25 June 2024 at 10.30 a.m. or at any adjournment thereof and to vote as indicated below:

		FIRST PROXY		SECOND PROXY	
		For	Against	For	Against
Resolution 1	To approve the payment of Directors’ fees and benefits of Non-Executive Directors of RM121,500 for the financial year ended 31 December 2023.				
Resolution 2	To approve the payment of Directors’ fees and benefits of Non-Executive Directors of up to RM200,000 for the period from 1 January 2024 until the date of the next Annual General Meeting of the Company to be held in 2025.				
Resolution 3	Re-election of Mr. Choo Chin Peng				
Resolution 4	Re-election of Mr. Choo Yan Tiee				
Resolution 5	Re-appointment of Messrs. Baker Tilly Monteiro Heng PLT as the Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration				
Resolution 6	Authority to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016				

*(Please indicate with an “X” in the spaces provided above on how you wish your vote to be cast. If no instruction as to voting is given, the proxy will vote or abstain from voting at his/her discretion).*

\*Strike out whichever is not desired.

Dated this \_\_\_\_ day of \_\_\_\_\_ 2024

\_\_\_\_\_  
Signature of Shareholder(s) / Common Seal

Fold this flap for sealing

Notes

1. A proxy may but need not be a member of the Company.
2. To be valid, this form, duly completed must be deposited at the Registered Office of the Company, Level 5, Tower 8, Avenue 5, Horizon 2, Bangsar South City, 59200 Kuala Lumpur, not less than 24 hours before the time for holding the meeting Provided That in the event the member(s) duly executes the form of proxy but does not name any proxy, such member(s) shall be deemed to have appointed the Chairman of the meeting as his/her/their proxy, Provided Always that the rest of the proxy form, other than the particulars of the proxy/proxies have been duly completed by the member(s).
3. A member may appoint up to two (2) proxies to attend and vote at the same meeting. Where a member appoints two (2) proxies, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
4. Where a member of the company is an authorised nominee as defined under the Central Depositories Act, it may appoint at least 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.
5. 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”) as defined under the Securities Industry (Central Depositories) Act, 1991, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
6. If the appointor is a corporation, this form must be executed under its common seal or under the hand of an attorney duly authorised.
7. Only depositors whose names appear in the Record of Depositors as at 18 June 2024 shall be entitled to attend the Second Annual General Meeting

*Personal Data Privacy*  
By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 30 April 2024.

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AFFIX  
STAMP

AUTOCOUNT DOTCOM BERHAD  
[Registration No. 202201006885 (1452582-U)]  
Registered Office  
Acclime Corporate Services Sdn Bhd  
Level 5, Tower 8, Avenue 5, Horizon 2,  
Bangsar South City,  
59200 Kuala Lumpur

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**AUTOCOUNT DOTCOM BERHAD**

(Registration No. 202201006885 (1452582-U))

(Incorporated in Malaysia under the Companies Act 2016)

B2-3A01 & B2-3A02, Meritus Tower @ Oasis Corporate Park,  
Oasis Damansara (Pusat Korporat Oasis),  
No. 2, Jalan PJU 1A/2, Ara Damansara,  
47301 Petaling Jaya,  
Selangor Darul Ehsan, Malaysia.

Toll-free Sales Line : 1800 88 7766

General Line : 03-3000 3000

IR website : [www.autocountsoft.com/investor-relations/](http://www.autocountsoft.com/investor-relations/)