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If you are in any doubt as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

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TIME DOTCOM BERHAD

Registration Number: 199601040939 (413292-P)
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO THE

PROPOSED STRATEGIC PARTNERSHIP FOR THE AIMS DATA CENTRE BUSINESS VIA THE PARTIAL DIVESTMENT BY TIME DOTCOM BERHAD OF SHARES IN AIMS DATA CENTRE HOLDING SDN BHD AND AIMS DATA CENTRE (THAILAND) LIMITED TO DB ARROW PTE. LIMITED, A PORTFOLIO COMPANY MANAGED BY DIGITALBRIDGE GROUP, INC.

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Principal Adviser



CIMB Investment Bank Berhad

Registration No. 197401001266 (18417-M)

The Notice of Extraordinary General Meeting ("**EGM**") of TIME dotCom Berhad ("**TIME**" or the "**Company**") and the Proxy Form for the EGM are enclosed in this Circular. This Circular together with the Administrative Details for the EGM is available at <https://www.time.com.my/about-us/investor-relations/general-meetings>. The EGM is to be held on a fully virtual basis and conducted entirely through live streaming and remote voting using the remote participation and voting facilities. The date, time and meeting platform of the EGM are as follows:

Date and time of the EGM : Wednesday, 15 February 2023 at 3.00 p.m., or any adjournment thereof

Meeting Platform of the EGM : <https://meeting.boardroomlimited.my>

The Proxy Form for the EGM should be completed and deposited at the office of TIME's Poll Administrator, Boardroom Share Registrars Sdn Bhd (Registration No. 199601006647 (378993-D)) ("**Poll Administrator**") at Ground Floor or 11th Floor, Menara Symphony, No. 5 Jalan Professor Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan. As the voting at the EGM will be conducted on a poll, the completed Proxy Form must be deposited at the office of the Poll Administrator on or before the following date and time:

Last day and time for deposit of the completed Proxy Form : Tuesday, 14 February 2023 at 3.00 p.m.

This Circular is dated 16 January 2023

DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Circular:

Act	: Companies Act, 2016, as amended from time to time
AIMS	: AIMS Data Centre Holding Sdn Bhd, our wholly-owned subsidiary
AIMS Cyberjaya	: AIMS Cyberjaya Sdn Bhd, a wholly-owned subsidiary of AIMS
AIMS Data Centre	: AIMS Data Centre Sdn Bhd, a wholly-owned subsidiary of AIMS
AIMS MS Group	: Collectively, AIMS Data Centre, AIMS Cyberjaya and AIMS SG
AIMS Sale Shares	: Collectively, 490,000 OS in AIMS, representing 49% of the total OS in issue in AIMS and 699,850 ICPS, representing 100% of the ICPS in issue in AIMS
AIMS SG	: AIMS Data Centre Pte Ltd, a wholly-owned subsidiary of AIMS
AIMS TH	: AIMS Data Centre (Thailand) Limited, our 51%-owned subsidiary (including 1 OS in AIMS TH held by AIMS Data Centre)
AIMS TH Sale Shares	: 210,000 OS in AIMS TH, representing 21% of the issued shares of AIMS TH
Announcement	: The announcement in relation to the Proposed Transactions dated 22 November 2022 which was made by CIMB on behalf of our Company
BNM	: Bank Negara Malaysia
Board	: Board of Directors
CIMB	: CIMB Investment Bank Berhad
Circular	: This circular to the shareholders of our Company in relation to the Proposed Transactions dated 16 January 2023
Completion Date 1	: The completion date of Proposed Transaction 1
Completion Date 2	: The completion date of Proposed Transaction 2
DBAHPL	: DB Arrow Holdco Pte. Limited, the holding company of DBAPL
DBAPL	: DB Arrow Pte. Limited, a wholly-owned subsidiary of DBAHPL
Deposit	: Security deposit of USD80.00 million paid by DBAPL into an escrow account, subject to the terms of the SPA 1
DigitalBridge	: DigitalBridge Group, Inc.
EBITDA	: Earnings before interest, tax, depreciation and amortisation
EGM	: Extraordinary general meeting
EPS	: Earnings per share
EV	: Enterprise value
FPE	: Financial period ending or ended, as the case may be

DEFINITIONS *(cont'd)*

FYE	:	Financial year ending or ended, as the case may be
Group	:	Collectively, our Company and our subsidiaries
ICPS	:	Irredeemable convertible preference shares
LBT	:	Loss before tax
Listing Requirements	:	Main Market Listing Requirements of Bursa Malaysia Securities Berhad, as amended from time to time
LPD	:	3 January 2023, being the latest practicable date prior to the date of this Circular
LTD	:	17 November 2022, being the last practicable trading day prior to the date of the Announcement
NA	:	Net assets
NBV	:	Net book value
OS	:	Ordinary shares
PAT	:	Profit after tax
PBT	:	Profit before tax
Proposed Transaction 1	:	The proposed strategic partnership between our Company and DBAPL in relation to our Company's data centre operations in Malaysia and Singapore, via the proposed divestment of 49% of the issued OS and 100% of the ICPS of AIMS
Proposed Transaction 2	:	The proposed strategic partnership between our Company and DBAPL in relation to our Company's data centre operations in Thailand, via the proposed divestment of 21% of the issued shares of AIMS TH
Proposed Transactions	:	Collectively, the Proposed Transaction 1 and the Proposed Transaction 2
Provisional Purchase Price 1	:	The provisional equity purchase price in respect of Proposed Transaction 1
Provisional Purchase Price 2	:	The provisional equity purchase price in respect of Proposed Transaction 2
Purchase Price 1	:	The equity purchase price in respect of Proposed Transaction 1
Purchase Price 2	:	The equity purchase price in respect of Proposed Transaction 2
REIT	:	Real estate investment trust
SHA	:	The shareholders' agreement to be entered into between TIME and DBAPL in respect of AIMS and AIMS TH
SPA 1	:	The conditional share sale and purchase agreement dated 21 November 2022 between our Company and DBAPL for the Proposed Transaction 1

DEFINITIONS *(cont'd)*

SPA 2	:	The conditional share sale and purchase agreement dated 21 November 2022 between our Company, DBAPL and SYMC for the Proposed Transaction 2
SPAs	:	Collectively, SPA 1 and SPA 2
SYMC	:	Symphony Communication Public Company Limited, our 46.8%-owned associate
TIME or Company	:	TIME dotCom Berhad
TIME Shares	:	OS in our Company
Total Provisional Purchase Price	:	The total estimated proceeds, being the aggregate of the Provisional Purchase Price 1 and the Provisional Purchase Price 2
Total Purchase Price	:	The total purchase price for the Proposed Transactions, being the aggregate of the Purchase Price 1 and the Purchase Price 2
Transaction 1 Completion	:	The completion of Proposed Transaction 1
Transaction 2 Completion	:	The completion of Proposed Transaction 2
USA	:	United States of America

CURRENCIES

AUD	:	Australian Dollar, the lawful currency of the Commonwealth of Australia
HKD	:	Hong Kong Dollar, the lawful currency of Hong Kong, Special Administrative Region of the People's Republic of China
RM and sen	:	Ringgit Malaysia and sen respectively, the lawful currency of Malaysia
SGD	:	Singapore Dollar, the lawful currency of Singapore
THB	:	Thai Baht, the lawful currency of Thailand
USD	:	United States Dollar, the lawful currency of the USA

DEFINITIONS *(cont'd)*

All references to “**our Company**” in this Circular mean TIME dotCom Berhad and references to “**our Group**” mean our Company and our subsidiaries. References to “**we**”, “**us**”, “**our**” and “**ourselves**” mean our Company, or where the context otherwise requires, shall include our subsidiaries.

All references to “**you**” and “**yours**” in this Circular mean the shareholders of our Company, unless the context otherwise requires.

Words denoting the singular shall, where applicable, include the plural and vice versa, and words denoting the masculine gender shall, where applicable, include the feminine and/or neuter genders, and vice versa. References to persons shall include corporations and vice versa.

Any reference to any enactment in this Circular is a reference to that enactment, as for the time being amended or re-enacted.

Any discrepancies in the tables included in this Circular between the amounts listed, actual figures and the totals thereof in this Circular are due to rounding adjustments.

Any reference to time of day in this Circular is a reference to Malaysian time, unless otherwise stated.

Certain statements in this Circular may be forward-looking in nature, which are subject to uncertainties and contingencies. Forward-looking statements may contain estimates and assumptions made by our Board after due inquiry, which are nevertheless subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed or implied in such forward-looking statements. In light of these and other uncertainties, the inclusion of a forward-looking statement in this Circular should not be regarded as a representation or warranty that our Group’s plans and objectives will be achieved.

Unless otherwise stated, the exchange rate of THB1.00: RM0.127219, being BNM’s middle exchange rate as at 5.00 p.m. on 17 November 2022, being the latest practicable market day prior to the date of the Announcement, is used throughout this Circular. Any exchange rate translation in this Circular is provided solely for your convenience and should not be constituted as representative that the translated amount stated in this Circular could have been or would have been converted into such other amounts or vice versa.

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EXECUTIVE SUMMARY

THIS EXECUTIVE SUMMARY HIGHLIGHTS ONLY THE SALIENT INFORMATION OF THE PROPOSED TRANSACTIONS IN THIS CIRCULAR. YOU ARE ADVISED TO READ AND CONSIDER THE CONTENTS OF THIS CIRCULAR (TOGETHER WITH THE APPENDICES CONTAINED HEREIN) IN ITS ENTIRETY FOR FURTHER DETAILS AND NOT TO RELY SOLELY ON THIS EXECUTIVE SUMMARY IN FORMING A DECISION ON THE PROPOSED TRANSACTIONS BEFORE VOTING AT THE FORTHCOMING EGM.

Salient information	Description	Reference to this Circular																												
Summary of the Proposed Transactions	<p>On 21 November 2022, our Company entered into the following SPAs pursuant to the proposed strategic partnership with DBAPL for the AIMS data centre business in Malaysia, Singapore and Thailand:</p> <p>(i) the SPA 1 with DBAPL for the proposed divestment of 49% of the total OS in issue in AIMS and 100% of the ICPS in issue in AIMS to DBAPL, for the Purchase Price 1 to be satisfied in cash; and</p> <p>(ii) the SPA 2 with DBAPL for the proposed divestment of 21% of the issued shares of AIMS TH to DBAPL, for the Purchase Price 2 to be satisfied in cash.</p> <p>Our Company and DBAPL have also agreed to enter into the SHA with a view to jointly drive the future business direction of AIMS and AIMS TH as well as establish a long-term relationship between our Company and DBAPL as shareholders of AIMS and AIMS TH.</p>	Section 2.1																												
Basis and justification for the Total Purchase Price	<p>The Total Purchase Price was arrived at on a willing-buyer willing-seller basis and is based on an agreed 100% EV of RM3,201.56 million, being the aggregate of the agreed EV of AIMS amounting to RM3,146.10 million plus the agreed EV of AIMS TH amounting to THB436.00 million (equivalent to RM55.47 million).</p> <p>The total agreed 100% EV of AIMS and AIMS TH implies approximately 37.3 times EBITDA for the FYE 31 December 2021, which is above the range of the EV/EBITDA of the comparable companies of 14.3 times to 29.2 times.</p>	Section 2.6																												
Utilisation of proceeds	<p>For illustrative purposes, our Company intends to use the Total Provisional Purchase Price from the Proposed Transactions of RM2,008.98 million in the following manner:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-decoration: underline;">Purpose</th> <th style="text-decoration: underline;">Timeframe for utilisation from completion of the Proposed Transactions</th> <th style="text-decoration: underline;">Estimated amount</th> <th style="text-decoration: underline;">% of total estimated proceeds</th> </tr> <tr> <td></td> <td></td> <th style="text-decoration: underline;">RM million</th> <th style="text-decoration: underline;">%</th> </tr> </thead> <tbody> <tr> <td>Proposed special dividend</td> <td>within 6 months</td> <td style="text-align: right;">1,000.00</td> <td style="text-align: right;">49.77</td> </tr> <tr> <td>Capital expenditure</td> <td>within 36 months</td> <td style="text-align: right;">500.00</td> <td style="text-align: right;">24.89</td> </tr> <tr> <td>General working capital</td> <td>within 36 months</td> <td style="text-align: right;">463.98</td> <td style="text-align: right;">23.10</td> </tr> <tr> <td>Estimated expenses</td> <td>within 6 months</td> <td style="text-align: right;">45.00</td> <td style="text-align: right;">2.24</td> </tr> <tr> <td>Total</td> <td></td> <td style="text-align: right;"><u>2,008.98</u></td> <td style="text-align: right;"><u>100.00</u></td> </tr> </tbody> </table>	Purpose	Timeframe for utilisation from completion of the Proposed Transactions	Estimated amount	% of total estimated proceeds			RM million	%	Proposed special dividend	within 6 months	1,000.00	49.77	Capital expenditure	within 36 months	500.00	24.89	General working capital	within 36 months	463.98	23.10	Estimated expenses	within 6 months	45.00	2.24	Total		<u>2,008.98</u>	<u>100.00</u>	Section 3
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EXECUTIVE SUMMARY (cont'd)

Salient information	Description	Reference to this Circular
Rationale and benefits of the Proposed Transactions	<p>Our Company has made the decision to seek out a global strategic partner that could further catalyse and strengthen AIMS and position it for aggressive growth outside of Malaysia, specifically across Asia. The Proposed Transactions will provide a robust platform for our Company to realise the said ambitions together with the strategic partner, with anticipated further long-term financial benefits for our Company.</p> <p>Amongst others, the strategic partnership will enable our Company to leverage on DigitalBridge's expertise, resources and access to capital to accelerate the scaling up of the data centre business in existing and new markets in the ASEAN region and beyond. The Proposed Transactions are also expected to generate significant financial return and strengthen our balance sheet to enable investment into other strategic focus areas of our Company. In addition, our Company will still be able to retain significant influence in and exposure to the future course of the data centre business.</p>	Section 4
Risk factors	<p>The risks in relation to the Proposed Transactions include:</p> <ul style="list-style-type: none">(i) completion risk for the Proposed Transactions; and(ii) loss of contribution from AIMS and AIMS TH.	Section 5
Approvals required and the conditionality of the Proposed Transactions	<p>The Proposed Transactions are subject to the following approvals being obtained:</p> <ul style="list-style-type: none">(i) approval of the shareholders of our Company at our forthcoming EGM;(ii) in respect of the Proposed Transaction 1, certain customer consents having been obtained and certain customer notifications having been issued; and(iii) any other relevant approvals and/or consents, if required. <p>The Proposed Transaction 2 is conditional upon the completion of the Proposed Transaction 1 but not vice versa.</p>	Section 7
Interests of Directors, major shareholders and/or persons connected with them	<p>None of our Directors and/or major shareholders and/or persons connected with them has any interest, direct or indirect, in the Proposed Transactions.</p>	Section 9
Directors' statement and recommendation	<p>Our Board, having considered all aspects of the Proposed Transactions, including the salient terms of the SPAs and SHA, basis of arriving at and justification for the Total Purchase Price, rationale and benefits of the Proposed Transactions, and effects of the Proposed Transactions, is of the opinion that the Proposed Transactions are in the best interest of our Company. Accordingly, our Board recommends that you vote in favour of the ordinary resolution pertaining to the Proposed Transactions to be tabled at our forthcoming EGM.</p>	Section 10



TIME DOTCOM BERHAD

Registration Number: 199601040939 (413292-P)
(Incorporated in Malaysia)

Registered Office

Level 4
No. 14, Jalan Majistret U1/26
HICOM Glenmarie Industrial Park
40150 Shah Alam, Selangor Darul Ehsan
Malaysia

16 January 2023

Board of Directors:

Elakumari Kantilal (*Non-Independent, Non-Executive Director (Chairman)*)
Mark Guy Dioguardi (*Senior Independent, Non-Executive Director*)
Hong Kean Yong (*Non-Independent, Non-Executive Director*)
Koh Cha-Ly (*Independent, Non-Executive Director*)
Datuk Azailiza Mohd Ahad (*Independent, Non-Executive Director*)
Low Kim Fui (*Independent, Non-Executive Director*)
Kuan Li Li (*Independent, Non-Executive Director*)
Selvendran Katheerayson (*Non-Independent, Non-Executive Director*)
Afzal Abdul Rahim (*Non-Independent, Executive Director (Chief Executive Officer)*)
Patrick Corso (*Non-Independent, Executive Director*)

To: Our Shareholders

Dear Sir/Madam,

PROPOSED STRATEGIC PARTNERSHIP FOR THE AIMS DATA CENTRE BUSINESS VIA THE PARTIAL DIVESTMENT BY OUR COMPANY OF SHARES IN AIMS AND AIMS TH TO DBAPL, A PORTFOLIO COMPANY MANAGED BY DIGITALBRIDGE

1. INTRODUCTION

On 22 November 2022, CIMB announced on behalf of our Board that our Company proposes to undertake the Proposed Transactions pursuant to the next phase of its expansion in the data centre business.

Further details of the Proposed Transactions are set out below.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE DETAILS OF THE PROPOSED TRANSACTIONS AND TO SEEK YOUR APPROVAL FOR THE ORDINARY RESOLUTION PERTAINING TO THE PROPOSED TRANSACTIONS TO BE TABLED AT OUR FORTHCOMING EGM. THE NOTICE OF EGM TOGETHER WITH THE PROXY FORM ARE ENCLOSED IN THIS CIRCULAR.

YOU ARE ADVISED TO READ THE CONTENTS OF THIS CIRCULAR CAREFULLY BEFORE VOTING ON THE ORDINARY RESOLUTION PERTAINING TO THE PROPOSED TRANSACTIONS TO BE TABLED AT THE FORTHCOMING EGM.

2. DETAILS OF THE PROPOSED TRANSACTIONS

Our Group first entered the data centre business in 2012 through the acquisition of certain predecessor companies of AIMS. Our Group has steadily expanded this business over the past 10 years by adding capacity and building on AIMS' strengths in operating highly connected, ecosystem-centric data centres, both in downtown Kuala Lumpur as well as Cyberjaya, Malaysia. As part of these expansion plans, our Group also entered into a partnership with SYMC, being an associate of our Group, to establish a data centre business in Thailand.

In late 2021, our Group embarked on a strategic review of this business, considering the increased attention the sector was receiving as well as the rapid expansion of data centre sites that was happening globally. As a result, a decision was made to seek out a global strategic partner that could further catalyse and strengthen AIMS and position it for aggressive growth outside of Malaysia, specifically across Asia.

Subsequent to the review process and with the above objective in mind, our Company announced the proposed entry into a strategic partnership with DBAPL in relation to its data centre operations in:

- (i) Malaysia and Singapore, via the Proposed Transaction 1; and
- (ii) Thailand, via the Proposed Transaction 2.

DigitalBridge is an established investor in the data centre sector, with considerable financial strength and global operating experience. The strategic partnership with DigitalBridge is expected to accelerate the growth of AIMS into new markets and achieve greater scale in the highly connected, ecosystem-centric data centre business segment, in line with our Company's positive outlook on the sector.

2.1 Proposed Transactions

On 21 November 2022, our Company entered into the following SPAs:

- (i) in respect of the Proposed Transaction 1, the SPA 1 with DBAPL; and
- (ii) in respect of the Proposed Transaction 2, the SPA 2 with DBAPL and SYMC (being the other seller).

In the spirit of partnership, our Company and DBAPL have also agreed to enter into the SHA with a view to jointly drive the future business direction of AIMS and AIMS TH as well as establish a long-term relationship between our Company and DBAPL as shareholders of AIMS and AIMS TH. The SHA takes effect on the completion of Proposed Transaction 1 with respect to AIMS, and on the completion of Proposed Transaction 2 with respect to AIMS TH.

The salient terms of the SPA 1, SPA 2 and the agreed form of the SHA are set out in **Appendix I**, **Appendix II** and **Appendix III** of this Circular, respectively.

2.1.1 Proposed Transaction 1

Currently, our Company's data centre business activities in Malaysia and Singapore are undertaken through its 100% interest in AIMS. AIMS has three wholly-owned subsidiaries namely, AIMS Data Centre, AIMS Cyberjaya and AIMS SG. Under the terms of SPA 1, our Company proposes to divest 490,000 OS in AIMS, representing 49% of the total OS in issue in AIMS and 699,850 ICPS in AIMS, representing 100% of the ICPS in issue in AIMS to DBAPL.

The Purchase Price 1 is based on a 100% EV of AIMS of RM3,146.10 million, adjusted for net debt, working capital, permitted capital expenditure and other item, and multiplied by the Sale Shares Percentage (as defined in SPA 1), as set out in **Appendix I** of this Circular.

Accordingly, based on the AIMS MS Group's latest amalgamated financial information as at 30 June 2022 and purely for illustrative purposes (at the date the SPA 1 was entered into), the Provisional Purchase Price 1 amounts to RM2,005.51 million, as calculated below:

	RM million
EV of AIMS	3,146.10
Adjusted for:	
(i) Less: estimated net debt	281.08
(ii) Add: estimated permitted capital expenditure	-
(iii) Less: estimated transaction expenses	-
(iv) Add: estimated working capital excess / Less: estimated working capital shortfall	-
100% equity value of AIMS	<u>2,865.02</u>
Multiplied by:	70%
Provisional Purchase Price 1	<u>2,005.51</u>

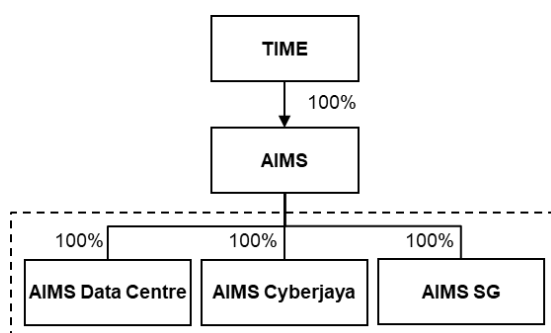
The Provisional Purchase Price 1 will be determined not later than 12 business days prior to the Completion Date 1 in accordance with the terms of the SPA 1 and will be paid by DBAPL to our Company in cash on Completion Date 1.

Further, DBAPL has paid the Deposit of USD80.00 million into an escrow account. The Deposit (plus any interest accrued) shall, subject to the terms of the SPA 1, be converted into RM and released to our Company as part of the Provisional Purchase Price 1 on Completion Date 1.

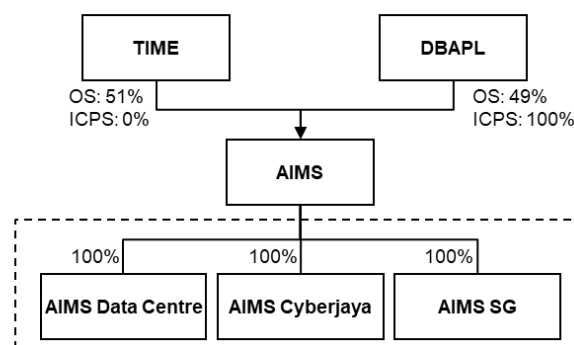
In order to calculate the Purchase Price 1, the Provisional Purchase Price 1 will be adjusted post-completion to reflect the actual amounts of the adjustment items attributable to AIMS as at the Completion Date 1. The difference between the Provisional Purchase Price 1 and Purchase Price 1 will subsequently be paid by DBAPL to our Company, or our Company to DBAPL (as the case may be), within 10 business days from the date the Purchase Price 1 is determined in accordance with the terms of the SPA 1.

Upon the Transaction 1 Completion, our Company will hold 51% of the OS in AIMS. The group structures and pro forma shareholding effects of AIMS before and after the Transaction 1 Completion are illustrated below:

Before Proposed Transaction 1



After Proposed Transaction 1



Shareholder	Before Proposed Transaction 1				After Proposed Transaction 1				Upon conversion of ICPS				
	OS		ICPS		OS		ICPS		OS		ICPS		
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	
	000		000		000		000		000		000		000
TIME	1,000	100	699.85	100	510	51	-	-	510.00	30	-	-	-
DBAPL	-	-	-	-	490	49	699.85	100	1,189.85	70	-	-	-
Total	1,000	100	699.85	100	1,000	100	699.85	100	1,699.85	100	-	-	-

All of the ICPS shall be convertible at the option of the ICPS holder into such number of new OS in AIMS from the first anniversary of the Transaction 1 Completion if the agreed operational benchmarks as set out in the SHA shall have been achieved. In the event the operational benchmarks are not achieved by the second anniversary of the Transaction 1 Completion, then all of the ICPS shall be automatically converted on the second anniversary of the Transaction 1 Completion. Each ICPS will convert into one new OS in AIMS.

The salient terms of the ICPS are set out in **Appendix IV** of this Circular.

2.1.2 Proposed Transaction 2

Our Company's data centre business activities in Thailand are represented by its 51% interest in AIMS TH (including 1 OS in AIMS TH held by AIMS Data Centre). Under the terms of SPA 2, our Company proposes to divest the AIMS TH Sale Shares to DBAPL. It is noted that DBAPL is also acquiring 490,000 OS in AIMS TH from SYMC in the same agreement, comprising 49% of the issued shares of AIMS TH and representing SYMC's entire shareholding interest in AIMS TH.

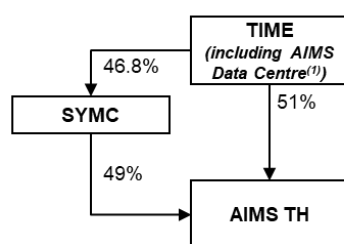
The Purchase Price 2 is based on a 100% EV of AIMS TH of THB436.00 million (equivalent to RM55.47 million) adjusted for net debt, working capital and other item, and multiplied by 21%, as set out in **Appendix II** of this Circular.

Pursuant to SPA 2, the Provisional Purchase Price 2 is determined and fixed at THB27.30 million (equivalent to RM3.47 million), which will be paid by DBAPL to our Company in cash on Completion Date 2.

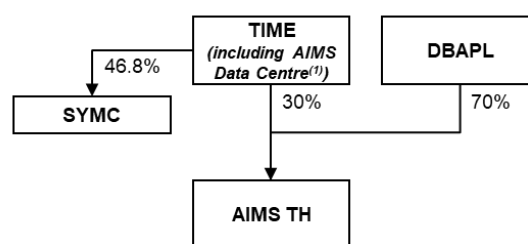
In order to calculate the Purchase Price 2, the Provisional Purchase Price 2 will be adjusted post-completion to reflect the actual amounts of the adjustment items attributable to AIMS TH as at the Completion Date 2. The difference between the Provisional Purchase Price 2 and Purchase Price 2 will subsequently be paid by DBAPL to our Company, or our Company to DBAPL (as the case may be), within 10 business days from the date the Purchase Price 2 is determined in accordance with the terms of the SPA 2.

Upon the Transaction 2 Completion, our Company will hold 30% of the OS in AIMS TH. The group structures and pro forma shareholding effects of AIMS TH before and after the Transaction 2 Completion are illustrated below:

Before Proposed Transaction 2



After Proposed Transaction 2



Shareholder	Before Proposed Transaction 2		After Proposed Transaction 2	
	No. of OS	%	No. of OS	%
TIME (including AIMS Data Centre ⁽¹⁾)	510,000	51	300,000	30
SYMC	490,000	49	-	-
DBAPL	-	-	700,000	70
Total	1,000,000	100	1,000,000	100

Note:

(1) AIMS Data Centre holds 1 OS in AIMS TH.

2.2 Background information on DBAPL

DBAPL was incorporated in Singapore on 28 October 2022 as a private company limited by shares.

DBAPL is an investment holding company. As at the LPD:

- (i) DBAPL is a wholly-owned subsidiary of DBAHPL. DBAHPL was incorporated in Singapore as a private limited company on 28 October 2022, and acts as a holding company; and
- (ii) DBAHPL is controlled by funds managed by affiliates of DigitalBridge (NYSE: DBRG).

DigitalBridge is a leading global investment firm dedicated to digital infrastructure. With a heritage of over 25 years investing in and operating businesses across the digital ecosystem including cell towers, data centres, fibre, small cells and edge infrastructure, the firm manages a portfolio of USD50 billion of digital infrastructure assets on behalf of its limited partners and shareholders. DigitalBridge is headquartered in Boca Raton, Florida, USA with offices in New York, USA; Los Angeles, USA; London, United Kingdom; Luxembourg and Singapore.

As at the LPD, the directors of DBAPL are Justin Chang Tong-Yi, Wilson Chung Kai Hang and Imran Jumabhoy. None of the directors of DBAPL has shareholdings in DBAPL as at the LPD.

2.3 Information on AIMS

AIMS was incorporated in Malaysia on 26 August 2022 under the Act as a private limited company under the name of AIMS Data Centre Holding Sdn Bhd. As at the LPD, AIMS is a wholly-owned subsidiary of our Company and commenced its business operations on 13 September 2022.

The core business activity of AIMS and its subsidiaries is to operate data centres, including the leasing, commissioning and building of data centres, and the provision of co-location, power, cross-connect and other network connectivity solutions associated with its data centres to its customers.

AIMS serves multiple categories of customers including enterprises, telecommunication network providers, hyperscale network or cloud connect nodes, cloud computing providers, government and regulatory surveillance facilities and exchanges, internet hosting providers and financial institutions.

Further details on AIMS are set out in **Appendices V** and **VI** of this Circular.

2.4 Information on AIMS TH

AIMS TH was incorporated in Thailand on 24 July 2019 as a private limited company.

As at the LPD, AIMS TH is 51%-owned by our Company (including 1 OS in AIMS TH held by AIMS Data Centre) and 49%-owned by SYMC. SYMC is also 46.8%-owned by our Company.

AIMS TH commenced its business operations on 20 October 2020. AIMS TH is principally involved in the provision of server co-location, data back-up services, data retrieval services for disaster recovery, provision of consultation and training, data centre operations and related services. AIMS TH has a data centre presence in Thailand.

Further details on AIMS TH are set out in **Appendices VII** and **VIII** of this Circular.

2.5 Original cost of investment

The original cost of investment by our Company in the following companies and the date of such investments are as follows:

<u>Name of company</u>	<u>Date of investment</u>	<u>Total cost of investment</u>
		RM 000
AIMS ⁽¹⁾	26 August 2022 and 1 September 2022	232,918
AIMS TH	4 September 2019, 8 April 2020 and 3 September 2020	6,984

Note:

(1) *Our Company's initial investment into AIMS' subsidiaries was made in 2012, for a total consideration of approximately RM119 million.*

2.6 Basis of arriving at and justification for the Total Purchase Price

The Total Purchase Price was arrived at on a willing-buyer willing-seller basis and is based on an agreed 100% EV of RM3,201.56 million, being the aggregate of the agreed EV of AIMS amounting to RM3,146.10 million plus the agreed EV of AIMS TH amounting to THB436.00 million (equivalent to RM55.47 million).

The Proposed Transactions were undertaken via a multi-stage private bidding process with a selected number of parties comprising both strategic and financial investors who have considerable financial strength and relevant global operating experience. Parties had proposed a valuation based on a 100% EV for AIMS and AIMS TH, after taking into consideration the historical financial and operating metrics as well as the potential future performance of these companies.

Ultimately, the proposal made by DBAPL and the proposed terms of the Proposed Transactions at the conclusion of the process were best aligned with our transaction objectives, as set out in **Section 4** of this Circular. Our Company believes that the Total Purchase Price is reflective of the market value of the AIMS Sale Shares and AIMS TH Sale Shares considering the scope and procedures of the competitive bidding process that was undertaken as well as the backgrounds and identities of the reputable third parties that participated in the process.

Our Company had considered the EV/EBITDA trading multiples of listed comparable companies (which have similar principal activities as AIMS and its subsidiaries) in our internal assessment of the agreed EV.

There are no companies listed on Bursa Malaysia Securities Berhad which are identical to AIMS and AIMS TH on the basis of the composition of business activities. Hence, for the purpose of assessing the agreed EV, the comparable companies were selected mainly with reference to the similarity of the data centre-related business activities to AIMS and AIMS TH. Further, these companies were selected as their respective revenue contributions are primarily derived from the provision of data centre-related services.

A brief description of these companies is set out in the table below:

Comparable companies	Principal activities⁽¹⁾
Equinix, Inc.	Operates as a REIT. The company invests in interconnected data centres and focuses on developing network and cloud-neutral data centre platforms for cloud and information technology, enterprises, network and mobile service providers, as well as for financial companies globally, including Asia-Pacific.
Digital Realty Trust, Inc.	Owns, acquires, repositions and manages technology-related real estate. The company's properties contain applications and operations critical to the day-to-day operations of technology industry tenants and corporate enterprise data centre tenants. The company's digital property portfolio is global, including in Asia-Pacific.
Switch, Inc.	Designs, constructs, operates and manages data centres. The company offers co-location, connectivity, cloud computing and other related solutions. The company serves customers globally.
NEXTDC Ltd.	Develops and operates carrier and systems integrator data centres in Australia that are used as connectivity and content hubs.
Keppel DC REIT	Primarily invests, directly or indirectly, in a diversified portfolio of income-producing real estate assets which are primarily used for data centre purposes, as well as real estate-related assets.
SUNeVision Holdings Limited	Operates internet services and information technology facilities. The company also designs and installs satellite master antenna television, structural cabling, and security systems as well as provides system development, solutions and management services. Furthermore, the company also invests in properties.

Note:

(1) *The principal activities of the respective comparable companies were extracted from Bloomberg and the latest available annual reports as at the LTD.*

The following table below illustrates the trading EV/EBITDA multiples of comparable companies based on their latest audited financial information:

Company	Country of listing	Latest audited FYE	Market capitalisation as at LTD⁽¹⁾	EV⁽²⁾	EBITDA⁽²⁾	EV/EBITDA⁽³⁾
			million	million	million	times
Equinix, Inc.	USA	31 December 2021	USD59,219	USD72,765	USD3,144	23.1x
Digital Realty Trust, Inc.	USA	31 December 2021	USD32,111	USD48,156	USD2,412	20.0x
Switch, Inc.	USA	31 December 2021	USD8,352	USD10,301	USD315	32.7x ⁽⁴⁾
NEXTDC Ltd.	Australia	30 June 2022	AUD4,262	AUD4,933	AUD169	29.2x
Keppel DC REIT	Singapore	31 December 2021	SGD3,214	SGD4,360	SGD220	19.8x
SUNeVision Holdings Limited	Hong Kong	30 June 2022	HKD9,730	HKD21,334	HKD1,495	14.3x
Low						14.3x
High⁽⁴⁾						29.2x
Simple average⁽⁴⁾						21.3x

(Source: Bloomberg and the audited financial statements of the respective companies)

Notes:

- (1) The market capitalisation of the comparable companies was calculated based on the last traded price as at the LTD, multiplied with the total number of outstanding shares of the respective companies as at the LTD.
- (2) Extracted/computed based on the latest audited financial statements of the respective comparable companies as at the LTD.
- (3) The EV/EBITDA multiple is computed based on the EV over the EBITDA of the respective comparable companies as at the LTD.
- (4) Excluded Switch, Inc. as an outlier because it was the subject of a publicly announced takeover offer by DigitalBridge as at the LTD (the takeover was completed on 6 December 2022). As a result of this, the EV/EBITDA multiple that the company is trading at may be affected by the takeover announcement.

As part of the Proposed Transactions, the total agreed 100% EV of AIMS and AIMS TH of RM3,201.56 million implies approximately 37.3 times EBITDA for the FYE 31 December 2021, which is above the range of the EV/EBITDA of the comparable companies of 14.3 times to 29.2 times.

Further, our Company has a total investment cost in AIMS and AIMS TH of RM239.90 million as at 1 September 2022. Upon the completion of the Proposed Transactions, our Company will have recognised a total cash inflow of approximately RM2,008.98 million (being the aggregate sum of the illustrative Provisional Purchase Price 1 and the Provisional Purchase Price 2).

Premised on the above, our Board believes that the Total Purchase Price is reasonable as the Proposed Transactions will unlock value and monetise our Company's investments in the data centre business, while enabling our Company to leverage on the strategic partnership with DigitalBridge for greater growth, as further described in **Section 4** of this Circular.

2.7 Liabilities to remain with our Company

Save for the obligations and liabilities stated in and arising from the SPAs, there are no other liabilities in respect to AIMS and AIMS TH, including contingent liabilities and/or guarantees, which will remain with our Company arising from the Proposed Transactions.

In addition, there is no guarantee given by our Company to DBAPL in relation to the Proposed Transactions.

2.8 Repayment of shareholder loan

Pursuant to the SPAs, the existing shareholder loans owed by AIMS Data Centre and AIMS TH to our Group, and any additional shareholder loans to be owed to our Group from the date of the SPAs until the Completion Date 1 and Completion Date 2, will, subject to the terms of the SPAs, be repaid on Completion Date 1 in the case of AIMS Data Centre, and within 30 days from Completion Date 2 in the case of AIMS TH.

For illustrative purposes, the shareholder loans owing to our Group amounted to RM110.85 million and THB156.06 million (equivalent to RM19.25 million)⁽¹⁾ based on the latest unaudited financial statements of AIMS Data Centre and AIMS TH, respectively, as at 30 September 2022.

Note:

- (1) *The exchange rate of THB:RM for the shareholder loan is based on BNM's middle exchange rate as at 5.00 p.m. for the relevant period.*

3. UTILISATION OF PROCEEDS

For illustrative purposes, our Company intends to use the Total Provisional Purchase Price from the Proposed Transactions of RM2,008.98 million in the following manner:

<u>Purpose</u>	<u>Note</u>	<u>Timeframe for utilisation from completion of the Proposed Transactions</u>	<u>Estimated amount</u> RM million	<u>% of total estimated proceeds</u> %
Proposed special dividend	1	within 6 months	1,000.00	49.77
Capital expenditure	2	within 36 months	500.00	24.89
General working capital	3	within 36 months	463.98	23.10
Estimated expenses	4	within 6 months	45.00	2.24
Total			2,008.98	100.00

Notes:

- (1) *Our Board intends to declare an indicative special dividend to our shareholders of approximately RM1,000 million, which translates into an indicative dividend per TIME Share of RM0.54 based on 1,836,586,103 TIME Shares in issue as at the LPD. The quantum of the final special dividend is subject to our Board's final deliberation after taking into account our Group's capital management initiatives and options. Any excess in funds allocated for the special dividend will be utilised for working capital.*
- (2) *To be utilised to fund capital expenditure for the expansion of the existing and future businesses, which may include investment in telecommunication, network infrastructure, cloud and related assets, both in Malaysia and regionally. As at the LPD, our Board has yet to identify any future business and the breakdown is not determinable at this juncture. Any excess in funds allocated for the capital expenditure will be utilised for working capital.*
- (3) *To be utilised for the general working capital of our Group, which may include future reinvestment into the data centre business, general finance, administrative and operational expenses in conducting the day-to-day operations and businesses of our Group. These expenses include payment of salaries (and directors' fees) and defrayment of administrative and operational expenses such as rental, utilities and sundry expenses where the exact breakdown of the expenses cannot be determined at this juncture as it will depend on the actual expenses and funding requirements of our Group at the relevant time.*
- (4) *To be utilised for professional fees, fees payable to authorities, printing and advertisement fees as well as other miscellaneous expenses. Any excess or shortfall in funds allocated for the estimated expenses will be adjusted from the working capital.*

The Total Provisional Purchase Price is subject to change based on certain post-completion adjustments. In the event the Total Purchase Price deviates from the Total Provisional Purchase Price, the difference in amount will be adjusted to the amount allocated for the general working capital of our Group.

Pending the utilisation of proceeds as set out in the table above, the proceeds received by our Company may be deposited with banks and/or financial institutions and/or invested in short-term money market instruments as our Board may deem appropriate in the interest of our Group. The interest derived from the deposits with banks and/or financial institutions or any gains arising from the short-term money market instruments will be used as additional working capital for our Group.

4. RATIONALE AND BENEFITS OF THE PROPOSED TRANSACTIONS

Our Board regularly reviews our Company's strategy and market opportunities to maximise shareholder value. In late 2021, our Group embarked on a strategic review of the data centre business, considering the increased attention the sector was receiving as well as the rapid expansion of data centre sites that was happening globally. As a result, a decision was made to seek out a global strategic partner that could further catalyse and strengthen AIMS and position it for aggressive growth outside of Malaysia, specifically across Asia. The Proposed Transactions will provide a robust platform for our Company to realise the said ambitions together with the strategic partner, with anticipated further long-term financial benefits for our Company.

(i) Opportunity to partner with a global player in the data centre industry to accelerate scaling up of data centre business

In connection with the Proposed Transactions, our Company and DBAPL have agreed to enter into a strategic partnership which will enable our Company to leverage on DigitalBridge's expertise, resources and access to capital to aggressively expand the highly connected, ecosystem-centric data centre business in existing and new markets in the ASEAN region and beyond, with Malaysia as the core hub and gateway for the region.

Our Company and DigitalBridge agree that AIMS will be their primary investment vehicle in relation to such future investments and expansion. By entering into this strategic partnership with a partner that has a strong international experience and proven track record of scaling data centre businesses globally, our Company will have a robust platform to meet growing customer demand for data centre infrastructure and solutions, which in turn will support such customer needs for digital and content services in the region. Such customers include multinationals, large enterprises, content providers, internet infrastructure providers and financial institutions. It will also enable our Company to partly defray the investment costs and risks associated with the planned significant expansion of the data centre business.

The strategic partnership will be governed by the SHA to be entered into between our Company and DBAPL in respect of AIMS and AIMS TH, which will regulate the management of AIMS and AIMS TH and the relationship between our Company and DBAPL as shareholders of AIMS and AIMS TH. The SHA will take effect on, and will become legally binding from, the date of completion under the SPA 1 (provided that, where any provision relates to AIMS TH, such provision will only take effect on the date of completion under the SPA 2 with respect to AIMS TH). The duration of the SHA is open-ended and is intended to be long-term, subject to certain customary termination clauses, of which the details are set out in **Appendix III** of this Circular.

(ii) Significant financial return and strengthening the balance sheet to enable investment into other strategic focus areas

The transaction value for the Proposed Transactions is favourable compared to our Company's total cost of investment of RM239.90 million in the companies. In addition, our Company will still be able to retain significant influence in the future course of the data centre business.

The proceeds from the Proposed Transactions will be used both to pay a special dividend to our shareholders, as well as provide our Company with the financial flexibility to deploy capital to other parts of its business and pursue opportunities to further increase shareholder value.

Based on our Company's latest audited consolidated financial statements as at 31 December 2021 and the total estimated proceeds of the Total Provisional Purchase Price of RM2,008.98 million, our Company's net cash position is expected to increase from RM526.84 million to RM2,611.75 million and its net cash ratio from 0.17 times to 0.46 times, assuming the Proposed Transactions were completed on 31 December 2021.

5. RISK FACTORS

5.1 Completion risk for the Proposed Transactions

The Proposed Transactions are conditional upon satisfaction of the conditions precedent set out under the SPAs. There can be no assurance that the Proposed Transactions can be completed or completed within the timeframe as set out in the SPAs. Nevertheless, all parties will continue to take all reasonable steps to ensure that the conditions precedent of the SPAs are met within the stipulated timeframe and that every effort is taken to complete the Proposed Transactions in a timely manner.

Furthermore, the Proposed Transaction 2 is conditional upon the Proposed Transaction 1. In the case where the Proposed Transaction 1 fails to be completed, the Proposed Transaction 2 will not take place. Nevertheless, all parties will continue to take all reasonable steps to ensure the completion of the Proposed Transactions.

5.2 Loss of contribution from AIMS and AIMS TH

Upon completion of the Proposed Transactions, our Company is expected to record an estimated pro forma net gain of RM2,508.38 million and will no longer consolidate the financial performance of AIMS and AIMS TH moving forward. However, our Company will still be able to report its share of future earnings of AIMS and AIMS TH as investments in joint ventures, as well as participate in any potential positive development of AIMS and AIMS TH through its remaining shareholding.

Based on the audited consolidated financial statements of our Company for the FYE 31 December 2021, AIMS MS Group and AIMS TH collectively contributed approximately 13.0% and 9.5% of our Group's revenue and net profit, respectively.

Nevertheless, the Proposed Transactions are intended to facilitate our Company in achieving its business plans and objectives through a strategic partnership with DBAPL as set out in **Section 4** of this Circular. Our Company remains committed to continue expanding its network footprint and innovating its products and services. This includes expanding the data centre business on a regional basis and reinvesting capital into key strategic segments such as the domestic fibre network, all of which are intended to drive continued growth and unlock further shareholder value for our Company.

Our Board is of the view that our Company will continue to be in a position to influence certain of the operations and business direction of AIMS and AIMS TH as the important affairs and regulation of the companies will be bound by the SHA.

6. EFFECTS OF THE PROPOSED TRANSACTIONS

6.1 Share capital and substantial shareholders' shareholding

The Proposed Transactions will not have any effect on the issued share capital and the substantial shareholders' shareholdings of our Company as the Proposed Transactions do not involve any issuance of new TIME Shares.

6.2 NA and gearing

Strictly for illustrative purposes and based on the audited consolidated financial statements of our Company for the FYE 31 December 2021, the pro forma effects of the Proposed Transactions on the audited consolidated NA and gearing position of our Company assuming the Proposed Transactions were effected on 31 December 2021 are as follows:

	Audited as at 31 December 2021	(i) After Proposed Transaction 1	(ii) After (i) and Proposed Transaction 2	(iii) After (ii) and conversion of the ICPS
	RM 000	RM 000	RM 000	RM 000
Share capital	1,379,148	1,379,148	1,379,148	1,379,148
Reserves	1,762,153	4,263,352	4,270,533 ⁽¹⁾	4,270,533
Equity attributable to owners of our Company	3,141,301	5,642,500	5,649,681	5,649,681
Non-controlling interest	22,243	22,243	21,514	21,514
Total equity	3,163,544	5,664,743	5,671,195	5,671,195
No. of TIME Shares (000) ⁽²⁾	1,825,619	1,825,619	1,825,619	1,825,619
NA per TIME Share (RM) ⁽³⁾	1.72	3.09	3.09	3.09
Total borrowings (RM 000) ⁽⁴⁾	269,252	154,960	123,258	123,258
Cash and cash equivalents (RM 000)	796,090	2,733,723	2,735,011	2,735,011
Gearing ratio (times) ⁽⁵⁾	0.09	0.03	0.02	0.02
Net cash ratio (times) ⁽⁶⁾	0.17	0.46	0.46	0.46

Notes:

- (1) *The share of profit from SYMC derived from the proposed disposal of SYMC's entire 49% of the issued shares of AIMS TH is not included in the reserve balance as the amount is immaterial.*
- (2) *Excludes the effect of the issuance of 9,060,075 TIME Shares and 1,907,140 TIME Shares on 21 July 2022 and 27 July 2022, respectively, pursuant to our Company's share grant plan.*
- (3) *NA per TIME Share is calculated based on the equity attributable to owners of our Company divided by the number of TIME Shares in issue.*
- (4) *Total borrowings include bank borrowings, lease liabilities and interest-bearing amounts due to an associate.*
- (5) *Gearing ratio is calculated based on the total borrowings divided by the total equity.*
- (6) *Net cash ratio is calculated based on the total borrowings less deposits, cash and bank balances, divided by the total equity.*

Based on the above, our Group's pro forma NA is expected to increase from RM1.72 per TIME Share to RM3.09 per TIME Share.

6.3 Earnings and EPS

Strictly for illustrative purposes, assuming the Proposed Transactions had been completed at the beginning of the FYE 31 December 2021, the pro forma effects on the earnings and EPS of our Group for the FYE 31 December 2021 would be as follows:

	(i)	(ii)	(iii)	
	Audited as at 31 December 2021	After Proposed Transaction 1	After (i) and Proposed Transaction 2	After (ii) and conversion of the ICPS
	RM 000	RM 000	RM 000	RM 000
PAT attributable to owners of our Company	393,160	393,160	2,861,523	2,875,152
Less: Deconsolidation of PAT / (loss after tax) upon disposal	-	46,909	(9,212)	-
Add: Share of profit / (loss) at 30% interest upon disposal	-	14,073	(2,764)	-
Add: Estimated net gain on disposal from the Proposed Transactions ⁽¹⁾	-	2,501,199	7,181	-
Estimated PAT attributable to owners of our Company	393,160	2,861,523	2,875,152⁽²⁾	2,875,152
Weighted average no. of TIME Shares (000) ⁽³⁾	1,817,726	1,817,726	1,817,726	1,817,726
EPS (sen)	21.63	157.42	158.17	158.17

Notes:

(1) The estimated net gain on disposal from the Proposed Transactions is derived as follows:

	Proposed Transaction 1	Proposed Transaction 2
	RM 000	RM 000
Estimated provisional purchase price	2,005,510	3,473
Add: Fair value of retained investment [^]	859,503	4,962
Less:		
- Goodwill	111,858	-
- NA	207,406	804
- Estimated expenses	44,550	450
Estimated net gain on disposal	2,501,199	7,181

[^] Fair value of retained investment refers to the respective purchase price divided by the respective transaction stake for Proposed Transaction 1 (70%, on an as converted and fully diluted basis) and Proposed Transaction 2 (21%), multiplied by the 30% retained shareholding.

(2) The share of profit from SYMC derived from the proposed disposal of SYMC's entire 49% of the issued shares of AIMS TH is not included in the estimated PAT attributable to owners of our Company as the amount is immaterial.

(3) Excludes the effect of the issuance of 9,060,075 TIME Shares and 1,907,140 TIME Shares on 21 July 2022 and 27 July 2022, respectively, pursuant to our Company's share grant plan.

Based on the above, the Proposed Transaction 1 will result in an estimated pro forma net gain of RM2,501.20 million and the Proposed Transaction 2 will result in an estimated pro forma net gain of RM7.18 million, which will accrete to the equity reserves of our Group.

7. APPROVALS REQUIRED

The Proposed Transactions are subject to the following approvals being obtained:

- (i) approval of the shareholders of our Company at our forthcoming EGM;
- (ii) in respect of the Proposed Transaction 1, certain customer consents having been obtained and certain customer notifications having been issued; and
- (iii) any other relevant approvals and/or consents, if required.

The Proposed Transaction 2 is conditional upon the completion of the Proposed Transaction 1 but not vice versa.

8. OUTSTANDING CORPORATE EXERCISE / SCHEME ANNOUNCED BUT PENDING COMPLETION

Save for the Proposed Transactions as set out in this Circular, our Company does not have any outstanding corporate exercise/scheme which has been announced but pending completion as at 11 January 2023, being the latest practicable date before the printing of this Circular.

The Proposed Transactions are not conditional or inter-conditional upon any other corporate exercise/scheme of our Company.

9. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM

None of our Directors and/or major shareholders and/or persons connected with them has any interest, direct or indirect, in the Proposed Transactions.

10. DIRECTORS' STATEMENT AND RECOMMENDATION

Our Board, having considered all aspects of the Proposed Transactions, including the salient terms of the SPAs and SHA, basis of arriving at and justification for the Total Purchase Price, rationale and benefits of the Proposed Transactions, and effects of the Proposed Transactions, is of the opinion that the Proposed Transactions are in the best interest of our Company.

Accordingly, our Board recommends that you vote in favour of the ordinary resolution pertaining to the Proposed Transactions to be tabled at our forthcoming EGM.

11. PERCENTAGE RATIOS

The highest percentage ratio applicable to the Proposed Transaction 1 pursuant to Paragraph 10.02(g) of the Listing Requirements is approximately 63.84% based on the latest audited consolidated financial statements of our Company for the FYE 31 December 2021.

The highest percentage ratio applicable to the Proposed Transaction 2 pursuant to Paragraph 10.02(g) of the Listing Requirements is approximately 1.25% based on the latest audited consolidated financial statements of our Company for the FYE 31 December 2021.

However, by applying the rule of aggregation pursuant to Paragraph 10.12(1) of the Listing Requirements since the terms of the Proposed Transactions were agreed upon within a period of 12 months, the highest aggregate percentage ratio applicable pursuant to Paragraph 10.12(1) of the Listing Requirements is approximately 63.95%.

12. ESTIMATED TIMEFRAME FOR COMPLETION

Barring any unforeseen circumstances and subject to all relevant approvals/consents being obtained, the Proposed Transactions are expected to be completed by the second quarter of 2023.

The tentative timeline for the implementation of the Proposed Transactions is as follows:

<u>Key events</u>	<u>Tentative timeline</u>
EGM	15 February 2023
Fulfilment of conditions precedent	End March 2023 / Early April 2023
Completion of the Proposed Transactions	End April 2023 / Early May 2023

13. EGM

The ordinary resolution in respect of the Proposed Transactions will be tabled at our forthcoming EGM. This Circular is available at <https://www.time.com.my/about-us/investor-relations/general-meetings> together with the Notice of EGM, Proxy Form and Administrative Details.

The EGM will be held on a fully virtual basis, through live streaming from the broadcast venue at **TIME Lobby, Ground Floor, No. 14, Jalan Majistret U1/26, HICOM Glenmarie Industrial Park, 40150 Shah Alam, Selangor Darul Ehsan, Malaysia** and entirely using the remote participation and electronic voting facilities, via the meeting platform at <https://meeting.boardroomlimited.my> on **Wednesday, 15 February 2023 at 3.00 p.m.** (Malaysia time) or any adjournment thereof.

The voting of the EGM will be conducted by poll. If you are unable to participate and vote remotely by yourself at the EGM, you may appoint proxy(ies) (not more than 2 proxies) to participate and vote remotely on your behalf by completing and depositing the Proxy Form, in accordance with the instructions therein, to our Poll Administrator at Ground Floor or 11th Floor, Menara Symphony, No. 5 Jalan Professor Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan no later than **Tuesday, 14 February 2023 at 3.00 p.m.**

You may participate and vote remotely by yourself at our forthcoming EGM if you wish to do so even after you have completed and deposited the Proxy Form so long as you revoke the appointment of your proxy prior to the EGM.

14. FURTHER INFORMATION

You are requested to refer to the appendices for further information.

Yours faithfully
For and on behalf of the Board of
TIME dotCom Berhad

Elakumari Kantilal
Non-Independent, Non-Executive Director
Chairman

SALIENT TERMS OF SPA 1

Unless defined in other sections of this Circular, all capitalised terms found in this Appendix I shall have the same meanings as defined in this Appendix I.

Salient terms of SPA 1

The salient terms and conditions of the SPA 1 are as follows:

1. Sale and Purchase of Sale Shares

TIME (“**Seller**”) has agreed to sell to DBAPL, and DBAPL has agreed to purchase from TIME 699,850 ICPS in AIMS, representing 100% of the ICPS in AIMS (the “**Sale ICPS**”), and 490,000 OS in AIMS, representing 49% of the OS in AIMS, (the “**Sale OS**”, together with the Sale ICPS, collectively, the “**Sale Shares**”). The Sale Shares represent 70% in the total issued share capital of AIMS on an as converted and fully diluted basis.

2. Consideration

- 2.1 Purchase Price 1 calculation. The purchase price for the Sale Shares (the “**Purchase Price 1**”) will be satisfied in cash based on the following calculation:

<p>EV of AIMS (the “Base Value”)</p> <p>Adjusted for:</p> <p>(i) Less: net debt</p> <p>(ii) Add: permitted capital expenditure</p> <p>(iii) Less: transaction expenses</p> <p>(iv) Add: working capital excess / Less: working capital shortfall⁽¹⁾</p> <p>the resultant amount to be multiplied by 70%</p> <p>Equals to: Purchase Price 1</p>
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Note:

- (1) Only applicable if either the working capital excess/shortfall exceeds an amount equal to 10% of the target working capital of RM38,000,000.

- 2.2 Provisional Purchase Price 1 payable on SPA 1 Completion. On the SPA 1 Completion Date (as defined in paragraph 4 below), DBAPL shall pay to the Seller an amount calculated based on the Base Value and the estimates in respect of each of the adjustment line items and calculation referenced in paragraph 2.1 above (the “**Provisional Purchase Price 1**”).

In order to determine the Provisional Purchase Price 1, the Seller shall, not later than twelve (12) business days prior to the SPA 1 Completion Date, provide DBAPL with a notice setting forth in reasonable detail its good faith determination of the Provisional Purchase Price 1, together with all reasonable supporting documentation.

The difference between the Purchase Price 1 and the Provisional Purchase Price 1 (if any) shall be payable by DBAPL to the Seller, or Seller to DBAPL, as the case may be, post the SPA 1 Completion Date, within 10 business days from the date the Purchase Price 1 is determined in accordance with the terms of the SPA 1.

An escrow amount of USD80.00 million will serve as a security deposit for the payment of the Purchase Price whereby on the SPA 1 Completion (as defined in paragraph 3 below), such escrow amount (together with any interest accrued thereon) shall, subject to the terms of the SPA 1, be converted into RM and released to TIME as part of the Provisional Purchase Price 1.

3. Conditions Precedent

The obligations of TIME and DBAPL to complete the sale and purchase of the Sale Shares are conditional on the satisfaction (or waiver, as the case may be) of the following matters (the “**SPA 1 Conditions**”) by or before 5:00 p.m. on the date falling one hundred and eighty (180) days from the date of the SPA 1 or such other date as may be agreed in writing between the parties (the “**SPA 1 Cut-Off Point**”):

- (a) the general meeting of TIME’s shareholders approves the divestment of the Sale Shares by TIME;
- (b) the identified warranties given by the Seller, subject to the terms of the SPA 1, are true and accurate in all respects both as of the date of SPA 1 and as at completion of the SPA 1 (the “**SPA 1 Completion**”);
- (c) no material adverse effect as prescribed under the SPA 1 shall have occurred that is continuing as at the SPA 1 Completion; and
- (d) certain customer consents having been obtained and certain customer notifications having been issued, in each case in relation to the transaction.

If the SPA 1 Conditions set out in paragraphs 3(a) and (d) above (the “**Positive Conditions**”) are not satisfied or waived on or before the SPA 1 Cut-Off Point, the parties shall be entitled to treat the SPA 1 (other than the surviving provisions) as terminated.

The SPA 1 shall become unconditional on the date on which the last of the Positive Conditions is fulfilled or is otherwise waived in accordance with the provisions of the SPA 1 (the “**SPA 1 Unconditional Date**”).

4. SPA 1 Completion Date

The SPA 1 Completion shall take place on the business day falling 15 business days after the SPA 1 Unconditional Date (or at such other date as the parties may agree in writing) (the “**SPA 1 Completion Date**”).

5. Termination

The SPA 1 may be terminated (save for the surviving provisions) only in accordance with the following:

- (a) by mutual written consent of the Seller and DBAPL;
- (b) by either the Seller or DBAPL (as the case may be), if any applicable law permanently prohibiting (x) the Seller from transferring any Sale Shares to DBAPL, or (y) DBAPL from acquiring or holding any Sale Shares, has been issued by a governmental authority of competent jurisdiction, and in each case such prohibition remains effective and continuing on the date falling 5 business days prior to the SPA 1 Completion;
- (c) by either the Seller or DBAPL (as the case may be), in the event any of the Positive Conditions is not satisfied or validly waived on or before the SPA 1 Cut-Off Point; or
- (d) by either the Seller or DBAPL (as the case may be), if there is a breach of the completion obligations.

6. Governing Law and Arbitration

The SPA 1 shall be governed by, and construed in accordance with, the laws of Malaysia. Any dispute, controversy or claim arising in any way out of or in connection with the SPA 1 shall be referred to and finally resolved by arbitration administered by the Singapore International Arbitration Centre (the “**SIAC**”) in accordance with the Arbitration Rules of SIAC for the time being in force.

SALIENT TERMS OF SPA 2

Unless defined in other sections of this Circular, all capitalised terms found in this Appendix II shall have the same meanings as defined in this Appendix II.

Salient terms of SPA 2

The salient terms and conditions of the SPA 2 are as follows:

1. Sale and Purchase of Sale Shares

TIME has agreed to sell 210,000 OS which is equivalent to 21% of all the OS in AIMS TH (the “**TIME’s Portion**”), and SYMC has agreed to sell 490,000 OS which is equivalent to 49% of all the OS in AIMS TH (the “**SYMC’s Portion**”, and together with the TIME’s Portion, the “**TH Sale Shares**”) to DBAPL.

2. Consideration

2.1 Purchase Price 2 calculation. The purchase price for the TH Sale Shares (the “**Purchase Price 2**”) will be satisfied in cash based on the following calculation:

<p>EV of AIMS TH</p> <p>Less: target net debt</p> <p>Adjusted for:</p> <p>(i) Add: net debt shortfall / Less: net debt excess</p> <p>(ii) Less: transaction expenses</p> <p>(iii) Add: working capital excess / Less: working capital shortfall</p> <p>the resultant amount to be multiplied by 70%</p> <p>Equals to: Purchase Price 2</p>
--

The Purchase Price 2 shall be paid in the following manner:

- (a) the resultant amount calculated pursuant to (i) 21% divided by 70% and then (ii) multiplied by the Purchase Price 2 shall be paid to TIME for the sale of TIME’s Portion; and
- (b) the resultant amount calculated pursuant to (i) 49% divided by 70% and then (ii) multiplied by the Purchase Price 2 shall be paid to SYMC for the sale of SYMC’s Portion.

2.2 Provisional Purchase Price 2 payable on SPA 2 Completion: On the SPA 2 Completion Date (as defined in paragraph 4 below), DBAPL shall pay a provisional purchase price of THB91,000,000 for the TH Sale Shares (the “**Provisional Purchase Price 2**”), in the following manner:

- (a) THB27,300,000 shall be paid to TIME for the sale of TIME’s Portion; and
- (b) THB63,700,000 shall be paid to SYMC for the sale of SYMC’s Portion.

The difference between the Purchase Price 2 and the Provisional Purchase Price 2 (if any) shall be payable by DBAPL to the sellers, or sellers to DBAPL, as the case maybe, post the SPA 2 Completion Date within 10 business days from the date the Purchase Price 2 is determined in accordance with the terms of the SPA 2.

3. Conditions Precedent

The obligations of the sellers and DBAPL to complete the sale and purchase of the TH Sale Shares are conditional on the satisfaction (or waiver, as the case may be) of the following matters (the “**SPA 2 Conditions**”) by or before 5:00 p.m. on the date falling one hundred and eighty (180) days from the date of the SPA 2 or such other date as may be agreed in writing between the parties (the “**SPA 2 Cut-Off Point**”):

- (a) completion of the SPA 1;
- (b) the identified warranties given by each of TIME and SYMC, subject to the terms of the SPA 2, are true and accurate in all respects both as of the date of SPA 2 and as at completion of the SPA 2 (the “**SPA 2 Completion**”); and
- (c) no material adverse effect as prescribed under the SPA 2 shall have occurred that is continuing as at the SPA 2 Completion.

If the SPA 2 Conditions (other than those SPA 2 Conditions which by their nature are to be satisfied at the SPA 2 Completion) are not satisfied or waived on or before the SPA 2 Cut-Off Point, the parties shall be entitled to treat the SPA 2 (other than the surviving provisions) as terminated.

The SPA 2 shall become unconditional on the date on which the last of the SPA 2 Conditions (other than those SPA 2 Conditions which by their nature are to be satisfied at the SPA 2 Completion but subject to the satisfaction or valid waiver of such SPA 2 Conditions) is fulfilled or is otherwise waived in accordance with the provisions of the SPA 2 (the “**SPA 2 Unconditional Date**”).

4. SPA 2 Completion Date

The SPA 2 Completion shall take place on the same day as the date of completion of the SPA 1, provided that the SPA 2 Unconditional Date has occurred (or at such other date as the parties may agree in writing) (the “**SPA 2 Completion Date**”).

5. Termination

The SPA 2 may be terminated (save for the surviving provisions) only in accordance with the following:

- (a) at any time prior to the SPA 2 Completion, in the event that the SPA 1 is terminated in accordance with its terms;
- (b) by mutual written consent of DBAPL and the sellers;
- (c) by either the sellers jointly, on the one hand, or DBAPL, on the other hand (as the case may be), if any applicable law permanently prohibiting (x) any seller from transferring any TH Sale Shares to DBAPL, or (y) DBAPL from acquiring or holding any TH Sale Shares, has been issued by a governmental authority of competent jurisdiction, and in each case such prohibition remains effective and continuing on the date falling 5 business days prior to the SPA 2 Completion;
- (d) by either the sellers jointly, on the one hand, or DBAPL, on the other hand (as the case may be), in the event any of the SPA 2 Conditions (other than such SPA 2 Conditions which by their nature shall only be satisfied at the SPA 2 Completion) is not satisfied or validly waived on or before the SPA 2 Cut-Off Point; or
- (e) by either the sellers jointly, on the one hand, or DBAPL, on the other hand (as the case may be) if there is a breach of the completion obligations.

6. Governing Law and Arbitration

The SPA 2 shall be governed by, and construed in accordance with, the laws of Thailand. Any dispute, controversy or claim arising in any way out of or in connection with the SPA 2 shall be referred to and finally resolved by arbitration administered by the SIAC in accordance with the Arbitration Rules of SIAC for the time being in force.

SALIENT TERMS OF SHA

Unless defined in other sections of this Circular, all capitalised terms found in this Appendix III shall have the same meanings as defined in this Appendix III.

Salient terms of SHA

The salient terms and conditions of the SHA are as follows:

1. Parties to the SHA

Each of TIME, DBAPL, AIMS and AIMS TH agrees to enter into the SHA to regulate the management of AIMS and AIMS TH and the relationship between TIME and DBAPL as shareholders of AIMS and AIMS TH. The SHA will take effect on, and will become legally binding from, the date of completion under the SPA 1 (provided that, where any provision relates to AIMS TH, such provision will only take effect on the date of completion under the SPA 2 with respect to AIMS TH).

2. Governance Matters

2.1 Board Composition

The board of directors of AIMS (the “**AIMS Board**”) shall consist of **seven (7)** directors and shall include as follows:

- (a) prior to the conversion of any ICPS:
 - (i) so long as TIME holds at least fifty-one per cent. (51%) of the OS, TIME shall be entitled to appoint two (2) directors;
 - (ii) so long as DBAPL holds at least forty-nine per cent. (49%) of the OS, DBAPL shall be entitled to appoint two (2) directors;
 - (iii) so long as DBAPL holds all the ICPS, DBAPL shall be entitled to appoint two (2) directors;
 - (iv) the chief executive officer of AIMS (the “**CEO**”) shall be appointed as a director; and
 - (v) the chairman of the AIMS Board shall be a director nominated by TIME.
- (b) upon the full conversion of the ICPS by DBAPL:
 - (i) so long as TIME holds at least thirty per cent. (30%) of the OS, TIME shall be entitled to appoint two (2) directors;
 - (ii) so long as DBAPL holds at least seventy per cent. (70%) of the OS, DBAPL shall be entitled to appoint four (4) directors;
 - (iii) the CEO shall be appointed as a director; and
 - (iv) the chairman of the AIMS Board may be appointed by a majority of the directors.

If, at any time:

- (a) TIME’s shareholding percentage in AIMS falls below twenty per cent. (20%), TIME shall be entitled to appoint one (1) director for as long as TIME’s shareholding percentage in AIMS is at least ten per cent. (10%); and
- (b) if, at any time, TIME’s shareholding percentage in AIMS falls below ten per cent. (10%), TIME shall not be entitled to appoint, remove, and replace any director but TIME shall have the right to designate an observer to attend any meeting of the AIMS Board.

Each of TIME and DBAPL shall be entitled to board representation at the board of the other Group Companies (as defined in paragraph 2.2 below) based on their board representation at the AIMS Board and the above paragraphs on board composition shall, subject to applicable laws, apply to other Group Companies.

2.2 Reserved Matters

The SHA contains provisions relating to reserved matters that each shareholder must exercise its voting and other rights and powers in relation to AIMS, its subsidiaries from time to time, and AIMS TH (collectively, the “**Group**” and each, a “**Group Company**”) (and shall procure that each director nominated by such shareholder exercises all voting and other rights and powers) so as to cause each Group Company to refrain from taking any action:

- (a) without first obtaining the prior written approval of (i) DBAPL and (for such time as TIME maintains a direct or indirect shareholding of at least ten per cent. (10%) of the issued ordinary share capital of AIMS (the “**10% Threshold**”)) TIME or (ii) a director nominated by DBAPL and (for such time as TIME maintains the 10% Threshold) a director nominated by TIME, in respect of, amongst others, matters relating to (A) amendments to the constituent documents, (B) dissolution, liquidation or winding-up, or (C) repurchase, cancellation or redemption of a share capital or any reduction, consolidation, subdivision or reclassification or other alteration of capital structure, and (D) related party transactions;
- (b) without first obtaining the prior written approval of (i) DBAPL and (for such time as TIME maintains a direct or indirect shareholding of at least twenty per cent. (20%) of the issued ordinary share capital of AIMS (the “**20% Threshold**”)) TIME or (ii) a director nominated by DBAPL and (for such time as TIME maintains the 20% Threshold) a director nominated by TIME, in respect of, amongst others, (A) the matters set out in paragraph (a) above, and (B) matters relating to increase in share capital;
- (c) without first obtaining the prior written approval of (i) DBAPL and (for such time as TIME maintains a direct or indirect shareholding of at least twenty-five per cent. (25%) of the issued ordinary share capital of AIMS (the “**25% Threshold**”)) TIME or (ii) a director nominated by DBAPL and (for such time as TIME maintains the 25% Threshold) a director nominated by TIME, in respect of, amongst others, (A) the matters set out in paragraphs (a) and (b) above, and (B) operational matters of the Group.

3. Transfer of Shares

3.1 Moratorium on transfer

Other than a permitted transfer, each shareholder agrees that it will not, without the prior written consent of the other shareholders, transfer all or any part of the Shares held by it (or a permitted transferee thereof) for the time being to any person within a period of three (3) years after the date of the SHA.

3.2 Transfer of ICPS

Other than a permitted transfer, any transfer of the ICPS is not permissible without TIME’s prior written consent for as long as TIME remains a shareholder. For the purposes of paragraphs 3.3 and 3.4, references to “**Shares**” shall exclude ICPS.

3.3 Right Of First Offer

The SHA contains provisions in relation to right of first offer whereby if any shareholder (or a permitted transferee thereof) (the “**ROFO Transferor**”) proposes to transfer any of its Shares to any person other than a permitted transferee, it shall provide written notice (a “**ROFO Transfer Notice**”) of such proposed transfer to the other shareholder (the “**ROFO Holder**”) and AIMS or AIMS TH, as the case may be, notifying the ROFO Holder of its rights to purchase such Shares in accordance with the terms of the SHA. The ROFO Transfer Notice shall include (a) the number of Shares proposed to be sold by the ROFO Transferor (the “**ROFO Shares**”); and (b) an invitation for the ROFO Holder to make an offer to purchase all of the ROFO Shares. The ROFO Holder shall have the right, but not the obligation, to make an offer to purchase all (but not a portion) of the ROFO Shares.

3.4 Tag Along Rights

The SHA contains provisions in relation to tag-along rights whereby if the Tag Along Grantor proposes to transfer any of its Shares (the “**Tag Along Sale**”) to any person (subject to the provisions of the SHA) other than to a permitted transferee (the “**Tag Along Purchaser**”), the Tag Along Grantee shall have the right (a, “**Tag Along Right**”), but not the obligation, for the same consideration and on the same terms pursuant to the provisions of the SHA, to sell to the Tag Along Purchaser a number of Shares (the “**Tag Along Shares**”) up to the Tag Along Grantor’s proportionate shareholding percentage of the total number of Shares proposed to be sold to the Tag Along Purchaser as set forth in the tag along notice, *provided that*, if the Tag Along Sale would result in a change in control of AIMS, the Tag Along Grantee shall have a full tag (and not a proportional tag), *provided that* the Tag Along Grantee has not exercised its right of first offer (where applicable).

“**Tag Along Grantee**” means a shareholder who does not have the majority shareholding percentage in AIMS; and “**Tag Along Grantor**” the shareholder who has the majority shareholding percentage in AIMS.

For the purpose of this paragraph 3 (but subject to paragraph 3.2 above), “**Shares**” means (i) the OS, the ICPS and other share capital in AIMS issued and outstanding from time to time, and / or (ii) the OS in AIMS TH and other share capital in AIMS TH issued and outstanding from time to time.

4. TIME Exit Rights

The SHA also contains provisions in relation to exit rights of TIME whereby TIME and DBAPL have agreed on a process as outlined in the SHA to facilitate an exit by TIME from the Group at TIME’s option, subject to the terms of the SHA.

5. Termination

The SHA shall terminate on the earliest to occur of:

- (a) the date on which the SPA 1 terminates in accordance with its terms if completion thereunder does not occur;
- (b) in respect of any shareholder, the date on which such shareholder ceases to hold any of the issued share capital of AIMS (in respect of the SHA as it applies to AIMS and its subsidiaries) or any of the issued share capital of AIMS TH (in respect of the SHA as it applies to AIMS TH);
- (c) the date on which the SHA is terminated by the written agreement of all shareholders;
- (d) the date on which an effective resolution is passed, or a binding order is made for the winding-up of AIMS; and
- (e) if required by applicable laws.

6. Governing Law and Arbitration

The SHA shall be governed by, and construed in accordance with, the laws of Malaysia provided that all matters in respect of AIMS TH shall be construed in accordance with the laws of Thailand. Any dispute, controversy or claim arising in any way out of or in connection with the SHA shall be referred to and finally resolved by arbitration administered by the SIAC in accordance with the Arbitration Rules of SIAC for the time being in force.

SALIENT TERMS OF THE ICPS

It is envisaged that the holder of the ICPS will have the following key rights:

Terms	Description
Issuer	: AIMS
Issue Size	: 699,850 ICPS
Dividends	: No dividends or distributions (in whatever form) shall be declared or paid to the holder of the OS unless the holder of the ICPS then outstanding first receive or simultaneously receive in full its share of such dividends
Rights of ICPS Holder	: The holder of the ICPS is entitled to receive notices of and attending general meetings of AIMS The ICPS shall carry no voting rights
Ranking	: The ICPS shall rank in priority to the OS upon the occurrence of a liquidation event to be detailed in the constitution
Redemption	: The ICPS shall be irredeemable
Conversion Rights	: (a) All of the ICPS shall be convertible at the option of the ICPS holder into such number of new OS from the first anniversary of Transaction 1 Completion based on the Conversion Ratio if the agreed operational benchmarks are achieved by then (b) If the event described in paragraph (a) above has not occurred by the second anniversary of Transaction 1 Completion, then all of the ICPS shall be automatically converted into such number of new OS on the second anniversary based on the Conversion Ratio (c) Save as otherwise set out in paragraphs (a) and (b) above, the ICPS shall not be converted into new OS unless with the prior agreement of all the shareholders
Conversion Price	: The holder of the ICPS is not required to pay any cost or consideration for the conversion of any ICPS
Conversion Ratio	: Subject to the Conversion Rights and Conversion Price, each ICPS will convert into one new OS
Listing	: The ICPS will not be listed and traded on any stock exchange
Transferability	: Other than a permitted transfer (as outlined in the SHA), the ICPS shall not be transferable for so long as TIME remains a shareholder of AIMS
Modification of Rights	: No variation of the terms of the ICPS shall take effect without the prior approval of the holder of the ICPS

INFORMATION ON AIMS

1. HISTORY AND BUSINESS

AIMS was incorporated in Malaysia on 26 August 2022 under the Act as a private limited company under the name of AIMS Data Centre Holding Sdn Bhd. As at the LPD, AIMS is our wholly-owned subsidiary. On 1 September 2022, AIMS entered into a share sale and purchase agreement to acquire from our Company's 100% interest in each AIMS Data Centre, AIMS Cyberjaya and AIMS SG and the transaction was completed on 13 September 2022. AIMS commenced its business operations on 13 September 2022.

AIMS is principally involved in investment holding and through its subsidiaries, is involved in the provision of value-added network services, information services, system integration services, operation of data networks and network-based applications for corporations and building management.

The core business activity of AIMS and its subsidiaries is to operate data centres, including the leasing, commissioning and building of data centres, and the provision of co-location, power, cross-connect and other network connectivity solutions associated with its data centres to its customers.

AIMS serves multiple categories of customers including enterprises, telecommunication network providers, hyperscale network or cloud connect nodes, cloud computing providers, government and regulatory surveillance facilities and exchanges, internet hosting providers and financial institutions.

The majority of AIMS operations are in Malaysia, with a smaller presence in Singapore. Based on AIMS MS Group's latest amalgamated financial information for the FYE 31 December 2021, AIMS mainly derives its revenue from Malaysia, which contributed approximately 99% of revenue, whilst the remaining 1% of revenue was contributed by Singapore.

Starting with a single leased data centre located at Menara AIMS in downtown Kuala Lumpur, AIMS has expanded its data centre presence to multiple locations throughout Malaysia. In 2019, a subsidiary of AIMS acquired the land and building of Menara AIMS, thereby establishing outright ownership over its flagship data centre facility. In 2021, AIMS unveiled the first phase of its newly-owned data centre in Cyberjaya, having been present in Cyberjaya since 2012 in a separately leased facility. In 2022, a subsidiary of AIMS acquired Bangunan KWSP Changkat Raja Chulan, a building located next door to Menara AIMS, in order to further drive the growth of its downtown Kuala Lumpur data centre activity.

AIMS has continued to invest significant amounts into expanding the mechanical and electrical equipment within its data centre buildings, which are necessary to provide the relevant data centre services to its customers.

2. SHARE CAPITAL

As at the LPD, the issued share capital of AIMS is RM232,918,091.78 comprising 1,000,000 OS and 699,850 ICPS.

3. DIRECTORS AND SHAREHOLDERS

As at the LPD, the directors of AIMS are as follows:

Name	Nationality	Designation
Patrick Corso	Italian	Director
Shahnaz Farouque Bin Jammal Ahmad	Malaysian	Director

None of the directors of AIMS has any shareholdings in AIMS as at the LPD.

As at the LPD, the substantial shareholder of AIMS and its direct and indirect shareholdings in AIMS is as follows:

	Country of incorporation	Direct		Indirect		Direct		Indirect	
		No. of OS	%	No. of OS	%	No. of ICPS	%	No. of ICPS	%
TIME	Malaysia	1,000,000	100.0	-	-	699,850	100.0	-	-

4. SUBSIDIARIES

As at the LPD, AIMS has 3 subsidiaries, details of which are as follows:

Company	Date/ Place of incorporation	Equity interest held	Issued share capital	Principal activities ⁽¹⁾
AIMS Data Centre	27.06.1990/ Malaysia	100%	RM17,774,549	Provision of value added network services, information services, system integration services and operation of data networks and network-based applications for corporations and building management
AIMS Cyberjaya	06.11.2007/ Malaysia	100%	RM2,000,002	Provision of value added network services, information services, system integration services and operation of data networks and network-based applications for corporations
AIMS SG	07.07.2005/ Singapore	100%	SGD100,002	Provision of communications, telecommunications and database related services

Note:

(1) Based on the audited financial statements of the respective companies.

5. HISTORICAL FINANCIAL INFORMATION

As AIMS is a newly incorporated company, there are no financial statements as at the LPD. Accordingly, a summary of the amalgamated AIMS MS Group financial information has been prepared based on the audited financial statements of AIMS Data Centre, AIMS Cyberjaya and AIMS SG, from FYE 31 December 2019 to FYE 31 December 2021 and the unaudited financial statements for the 9-month FPE 30 September 2022, is set out in **Appendix VI** of this Circular.

6. MATERIAL CONTRACTS

Neither AIMS nor its subsidiaries has entered into any material contracts (not being contracts entered into in the ordinary course of business) within the 2 years immediately preceding the date of this Circular save for the following:

- (i) AIMS on 1 September 2022 entered into a share sale and purchase agreement with our Company to acquire from our Company a 100% interest in each of AIMS Data Centre, AIMS Cyberjaya and AIMS SG for a total consideration of RM232,917,091.78, satisfied through the allotment and issuance of 999,000 OS in AIMS and 699,850 ICPS in AIMS to our Company, which was completed on 13 September 2022; and

- (ii) AIMS Data Centre on 11 January 2022 entered into a sale and purchase agreement with Lembaga Kumpulan Wang Simpanan Pekerja (“KWSP”) to acquire from KWSP a 13-storey purpose-built office building together with 95 car park bays known as Bangunan KWSP Changkat Raja Chulan for a total cash consideration of RM62,000,000, which was completed on 8 July 2022.

7. MATERIAL LITIGATION, CLAIMS OR ARBITRATION

As at the LPD, neither AIMS nor any of its subsidiaries is involved in any material litigation, claims or arbitration, and AIMS and its subsidiaries are not aware of any material litigation, claims or arbitration pending or threatened against AIMS and its subsidiaries.

8. TYPE OF ASSETS OWNED

As at the LPD, AIMS and its subsidiaries own and operate the following premises:

Location	Description	Existing use	Age of	Area	Owner	Latest audited
			buildings			years
Lot No. 1204, Seksyen 57, P.T No 10019, Town of Kuala Lumpur, District of Kuala Lumpur	Land Building	Data centre	3	2,446	AIMS Data Centre	50,000
				11,203.9		43,848
H.S.(D) 32428, P.T No. 45816, Mukim Dengkil, Daerah Sepang, Negeri Selangor Darul Ehsan	Building	Data centre	1	14,956	AIMS Data Centre	81,376
Lot No. 19, Seksyen 57, P.T No 36467 Daerah Kuala Lumpur Negeri Wilayah Persekutuan Kuala Lumpur	Land Building	Office building (currently in the process of being converted for data centre use)	*	1,973 10,532	AIMS Data Centre	*
H.S.(D) 32428, P.T No. 45816, Mukim Dengkil, Daerah Sepang, Negeri Selangor Darul Ehsan	Land	Data centre	7	12,684	AIMS Cyberjaya	15,599

Note:

- * AIMS Data Centre had on 11 January 2022 entered into a sale and purchase agreement with KWSP to acquire from KWSP a 13-storey purpose-built office building together with 95 car park bays known as Bangunan KWSP Changkat Raja Chulan for a total cash consideration of RM62,000,000, which was completed on 8 July 2022. The NBV for the land and the building as at 30 September 2022 is RM36,000,000 and RM28,424,000, respectively.

As at the LPD and based on the latest audited NBV as at 31 December 2021, AIMS Data Centre owns data centre assets other than land and building amounting to RM143.83 million relating to data centre and communication equipment, floorworks and work-in-progress data centre assets.

HISTORICAL FINANCIAL INFORMATION OF THE AIMS MS GROUP

A summary of the amalgamated AIMS MS Group financial information based on the audited financial statements of AIMS Data Centre, AIMS Cyberjaya and AIMS SG, respectively, for the past 3 financial years up to FYE 31 December 2021 and the unaudited financial statements of AIMS MS Group as at and for the 9-month FPE 30 September 2022 is as follows:

	Amalgamated ⁽¹⁾ FYE 31 December			Amalgamated ⁽¹⁾
	2019	2020	2021	FPE 30 September
	RM 000	RM 000	RM 000	2022
				RM 000
Revenue	146,365	153,464	180,270	155,316
EBITDA	67,811	75,824	87,848	83,441
PBT	40,079	47,636	57,780	58,695
PAT attributable to owners of the company	29,850	35,025	46,909	44,365
Total borrowings ⁽²⁾	95,542	130,976	178,802	215,786
Shareholders' fund / NA	125,590	160,651	207,406	251,468
Total equity	125,590	160,651	207,406	251,468
Share capital	20,080	20,080	20,080	20,080
No. of shares in issue (000) ⁽³⁾	19,875	19,875	19,875	19,875
NA per share (RM)	6.32	8.08	10.44	12.65
EPS (RM)	1.50	1.76	2.36	2.23
Current ratio (times)	0.89	0.65	1.53	1.09
Gearing ratio (times)	0.76	0.82	0.86	0.86

Notes:

- (1) *The amalgamated financial results for the year/period and financial positions as at year/period end disclosed, are derived by aggregating AIMS Data Centre's, AIMS Cyberjaya's and AIMS SG's financial results for the year/period and financial positions as at year/period end, which are then offset against intra-group transactions and balances between the aforementioned companies.*
- (2) *Total borrowings include bank borrowings (where applicable), lease liabilities and interest-bearing amounts due to a fellow subsidiary of our Group (where applicable) and the holding company.*
- (3) *The number of shares is derived by aggregating the number of shares issued by AIMS Data Centre, AIMS Cyberjaya and AIMS SG.*

For the FYE 31 December 2019 to FYE 31 December 2021, there was no:

- (i) exceptional or extraordinary item during the financials years under review;
- (ii) accounting policy adopted by AIMS Data Centre, AIMS Cyberjaya or AIMS SG which are peculiar to them due to the nature of their business or the industry they are involved in; and
- (iii) audit qualification for the financial statements of AIMS Data Centre, AIMS Cyberjaya and AIMS SG for the financial years under review.

Commentaries:

FYE 31 December 2021 vs. FYE 31 December 2020

AIMS MS Group recorded revenue of RM180.27 million for the FYE 31 December 2021 which represents an increase of approximately RM26.81 million or 17.47% as compared with RM153.46 million for the FYE 31 December 2020. The increase in revenue was mainly contributed by a one-off non-recurring revenue from AIMS Data Centre of RM13.50 million coupled with an increase in revenue from co-location services.

AIMS MS Group recorded PBT of RM57.78 million for the FYE 31 December 2021 which represents an increase of approximately RM10.14 million or 21.28% as compared with RM47.64 million for the FYE 31 December 2020. The increase in PBT was mainly due to higher revenue from AIMS Data Centre, partially offset with higher administrative expenses and higher interest expenses arising from new loan drawdown in FYE 31 December 2021.

FYE 31 December 2020 vs. FYE 31 December 2019

AIMS MS Group recorded revenue of RM153.46 million for the FYE 31 December 2020 which represents an increase of approximately RM7.09 million or 4.84% as compared with RM146.37 million for the FYE 31 December 2019. The increase in revenue was mainly contributed by higher revenue from co-location services in AIMS Data Centre.

AIMS MS Group recorded PBT of RM47.64 million for the FYE 31 December 2020 which represents an increase of approximately RM7.56 million or 18.86% as compared with RM40.08 million for the FYE 31 December 2019. The increase in PBT was mainly due to higher revenue from AIMS Data Centre and cost savings in cost of sales arising from lower rental expenses upon acquisition of Menara AIMS in FYE 31 December 2019. The increase in PBT was also partially offset by higher interest expense as a result of higher interest-bearing advances from our Company.

FYE 31 December 2019 vs. FYE 31 December 2018

AIMS MS Group recorded revenue of RM146.37 million for the FYE 31 December 2019 which represents an increase of approximately RM2.73 million or 1.90% as compared with RM143.64 million for the FYE 31 December 2018. The increase in revenue was mainly contributed by higher revenue from co-location services in AIMS Data Centre.

AIMS MS Group recorded PBT of RM40.08 million for the FYE 31 December 2019 which represents an increase of approximately RM4.23 million or 11.80% as compared with RM35.85 million for the FYE 31 December 2018. The increase in PBT was mainly due to higher revenue from AIMS Data Centre, higher other income arising from Malaysia Digital Economy Corporation's government grant of RM1.00 million received by AIMS Data Centre, one-off reversal of over-provision of consultancy fee in AIMS Cyberjaya and lower administrative expenses. The increase in PBT was also partially offset by higher interest expense as a result of higher interest-bearing advances from our Company and a fellow subsidiary, coupled with the implementation of the Malaysian Financial Reporting Standard 16 in FYE 31 December 2019.

FPE 30 September 2022 vs. FPE 30 September 2021

The AIMS MS Group recorded revenue of RM155.32 million for the FPE 30 September 2022 which represents an increase of approximately RM30.98 million or 24.92% as compared with RM124.34 million for the FPE 30 September 2021. The increase in revenue was mainly contributed by a one-off non-recurring revenue from AIMS Data Centre of RM24.64 million coupled with higher revenue from co-location services in AIMS Data Centre for FPE 30 September 2022.

The AIMS MS Group recorded PBT of RM58.70 million for the FPE 30 September 2022 which represents an increase of approximately RM21.48 million or 57.71% as compared with RM37.22 million for the FPE 30 September 2021. The increase in PBT was mainly due to higher revenue from AIMS Data Centre, partially offset by higher administrative expenses and higher interest expenses arising from a loan drawdown in January 2021 for which interest expense was previously capitalised up to June 2021.

INFORMATION ON AIMS TH

1. HISTORY AND BUSINESS

AIMS TH was incorporated in Thailand on 24 July 2019 as a private limited company.

As at the LPD, AIMS TH is 51%-owned by TIME (including 1 OS in AIMS TH held by AIMS Data Centre) and 49%-owned by SYMC. SYMC is also 46.8%-owned by our Company.

AIMS TH commenced its business operations on 20 October 2020. AIMS TH is principally involved in the provision of server co-location, data back-up services, data retrieval services for disaster recovery, provision of consultation and training, data centre operations and related services. AIMS TH has a data centre presence in Thailand and is located on 3 leased floors in the Smoothlife Tower building in downtown Bangkok. The principal markets of AIMS TH's products and services are in the segments of enterprise and retail customers and the revenue of AIMS TH is generated wholly in Thailand.

2. SHARE CAPITAL

As at the LPD, the issued share capital of AIMS TH is THB100,000,000 comprising 1,000,000 OS.

3. DIRECTORS AND SHAREHOLDERS

As at the LPD, the directors of AIMS TH are as follows:

<u>Name</u>	<u>Nationality</u>	<u>Designation</u>
Ang Thing Jiun	Malaysian	Director
Kranphol Asawasuan	Thai	Director
Chiew Kok Hin	Malaysian	Director
Teerarat Pantarasutra	Thai	Director

None of the directors of AIMS TH has any shareholdings in AIMS TH as at the LPD.

As at the LPD, the substantial shareholders of AIMS TH and their respective direct and indirect shareholdings in AIMS TH are as follows:

	<u>Country of incorporation</u>	<u>Direct</u>		<u>Indirect</u>	
		<u>No. of OS</u>	<u>%</u>	<u>No. of OS</u>	<u>%</u>
TIME	Malaysia	509,999	51.0	490,000	49.0 ⁽²⁾
AIMS Data Centre	Malaysia	1	-(¹)	-	-
SYMC	Thailand	490,000	49.0	-	-

Notes:

(1) *Negligible.*

(2) *Deemed interest by virtue of its 46.8% direct interest in SYMC as at the LPD.*

4. HISTORICAL FINANCIAL INFORMATION

A summary of AIMS TH's historical financial information based on its audited financial statements from FYE 31 December 2019 to FYE 31 December 2021 and the unaudited financial statements for the 9-month FPE 30 September 2022 is set out in **Appendix VIII** of this Circular.

5. MATERIAL CONTRACTS

As at the LPD, AIMS TH has not entered into any material contract (not being a contract entered into in the ordinary course of business) within the 2 years immediately preceding the date of this Circular.

6. MATERIAL LITIGATION, CLAIMS OR ARBITRATION

As at the LPD, AIMS TH is not involved in any material litigation, claims or arbitration, and AIMS TH is not aware of any material litigation, claims or arbitration pending or threatened against AIMS TH.

7. TYPE OF ASSETS OWNED

As at the LPD, AIMS TH does not own any land or buildings. However, as at the LPD and based on the latest audited NBV as at 31 December 2021, AIMS TH owns data centre assets amounting to THB201.11 million relating to data centre equipment, floorworks as well as electrical and mechanical equipment.

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HISTORICAL FINANCIAL INFORMATION OF AIMS TH

A summary of the financial information of AIMS TH for the past 3 financial years up to FYE 31 December 2021 and the unaudited financial statements of AIMS TH as at and for the 9-month FPE 30 September 2022 is as follows:

	Audited FYE 31 December						Unaudited FPE 30 September	
	2019	2019	2020	2020	2021	2021	2022	2022
	THB 000	(1)(2)RM 000	THB 000	(1)(2)RM 000	THB 000	(1)(2)RM 000	THB 000	(1)(2)RM 000
Revenue	-	-	2,550	362	10,547	1,368	14,821	1,866
EBITDA	(80)	(11)	(2,831)	(402)	(15,784)	(2,048)	(13,345)	(1,680)
LBT	80	11	16,731	2,378	71,016	9,212	57,580	7,249
Loss after tax attributable to owners of the company	80	11	16,731	2,378	71,016	9,212	57,580	7,249
Total borrowings ⁽³⁾	-	-	317,112	42,947	389,447	49,042	406,700	50,176
Shareholders' fund / NA / (Net liability)	170	23	83,189	11,267	12,173	1,532	(45,408)	(5,602)
Total equity	170	23	83,189	11,267	12,173	1,532	(45,408)	(5,602)
Share capital	250	36	100,000	13,387	100,000	13,387	100,000	13,387
No. of shares in issue (000)	10	10	1,000	1,000	1,000	1,000	1,000	1,000
NA / (Net liability) per share (THB / RM)	17.00	2.30	83.19	11.27	12.17	1.53	(45.41)	(5.60)
Loss per share (THB / RM)	8.00	1.10	30.30	4.31	71.02	9.21	57.58	7.25
Current ratio (times)	3.10	3.10	0.65	0.65	0.95	0.95	0.10	0.10
Gearing ratio (times)	Not applicable ("N/A")	N/A	3.81	3.81	31.99	31.99	(8.96)	(8.96)

Notes:

- (1) The exchange rate of THB:RM for the statement of financial position figures are based on BNM's middle exchange rate as at 5.00 p.m. for the relevant financial year/period.
- (2) The exchange rate of THB:RM for the statement of profit and loss figures refers to the average monthly exchange rate based on BNM's middle exchange rate as at 5.00 p.m. for the relevant financial year/period.
- (3) Total borrowings include lease liabilities and interest-bearing amounts due to the shareholders.

For the FYE 31 December 2019 to FYE 31 December 2021, there was no:

- (i) exceptional or extraordinary item during the financial years under review;
- (ii) accounting policy adopted by AIMS TH which are peculiar to AIMS TH due to the nature of its business or the industry it is involved in; and
- (iii) audit qualification for the financial statements of AIMS TH for the financial years under review.

Commentaries:

FYE 31 December 2021 vs. FYE 31 December 2020

AIMS TH recorded revenue of THB10.55 million for the FYE 31 December 2021 which represents an increase of approximately THB8.00 million or 313.73% as compared with THB2.55 million for the FYE 31 December 2020. The increase in revenue was mainly contributed by revenue from new customers being recognised in FYE 31 December 2021 as AIMS TH only commenced its business on 20 October 2020.

AIMS TH recorded an LBT of THB71.02 million for the FYE 31 December 2021 which represents an increase of approximately THB54.29 million or 324.51% as compared with THB16.73 million for the FYE 31 December 2020. The increase in LBT was mainly due to low revenue contribution in the early year of its operations which was offset against full year depreciation expenses being recognised in FYE 31 December 2021 coupled with higher interest expenses for shareholders' loan obtained to finance the acquisition of assets and its operations.

FYE 31 December 2020 vs. FYE 31 December 2019

AIMS TH commenced business on 20 October 2020 and recorded revenue of THB2.55 million. AIMS TH recorded an LBT of THB16.73 million for the FYE 31 December 2020 mainly due to low revenue contribution from its initial year of operations and depreciation expenses recognised for fixed assets acquired during the FYE 31 December 2020.

FYE 31 December 2019 vs. FYE 31 December 2018

AIMS TH was incorporated on 24 July 2019.

FPE 30 September 2022 vs. FPE 30 September 2021

AIMS TH recorded revenue of THB14.82 million for the FPE 30 September 2022 which represents an increase of approximately THB7.45 million or 101.09% as compared with THB7.37 million for the FPE 30 September 2021. The increase in revenue was mainly contributed by revenue from new customers and higher recurring revenue from existing customers.

AIMS TH recorded an LBT of THB57.58 million for the FPE 30 September 2022 which represents an increase of approximately THB5.73 million or 11.05% as compared with THB51.85 million for the FPE 30 September 2021. The increase in LBT despite higher revenue was mainly due to higher operating expenses and higher interest expenses.

AUDITED FINANCIAL STATEMENTS OF AIMS DATA CENTRE FOR THE FYE 31 DECEMBER 2021

AIMS Data Centre Sdn. Bhd.
(Registration No. 199001008514 (200085-H))
(Incorporated in Malaysia)

**Financial statements for the year
ended 31 December 2021**

AUDITED FINANCIAL STATEMENTS OF AIMS DATA CENTRE FOR THE FYE 31 DECEMBER 2021
(cont'd)

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AIMS Data Centre Sdn. Bhd.

(Registration No. 199001008514 (200085-H))
(Incorporated in Malaysia)

Directors' report for the year ended 31 December 2021

The Directors have pleasure in submitting their report and the audited financial statements of the Company for the financial year ended 31 December 2021.

Principal activities

The Company is principally engaged in the business of providing value added network services, information services, system integration services, operation of data networks and network-based applications for corporations and building management. There has been no significant change in the nature of these activities during the financial year.

Holding company

The Company is a subsidiary of TIME dotCom Berhad, which is incorporated in Malaysia and regarded by the Directors as the Company's holding company, during the financial year and until the date of this report.

Results

	RM'000
Profit for the year	<u>42,308</u>

Reserves and provisions

There were no material transfers to or from reserves and provisions during the financial year under review.

Dividends

No dividend was paid during the year and the Directors do not recommend any dividend to be paid for the financial year under review.

Directors of the Company

Directors who served during the financial year until the date of this report are:

Chiew Kok Hin
Ang Thing Jiun
Patrick Corso (appointed on 25 November 2021)
Long Sher Neng (resigned on 13 October 2021)
Lee Guan Hong (resigned on 25 November 2021)

AUDITED FINANCIAL STATEMENTS OF AIMS DATA CENTRE FOR THE FYE 31 DECEMBER 2021
(cont'd)

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Registration No. 199001008514 (200085-H)
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Directors' interests in shares

The interests in the shares of the Company and of its related corporations of those who were Directors at the financial year end (including the interests of the spouses or children of the Directors who themselves are not Directors of the Company) as recorded in the Register of Directors' Shareholdings are as follows:

	Number of ordinary shares					At 31.12.2021
	At 1.1.2021	Share vested under Share Grant Plan	Bonus issue	Bought	Sold	
<i>Interest in the holding company:</i>						
Chiew Kok Hin						
- own	232,066	265,728	465,132	30,500	(30,000)	963,426
Ang Thing Jiun						
- own	167,200	291,840	245,600	-	(44,400)	660,240

As the company is a wholly-owned subsidiary of TIME dotCom Berhad, the interest of Patrick Corso (who is also a Director of the holding company), in the shares of the Company and its related companies is disclosed in the Directors' report of TIME dotCom Berhad.

Directors' benefits

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than those fees and other benefits included in the aggregate amount of remuneration received or due and receivable by Directors as shown in the financial statements or the fixed salary of a full time employee of the Company or of related corporations) 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.

There were no arrangements during and at the end of the financial year, which the Company is a party and had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate apart from the grant of a share option of the holding company to Patrick Corso, and the holding company's share grant plan in which only Chiew Kok Hin and Ang Thing Jiun are eligible to participate.

Issue of shares and debentures

There were no changes in the issued and paid-up capital of the Company and the Company has not issued any debentures during the financial year.

Options over unissued shares

No options were granted to any person to take up unissued shares of the Company during the financial year apart from the granting of share options of the holding company to an Executive Director of the Company and the share grant plan of the holding company to employees.

AUDITED FINANCIAL STATEMENTS OF AIMS DATA CENTRE FOR THE FYE 31 DECEMBER 2021
(cont'd)

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Registration No. 199001008514 (200085-H)
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Share option to an Executive Director

At an Extraordinary General Meeting held on 14 June 2019, the shareholders of TIME dotCom Berhad ("holding company" or "TdC") approved the granting of a share option to Patrick Corso, a Non-Independent Executive Director of the holding company to subscribe for up to 3,300,000 new ordinary shares in the holding company.

The salient terms of the share option granted are as follows:

- a) The option period commenced on 20 June 2019 and will end on the earlier of the day prior to the fifth anniversary of the date of the Share Option Agreement or the date on which the Executive Director ceases to hold any executive position within TdC Group by reason of his voluntary resignation becoming effective or the lawful termination of his employment with just cause or excuse. The option shall automatically lapse and become null and void upon expiry of the option period.
- b) The aggregate number of shares to be issued shall not be more than 3,300,000 new ordinary shares.
- c) The option price of RM7.95 per share was determined based on a discount of 10% to the five days volume weighted average market price of TdC's shares immediately preceding the date on which the option was granted by the holding company to the Executive Director.
- d) The option per share was adjusted to RM7.835 per share and RM7.761 per share with no change made to the number of option shares granted pursuant to special dividends paid by the holding company on 31 March 2020 and 30 March 2021 respectively.
- e) The option may be exercised by the Executive Director at any time and from time to time during the option period up to a maximum of 20% of the total option shares per annual period of the option period. Any portion of the option which is unexercised can be carried forward to the next period without reducing the maximum exercisable portion in the next period.
- f) In the event of any alteration in the capital structure of TdC during the option period, whether by way of capitalisation of profits or reserves, right issues, bonus issues, capital reduction (save for set-off against accumulated losses), capital repayment, sub-division or consolidation of capital, or declaration of any special dividend or distribution or otherwise howsoever taking place, unless otherwise provided in the Share Option Agreement, such corresponding alterations (if any) may be made to the Proposed Grant in terms of the option exercise price and/or the number of option shares which have not yet been exercised so as to give the Executive Director a fair and reasonable entitlement in respect of the option shares, as shall be certified by an external auditor or an investment bank.
- g) On 5 April 2021, the Executive Director exercised option shares granted to him of 450,000 new ordinary shares at the adjusted exercise price of RM7.761 per share. The holding company received proceeds totalling RM3,492,450 as a result of the said exercise of share options.

AUDITED FINANCIAL STATEMENTS OF AIMS DATA CENTRE FOR THE FYE 31 DECEMBER 2021
(cont'd)

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Registration No. 199001008514 (200085-H)

Share option to an Executive Director (continued)

- h) On 22 July 2021, the ordinary resolution as set out in the Notice of Postponed Extraordinary General Meeting ("EGM") of TdC dated 23 June 2021 was duly passed by the shareholders at the EGM for a Bonus Issue of up to 1,212,483,666 new ordinary shares of TdC on the basis of two (2) bonus shares for every one (1) existing ordinary share held on 5 August 2021 ("Bonus Issue"). A total of 1,209,423,666 bonus shares have been issued and were listed and quoted on the Main Market of Bursa Securities on 6 August 2021. The Executive Director's remaining share options of 2,850,000 have been adjusted to 8,550,000 option shares at an adjusted price of RM2.587 per share (from RM7.761 per share previously).
- i) On 1 September 2021, the Executive Director exercised option shares granted to him of 4,590,000 new ordinary shares at the adjusted exercise price of RM2.587 per share. The holding company received proceeds totalling RM11,874,330 as a result of the said exercise of share options.
- j) On 22 December 2021, the option price was further adjusted to RM2.540 per share with no change made to the number of option shares granted pursuant to a special dividends paid by the holding company.

Share grant plan

At an Extraordinary General Meeting held on 28 June 2012, the shareholders of TIME dotCom Berhad ("holding company" or "TdC") approved the establishment of the Share Grant Plan ("SGP"), which collectively comprises the Special Restricted Share Plan ("SRSP") and Annual Restricted Share Plan and Annual Performance Share Plan ("ARPSP"). The SRSP was granted and fully vested on 30 November 2012.

The salient features of the share grant plan are, inter alia, as follows:

- a) The Scheme Committee (appointed by the Board of Directors of TdC to administer the SGP) may, in its discretion and where necessary, direct the implementation and administration of the plan. The Committee may at any time within the duration of the plan, offer ARPSP awards under the SGP to eligible employees in which such offer shall lapse should the eligible employees or Executive Directors of TdC Group fail to accept within the period stipulated. Non-Executive and Independent Directors and the Chief Executive Officer of TdC are not eligible for the SGP.
- b) The total number of shares to be issued under the SGP shall not exceed in aggregation 10% of the issued and paid-up capital of the holding company (excluding treasury shares) at any point of time during the tenure of SGP period to eligible employees of TdC Group.

AUDITED FINANCIAL STATEMENTS OF AIMS DATA CENTRE FOR THE FYE 31 DECEMBER 2021
(cont'd)

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Registration No. 199001008514 (200085-H)
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Share grant plan (continued)

- c) All new ordinary shares issued pursuant to the SGP will rank *pari passu* in all respect with the then existing ordinary shares of the holding company, except that the new ordinary shares so issued will not be entitled to any rights, dividends or other distributions declared, made or paid to shareholders prior to the date of allotment of such new ordinary shares, and will be subject to all the provisions of the Articles of Association of the holding company relating to transfer, transmission or otherwise.
- d) The shares granted will only be vested to the eligible employees of TdC Group who have duly accepted the offer of awards under the SGP, on their respective vesting dates, provided the following vesting conditions are fully and duly satisfied:
- Eligible employees of TdC Group must remain in employment with TdC Group and shall not have given notice of resignation or received notice of termination of service as at the vesting dates.
 - Eligible employees of TdC Group having achieved his/her performance targets as stipulated by the Committee and as set out in their offer of awards.
 - Eligible employees of TdC Group having achieved his/her minimum grading in his/her individual performance in accordance with the performance management system adopted by the holding company.
- e) The SGP shall be in force for a period of eight (8) years or such longer period as may be extended but not exceeding ten (10) years from the adoption date of the SGP.
- f) On 26 June 2020, Board of Directors of TdC approved the extension of the SGP for a further two years from 2 November 2020 to 1 November 2022, pursuant to Clause 14.3 of the By-Laws of the ARPSP vide a resolution of the Board of Directors of TdC.
- g) Adjustments to the SGP arising from the Bonus Issue were also made to ensure fair and reasonable treatment to the eligible employees of TdC Group.
- h) Pursuant to the Bonus Issue completed on 6 August 2021, TdC had on 16 August 2021 issued 6,893,389 new ordinary shares of TdC to eligible employees under the SGP. The closing share price on the vesting date 20 August 2021 was RM4.73 per share. The vesting of the shares under the SGP were subject to the TdC Group achieving certain financial targets and upon the eligible employees meeting the minimum grading criteria in accordance with the performance management system adopted by TdC Group.

Indemnity and insurance costs

During the financial year, the holding company maintained a corporate liability insurance for the Directors and Officers of the Company, which provides appropriate insurance cover for the Directors and Officers of the Company. The amount of insurance premium paid by the holding company for the financial year 2021 was RM40,926 (2020: RM38,965).

There were no indemnity and insurance costs effected for auditors of the Company.

AUDITED FINANCIAL STATEMENTS OF AIMS DATA CENTRE FOR THE FYE 31 DECEMBER 2021
(cont'd)

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Registration No. 199001008514 (200085-H)
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Other statutory information

Before the financial statements of the Company were made out, the Directors took reasonable steps to ascertain that:

- i) all known bad debts have been written off and that adequate provision has been made for doubtful debts, and
- ii) any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realise.

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

- i) that would render the amount written off for bad debts or the amount of the provision for doubtful debts in the Company inadequate to any substantial extent, or
- ii) that would render the value attributed to the current assets in the financial statements of the Company misleading, or
- iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Company misleading or inappropriate, or
- iv) not otherwise dealt with in this report or the financial statements, that would render any amount stated in the financial statements of the Company misleading.

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

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

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

In the opinion of the Directors, the financial performance of the Company for the financial year ended 31 December 2021 has not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

Subsequent event

The details of such event is disclosed in Note 24 to the financial statements.

AUDITED FINANCIAL STATEMENTS OF AIMS DATA CENTRE FOR THE FYE 31 DECEMBER 2021
(cont'd)

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Registration No. 199001008514 (200085-H)
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Auditors

The auditors, KPMG PLT, have indicated their willingness to accept re-appointment.

The auditors' remuneration is disclosed in Note 17 to the financial statements.

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



.....
Chiew Kok Hin
Director



.....
Patrick Corso
Director

Date: 25 February 2022

AUDITED FINANCIAL STATEMENTS OF AIMS DATA CENTRE FOR THE FYE 31 DECEMBER 2021
(cont'd)

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AIMS Data Centre Sdn. Bhd.

(Registration No. 199001008514 (200085-H))

(Incorporated in Malaysia)

Statement of financial position as at 31 December 2021

	Note	2021 RM'000	2020 RM'000
Assets			
Property, plant and equipment	3	319,658	260,609
Right-of-use assets	4	17,387	23,653
Other investment	5	-*	-*
Total non-current assets		<u>337,045</u>	<u>284,262</u>
Trade and other receivables	6	70,744	47,421
Restricted cash	7	42	-
Cash and cash equivalents	7	15,062	5,296
Total current assets		<u>85,848</u>	<u>52,717</u>
Total assets		<u>422,893</u>	<u>336,979</u>
Equity			
Share capital	8	17,775	17,775
Reserves	9	159,318	117,010
Equity attributable to owners of the Company		<u>177,093</u>	<u>134,785</u>
Liabilities			
Loans and borrowings	10	90,615	-
Lease liabilities		11,066	17,373
Trade and other payables	11	64,510	74,390
Deferred tax liabilities	12	12,272	12,689
Total non-current liabilities		<u>178,463</u>	<u>104,452</u>
Loans and borrowings	10	5,898	-
Lease liabilities		6,713	6,454
Trade and other payables	11	51,843	87,392
Provision for tax		2,883	3,896
Total current liabilities		<u>67,337</u>	<u>97,742</u>
Total liabilities		<u>245,800</u>	<u>202,194</u>
Total equity and liabilities		<u>422,893</u>	<u>336,979</u>

*Denotes RM14 (2020: RM14)

The notes on pages 13 to 57 are an integral part of these financial statements.

AUDITED FINANCIAL STATEMENTS OF AIMS DATA CENTRE FOR THE FYE 31 DECEMBER 2021
(cont'd)

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AIMS Data Centre Sdn. Bhd.

(Registration No. 199001008514 (200085-H))
(Incorporated in Malaysia)

**Statement of profit or loss and other comprehensive
income for the year ended 31 December 2021**

	Note	2021 RM'000	2020 RM'000
Revenue	13	177,841	140,010
Cost of sales	14	(96,217)	(73,338)
Gross profit		81,624	66,672
Other income	15	168	85
Administrative expenses		(21,630)	(12,903)
Distribution expenses		(1,068)	(512)
Net (loss)/gain on impairment of financial instruments and contract assets	17	(1,773)	118
Other expenses		(41)	(168)
Results from operating activities		57,280	53,292
Finance income		320	19
Finance costs	16	(5,254)	(3,341)
Profit before tax	17	52,346	49,970
Tax expense	18	(10,038)	(17,399)
Total profit and other comprehensive income for the year attributable to the owner of the Company		42,308	32,571

The notes on pages 13 to 57 are an integral part of these financial statements.

AUDITED FINANCIAL STATEMENTS OF AIMS DATA CENTRE FOR THE FYE 31 DECEMBER 2021
(cont'd)

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AIMS Data Centre Sdn. Bhd.

(Registration No. 199001008514 (200085-H))
(Incorporated in Malaysia)

**Statement of changes in equity for the year ended
31 December 2021**

	Share capital RM'000	Capital reserve RM'000	<i>Distributable</i> Retained earnings RM'000	Total equity RM'000
At 1 January 2020	17,775	209	84,230	102,214
Profit and total comprehensive income for the year	-	-	32,571	32,571
At 31 December 2020/1 January 2021	17,775	209	116,801	134,785
Profit and total comprehensive income for the year	-	-	42,308	42,308
At 31 December 2021	17,775	209	159,109	177,093
	Note 8	Note 9	Note 9	

The notes on pages 13 to 57 are an integral part of these financial statements.

AUDITED FINANCIAL STATEMENTS OF AIMS DATA CENTRE FOR THE FYE 31 DECEMBER 2021
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AIMS Data Centre Sdn. Bhd.

(Registration No. 199001008514 (200085-H))

(Incorporated in Malaysia)

**Statement of cash flows for the year ended
31 December 2021**

	Note	2021 RM'000	2020 RM'000
Cash flows from operating activities			
Cash receipts from customers		89,645	74,169
Transfer to restricted cash		(42)	-
Cash payments to suppliers		(40,601)	(39,786)
Cash payments to employees and for administrative expenses		(12,667)	(6,073)
Net cash received from holding company and fellow subsidiaries		12,480	23,436
Payment of lease liabilities		(7,364)	(3,735)
Cash generated from operations		41,451	48,011
Tax paid		(11,468)	(11,473)
Net cash from operating activities		29,983	36,538
Cash flows from investing activities			
Acquisition of property, plant and equipment	(i)	(77,782)	(65,033)
Interest income received		320	19
Net cash used in investing activities		(77,462)	(65,014)
Cash flows from financing activities			
Proceeds from term loan		100,000	-
Repayment of term loan		(3,000)	-
Advances from holding company		4,960	28,459
Advances from a fellow subsidiary		6,000	-
Repayment of advances from holding company		(43,299)	(5,650)
Repayment of advances from a fellow subsidiary		(6,000)	-
Finance charges paid		(1,373)	-
Net cash from financing activities		57,288	22,809
Net change in cash and cash equivalents		9,809	(5,667)
Effect of exchange rate fluctuations on cash held		(43)	(53)
Cash and cash equivalents at 1 January		5,296	11,016
Cash and cash equivalents at 31 December		15,062	5,296
Cash outflows for leases as a lessee			
Included in net cash from operating activities:			
Interest paid in relation to lease liabilities	16	(746)	(421)
Payment of lease liabilities		(6,618)	(3,314)
Total cash outflows for leases		(7,364)	(3,735)

AUDITED FINANCIAL STATEMENTS OF AIMS DATA CENTRE FOR THE FYE 31 DECEMBER 2021
(cont'd)

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Registration No. 199001008514 (200085-H)

**Statement of cash flows for the year ended
31 December 2021 (continued)**

i) Acquisition of property, plant and equipment

During the financial year, the Company acquired property, plant and equipment with an aggregate cost of RM77,471,000 (2020: RM65,485,000).

During the financial year, the Company paid RM77,782,000 (2020: RM65,033,000) to suppliers for property, plant and equipment that was either acquired in the prior financial years or in the current financial year.

The notes on pages 13 to 57 are an integral part of these financial statements.

AUDITED FINANCIAL STATEMENTS OF AIMS DATA CENTRE FOR THE FYE 31 DECEMBER 2021
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AIMS Data Centre Sdn. Bhd.

(Registration No. 199001008514 (200085-H))
(Incorporated in Malaysia)

Notes to the financial statements

AIMS Data Centre Sdn. Bhd. is a private limited liability company, incorporated and domiciled in Malaysia. The addresses of the principal place of business and registered office of the Company are as follows:

Principal place of business

18th Floor, Menara AIMS
Changkat Raja Chulan
50200 Kuala Lumpur

Registered office

Level 4, No. 14, Jalan Majistret U1/26
Hicom Glenmarie Industrial Park
40150 Shah Alam, Selangor Darul Ehsan

The Company is principally engaged in the business of providing value added network services, information services, system integration services, operation of data networks and network-based applications for corporations and building management. There has been no significant change in the nature of these activities during the financial year.

The holding company is TIME dotCom Berhad, a company incorporated in Malaysia and listed on the Main Market of the Bursa Malaysia Securities Berhad.

These financial statements were authorised for issue by the Board of Directors on 25 February 2022.

1. Basis of preparation

(a) Statement of compliance

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

The following are accounting standards, interpretations and amendments of the MFRSs that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Company:

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 April 2021

- Amendments to MFRS 16, *Leases – Covid-19-Related Rent Concessions beyond 30 June 2021*

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2022

- Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2018–2020)*

AUDITED FINANCIAL STATEMENTS OF AIMS DATA CENTRE FOR THE FYE 31 DECEMBER 2021
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Registration No. 199001008514 (200085-H)
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1. Basis of preparation (continued)

(a) Statement of compliance (continued)

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2022 (continued)

- Amendments to MFRS 3, *Business Combinations – Reference to the Conceptual Framework*
- Amendments to MFRS 9, *Financial Instruments (Annual Improvements to MFRS Standards 2018–2020)*
- Amendments to Illustrative Examples accompanying MFRS 16, *Leases (Annual Improvements to MFRS Standards 2018–2020)*
- Amendments to MFRS 116, *Property, Plant and Equipment – Proceeds before Intended Use*
- Amendments to MFRS 137, *Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract*
- Amendments to MFRS 141, *Agriculture (Annual Improvements to MFRS Standards 2018–2020)*

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2023

- MFRS 17, *Insurance Contracts*
- Amendments to MFRS 17, *Insurance Contracts – Initial application of MFRS 17 and MFRS 9 – Comparative Information*
- Amendments to MFRS 101, *Presentation of Financial Statements – Classification of Liabilities as Current or Non-current and Disclosures of Accounting Policies*
- Amendments to MFRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates*
- Amendments to MFRS 112, *Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

MFRSs, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Company plans to apply the abovementioned accounting standards, interpretations and amendments from the annual period beginning on 1 January 2022 and 1 January 2023 for those amendments that are effective for annual periods beginning on or after 1 April 2021, 1 January 2022 and 1 January 2023.

The Company does not plan to apply MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards*, MFRS 3, *Business Combinations* and MFRS 141, *Agriculture* that are effective for annual periods beginning on or after 1 January 2022 as they are not applicable to the Company.

AUDITED FINANCIAL STATEMENTS OF AIMS DATA CENTRE FOR THE FYE 31 DECEMBER 2021
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Registration No. 199001008514 (200085-H)
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1. Basis of preparation (continued)**(a) Statement of compliance (continued)**

The Company does not plan to apply MFRS 17, *Insurance Contracts* and its amendment that are effective for annual periods beginning on or after 1 January 2023 as they are not applicable to the Company.

The initial application of the accounting standards, interpretations or amendments are not expected to have any material financial impacts to the current period and prior period financial statements of the Company.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis other than as disclosed in Note 2.

(c) Functional and presentation currency

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

(d) Use of estimates and judgements

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

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

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements other than those disclosed in the following note:

- Note 4 – Incremental borrowing rate in relation to leases

AUDITED FINANCIAL STATEMENTS OF AIMS DATA CENTRE FOR THE FYE 31 DECEMBER 2021
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Registration No. 199001008514 (200085-H)
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2. Significant accounting policies

The accounting policies set out below have been applied consistently to the periods presented in these financial statements, unless otherwise stated.

(a) Foreign currency**Foreign currency transactions**

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

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

Non-monetary assets and liabilities denominated in foreign currencies are not retranslated at the end of the reporting date, except for those that are measured at fair value which are retranslated to the functional currency at the exchange rate at the date that the fair value was determined.

Foreign currency differences arising on retranslation are recognised in profit or loss, except for differences arising on the retranslation of equity instruments where they are measured at fair value through other comprehensive income.

(b) Financial instruments**(i) Recognition and initial measurement**

A financial asset or a financial liability is recognised in the statement of financial position when, and only when, the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without significant financing component) or a financial liability is initially measured at fair value plus or minus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issuance. A trade receivable without a significant financing component is initially measured at the transaction price.

Registration No. 199001008514 (200085-H)
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2. Significant accounting policies (continued)

(b) Financial instruments (continued)

(ii) Financial instrument categories and subsequent measurement

Financial assets

Categories of financial assets are determined on initial recognition and are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change of the business model.

(a) *Amortised cost*

Amortised cost category comprises financial assets that are held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The financial assets are not designated as fair value through profit or loss. Subsequent to initial recognition, these financial assets are measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Interest income is recognised by applying effective interest rate to the gross carrying amount except for credit impaired financial assets (see Note 2(g)(i)) where the effective interest rate is applied to the amortised cost.

(b) *Fair value through other comprehensive income*

Equity investments

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

All financial assets, except for equity investments measured at fair value through other comprehensive income, are subject to impairment assessment (see Note 2(g)(i)).

AUDITED FINANCIAL STATEMENTS OF AIMS DATA CENTRE FOR THE FYE 31 DECEMBER 2021
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Registration No. 199001008514 (200085-H)

2. Significant accounting policies (continued)**(b) Financial instruments (continued)****(ii) Financial instrument categories and subsequent measurement (continued)*****Financial liabilities***

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

Amortised cost

Financial liabilities are subsequently measured at amortised cost using the effective interest method.

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

(iii) Derecognition

A financial asset or part of it is derecognised when, and only when, the contractual rights to the cash flows from the financial asset expire or are transferred, or the control of the asset is not retained or substantially all of the risks and rewards of ownership of the financial asset are transferred to another party. On derecognition of a financial asset, the difference between the carrying amount of the financial asset and the sum of the consideration received (including any new asset obtained less any new liability assumed) is recognised in the profit or loss.

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

AUDITED FINANCIAL STATEMENTS OF AIMS DATA CENTRE FOR THE FYE 31 DECEMBER 2021
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2. Significant accounting policies (continued)**(c) Property, plant and equipment****(i) Recognition and measurement**

Items of property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. The cost of self-constructed assets also includes the cost of materials and direct labour. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs. Cost may also include transfers from equity of any gain or loss on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

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

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and is recognised net within "other income" or "other expenses" respectively in profit or loss.

AUDITED FINANCIAL STATEMENTS OF AIMS DATA CENTRE FOR THE FYE 31 DECEMBER 2021
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2. Significant accounting policies (continued)

(c) Property, plant and equipment (continued)

(ii) Subsequent costs

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised to profit or loss. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed, and if a component has a useful life that is different from the remainder of that asset, then that component is depreciated separately.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use. Freehold land is not depreciated. Property, plant and equipment under construction are not depreciated until the assets are ready for their intended use.

The estimated useful lives for the current and comparative periods are as follows:

• building	50 years
• data centre and communication equipment	5 – 15 years
• floorworks	6.7 years
• computer hardware and software	5 years
• office renovation	6.7 – 15 years
• office equipment, furniture and fittings	6.7 years

Depreciation methods, useful lives and residual values are reviewed at the end of the reporting period and adjusted as appropriate.

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2. Significant accounting policies (continued)

(d) Leases

(i) Definition of a lease

A contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the customer has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the customer has the right to direct the use of the asset. The customer has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the customer has the right to direct the use of the asset if either the customer has the right to operate the asset; or the customer designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. However, for leases of properties in which the Company is a lessee, it has elected not to separate non-lease components and will instead account for the lease and non-lease components as a single lease component.

(ii) Recognition and initial measurement

(a) As a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

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2. Significant accounting policies (continued)

(d) Leases (continued)

(ii) Recognition and initial measurement (continued)

(a) As a lessee (continued)

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments less any incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee;
- the exercise price under a purchase option that the Company is reasonably certain to exercise; and
- penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The Company excludes variable lease payments that are linked to future performance or usage of the underlying asset from the lease liability. Instead, these payments are recognised in profit or loss in the period in which the performance or use occurs.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(b) As a lessor

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease.

If an arrangement contains lease and non-lease components, the Company applies MFRS 15 to allocate the consideration in the contract based on the stand-alone selling prices.

AUDITED FINANCIAL STATEMENTS OF AIMS DATA CENTRE FOR THE FYE 31 DECEMBER 2021
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2. Significant accounting policies (continued)

(d) Leases (continued)

(ii) Recognition and initial measurement (continued)

(b) As a lessor (continued)

The Company recognises assets held under a finance lease in its statement of financial position and presents them as a receivable at an amount equal to the net investment in the lease. The Company uses the interest rate implicit in the lease to measure the net investment in the lease.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. It assesses the lease classification of a sublease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Company applies the exemption described above, then it classifies the sublease as an operating lease.

(iii) Subsequent measurement

(a) As a lessee

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a revision of in-substance fixed lease payments, or if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

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

AUDITED FINANCIAL STATEMENTS OF AIMS DATA CENTRE FOR THE FYE 31 DECEMBER 2021
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Registration No. 199001008514 (200085-H)

2. Significant accounting policies (continued)**(d) Leases (continued)****(iii) Subsequent measurement (continued)****(b) As a lessor**

The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of "revenue".

The Company recognises finance income over the lease term, based on a pattern reflecting a constant periodic rate of return on the Company's net investment in the lease. The Company aims to allocate finance income over the lease term on a systematic and rational basis. The Company applies the lease payments relating to the period against the gross investment in the lease to reduce both the principal and the unearned finance income. The net investment in the lease is subject to impairment requirements in MFRS 9, *Financial Instruments* (see Note 2(g)(i)).

(e) Contract asset/Contract liability

A contract asset is recognised when the Company's right to considerations is conditional on something other than the passage of time. A contract asset is subject to impairment in accordance to MFRS 9, *Financial Instruments* (see Note 2(g)(i)). Contract asset is included in accrued revenue which is presented within "Trade and other receivables" of the statement of financial position.

A contract liability is stated at cost and represents the obligation of the Company to transfer goods or services to a customer for which considerations has been received (or the amount is due) from the customers. Contract liability is included in unearned revenue which is presented within "Trade and other payables" of the statement of financial position.

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Registration No. 199001008514 (200085-H)
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2. Significant accounting policies (continued)

(f) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, balances and deposits with banks and highly liquid investments which have an insignificant risk of changes in fair value with original maturities of three months or less, and are used by the Company in the management of their short term commitments. For the purpose of the statement of cash flows, cash and cash equivalents are presented net of bank overdrafts and pledged deposits.

(g) Impairment

(i) Financial assets

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost, contract assets and lease receivables. Expected credit losses are a probability-weighted estimate of credit losses.

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

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

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

The Company estimates the expected credit losses on trade receivables by assessing the risk of loss of each customer individually or by using a provision matrix with reference to historical credit loss experience, whichever applicable.

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

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2. Significant accounting policies (continued)**(g) Impairment (continued)****(i) Financial assets (continued)**

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The gross carrying amount of a financial asset is written off (either partially or full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources 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 Company's procedures for recovery amounts due.

(ii) Other assets

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

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit exceeds its estimated recoverable amount.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated to reduce the carrying amounts of the assets in the cash-generating unit (groups of cash-generating units) on a *pro rata* basis.

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Registration No. 199001008514 (200085-H)
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2. Significant accounting policies (continued)**(g) Impairment (continued)****(ii) Other assets (continued)**

Impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversals of impairment losses are credited to profit or loss in the financial year in which the reversals are recognised.

(h) Equity instruments

Instruments classified as equity are measured at cost on initial recognition and are not remeasured subsequently.

(i) Issue expense

Costs directly attributable to the issue of instruments classified as equity are recognised as a deduction from equity.

(ii) Ordinary shares

Ordinary shares are classified as equity.

(i) Employee benefits**(i) Short-term employee benefits**

Short-term employee benefit obligations in respect of salaries, annual bonuses, paid annual leave and sick leave are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) State plans

The Company's contributions to statutory pension funds are charged to profit or loss in the financial year to which they relate. Once the contributions have been paid, the Company has no further payment obligations.

AUDITED FINANCIAL STATEMENTS OF AIMS DATA CENTRE FOR THE FYE 31 DECEMBER 2021
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2. Significant accounting policies (continued)**(i) Employee benefits (continued)****(iii) Share-based payment transactions**

The grant date fair value of share-based payment granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

The fair value of the employee share grant is measured using the Monte Carlo simulation model. Measurement inputs include share price on measurement date and expected dividends. For employee share grants issued out of new stock, the share price is further adjusted for effects of dilution. Service and non-market performance conditions attached to the transactions are not taken into account in determining fair value.

(iv) Termination benefits

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer to those benefits and when the Company recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

(j) Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as "finance costs".

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2. Significant accounting policies (continued)

(k) Contingent liabilities

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

(l) Revenue and other income

(i) Revenue

Revenue of the Company represents invoiced value of value added network services, information services, system integration services, operation of data networks and network-based application for corporations. Other revenues mainly comprise cabling cross connect and hardware sales. Revenue is measured based on the consideration specified in a contract with a customer in exchange for transferring goods or services to a customer, excluding amounts collected on behalf of third parties.

The Company recognises revenue when (or as) it transfers control over a product or service to the customer. An asset is transferred when (or as) the customer obtains control of the asset.

The Company transfers control of a good or service at a point in time unless one of the following over time criteria is met:

- (a) the customer simultaneously receives and consumes the benefits provided as the Company performs;
- (b) the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- (c) the Company's performance does not create an asset with an alternative use and the Company has an enforceable right to payment for performance completed to date.

The significant payment terms ranges from 30 days to 90 days.

Variable consideration such as discounts and rebates given to customers is recognised based on the contractual right to bill. Upfront collection is discounted at market borrowing rate and amortised over the contract period with financing cost recognised in profit or loss. Assurance warranty are given to customers for critical infrastructure.

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2. Significant accounting policies (continued)**(l) Revenue and other income (continued)****(ii) Rental income**

Rental income from managed building is recognised in profit or loss on a straight-line basis over the term of the lease.

(iii) Interest income

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

(m) Borrowing costs

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

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

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

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2. Significant accounting policies (continued)**(n) Income tax**

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

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

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities in the statement of financial position and their tax bases. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

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

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

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2. Significant accounting policies (continued)**(o) Fair value measurement**

Fair value of an asset or a liability, except for share-based payment and lease transactions, is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

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

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

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: unobservable inputs for the asset or liability.

The Company recognises transfers between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfers.

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3. Property, plant and equipment

	Note	Freehold land RM'000	Building RM'000	Data centre and communication equipment RM'000	Floorworks RM'000	Computer hardware and software RM'000	Office renovation RM'000	Office equipment, furniture and fittings RM'000	Work-in- progress RM'000	Total RM'000
Cost										
At 1 January 2020		50,000	45,754	85,057	41,001	2,661	2,561	1,234	4,354	232,622
Additions		-	-	3,317	1,470	21	15	14	60,648	65,485
Reclassification		-	-	1,342	362	-	-	-	(1,704)	-
Write offs		-	-	(68)	(96)	-	-	-	-	(164)
Transfer from a fellow subsidiary	3.1	-	-	35,498	31,401	488	-	131	6,218	73,736
At 31 December 2020/ 1 January 2021		50,000	45,754	125,146	74,138	3,170	2,576	1,379	69,516	371,679
Additions		-	1,188	1,690	1,396	21	9	18	73,149	77,471
Reclassification		-	81,148	12,226	137	-	-	-	(93,511)	-
At 31 December 2021		50,000	128,090	139,062	75,671	3,191	2,585	1,397	49,154	449,150

AUDITED FINANCIAL STATEMENTS OF AIMS DATA CENTRE FOR THE FYE 31 DECEMBER 2021 (cont'd)

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3. Property, plant and equipment (continued)

	Note	Freehold land RM'000	Building RM'000	Data centre and communication equipment RM'000	Floorworks RM'000	Computer hardware and software RM'000	Office renovation RM'000	Office equipment, furniture and fittings RM'000	Work-in- progress RM'000	Total RM'000
Accumulated depreciation										
At 1 January 2020		-	76	22,991	20,218	1,649	1,613	1,089	-	47,636
Depreciation for the year		-	915	7,738	5,871	466	363	59	-	15,412
Write offs		-	-	(68)	(94)	-	-	-	-	(162)
Transfer from a fellow subsidiary	3.1	-	-	22,893	24,853	317	-	121	-	48,184
At 31 December 2020/ 1 January 2021		-	991	53,554	50,848	2,432	1,976	1,269	-	111,070
Depreciation for the year		-	1,876	8,705	6,953	482	352	54	-	18,422
At 31 December 2021		-	2,867	62,259	57,801	2,914	2,328	1,323	-	129,492
Carrying amounts										
At 1 January 2020		50,000	45,678	62,066	20,783	1,012	948	145	4,354	184,986
At 31 December 2020/ 1 January 2021		50,000	44,763	71,592	23,290	738	600	110	69,516	260,609
At 31 December 2021		50,000	125,223	76,803	17,870	277	257	74	49,154	319,658

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3. Property, plant and equipment (continued)

Included in property, plant and equipment of the Company are fully depreciated assets which are still in use, with cost amounting to RM44,546,000 (2020: RM39,666,000).

3.1 Transfer of assets from a fellow subsidiary

In previous financial year, the Company acquired plant and equipment from a fellow subsidiary, AIMS Cyberjaya Sdn. Bhd. at carrying amount of RM25,552,000.

4. Right-of-use assets

	Note	Data Centre RM'000
At 1 January 2020		319
Addition		29,834
Derecognition	4.1	(3,030)
Depreciation		<u>(3,470)</u>
At 31 December 2020/1 January 2021		23,653
Addition		570
Depreciation		<u>(6,836)</u>
At 31 December 2021		<u>17,387</u>

The Company leases premises for its data centre operations. The leases typically run for a period of up to 48 months (2020: 48 months), with an option to renew the leases upon expiry.

The Company determines the closest available borrowing rates before using significant judgement to determine the adjustments required to reflect the term, security, value or economic environment of the respective leases.

4.1 Derecognition

One of the leased premises agreement was terminated earlier and re-entered at a revised rate and tenure in previous financial year.

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5. Other investment

	2021 RM'000	2020 RM'000
Fair value through other comprehensive income ("FVOCI")	-*	-*

* Denotes RM14 (2020: RM14)

The Company has 1 of 10,000 shares in AIMS Data Centre (Thailand) Limited ("ADC Thai"), a fellow subsidiary which was incorporated in Thailand. In previous financial year, the Company invested an additional THB75 for the increase in paid-up capital per share from THB25 to THB100 for the 1 share held by the Company.

The Company designated the investment as equity securities at FVOCI because these equity securities represent investments that the Company intends to hold for long-term strategic purposes.

6. Trade and other receivables

	Note	2021 RM'000	2020 RM'000
Trade			
Trade receivables	6.1	29,401	19,433
Amount due from fellow subsidiaries	6.1	22,791	15,346
Amount due from related parties	6.1	2,422	2,374
Accrued revenue	6.2	2,219	901
		<u>56,833</u>	<u>38,054</u>
Less: Allowance for impairment losses	6.3	(257)	(494)
		56,576	37,560
Deposits		4,361	2,341
Prepayments	6.4	3,526	4,821
		<u>64,463</u>	<u>44,722</u>
Non-trade			
Amount due from fellow subsidiaries	6.5	7,740	7,628
Other receivables		67	254
		<u>7,807</u>	<u>7,882</u>
Less: Allowance for impairment losses	6.6	(7,740)	(5,800)
		67	2,082
Prepayments		14	617
Deposits		6,200	-
		<u>6,281</u>	<u>2,699</u>
		<u>70,744</u>	<u>47,421</u>

Other than for prepayments, the above trade and other receivables are categorised at amortised cost.

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6. Trade and other receivables (continued)

6.1 Trade receivables, amount due from fellow subsidiaries and amount due from related parties

The credit period granted for sales/services rendered ranges from 30 to 90 days (2020: 30 to 90 days).

6.2 Accrued revenue

Accrued revenue relates mainly to the unbilled portion for services provided in the contracts entered into by the Company with customers.

6.3 Allowance for impairment losses (trade)

The impairment losses relate entirely to trade receivables. There were no impairment in relation to outstanding trade balances due from related parties and fellow subsidiaries.

6.4 Prepayments

Prepayments mainly represent advance payment made for services or products that have yet to be received. These include RM1,728,000 (2020: RM869,000) from fellow subsidiaries.

6.5 Amount due from fellow subsidiaries (non-trade)

The amount due from fellow subsidiaries are unsecured, interest free and repayable on demand. The balances arise mainly from inter-company advances and expenses paid on behalf.

6.6 Allowance for impairment losses (non-trade)

The impairment losses relate entirely to outstanding balances due from a fellow subsidiary.

7. Cash and cash equivalents

	Note	2021 RM'000	2020 RM'000
Cash and bank balances		15,104	5,296
Restricted cash	7.1	(42)	-
		<u>15,062</u>	<u>5,296</u>

Cash and cash equivalents are categorised at amortised cost.

7.1 Restricted cash

Restricted cash is amounts withheld by licensed financial institution as security for bank facilities granted to the Company.

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8. Share capital

	Amount 2021 RM'000	Number of shares 2021 '000	Amount 2020 RM'000	Number of shares 2020 '000
Issued and fully paid shares with no par value classified as equity instruments:				
Ordinary shares				
At 1 January/31 December	<u>17,775</u>	<u>17,775</u>	<u>17,775</u>	<u>17,775</u>

9. Reserves

	2021 RM'000	2020 RM'000
Capital reserves	209	209
Retained earnings	<u>159,109</u>	<u>116,801</u>
	<u>159,318</u>	<u>117,010</u>

Capital reserves relates to waiver of amount due to a fellow subsidiary.

10. Loans and borrowings

	Note	2021 RM'000	2020 RM'000
Non-current			
Term loan	10.1	<u>90,615</u>	<u>-</u>
Current			
Term loan	10.1	<u>5,898</u>	<u>-</u>

Loans and borrowings are categorised as amortised cost.

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

	2021 RM'000	2020 RM'000
At 1 January	-	-
Net changes from financing cash flows	97,000	-
Transaction cost incurred on new borrowing	(601)	-
Amortisation of transaction cost	114	-
At 31 December	<u>96,513</u>	<u>-</u>

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10. Loans and borrowings (continued)

10.1 The term loan is for tenure of 10 years commencing from the date of first drawdown (i.e. 13 January 2021) and the principal repayment amount is RM1,500,000 per quarter for the first 8 quarters, followed by RM2,250,000, RM3,000,000 and RM3,500,000 for the subsequent next 8 quarters respectively and RM4,500,000 for the next 4 quarters. During the financial year, the Company repaid 2 instalments.

Term loans amounting to RM96,513,000 (2020: NIL) was secured/covered against:

- i) a corporate guarantee by the holding company; and
- ii) a letter of undertaking from a fellow subsidiary which is the legal owner of the freehold land not to pledge, charge or encumber the freehold land to any Party throughout the subsistence of the facility.

11. Trade and other payables

	Note	2021 RM'000	2020 RM'000
Non-current			
Non-trade			
Amount due to holding company	11.1	64,510	74,390
Current			
Trade			
Trade payables	11.2	1,134	40
Amount due to fellow subsidiaries	11.2	10,320	13
Amount due to related parties	11.2	1,152	964
Accrued expenses		12,531	15,406
Deposit payables		4,276	4,443
Unearned revenue	11.3	609	854
		<u>30,022</u>	<u>21,720</u>
Non-trade			
Other payables		2,669	25
Amount due to holding company	11.4	8,883	39,148
Amount due to fellow subsidiaries	11.4	7,602	25,395
Accrued expenses		803	196
Provisions		1,864	908
		<u>21,821</u>	<u>65,672</u>
		<u>51,843</u>	<u>87,392</u>

The above trade and other payables are categorised as amortised cost except for unearned revenue and provisions.

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11. Trade and other payables (continued)**11.1 Amount due to holding company (non-current)**

Amount due to holding company is an unsecured advance of RM64,510,000 (2020: RM74,390,000) subject to interest rate of 3.55% (2020: 3.50%) per annum. The amount is repayable after 12 months.

11.2 Trade payables, amount due to fellow subsidiaries and amount due to related parties

The average credit period granted to the Company for trade purchases ranges from 30 to 90 days (2020: 30 to 90 days).

11.3 Unearned revenue

Unearned revenue mainly represents consideration received in advance for services or products that have yet to be rendered or provided.

11.4 Amount due to holding company and amount due to fellow subsidiaries (current)

In previous financial year, the amount due to holding company of RM28,459,000 is an unsecured advance and subject to interest rate of 3.50% per annum. The remaining amounts due to holding company and fellow subsidiaries are unsecured, interest free and repayable on demand. The balances arise mainly from expenses paid on behalf, interest on unsecured advances and outstanding management fee payable to the holding company and fellow subsidiaries.

11.5 Reconciliation of movements of liabilities to cash flows arising from financing activities

	Note	At 1 January 2020 RM'000	Net changes from financing cash flows RM'000	At 31 December 2020/ 1 January 2021 RM'000	Net changes from financing cash flows RM'000	At 31 December 2021 RM'000
Advances from holding company	11.1, 11.4	80,040	22,809	102,849	(38,339)	64,510

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12. Deferred tax liabilities

Deferred tax liabilities are attributable to the following:

	2021 RM'000	2020 RM'000
Recognised deferred tax liabilities		
Property, plant and equipment	17,756	14,872
Right-of-use assets	4,173	5,677
Lease liabilities	(4,267)	(5,718)
Unutilised investment tax allowance	(2,736)	-
Other deductible temporary difference	(2,654)	(2,142)
Net deferred tax liabilities	<u>12,272</u>	<u>12,689</u>

Movement in temporary differences during the year

	At 1.1.2020 RM'000	Recognised in profit or loss (Note 18) RM'000	At 31.12.2020/ 1.1.2021 RM'000	Recognised in profit or loss (Note 18) RM'000	At 31.12.2021 RM'000
Property, plant and equipment	9,552	5,320	14,872	2,884	17,756
Right-of-use assets	77	5,600	5,677	(1,504)	4,173
Lease liabilities	(78)	(5,640)	(5,718)	1,451	(4,267)
Unutilised investment tax allowance	-	-	-	(2,736)	(2,736)
Other deductible temporary difference	(2,033)	(109)	(2,142)	(512)	(2,654)
Total	<u>7,518</u>	<u>5,171</u>	<u>12,689</u>	<u>(417)</u>	<u>12,272</u>

13. Revenue

	2021 RM'000	2020 RM'000
Revenue from contracts with customers		
Licensable services:		
- Internet access services	10,133	9,057
- Leased line services	24,038	25,721
Co-location and related services	123,499	89,455
Maintenance and software support charges	19,638	14,391
Sale of hardware and software packages	21	37
Rental income	512	1,349
	<u>177,841</u>	<u>140,010</u>
Timing of revenue recognition		
At a point in time	17,897	6,100
Over time	159,526	132,655
Revenue not within the scope of MFRS 15	418	1,255
	<u>177,841</u>	<u>140,010</u>

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13. Revenue (continued)

The information that reflects the typical transactions of the Company is disclosed in Note 2(I).

The aggregate amount of the transaction price allocated to the performance obligations that are partially unsatisfied at the end of the reporting period is RM94,706,000 (2020: RM57,511,000). The Company expects to recognise this amount over the remaining contract duration up to 5 years (2020: 8 years).

The Company applies the following practical expedients:

- exemption on disclosure of information on remaining performance obligations that have original expected durations of one year or less.
- exemption not to adjust the promised amount of consideration for the effects of a significant financing component when the period between the transfer of a promised good or service to a customer and when the customer pays for that good or service is one year or less.

14. Cost of sales

	2021 RM'000	2020 RM'000
Data centre costs	31,431	20,835
Network and leased line costs	21,787	21,460
Internet service provider costs	1,848	1,451
Site and customer premises rental	3,837	1,323
Telecommunication maintenance charges	142	77
Universal service obligation	614	940
Depreciation of property, plant and equipment	15,658	13,608
Depreciation of right-of-use assets	6,836	3,470
Others *	14,064	10,174
	<u>96,217</u>	<u>73,338</u>

* Others mainly comprise charges for managed services, and other support charges.

15. Other income

	2021 RM'000	2020 RM'000
Other income	<u>168</u>	<u>85</u>

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16. Finance costs

	2021 RM'000	2020 RM'000
Interest expense of financial liabilities that are not at fair value through profit or loss:		
- Advances from holding company	2,442	2,920
- Advances from a fellow subsidiary	4	-
- Interest on borrowings	1,948	-
- Amortisation of borrowing costs	114	-
Lease liabilities	746	421
	<u>5,254</u>	<u>3,341</u>

17. Profit before tax

	2021 RM'000	2020 RM'000
Profit before tax is arrived at after charging:		
Auditors' remunerations:		
- Audit fees	90	65
- Non-audit fees	25	28
Material expenses/(income)		
Depreciation of property, plant and equipment	18,422	15,412
Depreciation of right-of-use assets	6,836	3,470
Personnel expenses:		
- Salaries, bonus, allowances and others	9,653	5,806
- Contributions to Employees Provident Fund	1,205	732
- Share grant expenses	509	248
Write off of property, plant and equipment	-	2
Net (gain)/loss on foreign exchange	(158)	145
Finance income	(320)	(19)
Expenses arising from leases		
Short-term rental of:		
- Data centre/space/rooftop	3,837	1,336
- Equipment	41	30
Net loss/(gain) on impairment of financial instruments and contract assets		
Net impairment/(write-back):		
- Trade receivables	(167)	(118)
- Amount due from a fellow subsidiary	1,940	-
	<u>1,773</u>	<u>(118)</u>

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18. Tax expense**Recognised in profit or loss**

	2021 RM'000	2020 RM'000
Tax expense:		
- Current year	10,134	11,943
- Under provision in prior year	321	285
	<u>10,455</u>	<u>12,228</u>
Deferred tax:		
- Current year	(166)	5,298
- Over provision in prior year	(251)	(127)
	<u>(417)</u>	<u>5,171</u>
	<u>10,038</u>	<u>17,399</u>

Reconciliation of tax expense

	2021 RM'000	2020 RM'000
Profit before tax	<u>52,346</u>	<u>49,970</u>
Tax at statutory tax rate of 24%	12,563	11,993
Non-deductible expenses	141	79
Tax benefits arising from investment tax allowance	(2,736)	-
Deferred tax arising from control transfer from a fellow subsidiary	-	5,169
	<u>9,968</u>	<u>17,241</u>
Under/(Over) provision in prior years		
- current tax	321	285
- deferred tax	(251)	(127)
	<u>10,038</u>	<u>17,399</u>

AUDITED FINANCIAL STATEMENTS OF AIMS DATA CENTRE FOR THE FYE 31 DECEMBER 2021 (cont'd)

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19. Employee benefits

The details of the shares granted under the share grant plan and its vesting conditions are as follows:

	Fair value at grant date	Adjusted fair value at grant date	Number of ordinary shares					
			At 1.1.2021	Additional number of plan shares (bonus issue)	Granted but not vested during the year	Vested and issued	Adjusted/ (Forfeited)	At 31.12.2021
2018 Awards	RM7.74	RM2.58	7,318	14,636	-	(20,610)	(1,344)	-
2019 Awards	RM7.55	RM2.52	12,032	24,064	-	(18,048)	-	18,048
2020 Awards	RM8.46	RM2.82	45,696	91,392	-	(18,816)	(80,640)	37,632
2021 Awards	RM4.17	RM4.17	-	-	253,440	-	-	253,440
2021 Awards – Special Award	RM4.19	RM4.19	-	-	16,800	-	-	16,800
Total			65,046	130,092	270,240	(57,474)	(81,984)	325,920

The outstanding 2019, 2020 and 2021 share grant awards at the end of the financial year are to be vested on specific dates in the following periods:

- (i) The 2019 grant to be vested within next year in July 2022;
- (ii) The 2020 grant to be vested within the next 2 years in July 2022 and July 2023; and
- (iii) The 2021 grant to be vested within the next 3 years in July 2022, July 2023 and July 2024.

The shares granted will be vested only upon the fulfilment of vesting conditions which include achievement of financial performance targets set by the holding company and achievement of a minimum grading by the entitled employee in accordance with the performance management system adopted by the holding company.

AUDITED FINANCIAL STATEMENTS OF AIMS DATA CENTRE FOR THE FYE 31 DECEMBER 2021
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19. Employee benefits (continued)

The fair value of the share grant is determined using the Monte Carlo simulation model, taking into consideration terms and conditions under which the shares were granted. The key inputs in the model are as follows:

Granted on:	Closing market price at grant date	Dilution rate
2 January 2019 for 2018 Awards	RM8.10	0.439%
2 January 2019 for 2019 Awards	RM8.10	0.443%
2 January 2020 for 2020 Awards	RM9.22	0.433%
4 January 2021 for 2021 Awards	RM4.47	0.450%
4 January 2021 for 2021 Special Awards	RM4.47	0.085%

During the financial year, the holding company granted to employees of the Company their proportional entitlement of the SGP. The SGP cost amounted to RM509,000 (2020: RM248,000).

20. Capital commitments

	2021 RM'000	2020 RM'000
Capital expenditure commitments		
Property, plant and equipment		
Authorised but not contracted for	19,745	24,029
Contracted but not provided for	107,743	34,036

21. Related parties

Identity of related parties

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

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling activities of the Company either directly or indirectly. The key management personnel include all the Directors of the Company and certain members of senior management of the Company.

The Company has related party relationship with its holding company, fellow subsidiaries, Directors, key management personnel and related parties in which a substantial shareholder of the holding company has an interest and companies in which Directors have significant financial interest.

AUDITED FINANCIAL STATEMENTS OF AIMS DATA CENTRE FOR THE FYE 31 DECEMBER 2021
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21. Related parties (continued)

Significant related party transactions

The significant related party transactions of the Company are shown below:

	2021 RM'000	2020 RM'000
Holding company		
Management fees expense	(1,468)	(1,912)
Share grant expenses	(509)	(248)
Interest expenses	<u>(2,442)</u>	<u>(2,920)</u>
Fellow subsidiaries		
Purchases of data centre, internet access, leased line and other related costs	(22,081)	(10,173)
Revenue from operation of data centre, networks services and other services	70,543	53,762
Management fees expense	(4,147)	(823)
Interest expenses	(4)	-
Sales commission	-	(240)
Acquisition of plant and equipment	<u>-</u>	<u>(25,552)</u>
Related parties		
Purchases of data centre, internet access, leased line and other related costs	(20,970)	(17,190)
Revenue from operation of data centre, networks services and other services	<u>5,302</u>	<u>4,066</u>

The Directors of the Company are of the opinion that the above transactions have been entered into the normal course of business and have been established under negotiated terms.

The outstanding balances due from and due to holding company, fellow subsidiaries and related parties of the Company are disclosed in Note 6 and 11 respectively.

There are no transactions with Directors and key management personnel during the financial year.

22. Financial instruments

22.1 Net gains and losses arising from financial instruments

	2021 RM'000	2020 RM'000
Net losses on:		
Financial assets at amortised cost	(1,295)	(8)
Financial liabilities at amortised cost	(5,254)	(3,341)
	<u>(6,549)</u>	<u>(3,349)</u>

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22. Financial instruments (continued)

22.2 Financial risk management

The Company has exposure to the following risks from its financial instruments:

- Credit risk
- Liquidity risk
- Market risk

22.3 Credit risk

Credit risk is the risk of a financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company's exposure to credit risk arises principally from its receivables from customers (including fellow subsidiaries and related parties), advances to fellow subsidiaries and deposits with banks and financial institutions. There are no significant changes as compared to prior periods.

Trade receivables and contract assets

Risk management objectives, policies and processes for managing the risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are required to be performed on all new customers. Depending on the nature of the transaction, the Company may require upfront deposits as collateral.

At each reporting date, the Company assesses whether any of the trade receivables and contract assets are credit impaired.

The gross carrying amounts of credit impaired trade receivables and contract assets are written off (either partially or fully) when there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Nevertheless, trade receivables and contract assets that are written off could still be subject to enforcement activities.

There are no significant changes as compared to previous year.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables is represented by the carrying amounts in the statements of financial position.

Management has taken reasonable steps to ensure that receivables that are neither past due nor impaired are stated at their realisable values. A significant portion of these receivables are regular customers that have been transacting with the Company. The Company manages its exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. The Company uses ageing analysis to monitor the credit quality of the receivables.

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22. Financial instruments (continued)

22.3 Credit risk (continued)

Trade receivables and contract assets (continued)

Exposure to credit risk, credit quality and collateral (continued)

The Company assesses the risk of loss of each customer individually based on their financial information, past trend of payments and external credit rating where applicable.

The Company has a lower exposure to international credit risk as most of its receivables are concentrated in Malaysia.

Concentration of credit risk

The exposure of credit risk for trade receivables (including amount due from fellow subsidiaries and related parties) of the Company as at the end of the reporting period by geographic region was:

	2021 RM'000	2020 RM'000
Malaysia	58,677	35,876
Outside Malaysia	2,260	4,025
	<u>60,937</u>	<u>39,901</u>

At reporting date, there were no significant concentrations of credit risk.

Impairment losses

The following table provides information about the exposure to credit risk and expected credit losses ("ECLs") for trade receivables (including accrual revenue, amount due from fellow subsidiaries, amount due from related parties and trade deposits) as at the end of the reporting period:

	Gross RM'000	Loss allowance RM'000	Net RM'000
2021			
Not past due	23,082	-	23,082
Past due 1 - 30 days	11,768	-	11,768
Past due 31 - 120 days	8,013	-	8,013
Past due more than 120 days	18,331	(257)	18,074
	<u>61,194</u>	<u>(257)</u>	<u>60,937</u>
2020			
Not past due	4,959	-	4,959
Past due 1 - 30 days	7,233	(38)	7,195
Past due 31 - 120 days	12,553	(38)	12,515
Past due more than 120 days	15,650	(418)	15,232
	<u>40,395</u>	<u>(494)</u>	<u>39,901</u>

AUDITED FINANCIAL STATEMENTS OF AIMS DATA CENTRE FOR THE FYE 31 DECEMBER 2021
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22. Financial instruments (continued)

22.3 Credit risk (continued)

Trade receivables and contract assets (continued)

Impairment losses (continued)

The allowance account in respect of the trade receivables is used to record impairment losses. Unless the Company is satisfied that recovery of the amount is possible, the amount considered irrecoverable is written off against the receivable directly.

The movement in the loss allowance for trade receivables (including amounts due from fellow subsidiaries and related parties) during the financial year were as follows:

	2021 RM'000	2020 RM'000
At 1 January	494	964
Impairment loss written off	(70)	(352)
Net allowance	<u>(167)</u>	<u>(118)</u>
At 31 December	<u>257</u>	<u>494</u>

Cash and cash equivalents

Risk management objectives, policies and processes for managing the risk

The cash and cash equivalents are held with banks and financial institutions. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

Exposure to credit risk, credit quality and collateral

These banks and financial institutions have low credit risks. Consequently, the Company is of the view that the loss allowance is not material and hence, it is not provided for.

Impairment losses

As at the end of the reporting period, there was no indication that the amounts deposited with licensed financial institutions are not recoverable.

AUDITED FINANCIAL STATEMENTS OF AIMS DATA CENTRE FOR THE FYE 31 DECEMBER 2021
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22. Financial instruments (continued)**22.3 Credit risk (continued)****Inter-company balances*****Risk management objectives, policies and processes for managing the risk***

The Company provides unsecured advances to fellow subsidiaries and monitors the results of these companies regularly.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amounts in the statement of financial position. The Company considers its fellow subsidiaries as companies associated with lower credit risk.

Impairment losses

As at the end of the reporting period, there was no indication that the advances to the fellow subsidiaries are not recoverable other than the amount already provided for as an allowance for impairment losses from fellow subsidiaries amounting to RM7,740,000 (2020: RM5,800,000). The Company determined the impairment loss based on internal information available.

22.4 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's exposure to liquidity risk arises principally from its various payables and other applicable contractual obligations and commitments. The Company reviews and strives to maintain a prudent level of cash and cash equivalents and banking facilities to ensure working capital requirements are met.

AUDITED FINANCIAL STATEMENTS OF AIMS DATA CENTRE FOR THE FYE 31 DECEMBER 2021 (cont'd)

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22. Financial instruments (continued)**22.4 Liquidity risk (continued)***Maturity analysis*

The table below summarises the maturity profile of the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments:

	Carrying amount RM'000	Contractual interest rate	Contractual cash flow RM'000	Under 1 year RM'000	1 - 5 years RM'000	Above 5 years RM'000
2021						
Term loan	96,513	3.55%	95,205	8,991	55,282	30,932
Lease liabilities	17,779	3.50%	18,619	7,229	11,390	-
Trade and other payables*						
- Interest-free	49,370	-	49,370	49,370	-	-
- Subject to interest	64,510	3.50%	69,026	-	69,026	-
	<u>228,172</u>		<u>232,220</u>	<u>65,590</u>	<u>135,698</u>	<u>30,932</u>
2020						
Lease liabilities	23,827	3.50% - 5.26%	25,385	7,189	18,196	-
Trade and other payables*						
- Interest-free	57,171	-	57,171	57,171	-	-
- Subject to interest	102,849	3.50%	109,052	29,455	79,597	-
	<u>183,847</u>		<u>191,608</u>	<u>93,815</u>	<u>97,793</u>	<u>-</u>

* The contractual cash flows of trade and other payables exclude unearned revenue and provisions.

AUDITED FINANCIAL STATEMENTS OF AIMS DATA CENTRE FOR THE FYE 31 DECEMBER 2021
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22. Financial instruments (continued)

22.5 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and other prices that will affect the Company's financial position or cash flows.

Currency risk

The Company is exposed to foreign currency risk on sales and receivables that are denominated in a currency other than the functional currencies of the Company. The currency giving rise to this risk are primarily Singapore Dollar ("SGD") and U.S. Dollar ("USD").

Risk management objectives, policies and processes for managing the risk

The Company has a potential currency risk exposure arising from trade transactions entered with companies where the amounts are denominated in currencies other than Ringgit Malaysia. Exposure to foreign currency risk is monitored on an ongoing basis and where considered necessary, the Company may consider using financial instruments to hedge its foreign currency risk. The Company is not significantly exposed to currency risk.

Exposure to foreign currency risk

The Company's exposure to foreign currency risk, based on carrying amounts as at the end of the reporting period was:

	Denominated in	
	SGD	USD
	RM'000	RM'000
2021		
Trade receivables	86	362
Amount due from fellow subsidiary (trade)	-	1,499
Amount due from fellow subsidiary (non-trade)	5,706	-
Cash and cash equivalents	458	130
Net exposure in the statement of financial position	6,250	1,991
2020		
Trade receivables	52	297
Amount due from fellow subsidiary (trade)	-	239
Amount due from fellow subsidiary (non-trade)	5,706	-
Cash and cash equivalents	163	55
Net exposure in the statement of financial position	5,921	591

AUDITED FINANCIAL STATEMENTS OF AIMS DATA CENTRE FOR THE FYE 31 DECEMBER 2021
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22. Financial instruments (continued)

22.5 Market risk (continued)

Currency risk (continued)

Currency risk sensitivity analysis

A 1% strengthening of the Ringgit Malaysia against the following currencies at the end of the reporting period would have decreased pre-tax profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Company considered to be reasonably possible at the end of the reporting period. This analysis assume that all other variables, in particular interest rates, remained constant and ignores any impact of forecasted sales and purchases.

	Profit or (Loss)	
	2021	2020
	RM'000	RM'000
1% strengthening of RM against:		
SGD	(63)	(59)
USD	<u>(20)</u>	<u>(6)</u>

A 1% weakening of the Ringgit Malaysia against the above currencies at the end of the reporting period would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remained constant.

Interest rate risk

The Company's fixed rate borrowings are exposed to a risk of change in their fair value due to changes in interest rates. Short-term receivables and payables are not significantly exposed to interest rate risk.

Exposure to interest rate risk

The interest rate profile of the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

	2021	2020
	RM'000	RM'000
Fixed rate instruments		
Advances from holding company	(64,510)	(102,849)
Term loan	<u>(96,513)</u>	<u>-</u>
	<u>(161,023)</u>	<u>(102,849)</u>

AUDITED FINANCIAL STATEMENTS OF AIMS DATA CENTRE FOR THE FYE 31 DECEMBER 2021
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22. Financial instruments (continued)

22.5 Market risk (continued)

Interest rate risk (continued)

Interest rate risk sensitivity analysis

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Company does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

22.6 Fair value information

The carrying amounts of cash and cash equivalents, other investments, receivables and payables reasonably approximate their fair values. Accordingly, the fair values and level of the fair value hierarchy have not been presented for these financial instruments.

The table below analyses financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the statement of financial position.

	Fair value of financial instruments not carried at fair value			Total fair value RM'000	Carrying amount RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000		
2021					
Financial liabilities					
Term loan	-	-	(95,205)	(95,205)	(96,513)
2020					
Financial liabilities					
Term loan	-	-	-	-	-

AUDITED FINANCIAL STATEMENTS OF AIMS DATA CENTRE FOR THE FYE 31 DECEMBER 2021
(cont'd)

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22. Financial instruments (continued)

22.6 Fair value information (continued)

Transfers between Level 1 and Level 2 fair values

During the current and previous financial year, there has been no transfer between Level 1 and 2 fair values.

Level 3 fair value

Level 3 fair value is estimated using unobservable inputs for the financial assets and liabilities.

The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as the key unobservable inputs in the valuation models.

Financial instruments not carried at fair value

Type	Description of valuation technique and inputs used
Term loan	Discounted cash flows using a rate based on the indicative current market rate of borrowing of the Company at the reporting date.

The effective interest rates used to discount estimated cash flows, when applicable, are as follows:

	2021 %	2020 %
Term loan	<u>3.55</u>	<u>-</u>

AUDITED FINANCIAL STATEMENTS OF AIMS DATA CENTRE FOR THE FYE 31 DECEMBER 2021
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23. Capital management

The Company's objectives when managing capital is to maintain an optimal capital structure and to safeguard the Company's ability to continue as a going concern, so as to maintain investor, creditor and market confidence and to sustain future development of the business.

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

24. Subsequent event

On 11 January 2022, the Company has entered into a conditional sale and purchase agreement ("SPA") with Lembaga Kumpulan Wang Simpanan Pekerja ("KWSP") or also known as Employees Provident Fund Board, for the proposed acquisition of a 13-storey purpose-built office building together with 95 car park bays known as "Bangunan KWSP Changkat Raja Chulan" for a total cash consideration of RM62,000,000, upon the terms and conditions as set out in the SPA. The purchase consideration was an average of the above market values of the property as appraised by two independent registered valuers using Income Approach by Investment Method and the Comparison Approach.

AUDITED FINANCIAL STATEMENTS OF AIMS DATA CENTRE FOR THE FYE 31 DECEMBER 2021
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AIMS Data Centre Sdn. Bhd.

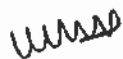
(Registration No. 199001008514 (200085-H))

(Incorporated in Malaysia)

**Statement by Directors pursuant to
Section 251(2) of the Companies Act 2016**

In the opinion of the Directors, the financial statements set out on pages 8 to 57 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Company as of 31 December 2021 and of its financial performance and cash flows for the financial year then ended.

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



.....
Chiew Kok Hin

Director



.....
Patrick Corso

Director

Date: 25 February 2022

AUDITED FINANCIAL STATEMENTS OF AIMS DATA CENTRE FOR THE FYE 31 DECEMBER 2021
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AIMS Data Centre Sdn. Bhd.

(Registration No. 199001008514 (200085-H))
(Incorporated in Malaysia)

**Statutory declaration pursuant to
Section 251(1)(b) of the Companies Act 2016**

I, **Chiew Kok Hin**, the Director primarily responsible for the financial management of AIMS Data Centre Sdn. Bhd., do solemnly and sincerely declare that the financial statements set out on pages 8 to 57 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed Chiew Kok Hin, at Kuala Lumpur in Wilayah Persekutuan on 25 February 2022.



.....
Chiew Kok Hin

Before me:



No. 5A, Jalan 53,
Desa Jaya, Kepong
52100 Kuala Lumpur.

AUDITED FINANCIAL STATEMENTS OF AIMS DATA CENTRE FOR THE FYE 31 DECEMBER 2021
(cont'd)



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**INDEPENDENT AUDITORS' REPORT
TO THE MEMBER OF AIMS DATA CENTRE
SDN. BHD.**

(Registration No. 199001008514 (200085-H))
(Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of AIMS Data Centre Sdn. Bhd., which comprise the statement of financial position as at 31 December 2021, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 8 to 57.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2021, and of its financial performance and its cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our auditors' 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 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.

KPMG PLT, a limited liability partnership under Malaysian law and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

AUDITED FINANCIAL STATEMENTS OF AIMS DATA CENTRE FOR THE FYE 31 DECEMBER 2021
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AIMS Data Centre Sdn. Bhd.
(Registration No. 199001008514 (200085-H))
Independent Auditors' Report for the
Financial Year Ended 31 December 2021

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

In connection with our audit of the financial statements of the Company, our responsibility is to read the Directors' Report and, in doing so, consider whether the Directors' Report is materially inconsistent with the financial statements of the Company or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the Directors' Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

AUDITED FINANCIAL STATEMENTS OF AIMS DATA CENTRE FOR THE FYE 31 DECEMBER 2021
(cont'd)



AIMS Data Centre Sdn. Bhd.
(Registration No. 199001008514 (20085-H))
Independent Auditors' Report for the
Financial Year Ended 31 December 2021

Auditors' Responsibilities for the Audit of the Financial Statements
(continued)

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

- Identify and assess the risks of material misstatement of the financial statements of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company.
- 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 ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Company, including the disclosures, and whether the financial statements of the Company represent the underlying transactions and events in a manner that gives a true and fair view.

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.

AUDITED FINANCIAL STATEMENTS OF AIMS DATA CENTRE FOR THE FYE 31 DECEMBER 2021
(cont'd)



AIMS Data Centre Sdn. Bhd.
(Registration No. 199001008514 (200085-H))
Independent Auditors' Report for the
Financial Year Ended 31 December 2021

Other Matter

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

A stylized signature in black ink, appearing to read 'KPMG PLT'.

KPMG PLT
(LLP0010081-LCA & AF 0758)
Chartered Accountants

Petaling Jaya, Selangor

Date: 25 February 2022

A handwritten signature in black ink, appearing to read 'Chew Beng Hong'.

Chew Beng Hong
Approval Number: 02920/02/2024 J
Chartered Accountant

AUDITED FINANCIAL STATEMENTS OF AIMS CYBERJAYA FOR THE FYE 31 DECEMBER 2021

AIMS Cyberjaya Sdn. Bhd.

(Registration No. 200701036666 (794695-X))
(Incorporated in Malaysia)

**Financial statements for the year
ended 31 December 2021**

AUDITED FINANCIAL STATEMENTS OF AIMS CYBERJAYA FOR THE FYE 31 DECEMBER 2021
(cont'd)

1

AIMS Cyberjaya Sdn. Bhd.

(Registration No. 200701036666 (794695-X))
(Incorporated in Malaysia)

Directors' report for the year ended 31 December 2021

The Directors have pleasure in submitting their report and the audited financial statements of the Company for the financial year ended 31 December 2021.

Principal activities

The Company is principally engaged in the business of providing value added network services, information services, system integration services, operations of data networks and network-based applications for corporations. There has been no significant change in the nature of these activities during the financial year.

Holding company

The Company is a subsidiary of TIME dotCom Berhad, which is incorporated in Malaysia and regarded by the Directors as the Company's holding company, during the financial year and until the date of this report.

Results

	RM'000
Profit for the year	<u>2,509</u>

Reserves and provisions

There were no material transfers to or from reserves and provisions during the financial year under review.

Dividends

No dividend was paid during the year and the Directors do not recommend any dividend to be paid for the financial year under review.

Directors of the Company

Directors who served during the financial year until the date of this report are:

Chiew Kok Hin
Lee Guan Hong
Ang Thing Jiun
Long Sher Neng (resigned on 13 October 2021)

AUDITED FINANCIAL STATEMENTS OF AIMS CYBERJAYA FOR THE FYE 31 DECEMBER 2021
(cont'd)

2

Registration No. 200701036666 (794695-X)

Directors' interests in shares

The interests in the shares of the Company and of its related corporations of those who were Directors at financial year end (including the interests of the spouses or children of the Directors who themselves are not Directors of the Company) as recorded in the Register of Directors' Shareholdings are as follows:

	Number of ordinary shares					At 31.12.2021
	At 1.1.2021	Share vested under Share Grant Plan	Bonus issue	Bought	Sold	
<i>Interest in holding company:</i>						
Chiew Kok Hin						
- own	232,066	265,728	465,132	30,500	(30,000)	963,426
Ang Thing Jiun						
- own	167,200	291,840	245,600	-	(44,400)	660,240

As the Company is a wholly-owned subsidiary of TIME dotCom Berhad, the interest of Lee Guan Hong (who is also a Director of the holding company), in the shares of the Company and its related companies is disclosed in the Directors' report of TIME dotCom Berhad.

Directors' benefits

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than those fees and other benefits included in the aggregate amount of remuneration received or due and receivable by Directors as shown in the financial statements or the fixed salary of a full time employee of the Company or of related corporations) by reason of a contract made by the Company or a related corporation with the Directors or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

There were no arrangements during and at the end of the financial year, which the Company is a party and had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate apart from the holding company's share grant plan in which all Directors of the Company are eligible to participate.

Issue of shares and debentures

There were no changes in the issued and paid-up capital of the Company and the Company has not issued any debentures during the financial year.

Options over unissued shares

No options were granted to any person to take up unissued shares of the Company during the financial year apart from the granting of share grant plan to employees.

AUDITED FINANCIAL STATEMENTS OF AIMS CYBERJAYA FOR THE FYE 31 DECEMBER 2021
(cont'd)

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Registration No. 200701036666 (794695-X)

Share grant plan

At an Extraordinary General Meeting held on 28 June 2012, the shareholders of TIME dotCom Berhad ("holding company" or "TdC") approved the establishment of the Share Grant Plan ("SGP"), which collectively comprises the Special Restricted Share Plan ("SRSP") and Annual Restricted Share Plan and Annual Performance Share Plan ("ARPSP"). The SRSP was granted and fully vested on 30 November 2012.

The salient features of the share grant plan are, inter alia, as follows:

- a) The Scheme Committee (appointed by the Board of Directors of TdC to administer the SGP) may, in its discretion and where necessary, direct the implementation and administration of the plan. The Committee may at any time within the duration of the plan, offer ARPSP awards under the SGP to eligible employees in which such offer shall lapse should the eligible employees or Executive Directors of TdC Group fail to accept within the period stipulated. Non-Executive and Independent Directors and the Chief Executive Officer of TdC are not eligible for the SGP.
- b) The total number of shares to be issued under the SGP shall not exceed in aggregation 10% of the issued and paid-up capital of the holding company (excluding treasury shares) at any point of time during the tenure of SGP period to eligible employees of TdC Group.
- c) All new ordinary shares issued pursuant to the SGP will rank *pari passu* in all respect with the then existing ordinary shares of the holding company, except that the new ordinary shares so issued will not be entitled to any rights, dividends or other distributions declared, made or paid to shareholders prior to the date of allotment of such new ordinary shares, and will be subject to all the provisions of the Articles of Association of the holding company relating to transfer, transmission or otherwise.
- d) The shares granted will only be vested to the eligible employees of TdC Group who have duly accepted the offer of awards under the SGP, on their respective vesting dates, provided the following vesting conditions are fully and duly satisfied:
 - Eligible employees of TdC Group must remain in employment with TdC Group and shall not have given notice of resignation or received notice of termination of service as at the vesting dates.
 - Eligible employees of TdC Group having achieved his/her performance targets as stipulated by the Committee and as set out in their offer of awards.
 - Eligible employees of TdC Group having achieved his/her minimum grading in his/her individual performance in accordance with the performance management system adopted by the holding company.
- e) The SGP shall be in force for a period of eight (8) years or such longer period as may be extended but not exceeding ten (10) years from the adoption date of the SGP.
- f) On 26 June 2020, Board of Directors of TdC approved the extension of the SGP for a further two years from 2 November 2020 to 1 November 2022, pursuant to Clause 14.3 of the By-Laws of the ARPSP vide a resolution of the Board of Directors of TdC.

AUDITED FINANCIAL STATEMENTS OF AIMS CYBERJAYA FOR THE FYE 31 DECEMBER 2021
(cont'd)

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Registration No. 200701036666 (794695-X)

Share grant plan (continued)

- g) Adjustments to the SGP arising from the Bonus Issue were also made to ensure fair and reasonable treatment to the eligible employees of TdC Group.
- h) Pursuant to the Bonus Issue completed on 6 August 2021, TdC had on 16 August 2021 issued 6,893,389 new ordinary shares of TdC to eligible employees under the SGP. The closing share price on the vesting date 20 August 2021 was RM4.73 per share. The vesting of the shares under the SGP were subject to the TdC Group achieving certain financial targets and upon the eligible employees meeting the minimum grading criteria in accordance with the performance management system adopted by TdC Group.

Indemnity and insurance costs

During the financial year, the holding company maintained a corporate liability insurance for the Directors and Officers of the Company, which provides appropriate insurance cover for the Directors and Officers of the Company. The amount of insurance premium paid by the holding company for the financial year 2021 was RM40,926 (2020: RM38,965).

There were no indemnity and insurance costs effected for auditors of the Company.

Other statutory information

Before the financial statements of the Company were made out, the Directors took reasonable steps to ascertain that:

- i) all known bad debts have been written off and that adequate provision has been made for doubtful debts, and
- ii) any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realise.

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

- i) that would render the amount written off for bad debts or the amount of the provision for doubtful debts in the Company inadequate to any substantial extent, or
- ii) that would render the value attributed to the current assets in the financial statements of the Company misleading, or
- iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Company misleading or inappropriate, or
- iv) not otherwise dealt with in this report or the financial statements, that would render any amount stated in the financial statements of the Company misleading.

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

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

AUDITED FINANCIAL STATEMENTS OF AIMS CYBERJAYA FOR THE FYE 31 DECEMBER 2021
(cont'd)

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Registration No. 200701036666 (794695-X)

Other statutory information (continued)

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

In the opinion of the Directors, the financial performance of the Company for the financial year ended 31 December 2021 has not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

Auditors

The auditors, KPMG PLT, have indicated their willingness to accept re-appointment.

The auditors' remuneration is disclosed in Note 11 to the financial statements.

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



.....
Chiew Kok Hin
Director



.....
Lee Guan Hong
Director

Date: 25 February 2022

AUDITED FINANCIAL STATEMENTS OF AIMS CYBERJAYA FOR THE FYE 31 DECEMBER 2021
(cont'd)

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AIMS Cyberjaya Sdn. Bhd.

(Registration No. 200701036666 (794695-X))
(Incorporated in Malaysia)

Statement of financial position as at 31 December 2021

	Note	2021 RM'000	2020 RM'000
Assets			
Property, plant and equipment	3	15,599	15,599
Total non-current assets		<u>15,599</u>	<u>15,599</u>
Trade and other receivables	4	9,061	29,209
Tax recoverable		491	802
Cash and cash equivalents	5	7,841	3,087
Total current assets		<u>17,393</u>	<u>33,098</u>
Total assets		<u>32,992</u>	<u>48,697</u>
Equity			
Share capital	6	2,000	2,000
Retained earnings		27,832	25,323
Equity attributable to owners of the Company		<u>29,832</u>	<u>27,323</u>
Liabilities			
Other payables	7	-	4,300
Total non-current liabilities		<u>-</u>	<u>4,300</u>
Trade and other payables	7	3,160	17,074
Total current liabilities		<u>3,160</u>	<u>17,074</u>
Total liabilities		<u>3,160</u>	<u>21,374</u>
Total equity and liabilities		<u>32,992</u>	<u>48,697</u>

The notes on pages 11 to 45 are an integral part of these financial statements.

AUDITED FINANCIAL STATEMENTS OF AIMS CYBERJAYA FOR THE FYE 31 DECEMBER 2021
(cont'd)

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AIMS Cyberjaya Sdn. Bhd.

(Registration No. 200701036666 (794695-X))

(Incorporated in Malaysia)

Statement of profit or loss and other comprehensive income for the year ended 31 December 2021

	Note	2021 RM'000	2020 RM'000
Revenue	8	203	15,924
Cost of sales	9	(83)	(14,509)
Gross profit		120	1,415
Other income		3,389	196
Administrative expenses		(330)	(3,476)
Distribution expenses		-	(8)
Net gain on impairment of financial instruments and contract assets	11	39	302
Other expenses		-	(20)
Results from operating activities		3,218	(1,591)
Finance income		137	12
Finance costs	10	(13)	(480)
Profit/(Loss) before tax	11	3,342	(2,059)
Tax expense	12	(833)	4,788
Total profit and other comprehensive income for the year attributable to the owner of the Company		<u>2,509</u>	<u>2,729</u>

The notes on pages 11 to 45 are an integral part of these financial statements.

AUDITED FINANCIAL STATEMENTS OF AIMS CYBERJAYA FOR THE FYE 31 DECEMBER 2021
(cont'd)

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AIMS Cyberjaya Sdn. Bhd.

(Registration No. 200701036666 (794695-X))

(Incorporated in Malaysia)

**Statement of changes in equity for the year ended
31 December 2021**

	Share capital RM'000	Distributable Retained earnings RM'000	Total equity RM'000
At 1 January 2020	2,000	22,594	24,594
Profit and total comprehensive income for the year	-	2,729	2,729
At 31 December 2020/1 January 2021	2,000	25,323	27,323
Profit and total comprehensive income for the year	-	2,509	2,509
At 31 December 2021	2,000	27,832	29,832

Note 6

The notes on pages 11 to 45 are an integral part of these financial statements.

AUDITED FINANCIAL STATEMENTS OF AIMS CYBERJAYA FOR THE FYE 31 DECEMBER 2021
(cont'd)

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AIMS Cyberjaya Sdn. Bhd.

(Registration No. 200701036666 (794695-X))

(Incorporated in Malaysia)

**Statement of cash flows for the year ended
31 December 2021**

	Note	2021 RM'000	2020 RM'000
Cash flows from operating activities			
Cash receipts from customers		360	12,621
Cash payments to suppliers		(249)	(7,417)
Cash payments to employees and for administrative expenses		(253)	(3,302)
Cash received from holding company and fellow subsidiaries		9,588	6,512
Payment of lease liabilities		-	(3,200)
Cash generated from operations		<u>9,446</u>	<u>5,214</u>
Tax paid		(522)	(216)
Net cash from operating activities		<u>8,924</u>	<u>4,998</u>
Cash flow from investing activities			
Acquisition of property, plant and equipment	(i)	-	(1,773)
Proceed from disposal of property, plant and equipment		-	150
Interest income		130	-
Net cash from/(used in) investing activities		<u>130</u>	<u>(1,623)</u>
Cash flows from financing activities			
Repayment of advances to holding company		-	(1,500)
Repayment of advances to a fellow subsidiary		(4,300)	(2,700)
Net cash used in financing activities		<u>(4,300)</u>	<u>(4,200)</u>
Net change in cash and cash equivalents		4,754	(825)
Cash and cash equivalents at 1 January		<u>3,087</u>	<u>3,912</u>
Cash and cash equivalents at 31 December		<u>7,841</u>	<u>3,087</u>

AUDITED FINANCIAL STATEMENTS OF AIMS CYBERJAYA FOR THE FYE 31 DECEMBER 2021
(cont'd)

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Registration No. 200701036666 (794695-X)
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**Statement of cash flows for the year ended
31 December 2021 (continued)***(i) Acquisition of property, plant and equipment*

In previous year, the Company acquired property, plant and equipment with an aggregate cost of RM1,599,000.

In previous financial year, the Company paid RM1,773,000 to suppliers for property, plant and equipment that was acquired in the prior financial years.

The notes on pages 11 to 45 are an integral part of these financial statements.

AUDITED FINANCIAL STATEMENTS OF AIMS CYBERJAYA FOR THE FYE 31 DECEMBER 2021
(cont'd)

11

AIMS Cyberjaya Sdn. Bhd.

(Registration No. 200701036666 (794695-X))

(Incorporated in Malaysia)

Notes to the financial statements

AIMS Cyberjaya Sdn. Bhd. is a private limited liability company, incorporated and domiciled in Malaysia. The addresses of the principal place of business and registered office of the Company are as follows:

Principal place of business

18th Floor, Menara AIMS
Changkat Raja Chulan
50200 Kuala Lumpur

Registered office

Level 4, No. 14, Jalan Majistret U1/26
Hicom Glenmarie Industrial Park
40150 Shah Alam, Selangor Darul Ehsan

The Company is principally engaged in the business of providing value added network services, information services, system integration services, operations of data networks and network-based applications for corporations. There has been no significant change in the nature of these activities during the financial year.

The holding company is TIME dotCom Berhad, a company incorporated in Malaysia and listed on the Main Market of the Bursa Malaysia Securities Berhad.

These financial statements were authorised for issue by the Board of Directors on 25 February 2022.

1. Basis of preparation

(a) Statement of compliance

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

The following are accounting standards, interpretations and amendments of the MFRSs that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Company:

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 April 2021

- Amendment to MFRS 16, *Leases – Covid-19-Related Rent Concessions beyond 30 June 2021*

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2022

- Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2018–2020)*

AUDITED FINANCIAL STATEMENTS OF AIMS CYBERJAYA FOR THE FYE 31 DECEMBER 2021
(cont'd)

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Registration No. 200701036666 (794695-X)

1. Basis of preparation (continued)

(a) Statement of compliance (continued)

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2022 (continued)

- Amendments to MFRS 3, *Business Combinations – Reference to the Conceptual Framework*
- Amendments to MFRS 9, *Financial Instruments (Annual Improvements to MFRS Standards 2018–2020)*
- Amendments to Illustrative Examples accompanying MFRS 16, *Leases (Annual Improvements to MFRS Standards 2018–2020)*
- Amendments to MFRS 116, *Property, Plant and Equipment – Proceeds before Intended Use*
- Amendments to MFRS 137, *Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract*
- Amendments to MFRS 141, *Agriculture (Annual Improvements to MFRS Standards 2018–2020)*

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2023

- MFRS 17, *Insurance Contracts*
- Amendments to MFRS 17, *Insurance Contracts – Initial application of MFRS 17 and MFRS 9 – Comparative Information*
- Amendments to MFRS 101, *Presentation of Financial Statements – Classification of Liabilities as Current or Non-current and Disclosures of Accounting Policies*
- Amendments to MFRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates*
- Amendments to MFRS 112, *Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

MFRSs, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Company plans to apply the abovementioned accounting standards, interpretations and amendments from the annual period beginning on 1 January 2022 and 1 January 2023 for those amendments that are effective for annual periods beginning on or after 1 April 2021, 1 January 2022 and 1 January 2023.

The Company does not plan to apply MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards*, MFRS 3, *Business Combinations* and MFRS 141, *Agriculture* that are effective for annual periods beginning on or after 1 January 2022 as they are not applicable to the Company.

The Company does not plan to apply MFRS 17, *Insurance Contracts* and its amendments that are effective for annual periods beginning on or after 1 January 2023 as they are not applicable to the Company.

AUDITED FINANCIAL STATEMENTS OF AIMS CYBERJAYA FOR THE FYE 31 DECEMBER 2021
(cont'd)

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Registration No. 200701036666 (794695-X)

1. Basis of preparation (continued)**(a) Statement of compliance (continued)**

The initial application of the accounting standards, interpretations or amendments are not expected to have any material financial impact to the current period and prior period financial statements of the Company.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis other than as disclosed in Note 2.

(c) Functional and presentation currency

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

(d) Use of estimates and judgements

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

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

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements.

AUDITED FINANCIAL STATEMENTS OF AIMS CYBERJAYA FOR THE FYE 31 DECEMBER 2021
(cont'd)

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Registration No. 200701036666 (794695-X)

2. Significant accounting policies

The accounting policies set out below have been applied consistently to the periods presented in these financial statements, unless otherwise stated.

(a) Foreign currency**Foreign currency transactions**

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

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

Non-monetary assets and liabilities denominated in foreign currencies are not retranslated at the end of the reporting date, except for those that are measured at fair value which are retranslated to the functional currency at the exchange rate at the date that the fair value was determined.

Foreign currency differences arising on retranslation are recognised in profit or loss.

(b) Financial instruments**(i) Recognition and initial measurement**

A financial asset or a financial liability is recognised in the statement of financial position when, and only when, the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without significant financing component) or a financial liability is initially measured at fair value plus or minus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issuance. A trade receivable without a significant financing component is initially measured at the transaction price.

AUDITED FINANCIAL STATEMENTS OF AIMS CYBERJAYA FOR THE FYE 31 DECEMBER 2021
(cont'd)

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Registration No. 200701036666 (794695-X)
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2. Significant accounting policies (continued)

(b) Financial instruments (continued)

(ii) Financial instrument categories and subsequent measurement

Financial assets

Categories of financial assets are determined on initial recognition and are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change of the business model.

Amortised cost

Amortised cost category comprises financial assets that are held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The financial assets are not designated as fair value through profit or loss. Subsequent to initial recognition, these financial assets are measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Interest income is recognised by applying effective interest rate to the gross carrying amount except for credit impaired financial assets (see Note 2(e)(i)) where the effective interest rate is applied to the amortised cost.

All financial assets are subject to impairment assessment (see Note 2(e)(i)).

Financial liabilities

The category of financial liabilities at initial recognition is as follows:

Amortised cost

Financial liabilities are subsequently measured at amortised cost using the effective interest method.

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

(iii) Derecognition

A financial asset or part of it is derecognised when, and only when, the contractual rights to the cash flows from the financial asset expire or transferred, or control of the asset is not retained or substantially all of the risks and rewards of ownership of the financial asset are transferred to another party. On derecognition of a financial asset, the difference between the carrying amount of the financial asset and the sum of the consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

AUDITED FINANCIAL STATEMENTS OF AIMS CYBERJAYA FOR THE FYE 31 DECEMBER 2021
(cont'd)

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Registration No. 200701036666 (794695-X)
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2. Significant accounting policies (continued)

(b) Financial instruments (continued)

(iii) Derecognition (continued)

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

(c) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. The cost of self-constructed assets also includes the cost of materials and direct labour. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

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

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and is recognised net within "other income" or "other expenses" respectively in profit or loss.

AUDITED FINANCIAL STATEMENTS OF AIMS CYBERJAYA FOR THE FYE 31 DECEMBER 2021
(cont'd)

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Registration No. 200701036666 (794695-X)

2. Significant accounting policies (continued)

(c) Property, plant and equipment (continued)

(ii) Subsequent costs

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised to profit or loss. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed, and if a component has a useful life that is different from the remainder of that asset, then that component is depreciated separately.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use. Freehold land is not depreciated. Property, plant and equipment under construction are not depreciated until the assets are ready for their intended use.

The estimated useful lives for the current and comparative periods are as follows:

• communication equipment	5 years
• data centre equipment	6.7 - 15 years
• electrical and mechanical equipment	6.7 - 15 years
• furniture and fittings	6.7 years
• renovation	6.7 - 15 years
• computer hardware and software	5 years

Depreciation methods, useful lives and residual values are reviewed at the end of the reporting period, and adjusted as appropriate.

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2. Significant accounting policies (continued)

(d) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, balances and deposits with banks and highly liquid investments which have an insignificant risk of changes in fair value with original maturities of three months or less, and are used by the Company in the management of their short term commitments. For the purpose of the statement of cash flows, cash and cash equivalents are presented net of bank overdrafts and pledged deposits.

(e) Impairment

(i) Financial assets

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost, contract assets and lease receivables. Expected credit losses are a probability-weighted estimate of credit losses.

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

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

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

The Company estimates the expected credit losses on trade receivables by assessing the risk of loss of each customer individually or by using a provision matrix with reference to historical credit loss experience, whichever applicable.

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

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2. Significant accounting policies (continued)**(e) Impairment (continued)****(i) Financial assets (continued)**

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The gross carrying amount of a financial asset is written off (either partially or full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources 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 Company's procedures for recovery amounts due.

(ii) Other assets

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

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit exceeds its estimated recoverable amount.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated to reduce the carrying amounts of the assets in the cash-generating unit (groups of cash-generating units) on a *pro rata* basis.

Impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversals of impairment losses are credited to profit or loss in the financial year in which the reversals are recognised.

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2. Significant accounting policies (continued)**(f) Equity instruments**

Instruments classified as equity are measured at cost on initial recognition and are not remeasured subsequently.

(i) Issue expense

Costs directly attributable to the issue of instruments classified as equity are recognised as a deduction from equity.

(ii) Ordinary shares

Ordinary shares are classified as equity.

(g) Employee benefits**(i) Short-term employee benefits**

Short-term employee benefit obligations in respect of salaries, annual bonuses, paid annual leave and sick leave are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) State plans

The Company's contributions to statutory pension funds are charged to profit or loss in the financial year to which they relate. Once the contributions have been paid, the Company has no further payment obligations.

(iii) Share-based payment transactions

The grant date fair value of share-based payment granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

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2. Significant accounting policies (continued)**(g) Employee benefits (continued)****(iii) Share-based payment transactions (continued)**

The fair value of the employee share grant is measured using the Monte Carlo simulation model. Measurement inputs include share price on measurement date and expected dividends. For employee share grants issued out of new stock, the share price is further adjusted for effects of dilution. Service and non-market performance conditions attached to the transactions are not taken into account in determining fair value.

(iv) Termination benefits

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

(h) Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as "finance costs".

(i) Contingent liabilities

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

AUDITED FINANCIAL STATEMENTS OF AIMS CYBERJAYA FOR THE FYE 31 DECEMBER 2021
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2. Significant accounting policies (continued)

(j) Revenue and other income

(i) Revenue

Revenue of the Company represents invoiced value of value added network services, information services, system integration services, operation of data networks and network-based application for corporations. Other revenues mainly comprise cabling cross connect and hardware sales. Revenue is measured based on the consideration specified in a contract with a customer in exchange for transferring goods or services to a customer, excluding amounts collected on behalf of third parties.

The Company recognises revenue when (or as) it transfers control over a product or service to customer. An asset is transferred when (or as) the customer obtains control of the asset.

The Company transfers control of a good or service at a point in time unless one of the following over time criteria is met:

- (a) the customer simultaneously receives and consumes the benefits provided as the Company performs;
- (b) the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- (c) the Company's performance does not create an asset with an alternative use and the Company has an enforceable right to payment for performance completed to date.

The significant payment terms ranges from 30 days to 90 days.

Variable consideration such as discounts and rebates given to customers is recognised based on the contractual right to bill. Upfront collection is discounted at market borrowing rate and amortised over the contract period with financing cost recognised in profit or loss. Assurance warranty are given to customers for critical infrastructure.

(ii) Rental income

Rental income is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease. Rental income from subleased property is recognised as "other income".

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2. Significant accounting policies (continued)**(k) Borrowing costs**

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

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

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

(l) Income tax

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

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

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities in the statement of financial position and their tax bases. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

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

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

AUDITED FINANCIAL STATEMENTS OF AIMS CYBERJAYA FOR THE FYE 31 DECEMBER 2021
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2. Significant accounting policies (continued)**(m) Fair value measurement**

Fair value of an asset or a liability, except for share-based payment, is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

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

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

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: unobservable inputs for the asset or liability.

The Company recognises transfers between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfers.

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3. Property, plant and equipment

	Note	Freehold land RM'000	Communication equipment RM'000	Data centre equipment RM'000	Electrical and mechanical equipment RM'000	Furniture and fittings RM'000	Renovation RM'000	Computer hardware and software RM'000	Project management equipment RM'000	Assets in progress RM'000	Total RM'000
Cost											
At 1 January 2020		15,599	11,310	20,014	4,185	131	31,599	488	436	4,663	88,425
Additions		-	-	-	-	-	44	-	-	1,555	1,599
Disposal		-	(72)	(168)	(96)	-	(353)	-	-	-	(689)
Transfer to a fellow subsidiary	3.1	-	(11,238)	(19,846)	(4,089)	(131)	(31,290)	(488)	(436)	(6,218)	(73,736)
At 31 December 2020/ 1 January 2021/ 31 December 2021		15,599	-	-	-	-	-	-	-	-	15,599
Accumulated depreciation											
At 1 January 2020		-	9,795	10,635	901	117	24,064	273	434	-	46,219
Depreciation for the year		-	576	743	130	3	1,033	44	-	-	2,529
Disposal		-	(51)	(108)	(53)	-	(352)	-	-	-	(564)
Transfer to a fellow subsidiary	3.1	-	(10,320)	(11,270)	(978)	(120)	(24,745)	(317)	(434)	-	(48,184)
At 31 December 2020/ 1 January 2021/ 31 December 2021		-	-	-	-	-	-	-	-	-	-

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3. Property, plant and equipment (continued)

Note	Freehold land RM'000	Communication equipment RM'000	Data centre equipment RM'000	Electrical and mechanical equipment RM'000	Furniture and fittings RM'000	Renovation RM'000	Computer hardware and software RM'000	Project management equipment RM'000	Assets in progress RM'000	Total RM'000
Carrying amounts										
At 1 January 2020	15,599	1,515	9,379	3,284	14	7,535	215	2	4,663	42,206
At 31 December 2020/ 1 January 2021/ 31 December 2021	15,599	-	-	-	-	-	-	-	-	15,599

3.1 Transfer of assets to a fellow subsidiary

In previous financial year, as part of holding company's efforts to streamline business operations of its subsidiaries, the Company transferred all plant and equipment to a fellow subsidiary at carrying amount of RM25,552,000.

AUDITED FINANCIAL STATEMENTS OF AIMS CYBERJAYA FOR THE FYE 31 DECEMBER 2021
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4. Trade and other receivables

	Note	2021 RM'000	2020 RM'000
Trade			
Trade receivables	4.1	275	649
Amount due from fellow subsidiaries	4.1	58	35
Amount due from related parties	4.1	726	1,122
		<u>1,059</u>	<u>1,806</u>
Less: Allowance for impairment losses	4.2	-	(87)
		<u>1,059</u>	<u>1,719</u>
Deposits		1,621	1,621
Prepayments		-	259
		<u>2,680</u>	<u>3,599</u>
Non-trade			
Amount due from holding company	4.3	25	-
Amount due from fellow subsidiaries	4.3	6,106	25,423
Other receivables		131	-
Deposits		119	187
		<u>6,381</u>	<u>25,610</u>
		<u>9,061</u>	<u>29,209</u>

Other than for prepayments, the above trade and other receivables are categorised at amortised cost.

4.1 Trade receivables, amount due from fellow subsidiaries and amount due from related parties

The credit period granted for sales/services rendered ranges from 30 to 90 days (2020: 30 to 90 days).

4.2 Allowance for impairment losses (trade)

In previous financial year, the impairment losses were related entirely to trade receivables and a fellow subsidiary. There was no impairment in relation to outstanding trade balances due from fellow subsidiaries and related parties.

4.3 Amount due from holding company and amount due from fellow subsidiaries

The amount due from holding company and amount due from fellow subsidiaries are unsecured, interest free and repayable on demand. The balances arise mainly from transfer of plant and equipment to a fellow subsidiary in previous year.

AUDITED FINANCIAL STATEMENTS OF AIMS CYBERJAYA FOR THE FYE 31 DECEMBER 2021
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5. Cash and cash equivalents

	2021 RM'000	2020 RM'000
Cash and bank balances	1,836	3,087
Deposits placed with a licensed bank	6,005	-
	<u>7,841</u>	<u>3,087</u>

Cash and cash equivalents are categorised at amortised cost.

6. Share capital

	Amount 2021 RM'000	Number of shares 2021 '000	Amount 2020 RM'000	Number of shares 2020 '000
Issued and fully paid shares with no par value classified as equity instruments:				
Ordinary shares				
At 1 January/31 December	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>

7. Trade and other payables

	Note	2021 RM'000	2020 RM'000
Non-current			
Non-trade			
Amount due to a fellow subsidiary	7.1	-	4,300
Current			
Trade			
Trade payables	7.2	353	60
Amount due to fellow subsidiaries	7.2	930	7,223
Accrued expenses		21	278
Deposits payables		1,506	443
Payable for Universal Service Provision		-	107
		<u>2,810</u>	<u>8,111</u>
Non-trade			
Amount due to holding company	7.1	-	4,592
Amount due to a fellow subsidiary	7.1	200	3,989
Accrued expenses		59	289
Other payables		91	93
		<u>350</u>	<u>8,963</u>
		<u>3,160</u>	<u>17,074</u>

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7. Trade and other payables (continued)

The above trade and other payables are categorised as amortised cost except for provisions.

7.1 Amount due to holding company and amount due to a fellow subsidiary (non-trade)

In previous financial year, the amount due to a fellow subsidiary was an advance from a fellow subsidiary amounting to RM4,300,000 was unsecured and subject to interest rate of 3.50% per annum.

Other than as stated above, the remaining amounts due to holding company and a fellow subsidiary are unsecured, interest free and repayable on demand. The balances arise mainly from inter-company advances, expenses paid on behalf and outstanding management fee payable to the holding company and a fellow subsidiary.

7.2 Trade payables and amount due to fellow subsidiaries

The average credit period granted to the Company for trade purchases ranges from 30 to 60 days (2020: 30 to 60 days).

AUDITED FINANCIAL STATEMENTS OF AIMS CYBERJAYA FOR THE FYE 31 DECEMBER 2021 (cont'd)

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7. Trade and other payables (continued)**7.3 Reconciliation of movements of liabilities to cash flows arising from financing activities**

	Note	At 1 January 2020 RM'000	Net changes from financing cash flows RM'000	At 31 December 2020/ 1 January 2021 RM'000	Net changes from financing cash flows RM'000	At 31 December 2021 RM'000
Advances from holding company	7.1	1,500	(1,500)	-	-	-
Advances from a fellow subsidiary	7.1	7,000	(2,700)	4,300	(4,300)	-
Total liabilities from financing activities		8,500	(4,200)	4,300	(4,300)	-

AUDITED FINANCIAL STATEMENTS OF AIMS CYBERJAYA FOR THE FYE 31 DECEMBER 2021
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8. Revenue

	2021 RM'000	2020 RM'000
Revenue from contracts with customers		
Licensable services:		
- Internet access services	-	888
- Leased line services	30	913
Co-location and related services	-	12,486
Maintenance and software support charges	173	1,628
Sale of hardware and software packages	-	9
	<u>203</u>	<u>15,924</u>
Timing of revenue recognition		
At a point in time	3	6
Over time	200	15,918
	<u>203</u>	<u>15,924</u>

The information that reflects the typical transactions of the Company is disclosed in Note 2(j).

There was no performance obligations that are partially unsatisfied at the end of the reporting periods.

The Company applies the following practical expedients:

- exemption on disclosure of information on remaining performance obligations that have original expected durations of one year or less.
- exemption not to adjust the promised amount of consideration for the effects of a significant financing component when the period between the transfer of a promised good or service to a customer and when the customer pays for that good or service is one year or less.

9. Cost of sales

	2021 RM'000	2020 RM'000
Data centre costs	-	6,275
Network and leased line costs	81	688
Internet service provider costs	-	264
Site and customer premises rental	-	666
Telecommunication maintenance charges	-	33
Universal service obligation	-	46
Depreciation of property, plant and equipment	-	2,482
Depreciation of right-of-use assets	-	2,949
Others *	2	1,106
	<u>83</u>	<u>14,509</u>

* Others mainly comprise charges for managed services, and other support charges.

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10. Finance costs

	2021 RM'000	2020 RM'000
Interest expense of financial liabilities that are not at fair value through profit or loss:		
- Advances from a fellow subsidiary	13	251
- Advances from holding company	-	29
Lease liabilities	-	200
	<u>13</u>	<u>480</u>

11. Profit/(Loss) before tax

	2021 RM'000	2020 RM'000
Profit/(Loss) before tax is arrived at after charging:		
<i>Auditors' remunerations</i>		
- Audit fees	20	42
- Non-audit fees	4	4
<i>Material expenses/(income)</i>		
Depreciation of property, plant and equipment	-	2,529
Depreciation of right-of-use assets	-	2,949
Personnel expenses		
- Salaries, bonus, allowances and others	108	2,120
- Contributions to Employees Provident Fund	15	281
- Share grant expenses	-	205
Net (gain)/loss on foreign exchange	(32)	20
Gain on disposal of property, plant and equipment	-	(25)
Finance income	(137)	(12)
<i>Expenses arising from leases</i>		
Short-term rental of:		
- Equipment	-	2
- Data centre and office space	-	666
<i>Net gain on impairment of financial instruments and contract assets</i>		
Net write-back of trade receivables	<u>(39)</u>	<u>(302)</u>

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12. Tax expense

Recognised in profit or loss

	2021 RM'000	2020 RM'000
Tax expense:		
- Current year	836	3
- (Over)/Under provision in prior year	(3)	333
	<u>833</u>	<u>336</u>
Deferred tax:		
- Current year	-	(4,980)
- Over provision in prior year	-	(144)
	<u>-</u>	<u>(5,124)</u>
	<u>833</u>	<u>(4,788)</u>

Reconciliation of tax expense:

Profit/(Loss) before tax	<u>3,342</u>	<u>(2,059)</u>
Tax at statutory tax rate of 24%	802	(494)
Non-deductible expenses	-	247
Deferred tax surrendered via control transfer to a fellow subsidiary	-	(5,169)
Deferred tax asset not recognised	34	439
	<u>836</u>	<u>(4,977)</u>
(Over)/Under provision in prior years		
- current tax	(3)	333
- deferred tax	-	(144)
	<u>833</u>	<u>(4,788)</u>

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items (gross):

	2021 RM'000	2020 RM'000
Unutilised tax losses	1,701	1,038
Other deductible temporary difference	12	535
	<u>1,713</u>	<u>1,573</u>

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12. Tax expense (continued)

Unrecognised deferred tax assets (continued)

The unutilised tax losses will be disregarded in the following YA under the current tax legislation subject to no substantial changes to the Income Tax Act 1967 and guidelines issued by Ministry of Finance.

	2021 RM'000	2020 RM'000
2028	-	1,038
2031	1,038	-
2032	663	-
	<u>1,701</u>	<u>1,038</u>

Deferred tax assets have not been recognised in respect of these items because it is not probable that sufficient future taxable profits will be available against which the Company can utilise the benefits therefrom.

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13. Employee benefits

The details of the shares granted under the share grant plan and its vesting conditions are as follows:

	Fair value at grant date	Adjusted fair value at grant date	Number of ordinary shares					
			At 1.1.2021	Additional number of plan shares (bonus issue)	Granted but not vested during the year	Vested and issued	Adjusted/ (Forfeited)	At 31.12.2021
2018 Awards	RM7.74	RM2.58	14,938	29,876	-	(34,062)	(10,752)	-
2019 Awards	RM7.55	RM2.52	20,480	40,960	-	(30,720)	(9,216)	21,504
2020 Awards	RM8.46	RM2.82	59,904	119,808	-	(32,256)	(101,376)	46,080
2021 Awards – Special Award	RM4.19	RM4.19	-	-	32,624	-	-	32,624
Total			95,322	190,644	32,624	(97,038)	(121,344)	100,208

The outstanding 2019, 2020 and 2021 share grant awards at the end of the financial year are to be vested on specific dates in the following periods:

- (i) The 2019 grant to be vested within next year in July 2022;
- (ii) The 2020 grant to be vested within the next 2 years in July 2022 and July 2023; and
- (iii) The 2021 grant to be vested within the next 3 years in July 2022, July 2023 and July 2024.

The shares granted will be vested only upon the fulfilment of vesting conditions which include achievement of financial performance targets set by the holding company and achievement of a minimum grading by the entitled employee in accordance with the performance management system adopted by the holding company.

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13. Employee benefits (continued)

The fair value of the share grant is determined using the Monte Carlo simulation model, taking into consideration terms and conditions under which the shares were granted. The key inputs in the model are as follows:

Granted on:	Closing market price at grant date	Dilution rate
2 January 2019 for 2018 Awards	RM8.10	0.439%
2 January 2019 for 2019 Awards	RM8.10	0.443%
2 January 2020 for 2020 Awards	RM9.22	0.433%
4 January 2021 for 2021 Awards	RM4.47	0.450%
4 January 2021 for 2021 Special Awards	RM4.47	0.085%

During the financial year, the SGP cost amounted to RM NIL (2020: RM205,000).

14. Related parties

Identity of related parties

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

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling activities of the Company either directly or indirectly. The key management personnel include all the Directors of the Company and certain members of senior management of the Company.

The Company has related party relationship with its holding company, fellow subsidiaries, Directors, key management personnel and related parties in which a substantial shareholder of the holding company has an interest and companies in which Directors have significant financial interest.

AUDITED FINANCIAL STATEMENTS OF AIMS CYBERJAYA FOR THE FYE 31 DECEMBER 2021
(cont'd)

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Registration No. 200701036666 (794695-X)
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14. Related parties (continued)

Significant related party transactions

The significant related party transactions of the Company are shown below:

	2021 RM'000	2020 RM'000
Holding company		
Management fees expense	17	(223)
Share grant expenses	-	(205)
Interest expenses	-	(29)
	<u>-</u>	<u>(267)</u>
Fellow subsidiaries		
Rental income	3,301	-
Revenue from operation of data centre, networks services and other services	-	5,556
Purchases of data centre, internet access, leased line and other related costs	(81)	(3,312)
Administrative expenses	-	(25)
Management fees expense	(112)	(397)
Interest expenses	(13)	(251)
Transfer of plant and equipment	-	25,552
	<u>-</u>	<u>25,552</u>
Related parties		
Revenue from operation of data centre, networks services and other services	-	1,071
Purchases of data centre, internet access, leased line and other related costs	-	(2,498)
	<u>-</u>	<u>(2,498)</u>

The Directors of the Company are of the opinion that the above transactions have been entered into the normal course of business and have been established under negotiated terms.

The outstanding balances due from and due to the holding company, fellow subsidiaries and related parties of the Company are disclosed in Note 4 and 7 respectively.

There are no transactions with Directors and key management personnel during the financial year.

AUDITED FINANCIAL STATEMENTS OF AIMS CYBERJAYA FOR THE FYE 31 DECEMBER 2021
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15. Financial instruments

15.1 Net gains and losses arising from financial instruments

	2021 RM'000	2020 RM'000
Net gains/(losses) on:		
Financial assets at amortised cost	208	294
Financial liabilities at amortised cost	<u>(13)</u>	<u>(480)</u>

15.2 Financial risk management

The Company has exposure to the following risks from its financial instruments:

- Credit risk
- Liquidity risk
- Market risk

15.3 Credit risk

Credit risk is the risk of a financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company's exposure to credit risk arises principally from its receivables from customers (including fellow subsidiaries and related parties), advances to fellow subsidiaries and deposits with banks and financial institutions. There are no significant changes as compared to prior periods.

AUDITED FINANCIAL STATEMENTS OF AIMS CYBERJAYA FOR THE FYE 31 DECEMBER 2021
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15. Financial instruments (continued)**15.3 Credit risk (continued)****Trade receivables and contract assets*****Risk management objectives, policies and processes for managing the risk***

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are required to be performed on all new customers. Depending on the nature of the transaction, the Company may require upfront deposits as collateral.

At each reporting date, the Company assesses whether any of the trade receivables and contract assets are credit impaired.

The gross carrying amounts of credit impaired trade receivables and contract assets are written off (either partially or fully) when there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Nevertheless, trade receivables and contract assets that are written off could still be subject to enforcement activities.

There are no significant changes as compared to previous year.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables is represented by the carrying amounts in the statements of financial position.

Management has taken reasonable steps to ensure that receivables that are neither past due nor impaired are stated at their realisable values. A significant portion of these receivables are regular customers that have been transacting with the Company. The Company manages its exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. The Company uses ageing analysis to monitor the credit quality of the receivables.

The Company assesses the risk of loss of each customer individually based on their financial information, past trend of payments and external credit rating where applicable.

The Company has a lower exposure to international credit risk as most of its receivables are concentrated in Malaysia.

AUDITED FINANCIAL STATEMENTS OF AIMS CYBERJAYA FOR THE FYE 31 DECEMBER 2021
(cont'd)

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15. Financial instruments (continued)

15.3 Credit risk (continued)

Trade receivables and contract assets (continued)

Concentration of credit risk

The exposure of credit risk for trade receivables (including amount due from fellow subsidiaries and related parties) of the Company as at the end of the reporting period by geographic region was:

	2021 RM'000	2020 RM'000
Malaysia	2,665	3,322
Outside Malaysia	15	18
	<u>2,680</u>	<u>3,340</u>

At reporting date, there were no significant concentrations of credit risk.

Impairment losses

The following table provides information about the exposure to credit risk and expected credit losses ("ECLs") for trade receivables (including accrual revenue, amount due from fellow subsidiaries, amount due from related parties and trade deposits) as at the end of the reporting period:

	Gross RM'000	Loss allowance RM'000	Net RM'000
2021			
Not past due	1,638	-	1,638
Past due 1 - 30 days	23	-	23
Past due 31 - 120 days	-	-	-
Past due more than 120 days	1,019	-	1,019
	<u>2,680</u>	<u>-</u>	<u>2,680</u>
2020			
Not past due	1,472	-	1,472
Past due 1 - 30 days	9	-	9
Past due 31 - 120 days	235	-	235
Past due more than 120 days	1,711	(87)	1,624
	<u>3,427</u>	<u>(87)</u>	<u>3,340</u>

AUDITED FINANCIAL STATEMENTS OF AIMS CYBERJAYA FOR THE FYE 31 DECEMBER 2021
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15. Financial instruments (continued)

15.3 Credit risk (continued)

Trade receivables and contract assets (continued)

Impairment losses (continued)

The allowance account in respect of the trade receivables is used to record impairment losses. Unless the Company is satisfied that recovery of the amount is possible, the amount considered irrecoverable is written off against the receivable directly.

The movement in the loss allowance for trade receivables (including amounts due from fellow subsidiaries and related parties) during the financial year were as follows:

	2021 RM'000	2020 RM'000
At 1 January	87	509
Impairment loss written off	(48)	(120)
Net allowance	<u>(39)</u>	<u>(302)</u>
At 31 December	<u>-</u>	<u>87</u>

Included in the allowance for impairment loss is NIL (2020: RM35,000) relating to trade amount due from a fellow subsidiary.

Cash and cash equivalents

Risk management objectives, policies and processes for managing the risk

The cash and cash equivalents are held with banks and financial institutions. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

Exposure to credit risk, credit quality and collateral

These banks and financial institutions have low credit risks. Consequently, the Company is of the view that the loss allowance is not material and hence, it is not provided for.

Impairment losses

As at the end of the reporting period, there was no indication that the amounts deposited with licensed financial institutions are not recoverable.

AUDITED FINANCIAL STATEMENTS OF AIMS CYBERJAYA FOR THE FYE 31 DECEMBER 2021
(cont'd)

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15. Financial instruments (continued)

15.3 Credit risk (continued)

Inter-company balances

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured advances to fellow subsidiaries and monitors the results of these companies regularly.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amounts in the statement of financial position. The Company considers its fellow subsidiaries as companies associated with lower credit risk.

Impairment losses

In previous financial year, there is no indication that the advances to the fellow subsidiaries are not recoverable other than the amount already provided for as an impairment losses from fellow subsidiaries for trade balances amounting to RM35,000.

15.4 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's exposure to liquidity risk arises principally from its various payables and other applicable contractual obligations and commitments. The Company reviews and strives to maintain a prudent level of cash and cash equivalents and banking facilities to ensure working capital requirements are met.

Maturity analysis

The table below summarises the maturity profile of the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments:

	Carrying amount RM'000	Contractual interest rate	Contractual cash flow RM'000	Under 1 year RM'000	1 – 5 years RM'000
2021					
Trade and other payables					
- Interest-free	3,160	-	3,160	3,160	-

AUDITED FINANCIAL STATEMENTS OF AIMS CYBERJAYA FOR THE FYE 31 DECEMBER 2021
(cont'd)

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15. Financial instruments (continued)

15.4 Liquidity risk (continued)

Maturity analysis (continued)

	Carrying amount RM'000	Contractual interest rate	Contractual cash flow RM'000	Under 1 year RM'000	1 – 5 years RM'000
2020					
Trade and other payables*					
- Interest-free	16,967	-	16,967	16,967	-
- Subject to interest	4,300	3.50%	4,451	-	4,451
	<u>21,267</u>		<u>21,418</u>	<u>16,967</u>	<u>4,451</u>

* The contractual cash flows of trade and other payables exclude unearned revenue and provisions.

15.5 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and other prices that will affect the Company's financial position or cash flows.

Currency risk

The Company is exposed to foreign currency risk on sales and purchases that are denominated in a currency other than the functional currency of the Company. The currency giving rise to this risk is primarily U.S. Dollar ("USD").

Risk management objectives, policies and processes for managing the risk

The Company has a potential currency risk exposure arising from trade transactions entered with companies where the amounts are denominated in currencies other than Ringgit Malaysia. Exposure to foreign currency risk is monitored on an ongoing basis and where considered necessary, the Company may consider using financial instruments to hedge its foreign currency risk. The Company is not significantly exposed to currency risk.

AUDITED FINANCIAL STATEMENTS OF AIMS CYBERJAYA FOR THE FYE 31 DECEMBER 2021
(cont'd)

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15. Financial instruments (continued)

15.5 Market risk (continued)

Currency risk (continued)

Exposure to foreign currency risk

The Company's exposure to foreign currency risk, based on carrying amounts as at the end of the reporting period was:

	Denominated in USD RM'000
2021	
Trade receivables	8
Net exposure in the statement of financial position	<u>8</u>
2020	
Trade receivables	36
Net exposure in the statement of financial position	<u>36</u>

Currency risk sensitivity analysis

A 1% strengthening or weakening of the Ringgit Malaysia against the USD at the end of the reporting period would have insignificant impact to increased pre-tax profit or loss of the Company.

AUDITED FINANCIAL STATEMENTS OF AIMS CYBERJAYA FOR THE FYE 31 DECEMBER 2021
(cont'd)

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Registration No. 200701036666 (794695-X)
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15. Financial instruments (continued)

15.5 Market risk (continued)

15.5.2 Interest rate risk

The Company's fixed rate borrowings are exposed to a risk of change in their fair value due to changes in interest rates. Short-term receivables and payables are not significantly exposed to interest rate risk.

Exposure to interest rate risk

The interest rate profile of the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

	2021 RM'000	2020 RM'000
Fixed rate Instruments		
Amount due to fellow subsidiary	-	4,300
	<u>-</u>	<u>4,300</u>

Interest rate risk sensitivity analysis

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Company does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

15.6 Fair value information

The carrying amounts of cash and cash equivalents, receivables and payables reasonably approximate their fair values. Accordingly, the fair values and level of the fair value hierarchy have not been presented for these financial instruments.

16. Capital management

The Company's objectives when managing capital is to maintain an optimal capital structure and to safeguard the Company's ability to continue as a going concern, so as to maintain investor, creditor and market confidence and to sustain future development of the business.

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

AUDITED FINANCIAL STATEMENTS OF AIMS CYBERJAYA FOR THE FYE 31 DECEMBER 2021
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AIMS Cyberjaya Sdn. Bhd.

(Registration No. 200701036666 (794695-X))
(Incorporated in Malaysia)

**Statement by Directors pursuant to
Section 251(2) of the Companies Act 2016**

In the opinion of the Directors, the financial statements set out on pages 6 to 45 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Company as of 31 December 2021 and of its financial performance and cash flows for the financial year then ended.

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



.....
Chiew Kok Hin
Director



.....
Lee Guan Hong
Director

Date: 25 February 2022

AUDITED FINANCIAL STATEMENTS OF AIMS CYBERJAYA FOR THE FYE 31 DECEMBER 2021
(cont'd)

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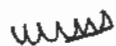
AIMS Cyberjaya Sdn. Bhd.

(Registration No. 200701036666 (794695-X))
(Incorporated in Malaysia)

**Statutory declaration pursuant to
Section 251(1)(b) of the Companies Act 2016**

I, **Chiew Kok Hin**, the Director primarily responsible for the financial management of AIMS Cyberjaya Sdn. Bhd., do solemnly and sincerely declare that the financial statements set out on pages 6 to 45 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed Chiew Kok Hin, at Kuala Lumpur in Wilayah Persekutuan on 25 February 2022.



.....
Chiew Kok Hin

Before me:



No. 5A, Jalan 53,
Desa Jaya, Kepong
52100 Kuala Lumpur.

AUDITED FINANCIAL STATEMENTS OF AIMS CYBERJAYA FOR THE FYE 31 DECEMBER 2021
(cont'd)



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**INDEPENDENT AUDITORS' REPORT
TO THE MEMBER OF AIMS CYBERJAYA
SDN. BHD.**

(Registration No. 200701036666 (794695-X))
(Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of AIMS Cyberjaya Sdn. Bhd., which comprise the statement of financial position as at 31 December 2021, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 6 to 45.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2021, and of its financial performance and its cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our auditors' 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 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.

AUDITED FINANCIAL STATEMENTS OF AIMS CYBERJAYA FOR THE FYE 31 DECEMBER 2021
(cont'd)



AIMS Cyberjaya Sdn. Bhd.
(Registration No. 20070103666 (794895-X))
Independent Auditors' Report for the
Financial Year Ended 31 December 2021

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

In connection with our audit of the financial statements of the Company, our responsibility is to read the Directors' Report and, in doing so, consider whether the Directors' Report is materially inconsistent with the financial statements of the Company or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the Directors' Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

AUDITED FINANCIAL STATEMENTS OF AIMS CYBERJAYA FOR THE FYE 31 DECEMBER 2021
(cont'd)



AIMS Cyberjaya Sdn. Bhd.
(Registration No. 200701036666 (794695-X))
Independent Auditors' Report for the
Financial Year Ended 31 December 2021

Auditors' Responsibilities for the Audit of the Financial Statements
(continued)

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

- Identify and assess the risks of material misstatement of the financial statements of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company.
- 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 ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Company, including the disclosures, and whether the financial statements of the Company represent the underlying transactions and events in a manner that gives a true and fair view.

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.

AUDITED FINANCIAL STATEMENTS OF AIMS CYBERJAYA FOR THE FYE 31 DECEMBER 2021
(cont'd)

AIMS Cyberjaya Sdn. Bhd.
(Registration No. 200701036666 (794695-X))
Independent Auditors' Report for the
Financial Year Ended 31 December 2021

Other Matter

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

A handwritten signature in black ink, appearing to be 'KPMG PLT'.

KPMG PLT
(LLP0010081-LCA & AF 0758)
Chartered Accountants

Petaling Jaya, Selangor

Date: 25 February 2022

A handwritten signature in black ink, appearing to be 'Chew Beng Hong'.

Chew Beng Hong
Approval Number: 02920/02/2024 J
Chartered Accountant

AUDITED FINANCIAL STATEMENTS OF AIMS SG FOR THE FYE 31 DECEMBER 2021

AIMS DATA CENTRE PTE. LTD.
(Co. Reg. No. 200509374Z)**FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2021**

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AUDITED FINANCIAL STATEMENTS OF AIMS SG FOR THE FYE 31 DECEMBER 2021 (cont'd)

AIMS DATA CENTRE PTE. LTD.

DIRECTORS' STATEMENT

The directors are pleased to present their statement to the member together with the audited financial statements of the Company for the financial year ended 31 December 2021.

In the opinion of the directors:

- (i) the financial statements as set out on pages 8 to 23 are drawn up so as to give a true and fair view of the financial position of the Company as at 31 December 2021 and of the financial performance, changes in equity and cash flows of the Company for the financial year then ended in accordance with the provisions of the Companies Act 1967 (the "Act") and Financial Reporting Standards in Singapore; and
- (ii) at the date of this statement, with the continuing financial support from the immediate and ultimate holding company (the "holding company"), TIME dotcom Berhad ("TdC"), there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

The directors in office at the date of this statement are:

Lee Heng Lai
Chiew Kok Hin
Patrick Corso
Ang Thing Jiun

Arrangement to enable directors to acquire benefits

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate, other than the grant of a share option of the holding company to Patrick Corso and the holding company's share grant plan in which all the directors of the Company are eligible to participate.

Directors' interest in shares or debentures

The directors of the Company holding office at the end of the financial year had no interests in the shares and debentures of the Company and related corporations as recorded in the Register of Directors' Shareholdings kept by the Company under Section 164 of the Act except as follows:

	Number of ordinary shares			
	Shareholdings registered in their own names		Shareholdings in which a director is deemed to have an interest	
	At 1.1.2021	At 31.12.2021	At 1.1.2021	At 31.12.2021
Holding Company				
TIME dotCom Berhad				
Lee Heng Lai	174	9,480	-	-
Chiew Kok Hin	232,066	963,426	-	-
Patrick Corso	221,800	4,183,600	178,608,690	535,826,070
Ang Thing Jiun	167,200	660,240	-	-

AUDITED FINANCIAL STATEMENTS OF AIMS SG FOR THE FYE 31 DECEMBER 2021 (cont'd)

Aims Data Centre Pte. Ltd.

Directors' interest in shares or debentures (cont'd)

The deemed interest of Patrick Corso in the shares of the holding company are by virtue of his interest held through Pulau Kapas Ventures Sdn. Bhd., Global Transit International Sdn. Bhd. and Megawisra Sdn. Bhd. via his shareholdings in Megawisra Investments Limited. As at 31 December 2021, Pulau Kapas Ventures Sdn. Bhd. and Megawisra Sdn. Bhd. hold direct interest of 535,826,070 shares in the holding company.

Share option to an Executive Director of TdC

At an Extraordinary General Meeting ("EGM") held on 14 June 2019, the shareholders of TdC approved the granting of a share option to Patrick Corso, a Non-Independent Executive Director of TdC to subscribe for up to 3,300,000 new ordinary shares in the holding company.

The salient terms of the share option granted are as follows:

- a) The option period commenced on 20 June 2019 and will end on the earlier of the day prior to the fifth anniversary of the date of the Share Option Agreement or the date on which the Executive Director of TdC ceases to hold any executive position within TdC Group by reason of his voluntary resignation becoming effective or the lawful termination of his employment with just cause or excuse. The option shall automatically lapse and become null and void upon expiry of the option period.
- b) The aggregate number of shares to be issued shall not be more than 3,300,000 new ordinary shares.
- c) The option price of RM7.95 per share was determined based on a discount of 10% to the five days volume weighted average market price of TdC's shares immediately preceding the date on which the option was granted by the holding company to the Executive Director of TdC.
- d) The option per share was adjusted to RM7.835 per share and RM7.761 per share with no change made to the number of option shares granted pursuant to special dividends paid by the holding company on 31 March 2020 and 30 March 2021 respectively.
- e) The option may be exercised by the Executive Director of TdC at any time and from time to time during the option period up to a maximum of 20% of the total option shares per annual period of the option period. Any portion of the option which is unexercised can be carried forward to the next period without reducing the maximum exercisable portion in the next period.
- f) In the event of any alteration in the capital structure of TdC during the option period, whether by way of capitalisation of profits or reserves, right issues, bonus issues, capital reduction (save for set-off against accumulated losses), capital repayment, sub-division or consolidation of capital, or declaration of any special dividend or distribution or otherwise howsoever taking place, unless otherwise provided in the Share Option Agreement, such corresponding alterations (if any) may be made to the Proposed Grant in terms of the option exercise price and/or the number of option shares which have not yet been exercised so as to give the Executive Director of TdC a fair and reasonable entitlement in respect of the option shares, as shall be certified by an external auditor or an investment bank.
- g) On 5 April 2021, the Executive Director of TdC exercised option shares granted to him of 450,000 new ordinary shares at the adjusted exercise price of RM7.761 per share. The holding company received proceeds totalling RM3,492,450 as a result of the said exercise of share options.

AUDITED FINANCIAL STATEMENTS OF AIMS SG FOR THE FYE 31 DECEMBER 2021 (cont'd)

Aims Data Centre Pte. Ltd.

Share option to an Executive Director of TdC (cont'd)

- h) On 22 July 2021, the ordinary resolution as set out in the Notice of Postponed EGM of TdC dated 23 June 2021 was duly passed by the shareholders at the EGM for a Bonus Issue of up to 1,212,483,666 new ordinary shares of TdC on the basis of two (2) bonus shares for every one (1) existing ordinary share held on 5 August 2021 ("Bonus Issue"). A total of 1,209,423,666 bonus shares have been issued and were listed and quoted on the Main Market of Bursa Securities on 6 August 2021. The Executive Director of TdC's remaining option shares of 2,850,000 have been adjusted to 8,550,000 option shares at an adjusted price of RM2.587 per share (from RM7.761 per share previously).
- i) On 1 September 2021, the Executive Director of TdC exercised option shares granted to him of 4,590,000 new ordinary shares at the adjusted exercise price of RM2.587 per share. The holding company received proceeds totalling RM11,874,330 as a result of the said exercise of share options.
- j) On 22 December 2021, the option price was further adjusted to RM2.540 per share with no change made to the number of option shares granted pursuant to special dividends paid by the holding company.
- k) On 31 March 2022, the option price was further adjusted to RM2.526 per share with no change made to the number of option shares granted pursuant to special dividends paid by the holding company.

Share grant plan

At an EGM held on 28 June 2012, the shareholders of TdC approved the establishment of the Share Grant Plan ("SGP"), which collectively comprises the Special Restricted Share Plan ("SRSP") and Annual Restricted Share Plan and Annual Performance Share Plan ("ARPSP"). The SRSP was granted and fully vested on 30 November 2012.

The salient features of the share grant plan are, inter alia, as follows:

- a) The Scheme Committee of TdC (appointed by the Board of Directors of TdC to administer the SGP), in its discretion and where necessary, direct the implementation and administration of the plan. The Committee may at any time within the duration of the plan, offer ARPSP awards under the SGP to eligible employees in which such offer shall lapse should the eligible employees or Executive Directors of TdC fail to accept within the period stipulated. Non-Executive and Independent Directors of TdC and TdC's Group Chief Executive Officer are not eligible for the SGP.
- b) The total number of shares to be issued under the SGP shall not exceed in aggregation 10% of the issued and paid-up capital of the holding company (excluding treasury shares) at any point of time during the tenure of SGP period to eligible employees of TdC Group.
- c) All new ordinary shares issued pursuant to the SGP will rank pari passu in all respect with the existing ordinary shares of the holding company, except that the new ordinary shares so issued will not be entitled to any rights, dividends or other distributions declared, made or paid to shareholders prior to the date of allotment of such new ordinary shares, and will be subject to all the provisions of the Articles of Association of the holding company relating to transfer, transmission or otherwise.

AUDITED FINANCIAL STATEMENTS OF AIMS SG FOR THE FYE 31 DECEMBER 2021 (cont'd)

Aims Data Centre Pte. Ltd.

Share grant plan (cont'd)

- d) The shares granted will only be vested to the eligible employees of TdC Group who have duly accepted the offer of awards under the SGP, on their respective vesting dates, provided the following vesting conditions are fully and duly satisfied:
- Eligible employees of TdC Group must remain in employment with TdC Group and shall not have given notice of resignation or received notice of termination of service as at the vesting dates.
 - Eligible employees of TdC Group having achieved his/her performance targets as stipulated by the Committee and as set out in their offer of awards.
 - Eligible employees of TdC Group having achieved his/her minimum grading in his/her individual performance in accordance with the performance management system adopted by the holding company.
- e) The SGP shall be in force for a period of eight (8) years or such longer period as may be extended but not exceeding ten (10) years from the adoption date of the SGP.
- f) On 26 June 2020, the Board of Directors of TdC approved the extension of the SGP for a further two (2) years from 2 November 2020 to 1 November 2022, pursuant to Clause 14.3 of the By-Laws of the ARPSP vide a resolution of the Board of Directors of TdC.
- g) Adjustments to the SGP arising from the Bonus Issue were also made to ensure fair and reasonable treatment to the eligible employees of TdC Group.
- h) On 16 August 2021, TdC issued 6,893,389 new ordinary shares in TdC to eligible employees under the SGP. The closing share price on the vesting date 20 August 2021 was RM4.73 per share. The vesting of the shares under the SGP were subject to the TdC Group achieving certain financial targets and upon the eligible employees meeting the minimum grading criteria in accordance with the performance management system adopted by TdC Group.

Share options

No option to take up unissued shares of the Company was granted during the financial year.

There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company whether granted before or during the financial year.

There were no unissued shares of the Company under option at the end of the financial year.

Independent auditor

The independent auditor, Baker Tilly TFW LLP, has expressed its willingness to accept re-appointment.

On behalf of the directors



Lee Heng Lai
Director

27 May 2022



Chiew Kok Hin
Director

AUDITED FINANCIAL STATEMENTS OF AIMS SG FOR THE FYE 31 DECEMBER 2021 (cont'd)



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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF
AIMS DATA CENTRE PTE. LTD.**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Aims Data Centre Pte. Ltd. (the "Company") as set out on pages 8 to 23, which comprise the statement of financial position of the Company as at 31 December 2021, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Company as at 31 December 2021 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority (ACRA) *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement as set out on pages 1 to 2.

Our opinion on the financial statements 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, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements 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.

Baker Tilly TFW LLP (trading as Baker Tilly) is a member of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities.

Baker Tilly TFW LLP (Registration No. T10LL1485G) is an accounting limited liability partnership registered in Singapore under the Limited Liability Partnerships Act (Chapter 163A).

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AUDITED FINANCIAL STATEMENTS OF AIMS SG FOR THE FYE 31 DECEMBER 2021 (cont'd)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF
AIMS DATA CENTRE PTE. LTD. (cont'd)****Report on the Audit of the Financial Statements (cont'd)***Responsibilities of Management and Directors for the Financial Statements*

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

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

The directors' responsibilities include overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 SSAs 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 SSAs, 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, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

AUDITED FINANCIAL STATEMENTS OF AIMS SG FOR THE FYE 31 DECEMBER 2021 (cont'd)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF
AIMS DATA CENTRE PTE. LTD. (cont'd)****Report on the Audit of the Financial Statements (cont'd)***Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)*

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

A handwritten signature in black ink that reads "Baker Tilly".

Baker Tilly TFW LLP
Public Accountants and
Chartered Accountants
Singapore

27 May 2022

AUDITED FINANCIAL STATEMENTS OF AIMS SG FOR THE FYE 31 DECEMBER 2021 (cont'd)

AIMS DATA CENTRE PTE. LTD.

STATEMENT OF COMPREHENSIVE INCOME
For the financial year ended 31 December 2021

	Note	2021 \$	2020 \$
Revenue	3	726,575	750,564
Cost of sales		(632,129)	(690,324)
Gross profit		94,446	60,240
Administrative expenses		(27,375)	(32,337)
Other expenses		(6,289)	(2,441)
Profit before tax	4	60,782	25,462
Income tax	5	–	–
Net profit and total comprehensive income for the financial year		60,782	25,462

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

AUDITED FINANCIAL STATEMENTS OF AIMS SG FOR THE FYE 31 DECEMBER 2021 (cont'd)

AIMS DATA CENTRE PTE. LTD.

STATEMENT OF FINANCIAL POSITION
At 31 December 2021

	Note	2021 \$	2020 \$
Non-current assets			
Plant and equipment	6	462	9,152
Current assets			
Contract assets	7	54,225	–
Trade receivables	8	91,284	178,696
Cash and cash equivalents		137,488	110,033
Total current assets		282,997	288,729
Total assets		283,459	297,881
Current liabilities			
Trade and other payables	9	2,621,089	2,696,293
Net liabilities		(2,337,630)	(2,398,412)
Capital deficiency			
Share capital	10	100,002	100,002
Accumulated losses		(2,437,632)	(2,498,414)
Total capital deficiency		(2,337,630)	(2,398,412)

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

AUDITED FINANCIAL STATEMENTS OF AIMS SG FOR THE FYE 31 DECEMBER 2021 (cont'd)

AIMS DATA CENTRE PTE. LTD.

STATEMENT OF CHANGES IN EQUITY
For the financial year ended 31 December 2021

	Share capital \$	Accumulated losses \$	Total capital deficiency \$
At 1 January 2020	100,002	(2,523,876)	(2,423,874)
Total comprehensive income for the financial year	–	25,462	25,462
At 31 December 2020	100,002	(2,498,414)	(2,398,412)
Total comprehensive income for the financial year	–	60,782	60,782
At 31 December 2021	100,002	(2,437,632)	(2,337,630)

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

AUDITED FINANCIAL STATEMENTS OF AIMS SG FOR THE FYE 31 DECEMBER 2021 *(cont'd)*

AIMS DATA CENTRE PTE. LTD.

STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2021

	2021 \$	2020 \$
Cash flows from operating activities		
Receipts from customers	694,760	721,474
Payments to suppliers	(614,469)	(572,510)
Payments for administrative expenses	(17,204)	(22,370)
Payments to holding company	(4,854)	(18,219)
Payments to related companies	(30,778)	(201,731)
	<hr/>	<hr/>
Net cash generated from/(used in) operating activities	27,455	(93,356)
	<hr/>	<hr/>
Net increase/(decrease) in cash and cash equivalents	27,455	(93,356)
	<hr/>	<hr/>
Cash and cash equivalents at beginning of financial year	110,033	203,389
	<hr/>	<hr/>
Cash and cash equivalents at end of financial year	137,488	110,033
	<hr/>	<hr/>

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

AUDITED FINANCIAL STATEMENTS OF AIMS SG FOR THE FYE 31 DECEMBER 2021 (cont'd)

AIMS DATA CENTRE PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2021

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. Corporate information

The Company (Co. Reg. No. 200509374Z) is incorporated and domiciled in Singapore. The address of its registered office is at 600 North Bridge Road, #05-01 Parkview Square, Singapore 188778.

The principal activities of the Company are those providing communications, telecommunications and database related services.

The Company's immediate and ultimate holding company (the "holding company") is TIME dotCom Berhad, a company incorporated in Malaysia. Related companies in the financial statements include the members of the holding company's group of companies.

2. Summary of significant accounting policies**a) Going concern**

As at the financial year ended 31 December 2021, the Company's current and total liabilities exceeded its current and total assets by \$2,338,092 (2020: \$2,407,564) and \$2,337,630 (2020: \$2,398,412) respectively. These factors indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern and to realise its assets and discharge its liabilities in the ordinary course of business. Nevertheless, the management of the Company believes that the use of the going concern assumption in the preparation and presentation of the financial statements for the financial year ended 31 December 2021 is appropriate after taking into consideration that the holding company has agreed to provide continuing financial support to the Company to meet its obligations as and when they fall due.

The financial statements have been prepared on a going concern basis. In the event that the Company is unable to continue as a going concern, adjustments may have to be made to reflect the situation that assets may need to be realised other than in the amounts at which they are currently recorded in the statement of financial position. In addition, the Company may have to provide for future liabilities that might arise, and to reclassify non-current assets as current assets. No such adjustments have been made to these financial statements.

b) Basis of preparation

The financial statements are presented in Singapore dollar ("S\$"), which is the Company's functional currency. The financial statements have been prepared in accordance with the provisions of the Companies Act 1967 and Financial Reporting Standards in Singapore ("FRSs"). The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRSs requires the use of 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 revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions and historical experiences and various other factors that are believed to be reasonable under the circumstances, actual results may ultimately differ from those estimates.

AUDITED FINANCIAL STATEMENTS OF AIMS SG FOR THE FYE 31 DECEMBER 2021 (cont'd)

Aims Data Centre Pte. Ltd.

2. Summary of significant accounting policies (cont'd)

b) Basis of preparation (cont'd)

Use of estimates and judgements

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

There were no significant judgements made in applying accounting policies and no estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

The carrying amounts of cash and cash equivalents, trade and other current receivables and payables approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

New and revised standards that are adopted

In the current financial year, the Company has adopted all the new and revised FRSs and Interpretations of FRSs ("INT FRSs") that are relevant to its operations and effective for the current financial year. Changes to the Company's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRSs and INT FRSs.

The adoption of these new/revised FRSs and INT FRSs did not have any material effect on the financial results or position of the Company.

New and revised standards not yet effective

New standards, amendments to standards and interpretations that have been issued at the end of the reporting period but are not yet effective for the financial year ended 31 December 2021 have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Company.

c) Revenue recognition

Revenue from services

The Company provides communications, telecommunications and database related services. Such services are recognised as performance obligations satisfied over time. Revenue from these services are recognised over the duration and in the period in which the services are provided, having regard to the stage of completion of the service. Payment for the services is not due from the customer until the services are complete and therefore a contract asset is recognised over the period in which the services are performed representing the entity's right to consideration for the services performed to date. A contract asset is recognised when the Company has performed under the contract but has not yet billed the customer. Where there is advance billing to customer, a contract liability is recognised for billing in excess of revenue recognised.

d) Plant and equipment

All items of plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and any impairment in value. The cost of plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

AUDITED FINANCIAL STATEMENTS OF AIMS SG FOR THE FYE 31 DECEMBER 2021 (cont'd)

Aims Data Centre Pte. Ltd.

2. Summary of significant accounting policies (cont'd)

d) Plant and equipment (cont'd)

On disposal of a plant and equipment, the difference between the net disposal proceeds and its carrying amount is taken to profit or loss.

Depreciation is calculated on a straight-line basis to allocate the depreciable amount of plant and equipment over their expected useful lives. The estimated useful lives are as follows:

	Number of years
Computers	5
Computer software	5
Data centre equipment	6 - 7

The residual values, estimated useful lives and depreciation method of plant and equipment are reviewed, and adjusted as appropriate, at the end of each reporting period. The effects of any revision are recognised in profit or loss when the changes arise.

Fully depreciated assets are retained in the financial statements until they are no longer in use.

e) Impairment of non-financial assets

At each reporting date, the Company assesses the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

f) Income tax

Income tax on the profit or loss for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to items recognised outside profit or loss, either in other comprehensive income or directly in equity in which the tax is also recognised outside profit or loss (either in other comprehensive income or directly in equity respectively).

Current tax is the expected tax payable or recoverable on the taxable income for the current year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable or recoverable in respect of previous years. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretations. It establishes provisions, where appropriate on the basis of amounts expected to be paid to the tax authorities.

AUDITED FINANCIAL STATEMENTS OF AIMS SG FOR THE FYE 31 DECEMBER 2021 (cont'd)

Aims Data Centre Pte. Ltd.

2. Summary of significant accounting policies (cont'd)

f) Income tax (cont'd)

Deferred income tax is provided using the liability method, on all temporary differences at the end of the reporting period arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

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

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

g) Financial assets

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date - the date on which the Company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at fair value through profit or loss) are added to the fair value of the financial assets on initial recognition. Transaction costs directly attributable to acquisition of financial assets at fair value through profit or loss are recognised immediately in profit or loss. Trade receivables without a significant financing component is initially measured at transaction prices.

Classification and measurement

All financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

The Company classifies its financial assets at amortised cost. The classification is based on the entity's business model for managing the financial asset and the contractual cash flow characteristics of the financial assets.

The Company reclassifies financial assets when and only when its business model for managing those assets changes.

Subsequent measurement

Debt instruments include cash and cash equivalents, trade and other receivables (excluding accrued revenue). These are subsequently measured at amortised cost based on the Company's business model for managing the asset and cash flow characteristics of the asset.

The Company measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. Interest income from these financial assets is included in interest income using the EIR method.

AUDITED FINANCIAL STATEMENTS OF AIMS SG FOR THE FYE 31 DECEMBER 2021 (cont'd)

Aims Data Centre Pte. Ltd.

2. Summary of significant accounting policies (cont'd)

g) Financial assets (cont'd)

Impairment

The Company recognises an allowance for expected credit losses ("ECLs") for financial assets carried at amortised cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

The impairment methodology applied depends on whether there has been a significant increase in credit risk. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables that do not have a significant financing component, the Company applies a simplified approach to recognise a loss allowance based on lifetime ECLs at each reporting date.

If the company has measured the loss allowance for a financial asset at an amount equal to lifetime ECL in previous reporting period, but determine at the current reporting date that the conditions for lifetime ECL are no longer met, the Company measures the loss allowance at an amount equal to 12-month ECL at the current reporting date.

The Company recognises an impairment gain or loss in profit or loss for all financial assets with a corresponding adjustment to their carrying amount through a loss allowance account.

h) Financial liabilities

Financial liabilities include trade and other payables. Financial liabilities are recognised on the statement of financial position when, and only when, the Company becomes a party to the contractual provisions of the financial instruments. Financial liabilities are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest rate method.

A financial liability is derecognised when the obligation under the liability is extinguished. Gains and losses are recognised in profit or loss when the liabilities are derecognised and through the amortisation process.

i) Share capital

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

j) Provisions for other liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of economic resources will be required to settle that obligation and the amount can be estimated reliably. Provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. Where the effect of the time value of money is material, the amount of the provision shall be discounted to present value using a pre-tax discount rate that reflects the current market assessment of the time value of money and risks specific to the obligation.

When discounting is used, the increase in the provision due to passage of time is recognised as a finance cost in profit or loss.

AUDITED FINANCIAL STATEMENTS OF AIMS SG FOR THE FYE 31 DECEMBER 2021 (cont'd)

Aims Data Centre Pte. Ltd.

2. Summary of significant accounting policies (cont'd)

k) Foreign currencies

Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which that entity operates ("the functional currency"). The financial statements of the Company are presented in Singapore dollar, which is the Company's functional currency.

Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Currency translation gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

l) Related party

A related party is an entity or person that directly or indirectly through one or more intermediaries controls, is controlled by, or is under common or joint control with, the entity in governing the financial and operating policies, or that has an interest in the entity that gives it significant influence over the entity in financial and operating decisions. It also includes members of the key management personnel or close members of the family of any individual referred to herein and others who have the ability to control, jointly control or significantly influence by or for which significant voting power in such entity resides with, directly or indirectly, any such individual.

3. Revenue

	2021	2020
	\$	\$
Services rendered	726,575	750,564

Revenue from services rendered are solely generated from Singapore and are recognised over time when services are rendered to the customers.

4. Profit before tax

	2021	2020
	\$	\$
Profit before tax is arrived at after charging:		
Foreign currency exchange loss, net	6,289	2,441
Depreciation of plant and equipment, included in cost of sales	8,690	12,567

AUDITED FINANCIAL STATEMENTS OF AIMS SG FOR THE FYE 31 DECEMBER 2021 (cont'd)

Aims Data Centre Pte. Ltd.

5. Income tax

The income tax on the results of the financial year varies from the amount of the income tax determined by applying the Singapore statutory rate of income tax to profit before tax to the following factors:

	2021 \$	2020 \$
Profit before tax	60,782	25,462
Tax calculated at a tax rate of 17% (2020: 17%)	10,333	4,329
Expenses not deductible for tax	1,069	2,551
Utilisation of previously unrecognised tax losses	(11,402)	(6,880)
	-	-

Subject to agreement with the Comptroller of Income Tax, the Company has unutilised tax losses and other temporary timing differences amounting to approximately \$561,000 (2020: \$636,000) and \$97,000 (2020: \$89,000) respectively, available for set-off against future taxable income. The realisation of the future income tax benefits from unutilised tax losses is available for an unlimited future period only if the Company derives future assessable income of a nature and of sufficient amount to enable the related tax benefits to be realised and the Company continues to comply with the condition imposed by the provisions of the Income Tax Act 1947 on there being no substantial change in shareholders. These potential tax benefits have not been taken into the financial statements as it is not probable that future taxable profits will be sufficient to allow the related tax benefits to be realised.

6. Plant and equipment

	Computers \$	Computer software \$	Data centre equipment \$	Total \$
2021				
Cost				
At 1.1.2021 and 31.12.2021	1,780	1,899	83,778	87,457
Accumulated depreciation				
At 1.1.2021	1,779	1,898	74,628	78,305
Depreciation charge	-	-	8,690	8,690
At 31.12.2021	1,779	1,898	83,318	86,995
Net carrying value				
At 31.12.2021	1	1	460	462

AUDITED FINANCIAL STATEMENTS OF AIMS SG FOR THE FYE 31 DECEMBER 2021 (cont'd)

Aims Data Centre Pte. Ltd.

6. Plant and equipment

	Computers \$	Computer software \$	Data centre equipment \$	Total \$
2020				
Cost				
At 1.1.2001 and 31.12.2020	1,780	1,899	83,778	87,457
Accumulated depreciation				
At 1.1.2020	1,779	1,898	62,061	65,738
Depreciation charge	–	–	12,567	12,567
At 31.12.2020	1,779	1,898	74,628	78,305
Net carrying value				
At 31.12.2020	1	1	9,150	9,152

Included in the cost of the plant and equipment of the Company are fully depreciated assets which are still in use, with cost amounting to \$69,169 (2020: \$3,679).

7. Contract assets

Contract assets relate to the Company's rights to consideration for services delivered but not billed at the reporting date.

The following table provides information about contract asset from contracts with customers.

	2021 \$	2020 \$	1.1.2020 \$
Contract assets	54,225	–	–

Significant change in the contract assets balance during the financial year is as follows:

	2021 \$	2020 \$
Services performed ahead of milestone payments	54,225	–

8. Trade receivables

	2021 \$	2020 \$
Trade receivables		
- Third parties	68,785	121,196
- Amount due from a related company	22,499	57,500
	91,284	178,696

Trade receivables are non-interest bearing and the normal trade credit terms is 30 days (2020: 30 days).

AUDITED FINANCIAL STATEMENTS OF AIMS SG FOR THE FYE 31 DECEMBER 2021 (cont'd)

Aims Data Centre Pte. Ltd.

9. Trade and other payables

	2021	2020
	\$	\$
Trade payables		
- Amount due to related companies	14,560	61,299
- Deposit received	38,500	38,500
- Provision	48,482	74,457
Other payables		
- Accrued operating expenses	12,841	15,289
- Amount due to holding company (non-trade)	1,295	-
- Amount due to related companies (non-trade)	2,505,411	2,506,748
	<u>2,621,089</u>	<u>2,696,293</u>

Amount due to related companies (trade) is unsecured, non-interest bearing and average credit period ranges from 30 to 90 days.

Amounts due to holding company (non-trade) and related companies (non-trade) are unsecured, interest-free and repayable on demand.

10. Share capital

	2021	2020
	\$	\$
Issued and fully paid up		
100,002 ordinary shares with no par value	100,002	100,002

The holder of ordinary shares is entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction.

11. Related party transactions

In addition to information disclosed elsewhere in the financial statements, the following transactions took place between the Company and related parties during the financial year on terms agreed by the parties concerned:

	2021	2020
	\$	\$
Management fee expense charged by holding company	(6,150)	(10,515)
Management fee expense charged by a related company	(3,237)	(3,288)
Cost of services rendered to a related company	(34,944)	(34,769)
Data centre related service rendered to a related company	84,225	30,000

The key management personnel are the directors of the Company and they did not receive any compensation from the Company during the financial year.

AUDITED FINANCIAL STATEMENTS OF AIMS SG FOR THE FYE 31 DECEMBER 2021 (cont'd)

Aims Data Centre Pte. Ltd.

12. Financial instruments

a) Categories of financial instruments

Financial instruments at their carrying amounts at the end of the financial year are as follows:

	2021 \$	2020 \$
Financial assets at amortised cost	228,772	288,729
Financial liabilities at amortised cost	2,621,089	2,696,293

b) Financial risk management

The Company's activities expose it primarily to market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk. The Company's overall financial risk management strategy seeks to minimise adverse effects from the unpredictability of financial markets on the Company's financial performance.

There has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures financial risk. Market risk exposures are measured using sensitivity analysis indicated below.

Market risk*Foreign exchange risk*

Foreign currency risk arises on certain balances that are denominated in currencies other than Singapore dollar. The currencies that give rise to this risk are primarily Malaysia Ringgit ("RM").

The Company does not utilise any derivatives to hedge its exposure.

The Company's foreign currency exposure is as follows:

	Denominated in RM \$
At 31 December 2021	
<i>Financial liabilities</i>	
Trade and other payables	<u>(292,609)</u>
At 31 December 2020	
<i>Financial liabilities</i>	
Trade and other payables	<u>(426,956)</u>

AUDITED FINANCIAL STATEMENTS OF AIMS SG FOR THE FYE 31 DECEMBER 2021 (cont'd)

Aims Data Centre Pte. Ltd.

12. Financial instruments (cont'd)

b) Financial risk management (cont'd)

*Market risk (cont'd)**Foreign exchange risk (cont'd)*

The following table demonstrates the sensitivity to a reasonably possible change in the RM exchange rate against the SGD, with all other variables held constant, of the Company's profit before tax.

	(Decrease)/increase in profit before tax	
	2021 \$	2020 \$
RM - strengthened 1% (2020: 1%)	(2,429)	(4,270)
- weakened 1% (2020: 1%)	2,429	4,270

Interest rate risk

The Company's income and operating cash flows are substantially independent of changes in market interest rates. The Company has no significant interest-bearing assets or liabilities other than bank balances.

Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Company's maximum exposure to credit risk is represented by the carrying amount of financial assets as set out in Note 8. Trade receivables (third parties) comprise of 2 (2020: 2) debtors only. The Company also has significant concentration of credit risks in amounts due from related company as disclosed in Note 8.

Cash and cash equivalents are placed in banks and financial institutions with good credit ratings.

The Company trades only with recognised and creditworthy third parties. It is the Company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, debtors' balances are monitored on an ongoing basis with the result that the Company's exposure to bad debts is not significant.

The following sets out the Company's internal credit evaluation practices and basis for recognition and measurement of expected credit losses ("ECL"):

Description of evaluation of financial assets	Basis for recognition and measurement of ECL
Counterparty has a low risk of default and does not have any past due amounts	12-month ECL
Contractual payments are more than 30 days past due or where there has been a significant increase in credit risk since initial recognition	Lifetime ECL - not credit-impaired
Contractual payments are more than 90 days past due or there is evidence of credit impairment	Lifetime ECL - credit-impaired
There is evidence indicating that the Company has no reasonable expectation of recovery of payments such as when the debtor has been placed under liquidation or has entered into bankruptcy proceedings	Write-off

AUDITED FINANCIAL STATEMENTS OF AIMS SG FOR THE FYE 31 DECEMBER 2021 (cont'd)

Aims Data Centre Pte. Ltd.

12. Financial instruments (cont'd)**b) Financial risk management (cont'd)***Credit risk (cont'd)*

The credit risk exposure for the Company's financial assets at amortised costs have been assessed to be insignificant and accordingly, these are at 12-month ECL and no credit loss allowances are required at 31 December 2021.

Financial assets that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are creditworthy debtors with good payment record with the Company. Cash and cash equivalents are placed with or entered into with reputable financial institutions.

Liquidity and cash flow risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligation due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company manages the liquidity risk by maintaining sufficient cash to enable them to meet their operating commitments and having adequate amount of committed credit facilities. The Company is dependent on its holding company for continuing financial support, as disclosed in Note 2(a).

13. Fair value

The carrying amounts of financial assets and liabilities are reasonable approximation of fair values due to their short-term nature.

14. Capital management

The Company's objective when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholders' value. In order to maintain or achieve an optimal capital structure, the Company may adjust the amount of dividend payment, return capital to shareholders, issue new shares or buy back issued shares. The Company is dependent on the continuing financial support of its holding company to continue as a going concern.

The Company capital consists of share capital and accumulated losses and the Company's overall strategy remains unchanged from 2020.

15. Authorisation of financial statements

The financial statements of the Company for the financial year ended 31 December 2021 were authorised for issue in accordance with a resolution of the directors dated 27 May 2022.

AUDITED FINANCIAL STATEMENTS OF AIMS TH FOR THE FYE 31 DECEMBER 2021

AIMS Data Centre (Thailand) Limited

Financial statements for the year ended
31 December 2021
and
Independent Auditor's Report

AUDITED FINANCIAL STATEMENTS OF AIMS TH FOR THE FYE 31 DECEMBER 2021 (cont'd)



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Independent Auditor's Report

To the Shareholders of AIMS Data Centre (Thailand) Limited

Opinion

I have audited the financial statements of AIMS Data Centre (Thailand) Limited (the "Company"), which comprise the statements of financial position as at 31 December 2021, the statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2021 and its financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Company in accordance with the Code of Ethics for Professional Accountants issued by the Federation of Accounting Professions that is relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with TFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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AUDITED FINANCIAL STATEMENTS OF AIMS TH FOR THE FYE 31 DECEMBER 2021 (cont'd)

*Auditor's Responsibilities for the Audit of the Financial Statements*

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs 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 TSAs, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, 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 my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Marisa T.
 (Marisa Tharathornbunpakul)
 Certified Public Accountant
 Registration No.5752

KPMG Phoomchai Audit Ltd.
 Bangkok
 28 February 2022

AUDITED FINANCIAL STATEMENTS OF AIMS TH FOR THE FYE 31 DECEMBER 2021 (cont'd)

AIMS Data Centre (Thailand) Limited**Statement of financial position**

Assets	<i>Note</i>	31 December	
		2021	2020
		<i>(in thousand Baht)</i>	
<i>Current assets</i>			
Cash and cash equivalents	5	13,783	15,296
Trade accounts receivable	4, 6, 17	3,079	2,729
Other current assets		25,839	20,207
Total current assets		42,701	38,232
<i>Non-current assets</i>			
Leasehold improvement and equipment	7	201,417	217,253
Right-of-use assets	8	165,411	188,492
Total non-current assets		366,828	405,745
Total assets		409,529	443,977

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

AUDITED FINANCIAL STATEMENTS OF AIMS TH FOR THE FYE 31 DECEMBER 2021 (cont'd)

AIMS Data Centre (Thailand) Limited**Statement of financial position**

Liabilities and equity	<i>Note</i>	31 December	
		2021	2020
		<i>(in thousand Baht)</i>	
Current liabilities			
Other payables	4, 10, 17	7,565	43,610
Current portion of long term loans from related parties	4, 9, 17	21,479	-
Current portion of lease liabilities	9, 17	16,078	15,415
Total current liabilities		45,122	59,025
Non-current liabilities			
Long-term loans from related parties	4, 9, 17	236,271	170,000
Lease liabilities	9, 17	115,619	131,697
Non-current provisions for employee benefits	11	344	66
Total non-current liabilities		352,234	301,763
Total liabilities		397,356	360,788
Equity			
Share capital	12		
Authorised share capital		100,000	100,000
Issued and paid-up share capital		100,000	100,000
Deficit		(87,827)	(16,811)
Total equity		12,173	83,189
Total liabilities and equity		409,529	443,977

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

AUDITED FINANCIAL STATEMENTS OF AIMS TH FOR THE FYE 31 DECEMBER 2021 (cont'd)

AIMS Data Centre (Thailand) Limited**Statement of comprehensive income**

		Year ended 31 December	
	Note	2021	2020
		<i>(in thousand Baht)</i>	
Income			
Revenue from rendering of services	13	10,547	2,550
Other income		474	-
Total income		11,021	2,550
Expenses			
Costs of rendering of services	14	46,738	11,476
Distribution expenses	14	415	-
Administrative expenses	14	19,370	3,909
Total expenses		66,523	15,385
Loss from operating activities		(55,502)	(12,835)
Finance costs		(15,514)	(3,896)
Loss for the year and other comprehensive expense	15	(71,016)	(16,731)
Basic loss per share (in Baht)	16	(71.02)	(28.55)

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

AUDITED FINANCIAL STATEMENTS OF AIMS TH FOR THE FYE 31 DECEMBER 2021 (cont'd)

AIMS Data Centre (Thailand) Limited**Statement of changes in equity**

	Note	Issued and paid-up share capital	Deficit	Total equity
<i>(in thousand Baht)</i>				
Year ended 31 December 2020				
Balance at 1 January 2020		250	(80)	170
Transaction with owners, recorded directly in equity				
<i>Contributions by owners</i>				
Issue of ordinary shares	12	99,750	-	99,750
Total contributions by owners		99,750	-	99,750
Comprehensive expense for the year				
Profit or loss		-	(16,731)	(16,731)
Total comprehensive expense for the year		-	(16,731)	(16,731)
Balance at 31 December 2020		100,000	(16,811)	83,189
Year ended 31 December 2021				
Balance at 1 January 2021		100,000	(16,811)	83,189
Comprehensive expense for the year				
Profit or loss		-	(71,016)	(71,016)
Total comprehensive expense for the year		-	(71,016)	(71,016)
Balance at 31 December 2021		100,000	(87,827)	12,173

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

AUDITED FINANCIAL STATEMENTS OF AIMS TH FOR THE FYE 31 DECEMBER 2021 (cont'd)

AIMS Data Centre (Thailand) Limited**Statement of cash flows**

		Year ended	
		31 December	
	<i>Note</i>	2021	2020
		<i>(in thousand Baht)</i>	
<i>Cash flows from operating activities</i>			
Cash received from customers		10,138	-
Cash payments to suppliers		(8,127)	(6,170)
Cash payments to employees and for administrative expenses		(20,842)	(16,666)
Cash received from related parties		-	202
Net cash used in operating activities		<u>(18,831)</u>	<u>(22,634)</u>
<i>Cash flows from investing activity</i>			
Acquisition of leasehold improvement and equipment		<u>(40,655)</u>	<u>(180,184)</u>
Net cash used in investing activity		<u>(40,655)</u>	<u>(180,184)</u>
<i>Cash flows from financing activities</i>			
Proceeds from issue of shares		-	99,750
Proceeds from borrowings		87,750	170,000
Payment of lease liabilities		(21,327)	(51,341)
Interest paid		<u>(8,450)</u>	<u>(546)</u>
Net cash from financing activities		<u>57,973</u>	<u>217,863</u>
Net (decrease) increase in cash and cash equivalents		(1,513)	15,045
Cash and cash equivalents at 1 January		<u>15,296</u>	<u>251</u>
Cash and cash equivalents at 31 December	5	<u>13,783</u>	<u>15,296</u>

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

AUDITED FINANCIAL STATEMENTS OF AIMS TH FOR THE FYE 31 DECEMBER 2021 (cont'd)

AIMS Data Centre (Thailand) Limited**Notes to financial statements****For the year ended 31 December 2021**

Note	Contents
1	General information
2	Basis of preparation of the financial statements
3	Significant accounting policies
4	Related parties
5	Cash and cash equivalents
6	Trade accounts receivable
7	Leasehold improvement and equipment
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9	Interest-bearing liabilities
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13	Disaggregation of revenue
14	Expenses by nature
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16	Loss per share
17	Financial instruments
18	Commitment with non-related party

AUDITED FINANCIAL STATEMENTS OF AIMS TH FOR THE FYE 31 DECEMBER 2021 (cont'd)

AIMS Data Centre (Thailand) Limited**Notes to financial statements****For the year ended 31 December 2021**

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements and were approved and authorised for issue by the directors on 28 February 2022.

1 General information

AIMS Data Centre (Thailand) Limited, the “Company”, is incorporated in Thailand. The Company’s registered office at 44 Smooth Life Tower Building, 11th Floor, North Sathorn Road, Silom Sub-district, Bangrak District, Bangkok, Thailand.

The parent company during the financial year was TIME dotCom Berhad (50.99% shareholding) which was incorporated in Malaysia.

The principal activities of the Company are the provision of server co-location, data back-up services, data retrieval services for disaster recovery, provision of consultation and training, data center operations and related services.

The Company was granted License from the National Broadcasting and Telecommunications Commission (“NBTC”) to provide telecommunication services as follows:

Type of license	Issue date	Renewal date
Telecom Operation License Type 1	29 January 2020	7 October 2025

The Company is committed to comply with conditions stipulated under the license and pay a fee in compliance with the Notifications of NBTC Re: Temporary Telecommunication Business Licensing Fees and Re: Criteria and Procedure for the Provision of Universal Basic Telecommunications and Social Services.

2 Basis of preparation of the financial statements

The financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”), guidelines promulgated by the Federation of Accounting Professions (TFAC). The financial statements are presented in Thai Baht, which is the Company’s functional currency.

Use of judgements and estimates

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of the Company’s accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

(i) Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

3(f) and 8 Leases:

- whether an arrangement contains a lease;
- whether the Company is reasonably certain to exercise extension options;
- whether the Company exercise termination options;

AUDITED FINANCIAL STATEMENTS OF AIMS TH FOR THE FYE 31 DECEMBER 2021 (cont'd)

AIMS Data Centre (Thailand) Limited**Notes to financial statements****For the year ended 31 December 2021**

- whether the Company has transferred substantially all the risks and rewards incidental to the ownership of the assets to lessees.

(ii) Assumptions and estimation uncertainties

Information about assumption and estimation uncertainties at 31 December 2021 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

3(f)	Determining the incremental borrowing rate to measure lease liabilities;
11	Measurement of defined benefit obligations: key actuarial assumptions; and
15	Recognition of deferred tax assets: availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilised.

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Foreign currencies

Transactions in foreign currencies including non-monetary assets and liabilities denominated in foreign currencies are translated to the respective functional currencies at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate at the reporting date.

Foreign currency differences are generally recognised in profit or loss.

(b) Financial instruments**(b.1) Classification and measurement**

Financial assets and financial liabilities (except trade accounts receivables (see note 3(d)) are initially recognised when the Company becomes a party to the contractual provisions of the instrument, and measured at fair value, taking into account for transaction costs that are directly attributable to its acquisition.

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVOCI); or fair value through profit or loss (FVTPL). Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified prospectively from the reclassification date.

On initial recognition, financial liabilities are classified as measured at amortised cost using the effective interest method. Interest expense, foreign exchange gains and losses and any gain or loss on derecognition are recognised in profit or loss.

Financial assets measured at amortised costs are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by expected credit losses. Interest income, foreign exchange gains and losses, expected credit loss and any gain or loss on derecognition are recognised in profit or loss.

AUDITED FINANCIAL STATEMENTS OF AIMS TH FOR THE FYE 31 DECEMBER 2021 (cont'd)

AIMS Data Centre (Thailand) Limited**Notes to financial statements****For the year ended 31 December 2021***(b.2) Derecognition and offset*

The Company derecognises a financial asset when the contractual rights to receive the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

The difference between the carrying amount extinguished and the consideration received or paid is recognised in profit or loss.

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

(b.3) Write offs

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering. Subsequent recoveries of an asset that was previously written off, are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(b.4) Interest

Interest income and expense is recognised in profit or loss using the effective interest method. In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

(c) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand are a component of cash and cash equivalents for the purpose of the statement of cash flows.

(d) Trade accounts receivable

A trade receivable is recognised when the Company has an unconditional right to receive consideration. A trade receivable is measured at transaction price less allowance for expected credit loss. Bad debts are written off when incurred.

The Company estimates lifetime expected credit losses (ECLs), using a provision matrix to find ECLs rate. This method groups the debtors based on shared credit risk characteristics and past due status, taking into account historical credit loss data, adjusted for factors that are specific to the debtors and an assessment of both current economic conditions and forward-looking general economic conditions at the reporting date.

AUDITED FINANCIAL STATEMENTS OF AIMS TH FOR THE FYE 31 DECEMBER 2021 (cont'd)

AIMS Data Centre (Thailand) Limited**Notes to financial statements****For the year ended 31 December 2021****(e) Leasehold improvement and equipment**

Leasehold improvement and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

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

Differences between the proceeds from disposal and the carrying amount of leasehold improvement and equipment, are recognised in profit or loss.

The cost of replacing a part of an item of leasehold improvement and equipment is recognised in the carrying amount of the item when the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of leasehold improvement and equipment are recognised in profit or loss as incurred.

Depreciation is calculated on a straight-line basis over the estimated useful lives of each component of an asset and recognised in profit or loss. No depreciation is provided on assets under construction and installation.

The estimated useful lives are as follows:

Furniture and fixtures	6.7 years
Computer equipment	5 years
Data centre equipment	6.7 years
Leasehold improvement	6.7 years
Electrical and mechanical equipment	15 years

(f) Leases

At inception of a contract, the Company assesses that a contract is, or contains, a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At commencement or on modification of a contract, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices of each component. For the leases of property, the Company has elected not to separate non-lease components and accounted for the lease and non-lease components wholly as a single lease component.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date, except for leases of low-value assets and short-term leases which is recognised as an expense on a straight-line basis over the lease term.

AUDITED FINANCIAL STATEMENTS OF AIMS TH FOR THE FYE 31 DECEMBER 2021 (cont'd)

AIMS Data Centre (Thailand) Limited**Notes to financial statements****For the year ended 31 December 2021**

Right-of-use asset is measured at cost, less any accumulated depreciation and impairment loss, and adjusted for any remeasurements of lease liability. The cost of right-of-use asset includes the initial amount of the lease liability adjusted for any prepaid lease payments, plus any initial direct costs incurred and an estimate of restoration costs, less any lease incentives received. Depreciation is charged to profit or loss on a straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of leasehold improvement and equipment.

The lease liability is initially measured at the present value of all lease payments that shall be paid under the lease. The Company uses the Company's incremental borrowing rate to discount the lease payments to the present value. The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a lease modification, change in lease payments, or a change in the assessment of options specified in the lease. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

(g) Impairment of non-financial assets

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

An impairment loss is recognised in profit or loss if the carrying amount of an asset exceeds its recoverable amount or its cash-generating unit.

The recoverable amount is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Impairment losses of assets recognised in prior periods in respect of non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(h) Interest-bearing liabilities

Interest-bearing liabilities are recognised as stated in the agreement.

(i) Other payables

Other payables are stated at cost.

AUDITED FINANCIAL STATEMENTS OF AIMS TH FOR THE FYE 31 DECEMBER 2021 (cont'd)

AIMS Data Centre (Thailand) Limited**Notes to financial statements****For the year ended 31 December 2021****(j) Employee benefits**

Obligations for contributions to the Company's provident funds are expensed as the related service is provided.

The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligations is discounted to the present value, which performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in OCI. The Company determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(k) Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

(l) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the asset or liability that are based on unobservable input.

AUDITED FINANCIAL STATEMENTS OF AIMS TH FOR THE FYE 31 DECEMBER 2021 (cont'd)

AIMS Data Centre (Thailand) Limited**Notes to financial statements****For the year ended 31 December 2021**

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Company measures assets and asset positions at a bid price and liabilities and liability positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Company determines that the fair value on initial recognition differs from the transaction price, the financial instrument is initially measured at fair value adjusted for the difference between the fair value on initial recognition and the transaction price and the difference is recognised in profit or loss immediately. However, for the fair value categorised as level 3, such difference is deferred and will be recognised in profit or loss on an appropriate basis over the life of the instrument or until the fair value level is transferred or the transaction is closed out.

(m) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

(n) Revenue from contracts with customers*Revenue recognition*

Revenue is recognised when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Company expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax and is after deduction of any trade discounts and volume rebates.

Revenue for rendering of services is recognised over time as the services are provided. The related costs are recognised in profit or loss when they are incurred.

Consideration received from customers but there is an obligation to transfer goods or services to the customers is presented as deferred income and advance received in the statement of financial position. Contract liabilities are recognised as revenue when the Company complies with obligations stipulated in the contract.

(o) Other income

Other income is recognised as it accrues.

(p) Income tax

Income tax expense for the year comprises current and deferred tax, which is recognised in profit or loss except to the extent that they relate to items recognised directly in other comprehensive income.

Current tax is recognised in respect of the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

AUDITED FINANCIAL STATEMENTS OF AIMS TH FOR THE FYE 31 DECEMBER 2021 (cont'd)

AIMS Data Centre (Thailand) Limited**Notes to financial statements****For the year ended 31 December 2021**

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Current deferred tax assets and liabilities are offset in the financial statements.

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

(q) Earnings per share

The Company presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

(r) Related parties

A related party is a person or entity that has direct or indirect control, or has significant influence over the financial and managerial decision-making of the Company; a person or entity that is under common control or under the same significant influence as the Company; or the Company has direct or indirect control or has significant influence over the financial and managerial decision-making of a person or entity.

4 Related parties

Related parties that the Company had significant transactions with during the year were as follows:

Name of entities	Country of incorporation	Nature of relationships
TIME dotCom Berhad	Malaysia	Parent company
Symphony Communication Public Company Limited	Thailand	Shareholder, 10% or more shareholding, and having a representative as a director of the Company
AIMS Data Centre Sdn Bhd	Malaysia	Common shareholder
TT dotCom Sdn Bhd	Malaysia	Common shareholder

Significant transactions with related parties

Year ended 31 December	2021	2020
	<i>(in thousand Baht)</i>	
Parent company		
Interest expense	4,993	872
Management fee	95	-
Other expense (payment on behalf)	214	100
Other related parties		
Rendering of services	10,430	2,550
Receiving of services	137	34
Purchases of fixed assets and other assets	-	150,963
Interest expense	4,609	845
Management fee	1,381	-
Other expenses (payment on behalf)	415	800

AUDITED FINANCIAL STATEMENTS OF AIMS TH FOR THE FYE 31 DECEMBER 2021 (cont'd)

AIMS Data Centre (Thailand) Limited**Notes to financial statements****For the year ended 31 December 2021**

Balances as at 31 December with related parties were as follows:

	2021	2020
	<i>(in thousand Baht)</i>	
Trade account receivable		
Other related party	3,014	2,729
Total	<u>3,014</u>	<u>2,729</u>
Other payables		
Parent company	2,834	1,172
Other related parties	1,896	767
Total	<u>4,730</u>	<u>1,939</u>
Loans from		
Parent company	137,700	86,700
Other related party	120,050	83,300
Total	<u>257,750</u>	<u>170,000</u>

Significant agreements with related parties

At 31 December 2021, the Company has long-term loans from related parties, amounting to Baht 258 million (2020: Baht 170 million) at the lower of MLR minus 2.25% plus 1% per annum and 15% per annum. The loan will be fully repaid within 7 years from the first drawdown month. The repayment shall be made starting from August 2022 to July 2027.

5 Cash and cash equivalents

	2021	2020
	<i>(in thousand Baht)</i>	
Cash at bank - current account	13,783	15,296
Cash and cash equivalents in the statement of financial position/ cash flows	<u>13,783</u>	<u>15,296</u>

6 Trade accounts receivable

	2021	2020
	<i>(in thousand Baht)</i>	
Trade accounts receivable		
Related party	3,014	2,729
Other parties	54	-
Total	<u>3,068</u>	<u>2,729</u>
Accrued income		
Other parties	11	-
Total	<u>11</u>	<u>-</u>
Total trade accounts receivable	<u>3,079</u>	<u>2,729</u>

AUDITED FINANCIAL STATEMENTS OF AIMS TH FOR THE FYE 31 DECEMBER 2021 (cont'd)

AIMS Data Centre (Thailand) Limited
Notes to financial statements
For the year ended 31 December 2021

<i>At 31 December</i>	2021	2020
	<i>(in thousand Baht)</i>	
Trade accounts receivable		
Within credit terms	1,173	803
Overdue:		
1-90 days	1,858	1,926
91-180 days	37	-
Total	<u>3,068</u>	<u>2,729</u>

Information of credit risk is disclosed in note 17 (b.1).

7 Leasehold improvement and equipment

	Leasehold improvement	Furniture and fixtures	Computer equipment <i>(in thousand Baht)</i>	Data centre equipment	Electrical and mechanical equipment	Total
<i>Cost</i>						
At 1 January 2020	-	-	-	-	-	-
Additions	24,927	16	219	2,290	194,035	221,487
At 31 December 2020 and 1 January 2021	<u>24,927</u>	<u>16</u>	<u>219</u>	<u>2,290</u>	<u>194,035</u>	<u>221,487</u>
Additions	380	-	138	213	545	1,276
At 31 December 2021	<u>25,307</u>	<u>16</u>	<u>357</u>	<u>2,503</u>	<u>194,580</u>	<u>222,763</u>
<i>Accumulated depreciation</i>						
At 1 January 2020	-	-	-	-	-	-
Depreciation charge for the year	934	16	6	46	3,232	4,234
At 31 December 2020 and 1 January 2021	<u>934</u>	<u>16</u>	<u>6</u>	<u>46</u>	<u>3,232</u>	<u>4,234</u>
Depreciation charge for the year	3,771	-	48	351	12,942	17,112
At 31 December 2021	<u>4,705</u>	<u>16</u>	<u>54</u>	<u>397</u>	<u>16,174</u>	<u>21,346</u>
<i>Net book value</i>						
At 31 December 2020	<u>23,993</u>	<u>-</u>	<u>213</u>	<u>2,244</u>	<u>190,803</u>	<u>217,253</u>
At 31 December 2021	<u>20,602</u>	<u>-</u>	<u>303</u>	<u>2,106</u>	<u>178,406</u>	<u>201,417</u>

The gross amount of the Company's fully depreciated equipment that was still in use as at 31 December 2021 amounted to Baht 0.02 million (2020: Baht 0.02 million).

8 Leases

<i>Right-of-use asset</i> <i>At 31 December</i>	2021	2020
	<i>(in thousand Baht)</i>	
Building	165,411	188,492
	<u>165,411</u>	<u>188,492</u>

The Company leases building for 3 years, with an extension option at the end of lease term of up to another 7 years. The rental is payable monthly as specified in the contract.

AUDITED FINANCIAL STATEMENTS OF AIMS TH FOR THE FYE 31 DECEMBER 2021 (cont'd)

AIMS Data Centre (Thailand) Limited**Notes to financial statements****For the year ended 31 December 2021***Extension options*

The Company has extension options on property leases exercisable up to one year before the end of the contract period. The Company assesses at lease commencement date whether it is reasonably certain to exercise the extension options and will regularly reassess so.

Year ended 31 December

2021 2020
(in thousand Baht)

Amounts recognised in profit or loss

Depreciation of right-of-use assets	23,081	5,770
Interest on lease liabilities	5,912	2,268

In 2021, there is no depreciation of right-of-use asset during the construction was capitalised into leasehold improvement (2020: Baht 1.9 million) and total cash outflow for the lease of the Company was Baht 21 million (2020: Baht 51 million).

9 Interest-bearing liabilities

	Note	Secured	2021 Unsecured	Total	Secured	2020 Unsecured	Total
<i>(in thousand Baht)</i>							
Loans from related parties							
- Current	4	-	21,479	21,479	-	-	-
- Non-current	4	-	236,271	236,271	-	170,000	170,000
Lease liabilities							
- Current		-	16,078	16,078	-	15,415	15,415
- Non-current		-	115,619	115,619	-	131,697	131,697
Total interest-bearing liabilities		-	389,447	389,447	-	317,112	317,112

At 31 December 2021, the Company has long-term loans from related parties, amounting to Baht 258 million (2020: Baht 170 million) at the lower of MLR minus 2.25% plus 1% per annum and 15% per annum. The repayment shall be made starting from August 2022 to July 2027.

At 31 December 2021, the Company had unutilised credit facilities totalling Baht 48 million (2020: Baht 136 million).

Changes in liabilities arising from financing activities

	Loans	Lease liabilities	Total
<i>(in thousand Baht)</i>			
2021			
At 1 January 2021	170,000	147,112	317,112
Changes from financing cash flows	87,750	(21,327)	66,423
Changes in interest on lease liabilities	-	5,912	5,912
At 31 December 2021	257,750	131,697	389,447
2020			
At 1 January 2020	-	-	-
Changes from financing cash flows	170,000	(51,341)	118,659
Changes in lease liabilities	-	196,185	196,185
Changes in interest on lease liabilities	-	2,268	2,268
At 31 December 2020	170,000	147,112	317,112

AUDITED FINANCIAL STATEMENTS OF AIMS TH FOR THE FYE 31 DECEMBER 2021 (cont'd)

AIMS Data Centre (Thailand) Limited

Notes to financial statements

For the year ended 31 December 2021

10 Other payables

	2021	2020
	<i>(in thousand Baht)</i>	
Accounts payable – leasehold improvement and equipment	-	39,290
Accrued expenses	7,541	2,820
Others	24	1,500
Total	7,565	43,610

11 Non-current provisions for employee benefits

The Company operates a defined benefit plan based on the requirement of Thai Labour Protection Act B.E 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service. The defined benefit plans expose the Company to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

Present value of the defined benefit obligations

	2021	2020
	<i>(in thousand Baht)</i>	
At 1 January	66	-
<i>Recognised in profit or loss:</i>		
Current service cost	277	66
Interest on obligation	1	-
At 31 December	344	66

Principal actuarial assumptions

	2021	2020
	<i>(%)</i>	
Discount rate	2.10	1.40
Future salary growth	3	3
Employee turnover	0 - 8	24 - 34

Assumptions regarding future mortality have been based on published statistics and mortality tables.

At 31 December 2021, the weighted-average duration of the defined benefit obligation was 11.3 years (2020: 10.3 years).

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

<i>Effect to the defined benefit obligation</i>	1 increase in assumption		1 decrease in assumption	
	2021	2020	2021	2020
<i>At 31 December</i>	<i>(in thousand Baht)</i>			
Discount rate (%)	(36)	-	41	-
Future salary growth (%)	40	-	(36)	-
Employee turnover (%)	(39)	-	29	-
Life expectancy (year)	3	-	(3)	-

AUDITED FINANCIAL STATEMENTS OF AIMS TH FOR THE FYE 31 DECEMBER 2021 (cont'd)

AIMS Data Centre (Thailand) Limited**Notes to financial statements****For the year ended 31 December 2021****12 Share capital**

	Par value per share (in Baht)	2021		2020	
		Number (thousand shares)	Baht (in thousand Baht)	Number (in thousand Baht)	Baht
Authorised shares at 31 December	100	<u>1,000</u>	<u>100,000</u>	<u>1,000</u>	<u>100,000</u>
Issued and paid-up shares					
At 1 January					
- ordinary shares (paid-up 25%)	100	1,000	100,000	10	250
Ordinary shares (paid-up 75%)	100	-	-	-	750
Increase of new shares	100	-	-	990	99,000
At 31 December					
- ordinary shares	100	<u>1,000</u>	<u>100,000</u>	<u>1,000</u>	<u>100,000</u>

At the extraordinary general meeting held on 16 March 2020, the Company's shareholders approved an increase in the share capital from Baht 1 million (divided into 10,000 ordinary shares at Baht 100 per share) to Baht 55.11 million (divided into 551,100 ordinary shares at Baht 100 per share). The Company registered the increase in share capital with Ministry of Commerce on 8 April 2020.

At the extraordinary general meeting held on 27 August 2020, the Company's shareholders approved an increase in the share capital from Baht 55.11 million (divided into 551,100 ordinary shares at Baht 100 per share) to Baht 100 million (divided into 1,000,000 ordinary shares at Baht 100 per share). The Company registered the increase in share capital with Ministry of Commerce on 3 September 2020.

13 Disaggregation of revenue*Telecom Operation License*

In presenting information on a basis of services provided under Telecom Operation License which is prescribed by NBTC, revenue is presented as follows:

*Revenue from rendering of services**Year ended 31 December*

	2021	2020
	<i>(in thousand Baht)</i>	
Co-location and related services	10,535	2,550
Support charges	12	-
Total revenue from rendering of services	<u>10,547</u>	<u>2,550</u>
Telecom Operation License Type 1	10,527	2,550

14 Expenses by nature

	2021	2020
	<i>(in thousand Baht)</i>	
Employee benefit expenses	13,625	2,457
Depreciation and amortisation	40,192	10,004
Utilities and service fees	6,153	1,420
Professional fees	4,156	1,301
Others	2,397	203
Total costs of rendering of services, distribution expenses and administrative expenses	<u>66,523</u>	<u>15,385</u>

AUDITED FINANCIAL STATEMENTS OF AIMS TH FOR THE FYE 31 DECEMBER 2021 (cont'd)

AIMS Data Centre (Thailand) Limited
Notes to financial statements
For the year ended 31 December 2021

15 Income tax

<i>Reconciliation of effective tax rate</i>	2021		2020	
	<i>Rate (%)</i>	<i>(in thousand Baht)</i>	<i>Rate (%)</i>	<i>(in thousand Baht)</i>
Loss before income tax expense		<u>(71,016)</u>		<u>(16,731)</u>
Income tax using the Thai corporation tax rate	20	(14,203)	20	(3,346)
Tax effect of partial income and expenses that are not taxable income or not deductible in determining taxable profit, net		14,203		3,346
Total		<u>-</u>		<u>-</u>
 <i>Unrecognised deferred tax assets</i>				
			2021	2020
			<i>(in thousand Baht)</i>	
Tax losses			72,414	18,478
Leasehold improvement and equipment			11,752	(1,734)
Non-current provisions for employee benefits			344	66
Total			<u>84,510</u>	<u>16,810</u>

The tax losses in 2021 and 2020 expire in 2026 and 2025, respectively. The deductible temporary differences do not expire under current tax legislation. The Company has not recognised these items as deferred tax assets because it is not probable that the Company will have sufficient future taxable profit to utilise the benefit therefrom.

16 Loss per share

	2021	2020
	<i>(in thousand Baht)</i>	
<i>Loss attributable to ordinary shareholders</i>		
Loss for the year attributable to ordinary shareholders of the Company (basic)	<u>(71,016)</u>	<u>(16,731)</u>
 <i>Ordinary shares outstanding</i>		
Number of ordinary shares outstanding at 1 January	1,000	10
Effect of shares issued on 17 March 2020 (541,100*290/366)	-	429
Effect of shares issued on 3 September 2020 (448,900*120/366)	-	147
Weighted average number of ordinary shares Outstanding (basic) at 31 December	<u>1,000</u>	<u>586</u>
 Loss per share (basic) (in Baht)	<u>(71.02)</u>	<u>(28.55)</u>

17 Financial instruments*(a) Carrying amount and fair value*

The following table shows the carrying amount and fair value of financial liability, including its level in the fair value hierarchy. It does not include fair value information for some financial liabilities measured at amortised cost if the carrying amount is a reasonable approximation of fair value.

AUDITED FINANCIAL STATEMENTS OF AIMS TH FOR THE FYE 31 DECEMBER 2021 (cont'd)

AIMS Data Centre (Thailand) Limited**Notes to financial statements****For the year ended 31 December 2021**

<i>At 31 December</i>	<i>Note</i>	Carrying amount		Fair value			Total
		Financial instrument measured at amortised cost	Total	Level 1 (in thousand Baht)	Level 2	Level 3	
2021							
Financial liability							
Loans from related parties	4	257,750	257,750	-	-	254,761	254,761
Total financial liability		257,750	257,750	-	-	254,761	254,761
2020							
Financial liability							
Loans from related parties	4	170,000	170,000	-	-	167,303	167,303
Total financial liability		170,000	170,000	-	-	167,303	167,303

(b) Financial risk management policies**Risk management framework**

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

(b.1) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

(b.1.1) Trade accounts receivable

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

AUDITED FINANCIAL STATEMENTS OF AIMS TH FOR THE FYE 31 DECEMBER 2021 (cont'd)

AIMS Data Centre (Thailand) Limited**Notes to financial statements****For the year ended 31 December 2021**

The Company limits its exposure to credit risk from trade accounts receivable by establishing a maximum payment period of 30 days. Outstanding trade receivables are regularly monitored by the Company. An impairment analysis is performed by the Company at each reporting date. The provision rates of expected credit loss are based on days past due for individual trade receivables to reflect differences between economic conditions in the past, current conditions and the Company's view of economic conditions over the expected lives of the receivables.

Information relevant to trade accounts receivable are disclosed in note 6.

(b.2) Liquidity risk

The Company monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Company's operations and to mitigate the effects of fluctuations in cash flows.

The following table is the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

<i>At 31 December</i>	Carrying amount	1 year or less	Contractual cash flows			Total
			More than 1 year but less than 2 years <i>(in thousand Baht)</i>	More than 2 years but less than 5 years	More than 5 years	
2021						
<i>Non-derivative financial liabilities</i>						
Other payables	7,565	7,565	-	-	-	7,565
Loans from related parties	257,750	33,530	60,519	168,525	30,490	293,064
Lease liabilities	131,697	21,327	21,327	63,981	46,209	152,844
	<u>397,012</u>	<u>62,422</u>	<u>81,846</u>	<u>232,506</u>	<u>76,699</u>	<u>453,473</u>
2020						
<i>Non-derivative financial liabilities</i>						
Other payables	43,610	43,610	-	-	-	43,610
Loans from related parties	170,000	7,174	21,240	115,456	55,721	199,591
Lease liabilities	147,112	21,327	21,327	63,981	67,536	174,171
	<u>360,722</u>	<u>72,111</u>	<u>42,567</u>	<u>179,437</u>	<u>123,257</u>	<u>417,372</u>

(b.3) Market risk

The Company is exposed to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is as follows:

(b.3.1) Foreign currency risk

The Company is exposed to foreign currency risk relating to purchases which are denominated in foreign currency.

AUDITED FINANCIAL STATEMENTS OF AIMS TH FOR THE FYE 31 DECEMBER 2021 (cont'd)

AIMS Data Centre (Thailand) Limited
Notes to financial statements
For the year ended 31 December 2021

<i>Exposure to foreign currency at 31 December</i>	2021	2020
	MYR	
	<i>(in thousand Baht)</i>	
Other payables	(2,280)	(174)
Net statement of financial position exposure	(2,280)	(174)

Sensitivity analysis

A reasonably possible strengthening (weakening) of Thai Baht against the Ringgit Malaysia at the reporting date would have affected the measurement of financial instruments denominated in a foreign currency. This analysis assumes that all other variables, in particular interest rates, remain constant.

<i>Impact to profit or (loss)</i>	Movement (%)	Strengthening <i>(in thousand Baht)</i>	Weakening
<i>At 31 December 2021</i>			
MYR	10	228	(228)
<i>At 31 December 2020</i>			
MYR	10	17	(17)

(b.3.2) Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Company's operations and its cash flows because loan interest rates are mainly variable. The Company is primarily exposed to interest rate risk from its borrowings (see note 9).

<i>Exposure to interest rate risk at 31 December</i>	2021	2020
	<i>(in thousand Baht)</i>	
<i>Financial instrument with variable interest rate</i>		
Loans from related parties	257,750	170,000
Net statement of financial position exposure	257,750	170,000

Cash flow sensitivity analysis for variable-rate instrument

A reasonable possible change of 1 % in interest rates at the reporting date, this analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

<i>Impact to profit or loss</i>	1% increase in interest rate	1% decrease in interest rate
	<i>(in thousand Baht)</i>	
<i>2021</i>		
Financial instrument with variable interest rate	(2,578)	2,578
<i>2020</i>		
Financial instrument with variable interest rate	(1,700)	1,700

AUDITED FINANCIAL STATEMENTS OF AIMS TH FOR THE FYE 31 DECEMBER 2021 (cont'd)

AIMS Data Centre (Thailand) Limited

Notes to financial statements

For the year ended 31 December 2021

18 Commitment with non-related party

	2021	2020
	<i>(in thousand Baht)</i>	
<i>Capital commitment</i>		
Computer equipment	-	156
Total	<u>-</u>	<u>156</u>

ADDITIONAL INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

This Circular has been seen and approved by our Directors who collectively and individually accept full responsibility for the accuracy of the information contained in this Circular. Our Directors confirm that, after making all reasonable enquiries and to the best of their knowledge and belief, there are no other facts the omission of which would make any statement in this Circular misleading.

The information relating to DBAPL has been obtained from DBAPL and the sole responsibility of our Board is limited to ensuring that such information is accurately reproduced in this Circular.

2. CONSENT AND CONFLICT OF INTEREST

CIMB, being the Principal Adviser for the Proposed Transactions, has given and has not subsequently withdrawn its written consent to the inclusion of its name in this Circular and all references thereto, in the form and context in which they appear.

CIMB, its related and associated companies, as well as its holding company, CIMB Group Holdings Berhad and the subsidiaries and associated companies of its holding company ("**CIMB Group**") form a diversified financial group and are engaged in a wide range of investment and commercial banking, brokerage, securities trading, asset and funds management and credit transaction services businesses. The CIMB Group has engaged and may in the future, engage in transactions with and perform services for our Company and/or our affiliates, in addition to the role as set out in this Circular.

In addition, any member of the CIMB Group may at any time, in the ordinary course of business offer or provide its services to or engage in any transactions (on its own account or otherwise) with any member of our Group or its shareholders or their affiliates or any other entity or person, hold long or short positions, and may trade or otherwise effect transactions for its own account or the account of its customers in debt or equity securities or senior loans of our Company and our affiliates.

This is a result of the businesses of the CIMB Group generally acting independent of each other, and accordingly, there may be situations where parts of the CIMB Group and/or its customers now have or in the future, may have interest or take actions that may conflict with the interests of our Company.

As at the LPD, Afzal Abdul Rahim, our Non-Independent Executive Director is also an independent director of CIMB Group Holdings Berhad. Further, the CIMB Group has on an arms' length basis extended credit facilities to our Group.

CIMB is of the view that the abovementioned do not result in a conflict of interest situation in respect of its capacity to act as the Principal Adviser for the Proposed Transactions and any potential conflict of interest that exists or is likely to exist in relation to its capacity as our Principal Adviser for the Proposed Transactions is mitigated by the following:

- (i) CIMB is a licensed investment bank and its appointment as our Principal Adviser for the Proposed Transactions is in the ordinary course of its business and CIMB does not receive or derive any financial interest or benefits save for the professional fees received in relation to its appointment as the Principal Adviser for the Proposed Transactions;
- (ii) the total credit facilities extended to our Group is not material when compared to the audited total NA of the CIMB Group of RM60.1 billion as at 31 December 2021;
- (iii) the extension of such credit facilities arose in the ordinary course of business of the CIMB Group in view of the CIMB Group's extensive participation in the Malaysian capital market and banking industry;

- (iv) the conduct of CIMB Group in its banking business is strictly regulated by the Financial Services Act, 2013, Islamic Financial Services Act, 2013 and CIMB Group's own internal control and checks; and
- (v) Afzal Abdul Rahim is not involved in the day-to-day management and operations in his capacity in the CIMB Group.

Accordingly, CIMB confirms that there is no conflict of interest which exists or is likely to exist in its capacity to act as the Principal Adviser for the Proposed Transactions.

3. MATERIAL COMMITMENTS AND CONTINGENT LIABILITIES

3.1 Material commitments

The material commitments contracted or known to be contracted by our Group as at the LPD are as follows:

	RM 000
Capital expenditure for property, plant and equipment not provided for in our unaudited consolidated financial statements as at the LPD:	
– authorised but not contracted for	498,161
– contracted but not provided for	236,297
	734,458

Save as disclosed above, our Directors are not aware of any other material commitments contracted or known to be contracted by our Group as at the LPD which may have a material effect on our Group's financial position.

3.2 Contingent liabilities

Our Directors are not aware of any other contingent liabilities of our Group as at the LPD which, upon crystallisation, may have a material effect on our Group's financial position.

4. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at our registered office at Level 4, No. 14, Jalan Majistret U1/26, HICOM Glenmarie Industrial Park, 40150 Shah Alam, Selangor Darul Ehsan, Malaysia between 9.00 a.m. and 5.00 p.m. from Monday to Friday (except public holidays) from the date of this Circular up to and including the date of the EGM:

- (i) our Constitution;
- (ii) the Constitution of AIMS;
- (iii) the Articles of Association of AIMS TH;
- (iv) our audited consolidated financial statements for the past 2 FYE 31 December 2020 and FYE 31 December 2021 and the latest unaudited financial results for the FPE 30 September 2022;
- (v) the audited financial statements of AIMS Data Centre, AIMS Cyberjaya, AIMS SG and AIMS TH for the past 2 FYE 31 December 2020 and FYE 31 December 2021;
- (vi) the SPA 1, SPA 2 and the agreed form of the SHA referred to in Appendix I, Appendix II and Appendix III of this Circular, respectively;
- (vii) the material contracts referred to in paragraph 6 of Appendix V of this Circular; and
- (viii) the letter of consent referred to in paragraph 2, Appendix XI above.



TIME DOTCOM BERHAD
(Registration No. 199601040939 (413292-P))
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting (“**EGM**”) of TIME dotCom Berhad (the “**Company**”) will be held on a fully virtual basis, through live streaming from the broadcast venue at **TIME Lobby, Ground Floor, No. 14, Jalan Majistret U1/26, HICOM Glenmarie Industrial Park, 40150 Shah Alam, Selangor Darul Ehsan, Malaysia** and entirely using the remote participation and electronic voting (“**RPEV**”) facilities, via the meeting platform at <https://meeting.boardroomlimited.my> on **Wednesday, 15 February 2023 at 3.00 p.m.** (Malaysia time) or any adjournment thereof for the purpose of considering and, if thought fit, passing the following resolution with or without modifications:

ORDINARY RESOLUTION

PROPOSED STRATEGIC PARTNERSHIP FOR THE AIMS DATA CENTRE BUSINESS VIA THE PARTIAL DIVESTMENT BY THE COMPANY OF SHARES IN AIMS DATA CENTRE HOLDING SDN BHD (“AIMS”) AND AIMS DATA CENTRE (THAILAND) LIMITED (“AIMS TH”) TO DB ARROW PTE. LIMITED (“DBAPL”), A PORTFOLIO COMPANY MANAGED BY DIGITALBRIDGE GROUP, INC. (COLLECTIVELY, THE “PROPOSED TRANSACTIONS”)

“**THAT** subject to the relevant approvals and/or consents being obtained (if required), approval be and is hereby given for the Company to undertake the Proposed Transactions involving the disposal of the following to DBAPL:

- (i) 490,000 ordinary shares in AIMS representing 49% of the issued and paid-up ordinary share capital of AIMS and 699,850 irredeemable convertible preference shares (“**ICPS**”) in AIMS representing 100% of the ICPS in issue in AIMS for a cash consideration to be determined based on a 100% enterprise value (“**EV**”) of AIMS of RM3,146.10 million and subject to adjustments as set out in the relevant SPA (as defined below); and
- (ii) 210,000 ordinary shares in AIMS TH representing 21% of the issued and paid-up share capital of AIMS TH for a cash consideration to be determined based on a 100% EV of AIMS TH of THB436.00 million and subject to adjustments as set out in the relevant SPA;

in each case, in accordance with the terms and conditions of the following agreements:

- (a) the conditional share sale and purchase agreement dated 21 November 2022 between the Company and DBAPL;
- (b) the conditional share sale and purchase agreement dated 21 November 2022 between the Company, DBAPL and Symphony Communication Public Company Limited,

(each the “**SPA**” and collectively, the “**SPAs**”.)

THAT subject to the approvals of all relevant authorities and/or parties being obtained, approval be and is hereby given to the Company, as part of the Proposed Transactions, to execute the agreed form of shareholders’ agreement to jointly drive the future business direction of AIMS and AIMS TH as well as establish a long-term relationship between the Company and DBAPL as shareholders of AIMS and AIMS TH;

AND THAT the Board of Directors of the Company ("**Board**") be and is hereby empowered and authorised to take such steps and to do such acts, deeds and things, and to execute, sign, deliver and cause to be delivered on behalf of the Company, all such agreements, arrangements and documents as the Board may deem fit, necessary, expedient or appropriate in order to implement, finalise and give full effect to the Proposed Transactions, with full powers to negotiate, approve, agree and/or assent to any term, condition, variation, modification and/or amendment to the terms of the Proposed Transactions in any manner as may be required by the relevant regulatory authorities and/or parties or as may be deemed necessary and/or expedient by the Board in the best interests of the Company, and to deal with all matters incidental, ancillary to and/or relating to the Proposed Transactions."

BY ORDER OF THE BOARD

CHEW ANN NEE (MAICSA 7030413) (SSM PC No.: 201908001413)

Company Secretary

16 January 2023

Selangor Darul Ehsan

Notes:

1. *The EGM will be conducted on a fully virtual basis, through live streaming and entirely via RPEV facilities, which are available at <https://meeting.boardroomlimited.my> provided by the Company's poll administrator, Boardroom Share Registrars Sdn Bhd ("**Poll Administrator**"). Please follow the registration procedure set out in the Administrative Details for the EGM ("**Administrative Details**") in order to register, participate in and vote remotely at the EGM.*
2. *The main and only venue of the EGM is the broadcast venue which is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 and Rule 59(4) of the Company's Constitution that require the Chairman of the EGM (the "**Chairman**") to be present at the main venue of the EGM. **Shareholders/proxies/corporate representatives/attorneys shall not be physically present nor be admitted at the broadcast venue** on the day of the EGM. Members who wish to participate in the EGM will therefore have to do so remotely via the RPEV facilities provided.*
3. *A member who is not able to participate in this fully virtual EGM is encouraged to appoint the Chairman as his/her proxy and indicate the voting instruction in the instrument appointing a proxy.*
4. *For the purpose of determining a member who shall be entitled to participate in and vote remotely at the EGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to issue a General Meeting Record of Depositors as at 8 February 2023. Only members whose name appear in the Record of Depositors as at 8 February 2023 shall be entitled to participate in and vote remotely at the EGM or appoint proxy(ies) (not more than 2 proxies/corporate representatives) to participate in and vote remotely on his/her/their behalf by returning the proxy form in accordance with the Administrative Details. A proxy may but need not be a member of the Company.*
5. *Where a member appoints 2 proxies, the appointments shall be invalid unless the proportion of holding to be represented by each proxy is specified. If a member has appointed proxy(ies) (not more than 2 proxies) to attend the EGM and subsequently he/she participates in the meeting in person, the appointment of such proxy shall be null and void, and his/her proxy(ies) shall not be entitled to participate in the EGM.*
6. *The instrument appointing proxy(ies) shall be in writing and signed by the appointor or by his attorney and in the case of a corporation, either under its common seal or signed by its attorney or officer duly authorised.*
7. *Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("**SICDA**"), it may appoint up to 2 proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.*
8. *Where a member is an exempt authorised nominee as defined under the SICDA, who holds ordinary shares in the Company for multiple beneficial owners in one securities account ("**Omnibus Account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds. The appointment of 2 or more proxies in respect of any particular Omnibus Account shall be invalid unless the exempt authorised nominee specifies the proportion of its shareholding to be represented by each proxy.*
9. *The instrument appointing proxy(ies) or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the office of the Company's Poll Administrator at Ground Floor or 11th Floor, Menara Symphony, No. 5 Jalan Professor Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, not less than 24 hours before the time for holding the EGM and in default, the instrument of proxy shall not be treated as valid.*

PERSONAL DATA PRIVACY

By lodging a completed Proxy Form to the Company for appointing proxy(ies) and/or corporate representative(s) to participate in and vote remotely at the EGM and any adjournment thereof, a member is hereby:

- (i) consenting to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and corporate representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance list, minutes and other documents relating to the EGM (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) warranting that where the member discloses the personal data of the member's proxy(ies) and/or corporate representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or corporate representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or corporate representative(s) for the Purposes ("**Warranty**"); and*
- (iii) agreeing 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 the Warranty.*

For the purposes of this paragraph, "personal data" shall have the same meaning given in section 4 of the Personal Data Protection Act 2010.

**PROXY FORM
EXTRAORDINARY GENERAL MEETING**

time™

TIME DOTCOM BERHAD
Registration No. 199601040939 (413292-P)
(Incorporated in Malaysia)

No. of Shares Held	CDS Account No.

I/We, _____ NRIC/Passport/Registration No. _____
(Full Name as per NRIC/Passport/Certificate of Incorporation in Capital Letters)

of _____

(Full Address)

Tel./Mobile No. _____ Email Address _____

being a member of **TIME dotCom Berhad** (the "Company") and entitled to vote hereby appoint:

Full Name (in CAPITAL Letters):	NRIC/Passport No.:	Proportion of Shareholding to be represented by the 1st Proxy:	
		No. of Shares	%
Address:			
Tel./Mobile No.:			
Email Address:			

*and/or

Full Name (in CAPITAL Letters):	NRIC/Passport No.:	Proportion of Shareholding to be represented by the 2nd Proxy:	
		No. of Shares	%
Address:			
Tel./Mobile No.:			
Email Address:			

or failing him/her, the Chairman of the Meeting as my/our proxy to participate in and vote for me/us and on my/our behalf at the Extraordinary General Meeting ("EGM") of the Company to be held fully virtual from the broadcast venue at **TIME Lobby, Ground Floor, No. 14, Jalan Majistret U1/26, HICOM Glenmarie Industrial Park, 40150 Shah Alam, Selangor Darul Ehsan, Malaysia** and via the meeting platform at <https://meeting.boardroomlimited.my> on **Wednesday, 15 February 2023 at 3.00 p.m.** (Malaysia time) or any adjournment thereof.

Please indicate with an "X" or "√" in the boxes provided below to show how you wish your vote to be cast. If no specific direction as to voting is given, the proxy/proxies may vote or abstain from voting on the resolution at his/her/their discretion.

Please take further note that the Company shall accept the vote cast by your proxy as a valid vote whether or not your proxy has acted in accordance with your instructions.

Ordinary Resolution	For	Against
Proposed Transactions		

Signed this _____ day of _____ 2023.

Signature/Common Seal of Member



Fold this flap for sealing

Notes:

1. *The EGM will be conducted on a fully virtual basis, through live streaming and entirely via the remote participation and electronic voting ("RPEV") facilities, which are available at <https://meeting.boardroomlimited.my> provided by the Company's poll administrator, Boardroom Share Registrars Sdn Bhd ("Poll Administrator"). Please follow the registration procedure set out in the Administrative Details for the EGM ("Administrative Details") in order to register, participate in and vote remotely at the EGM.*
2. *The main and only venue of the EGM is the broadcast venue which is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 and Rule 59(4) of the Company's Constitution that require the Chairman of the EGM (the "Chairman") to be present at the main venue of the EGM. **Shareholders/proxies/corporate representatives/attorneys shall not be physically present nor be admitted at the broadcast venue** on the day of the EGM. Members who wish to participate in the EGM will therefore have to do so remotely via the RPEV facilities provided.*
3. *A member who is not able to participate in this fully virtual EGM is encouraged to appoint the Chairman as his/her proxy and indicate the voting instruction in the instrument appointing a proxy.*
4. *For the purpose of determining a member who shall be entitled to participate in and vote remotely at the EGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to issue a General Meeting Record of Depositors as at 8 February 2023. Only members whose name appear in the Record of Depositors as at 8 February 2023 shall be entitled to participate in and vote remotely at the EGM or appoint proxy(ies) (not more than 2 proxies/corporate representatives) to participate in and vote remotely on his/her/their behalf by returning the proxy form in accordance with the Administrative Details. A proxy may but need not be a member of the Company.*
5. *Where a member appoints 2 proxies, the appointments shall be invalid unless the proportion of holding to be represented by each proxy is specified. If a member has appointed proxy(ies) (not more than 2 proxies) to attend the EGM and subsequently he/she participates in the meeting in person, the appointment of such proxy shall be null and void, and his/her proxy(ies) shall not be entitled to participate in the EGM.*

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AFFIX
STAMP

BOARDROOM SHARE REGISTRARS SDN BHD
GROUND FLOOR OR 11TH FLOOR, MENARA SYMPHONY
NO. 5 JALAN PROFESSOR KHOO KAY KIM
SEKSYEN 13, 46200 PETALING JAYA
SELANGOR DARUL EHSAN

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6. *The instrument appointing proxy(ies) shall be in writing and signed by the appointor or by his attorney and in the case of a corporation, either under its common seal or signed by its attorney or officer duly authorised.*
7. *Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA"), it may appoint up to 2 proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.*
8. *Where a member is an exempt authorised nominee as defined under the SICDA, who holds ordinary shares in the Company for multiple beneficial owners in one securities account ("Omnibus Account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds. The appointment of 2 or more proxies in respect of any particular Omnibus Account shall be invalid unless the exempt authorised nominee specifies the proportion of its shareholding to be represented by each proxy.*
9. *The instrument appointing proxy(ies) or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the office of the Company's Poll Administrator at Ground Floor or 11th Floor, Menara Symphony, No. 5 Jalan Professor Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, not less than 24 hours before the time for holding the EGM and in default, the instrument of proxy shall not be treated as valid.*
10. *By lodging a completed Proxy Form to the Company for appointing proxy(ies) and/or corporate representative(s) to participate in and vote remotely at the EGM or any adjournment thereof, the member accepts and agrees to the Personal Data Privacy terms set out in the Notice of EGM dated 16 January 2023.*