TECHNODEX
(627634-A)

2017 ANNUAL REPORT

raising the bar

achieving new heights

CONTENTS

CORPORATE PROFILE

TechnoDex Berhad ("TDEX" or "the Company"), a MSC-Status company, is a leading eBusiness Enabler through providing Open Source technology, and transforming into eBusiness Service Provider in the region. The Company was established on 10 September 2003 and it then converted into a public limited company on 7 April 2005. TDEX was listed on 23 August 2006 on the MESDAQ Market of Bursa Securities Malaysia Berhad, which is now the ACE Market of Bursa Securities Malaysia Berhad (ACE: TDEX 0132).

Traditional business models have changed over time, and they require injection of new technological capabilities into innovative business delivery. With the ICT foundation of the Company and its subsidiaries ("the Group"), the Group is determined to incubate and transform bricks-and-mortar businesses into eBusiness in order to create synergistic values and profits.

The Group is led by a group of professionals and businessmen from cross industries, and instilling vast knowledge and values to evolve and transform the Group into eBusiness service provider. The Group's business expanded from traditional ICT solutions and services to recruitment & outsourcing services, eCommerce, IT hardware Solution and content businesses across government and private sector to consumer marketspace.

OUR VALUES

For Our Clients:

Our mission is to create values through our eBusiness solutions and services. We strive to excel excellence over and beyond the normal standards. We constantly challenge ourselves if the solution and/or services can be taken to the next level. By doing so, we bring synergistic values and profits to both the Clients and the Group.

For Shareholders and Employees:

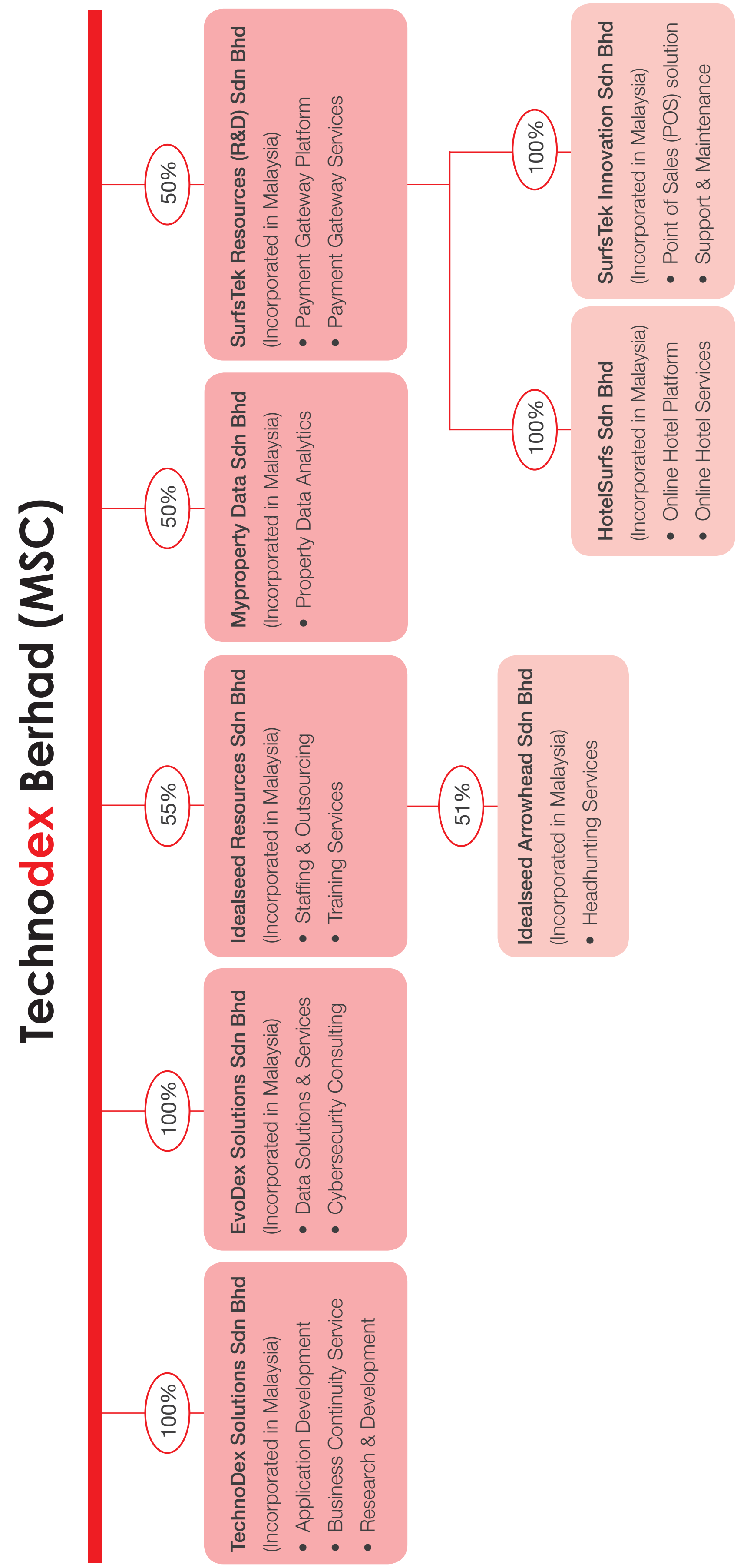
We believe the people makes up the key element of a successful corporation. We believe true relationship is nurtured through sharing and growing together. Our mission is to become established among the Malaysian business community for our innovative eBusiness services and our rich knowledge to match the business. Through our innovation, we will create values and growth for our shareholders and employees.

OUR BUSINESSES

The Group offers vast selection of value-added services through technological capabilities. Amongst them are: -

- **ICT Professional Services** that comprises of Application Development Service, Application Support and Maintenance Service, and vertical solutions and consultation.
- **ICT Recruitment and Outsourcing Services** that focuses on sourcing, selecting, and outsourcing to fill for human resource needs.
- **Property Data Sales & Consulting Services** that aspires to provide value-added services and property information to the financial, real estate, and consumer industry.
- **Online Hotel Reservation Services** providing online hotel platforms worldwide, listing hundreds of thousands of hotels and providing services in the Region. Employing world-class technology to offer instant confirmation for the listed hotels with 24/7 customer supports.
- **Budget International Roaming Services** provides innovative and budget services to the business and leisure travelers in the region.
- **Online Payment Gateway Services**, empowered by Malaysia's Payment System Act and also PCI Data Security Standard (DSS), offers Online Payment Services to regional eCommerce retailer and merchants.
- **Data and Cybersecurity Consulting Services** that comprises of Data Security, Data Cleansing and Migration Services, Data Warehouse and BI Solutions, Data Science Strategy Services, ISO Consulting Service for cybersecurity, Penetration Testing, and PCI DSS Scanning and Certification.
- **IT Hardware Solution Development and Support and Maintenance** that comprises of trading of desktop and laptop for consumer and commercial use, point of sales ("POS") computers and related peripherals. It also comprises the design and development of hardware components and circuits for the POS solution segment.

CORPORATE STRUCTURE AS AT 30 AUGUST 2017



CORPORATE INFORMATION

BOARD OF DIRECTORS

STEVEN WONG CHIN FUNG
Independent Non-Executive Chairman

TAN SZE CHONG
Group Managing Director

TAN BOON WOOI
Executive Director

TAN TIAN WOOI
Independent Non-Executive Director

DATUK ABD HAMID BIN ABU BAKAR
Non-Independent Non-Executive Director

AUDIT COMMITTEE

TAN TIAN WOOI, Chairman

STEVEN WONG CHIN FUNG, Member

DATUK ABD HAMID BIN ABU BAKAR, Member

NOMINATION COMMITTEE

STEVEN WONG CHIN FUNG, Chairman

TAN TIAN WOOI, Member

DATUK ABD HAMID BIN ABU BAKAR, Member

REMUNERATION COMMITTEE

TAN TIAN WOOI, Chairman

STEVEN WONG CHIN FUNG, Member

TAN SZE CHONG, Member

STOCK EXCHANGE LISTING

ACE Market of Bursa Malaysia Securities Berhad
Stock Name : TDEX
Stock Code : 0132

REGISTERED OFFICE

Third Floor, No. 79 (Room A)
Jalan SS21/60, Damansara Utama
47400 Petaling Jaya
Selangor Darul Ehsan
Tel : 603-7725 1777
Fax : 603-7722 3668

HEAD OFFICE

Level 3, Tower 1, Avenue 3, The Horizon
Bangsar South, No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Tel : 603-2240 1000
Fax : 603-2240 1001
E-mail : info@technodex.com
Website : www.technodex.com

AUDITORS

CAS MALAYSIA PLT
LLP0009918-LCA & AF 1476
Chartered Accountants

SHARE REGISTRAR

Symphony Share Registrars Sdn Bhd
Level 6, Symphony House
Pusat Dagangan Dana 1
Jalan PJU 1A/46
47301 Petaling Jaya
Selangor Darul Ehsan
Tel : 603-7841 8000
Fax : 603-7841 8008

COMPANY SECRETARY

TEA SOR HUA (MACS 01324)

PRINCIPAL BANKERS

CIMB Islamic Bank Berhad

Hong Leong Bank Berhad

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW OF THE GROUP'S BUSINESS

Technodex Berhad ("TDEX") is a MSC-status company. Through our subsidiaries, we offer a wide range of Information communication technology ("ICT") solutions and services to Government and private sectors, as well as to consumers. Our solutions and services are as listed below:-

(i) **ICT professional services** - comprising application development, support and maintenance services as well as application solutions and consultancy services;

(ii) **ICT recruitment and outsourcing services** - focus on human resource needs including talent sourcing, selecting, and outsourcing;

(iii) **Property data sales and consultancy services** - provide useful information and services to the financial and real estate industries, as well as consumers interested in this sector;

(iv) **Online hotel reservation services** - an online platform that allows for instantaneous reservation confirmation for a wide range of hotels in Asia, North America, Europe and Oceania regions, with customer support service available 24 hours a day;

(v) **Budget international roaming services** - provide innovative and budget services to business and leisure travellers in Asia;

(vi) **Online payment gateway services** - offer payment gateway solutions which conforms to Malaysia's Payment System Act and Payment Card Industry Data Security Standard ("PCI DSS") to e-commerce retailer and merchants in Asia;

(vii) **Data and cyber security consulting services** - offer professional service and managed-security-as-service to help create efficient security operations that protect corporations' valuable data and operation infrastructure; and

(viii) **Information technology ("IT") hardware solution development and support and maintenance** - comprises trading of desktops and laptops for consumer and commercial use, point of sale ("POS") computers and related peripherals. It also comprises the design and development of hardware components and circuits for POS solutions.

We aim to enhance profitability and strengthen our market presence in order to support our long term sustainability and growth. Thus, we will remain committed to providing quality solutions and services, as well as continuously improve our solution and services in order to expand our customer base and grow our business locally.

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

FINANCIAL PERFORMANCE

In financial year ended 30 April ("FYE") 2017, we reported a profit after tax ("PAT") of RM2.3 million, representing a growth of 12% over the PAT of RM2.1 million in FYE 2016. The improved results for FYE 2017 was mainly attributed to higher revenue recorded in the year.

Certain financial and non-financial indicators pertaining to our financial performance and financial position for the FYE 2017 vis-à-vis the FYE 2016 are as follows:-

Our financial performance	FYE 2017 RM'000	FYE 2016 RM'000
Revenue	53,494	23,973
Profit before tax ("PBT")	2,629	2,324
PAT	2,323	2,073
PBT margin (%)	4.91	9.69
PAT margin (%)	4.34	8.65

Our financial position	As at 30 April 2017 RM'000	As at 30 April 2016 RM'000
Non-current asset	17,846	13,841
Current assets	26,521	18,797
Non-current liabilities	1,837	61
Current liabilities	6,723	2,276
Equity attributable to owners of the Company	29,451	25,817

Our Group's revenue increased from RM23.9 million in FYE 2016 to RM53.5 million in FYE 2017, representing an increase of 123.2%.

The increase in revenue was mainly due to the increase of the revenue from the following segments to the total revenue of our Group:-

(i) ICT professional services as well as IT hardware solution development and support and maintenance amounting to RM24.0 million; and

(ii) ICT recruitment and outsourcing services amounting to RM5.8 million.

Despite the higher PAT and revenue recorded in FYE 2017, our PBT and PAT margins for the year were lower as compared to FYE 2016. This is mainly because the IT hardware solution development and support and maintenance segment (which was a key contributor to the increased revenue in FYE 2017) is a lower margin segment. Further, our Group also incurred higher operating costs during the year.

Non-current assets comprising property, plant and equipment, goodwill on consolidation as well as other intangible assets increased from RM13.8 million in FYE 2016 to RM17.8 million in FYE 2017. This was mainly due to increased expenditure on IT hardware and equipment to facilitate the development of new platforms and technology framework.

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

Total current assets increased from RM18.8 million in FYE 2016 to RM26.5 million in FYE 2017, mainly due to increase in trade and other receivables as well as inventory. Trade receivables rose by 41.6% in line with the increase in sales. Meanwhile, other receivables increased by 87.80% mainly due to higher deposit payments to international suppliers.

Cash and bank balances together with fixed deposits in FYE 2017 decreased by 7.80% as compared to FYE 2016. This decrease was in line with the utilisation of private placement proceeds, as further discussed below.

Non-current liabilities increased by RM1.8 million due to the new term loan for the purchase of project-related hardware, machinery and solutions. Current liabilities comprise mainly trade and other payables as well as finance lease payables. Trade payables increased by 4.83 times as compared to FYE 2016 in tandem with higher sales in FYE 2017. Other payables increased by 129% mainly due to deferred revenue. Meanwhile, term loan payables (current liabilities) increased by RM 1.3 million due to the abovementioned reasons for increased non-current liabilities.

Our business operations are financed by a combination of internal and external sources of funds. Internal sources of funds comprise mainly shareholders' equity and cash generated from our operations, while external source of funds comprises credit terms granted by our suppliers. Credit terms granted to us by our suppliers range from 30 to 60 days.

On 4 July 2016, the Company had completed the private placement exercise upon the listing of and quotation of 37,539,390 new ordinary shares of RM0.10 each at an issue price of RM0.105 per share on the ACE Market of Bursa ("Private Placement"). As at 31 July 2017, the total Private Placement proceeds of RM3.942 million were utilised as follows:-

(i) Working capital;

(ii) Development of data content related portal platforms for ICT recruitment and outsourcing services, property data sales and consultancy services, electronic lending, food and beverage licensing, and Halal e-commerce platforms;

(iii) Development of new technology framework that allows for a standard way of developing and deploying applications for future software or programmes, accelerating our development process; and

(iv) Expenses in relation to Private Placement.

The investment in the above business opportunities increases our solution and service offerings, and allows our Group to penetrate new market segments. The addition of these solutions is expected to provide a recurring income for our Group. This is expected to contribute positively to our Group's revenues and improve our cash flow situation.

The management believes that after taking into account our cash and bank balances as well as the funds envisaged to be generated from our business operations, we will have adequate working capital to meet our present and foreseeable day-to-day business operation requirements.

Save as aforementioned, we are not aware of any other known trends and events that are reasonably likely to have a material effect on our operations, performance, financial condition and liquidity.

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

OPERATING ACTIVITIES

In FYE 2017, revenue from application support, services and hardware segment reached RM32.3 million from RM8.2 million in FYE 2016, an increase of 294%. The application support, services and hardware segment comprises ICT professional services, data and cyber security consulting services as well as IT hardware development and support and maintenance. The increase in revenue for this segment was mainly contributed by increased IT hardware sales.

Revenue from manpower outsourcing segment i.e. ICT recruitment and outsourcing services increased from RM11.8 million in FYE 2016 to RM17.6 million in FYE 2017, an increase of 49%. The increase was due to increased customers' demand and addition of new strategic clientele during the financial year.

Meanwhile, revenue from e-commerce increased marginally by 2.9% from RM3.5 million in FYE 2016 to RM3.6 million in FYE 2017. This segment encompasses property data sales and consultancy services, hotel reservation services, budget international roaming services and online payment gateway services.

Overall, the application support, services and hardware segment was our biggest revenue contributor, accounting for 60.3%.

On 2 November 2016, we announced the following proposed acquisitions:-

(i) proposed acquisition of an additional 42% equity interest in Idealseed Resources Sdn Bhd (our 55% subsidiary engaged in recruitment and outsourcing services) ("Idealseed") for a total purchase consideration of RM2,677,500 to be satisfied via the issuance of 13,387,500 TDEX ordinary shares at an issue price of RM0.20 per share; and

(ii) proposed acquisition of the remaining 50% equity interest in SurfsTek Resources (R&D) Sdn Bhd (our 50% subsidiary engaged in online hotel reservation services, IT hardware solution development and support and maintenance, budget international roaming services and online payment gateway services) ("SurfsTek R&D") for a total purchase consideration of RM13,455,000 to be satisfied via the issuance of 67,275,000 TDEX ordinary shares at an issue price of RM0.20 per share,

(collectively referred to as the "Proposed Acquisitions").

Upon completion of the Proposed Acquisitions, Idealseed will become our 97% owned subsidiary while SurfsTek R&D will become our wholly owned subsidiary. This will enable us to consolidate a higher percentage of Idealseed and SurfsTek R&D's earnings. The Proposed Acquisitions represent a low risk investment to our Group in comparison to investing in a new business or company, as both Idealseed and SurfsTek R&D are already income generating.

The further acquisition of equity interest in Idealseed is undertaken as we foresee an opportunity in the recruitment and human resource management segment in view of uncertainty in the job markets whereby more companies will be opting for flexible outsourcing option instead of committing fixed hiring costs.

Meanwhile, with SurfsTek R&D expanding its online hotel reservation platform to markets such as China, Hong Kong and Taiwan, we foresee that the acquisition will improve the bottom line of our Group. The acquisition of the remaining equity interest in SurfsTek R&D will provide us with more flexibility in the management of SurfsTek R&D's operations.

The listing application in relation to the above acquisitions has been submitted to Bursa on 30 November 2016 and is pending the approval of Bursa.

ANTICIPATED OR KNOWN RISKS

In line with Bursa's regulatory framework on the new disclosure requirements, we highlight below the key anticipated or known risks that our Group is exposed to that may have a material effect on our operations, performance, financial condition and liquidity. Our plans and strategies to mitigate these risks have also been disclosed below:-

(i) Technological obsolescence

We are subject to inherent risks associated with the rapid changes in customer requirements, constant technological development as well as evolving industry standards. Failure to manage and respond to these changes will render our solutions obsolete. Our existing market position may also be weakened by the introduction of new or enhanced solutions by competitors.

As such, we seek to limit such risks by actively engaging in research and development. Our Group constantly strives to upgrade our existing infrastructure and computing equipment to ensure that we are able to cater for rapid changing market demands.

The Group will place importance to constantly adapt to rapid changing market demands, and develop new business software solutions in a timely and cost effective manner.

(ii) Competition

The ICT solutions industry is highly competitive and fragmented as there are numerous industry players in Malaysia. Competitive pressures are expected to further increase in the future, and this could have an adverse effect on our pricing position and profitability.

Although our Group has established long-term relationships with key customers, there can be no assurance that the emergence of new competitors will not have an adverse impact on our Group's operations. Notwithstanding this, our Board is of the opinion that our new technology framework platform, coupled with our continuous emphasis on research and development, will enable us to remain relevant in the industry.

TREND AND OUTLOOK

Bank Negara Malaysia has imputed anticipated Gross Domestic Product ("GDP") growth of between 4.3% to 4.8% in 2017, spearheaded by public sector expenditure for key infrastructure developments and private domestic consumption.

Meanwhile, GDP from the ICT sector in Malaysia has been growing historically, from RM105.7 billion in 2010 to RM137.6 billion in 2014. GDP from the ICT sector registered a Compound Annual Growth Rate ("CAGR") of 6.8% during the period. The ICT industry contributed 17.0% to the overall GDP in the country. [(1)]

This sustained growth underpins our prospects for the coming years, and we aim to capture the opportunities in the local and regional markets. Our Group has taken various initiatives to improve our financial performance and we expect growth to stem from the following key areas:-

(i) Expansion of existing product segments within Malaysia

Our Group intends to continue expanding its presence within Malaysia with its existing product segments.

[(1)] Department of Statistics

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

(ii) Expansion of hotel reservation services into new markets

Our Group has finalised the licensing agreements of hotel reservation service platforms for new markets such as China, Hong Kong and Taiwan. Further, our Group also plans to expand into other markets such as Thailand, Indonesia, Cambodia, Vietnam, France, Italy and Spain.

The expansion of this solution / service into new markets will allow us to expand our reach to consumers, which will allow us to diversify our customer base.

(iii) Expansion of new product ranges

Our Group intends to commercialise new ICT solutions and services. Some of these solutions and services include:

- Payment gateway-as-a-service
- eCommerce for manpower outsourcing services
- PropertyAdvisor for consumers
- PropertyAdvisor for valuers and asset managers
- eCommerce marketplace for lifestyle products and services
- eCommerce marketplace for foodhandler products and services
- Remote technical support and diagnosis services for POS hardware

DIVIDEND POLICY

The declaration of interim dividends and the recommendation of final dividends are subject to the discretion of our Board and any final dividend for the year is subject to shareholders' approval. No dividends were paid, declared or proposed by the Company since the end of the previous financial year. The Directors also do not recommend any final dividend in respect of the current financial year.

As our Company is an investment holding company, our income, and therefore our ability to pay dividends, is dependent upon the dividends and other distributions that we receive from our subsidiaries. The payment of dividends or other distributions by our subsidiaries will depend on distributable profits, operating results, financial condition, capital expenditure plans and other factors that our Board of Directors deems relevant.

PROFILE OF DIRECTORS

STEVEN WONG CHIN FUNG

Malaysian, Aged 50, Male
Independent Non-Executive Chairman

Mr. Steven Wong Chin Fung was appointed to the Board on 11 May 2011 as an Independent Non-Executive Director of the Company and subsequently re-designated as the Senior Independent Non-Executive Director of the Company on 24 June 2013. On 20 September 2016, he was re-designated as the Independent Non-Executive Chairman of the Company. Mr. Steven Wong is the Chairman of Nomination Committee and a member of the Audit and Remuneration Committees of the Company.

Mr. Steven Wong graduated from University of Melbourne, Australia with a Bachelor of Law degree in 1990. Upon graduation, he did his pupillage in an established law firm and was admitted to the Malaysian Bar in February 1991 and has been in private legal practice since then. He has more than 26 years of experience in commercial and civil litigation.

TAN SZE CHONG

Malaysian, Aged 48, Male
Group Managing Director

Mr. Tan Sze Chong was appointed to the Board on 22 December 2011 as the Non-Independent Non-Executive Director. On 20 September 2013, he was re-designated as the Executive Director and assumed the position as the Group Managing Director. He is a member of the Remuneration Committee Mr. Tan is also a substantial shareholder of the Company.

Mr. Tan graduated from University of North Florida, USA with Bachelor of Business, majoring in Marketing and Business Management, and Master of Business Administration in 1991 and 1992 respectively.

Mr. Tan has more than 24 years of experience in credit information and market research industries. He commenced his career in 1993 with New Strait Times Technology as Research Analyst. He furthered his career with Taylor Nelson Sofres as Research Manager in 1994. In 1997, Mr. Tan founded InfoCredit International Sdn. Bhd., a company involved in the provision of credit research, information and ratings. In 2000, InfoCredit joint venture with Dun & Bradstreet USA, where Mr. Tan was appointed as Managing Director and continued to lead growth and success of Dun & Bradstreet Malaysia.

During his tenure with Dun & Bradstreet, Mr. Tan successfully introduced credit training modules and framework for the industry. In 2003, Mr Tan brought the company into Independent Market Research for companies going for Initial Public Offerings ("IPO"). Mr. Tan also led the company into a joint venture with Credit Guarantee Corporation and Association of Banks Malaysia, namely Credit Bureau Malaysia, where Mr. Tan was seconded as Chief Executive Officer between 2011 and 2013.

During his tenure as Group Managing Director, Mr. Tan successfully entered into numerous joint ventures and diversified revenue portfolio for the Group. He is responsible for charting the strategic directions and focus of the Group.

PROFILE OF DIRECTORS (continued)

TAN BOON WOOI

Malaysian, Aged 44, Male
Executive Director

Mr. Tan Boon Wooi was appointed to the Board on 8 January 2014 as the Non-Independent Non-Executive Director. On 29 June 2016, he was re-designated as the Executive Director. Mr. Tan is also a substantial shareholder of the Company.

Mr. Tan graduated from the University of Southern Queensland, Australia with Bachelor of Business in Accountancy in 1994.

Mr. Tan, a trained accountant and entrepreneur, commences his career with an international accounting firm. He is currently a member of the Malaysian Institute of Accountants (MIA) and directors of several private companies in logistics, property development, and business advisory.

Currently, Mr. Tan plays an executive role in the Board facilitating to chart strategic directions and focus for the Group.

TAN TIAN WOOI

Malaysian, Aged 47, Male
Independent Non-Executive Director

Mr. Tan Tian Wooi was appointed to the Board on 4 August 2011 as an Independent Non-Executive Director of the Company. He is the Chairman of the Audit and Remuneration Committees and a member of the Nomination Committee of the Company.

Mr. Tan is a member of the Malaysian Institute of Certified Public Accountants (MICPA) and Malaysian Institute of Accountants (MIA). Currently, he is the Partner of Messrs. UHY and previously worked with other international accounting firms in Malaysia. He has 22 years of experience in audit and business advisory.

PROFILE OF DIRECTORS (continued)

DATUK ABD HAMID BIN ABU BAKAR

Malaysian, Aged 62, Male

Non-Independent Non-Executive Director

Datuk Abd Hamid Bin Abu Bakar was appointed to the Board on 20 December 2016 as the Non-Independent Non-Executive Director. Datuk Abd Hamid is a member of the Nomination and Audit Committees of the Company.

Datuk Abd Hamid graduated from the University of Technology Malaysia, with Bachelor of Surveying in Property Management in 1979. He started his career as a Valuation Officer on the same year at The Valuation and Property Services Department (JPPH), Ministry of Finance Malaysia. During Datuk's years of service, Datuk has completed his Post Graduate Diploma in Property Valuation and Management from Sheffield Hallam University, United Kingdom in 1997. He is a Registered Valuer certified by The Board of Valuers, Appraisers and Estate Agents Malaysia in 1982 respectively.

Since 1979, Datuk had held numerous designation while he was in JPPH, he was the District Valuer, State Valuer and the Deputy Director General of Valuation and Property Services (Operation). At the peak of Datuk's career, Datuk was appointed as the Director General of The Valuation and Property Services Department, Ministry of Finance Malaysia from November 2012 till March 2015. During the same period, Datuk was the President of The Board of Valuers, Appraisers and Estate Agents Malaysia.

Datuk has more than 35 years of experience in the Property Management industry and hence, Datuk was invited to be the Adjunct Professor for University of Technology Malaysia from 2013 to March 2015. Datuk is currently the acclaimed member of the Board of Directors of Syarikat Perumahan Negara Berhad (SPNB), a Board member of SPNB Idaman Sdn. Bhd., a subsidiary of SPNB. Besides that, Datuk is also a member of Institution of Surveyors, Malaysia.

Notes :

1. *None of the Directors have family relationships with any Director and/or major shareholder of the Company*
2. *None of the Directors have any conflict of interest with the Company.*
3. *None of the Directors have been convicted of any offence within the past five (5) years or been imposed on any public sanction or penalty by relevant regulatory bodies during the financial year ended 30 April 2017, other than traffic offence.*

PROFILE OF KEY SENIOR MANAGEMENT

HENG LING JY
Malaysian, Aged 48, Female
Chief Executive Officer
TechnoDex Solutions Sdn. Bhd.
EvoDex Solutions Sdn. Bhd.
MyProperty Data Sdn. Bhd.

Ms. Heng Ling Jy founded the TechnoDex group of companies in 2001, and successfully brought the Group to be listed in ACE Market, Bursa Malaysia Securities Berhad in 2006. Ms. Heng was appointed to the Board of Technodex Berhad as Executive Director between 2001 and 2013. She also served as the Group Chief Operations Officer since 2001, and assumed the position as the Group Managing Director between 2010 and 2013. She moved on to focus on key revenue contributing entities of the Group namely TechnoDex Solutions Sdn. Bhd, EvoDex Solutions Sdn. Bhd., and MyProperty Data Sdn. Bhd.

Ms. Heng graduated from University of North Florida, USA with Bachelor of Science in Computers and Information Sciences, and Master of Business Administration in 1992 and 1994 respectively.

Ms. Heng commenced her career in Information Technology with BTI Services Inc. in Florida since 1991. She continued her career with Solsisnet Sdn. Bhd. (member of Dataprep Berhad) as Business Consultant between 1995 and 1999. In 2000, she moved on to join IP Technology Sdn. Bhd. (associated company of iProperty Sdn. Bhd.) where she helped drive technology strategy for the company. Subsequently in 2001, Ms. Heng founded TechnoDex group of companies.

During her tenure as Chief Operations Officer and Group Managing Director, Ms. Heng successfully developed and stabilised the Group's business and operations. Currently, she is responsible for managing the operations of TechnoDex Berhad's subsidiaries in TechnoDex Solutions Sdn. Bhd, EvoDex Solutions Sdn. Bhd., and MyProperty Data Sdn. Bhd. She also facilitates in corporate strategic planning, technology development and business support for the Group and other subsidiaries.

TAN WAH CHOY
Malaysian, Aged 49, Male
Chief Executive Officer
IdealSeed Resources Sdn. Bhd.
IdealSeed Arrowhead Sdn. Bhd.

Mr. Tan Wah Choy, a veteran and entrepreneur in manpower and executive search services, founded Idealseed Resources Sdn. Bhd. in 2004. In 2014, when the Group acquired Idealseed Resources Sdn. Bhd, Mr Tan was appointed as Chief Executive Officer to Idealseed Resources Sdn. Bhd. and Idealseed Arrowhead Sdn. Bhd. on 31 October 2014.

Mr. Tan graduated from University of Minnesota with Bachelor of Art majoring in Economics in 1992.

Mr. Tan began his career with Delta Finance Bhd. as Credit Officer in 1994. He moved on to start up his own business in 1999 in executive search, namely Hasper Consulting Sdn. Bhd. Subsequently, he founded Idealseed Resources Sdn. Bhd. in 2004. Capitalised the advantage of being an early-moved in the IT manpower and executive search segment, Mr Tan successfully built up Idealseed a reputable name in the industry based on quality service and professionalism.

Currently, Mr. Tan is responsible for managing the operations of Idealseed Resources Sdn. Bhd. focusing on manpower related services, such as IT executive search, staffing, outsourcing and training solutions in Malaysia, Hong Kong, and China.

PROFILE OF KEY SENIOR MANAGEMENT (continued)

LEONG SENG KIN

Malaysian, Aged 43, Male

Chief Executive Officer

SurfsTek Resources (R&D) Sdn. Bhd.
HotelSurfs Sdn. Bhd.
SurfsTek InnoVation Sdn. Bhd.

Mr. Leong Seng Kin, a self-made entrepreneur, founded SurfsTek Resources Sdn. Bhd. in 2005. The company specialised in providing technology services in payment gateway, hotel reservation platform, and voice over IP systems. In 2015, when the Group went into joint venture with SurfsTek Resources Sdn. Bhd., Mr. Leong was appointed as Chief Executive Officer on 3 July 2015 in SurfsTek Resources (R&D) Sdn. Bhd. He was subsequently appointed as Chief Executive Officer of HotelSurfs Sdn. Bhd. and SurfsTek Innovation Sdn. Bhd. on 26 May 2016.

Mr. Leong graduated from AMSETT Business School in 1994, and Master of Business Administration from University of Ballarat, Australia in 2008. He is currently pursing Dortoral degree in Business Studies.

Mr. Leong, mostly involved in entrepreneurial activities throughout his career, established businesses in the areas of semiconductor and electronic components distributions, computer peripheral manufacturing, research and development of LCD displays and software development. Mr. Leong successfully built up business networks throughout Asia Pacific and Europe.

Currently, Mr. Leong is responsible for managing the operations of SurfsTek Resources (R&D) Sdn. Bhd.'s payment gateway, hotel reservation platform, voice over IP systems and related services.

Notes :

1. *None of the Key Senior Management have family relationships with any Director and/or major shareholder of the Company except for Ms. Heng Ling Jy is the spouse of Mr. Tan Sze Chong, the Group Managing Director of the Company.*
2. *None of the Key Senior Management have any conflict of interest with the Company*
3. *None of the Key Senior Management have been convicted of any offences within the past five (5) years or been imposed on any public sanction or penalty by relevant regulatory bodies during the financial year ended 30 April 2017, other than traffic offence.*

CORPORATE GOVERNANCE STATEMENT

INTRODUCTION

The Board of Directors ("Board") of Technodex Berhad ("the Company") is committed towards ensuring good corporate governance practices are implemented and maintained throughout the Company and its subsidiaries ("the Group") as a fundamental part of discharging its duties to enhance shareholders' values consistent with the principles and best practices set out in the Malaysian Code on Corporate Governance 2012 ("the Code").

The Board is pleased to set out below the Corporate Governance Statement which describes the manner in which the Group has applied the Principles of the Code and its corresponding recommendations during the financial year ended 30 April 2017.

A. THE BOARD

(i) Composition and Balance

The Board currently has five (5) members, comprising one (1) Independent Non-Executive Chairman, one (1) Group Managing Director ("Group MD"), One (1) Executive Director, one (1) Independent Non-Executive Director and one (1) Non-Independent Non-Executive Director. This composition ensures that at least one-third (1/3) of the Board comprises of Independent Directors in compliance with Rule 15.02 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The presence of two (2) Independent Non-Executive Directors ensures that views, consideration, judgment and discretion exercised by the Board in decision making remains objective and independent whilst assuring the interest of other parties such as minority shareholders are fully addressed and adequately protected as well as being accorded with due consideration.

There is a clear separation of functions between the Board and Management. The Board oversees its business affairs while the Management is responsible for implementing the Board's corporate objective, policies and procedures on risk and internal control.

The roles of the Independent Non-Executive Chairman and the Group MD are distinct and separate to ensure that there is a balance of power and authority. The Independent Non-Executive Chairman is responsible for the leadership, effectiveness, conduct and governance of the Board while the Group MD has overall responsibility for the day-to-day management of the business and implementation of the Board's policies and decisions. The Group MD is accountable to the Board for the overall organisation, management, and staffing of the Company and/or Group and for the procedures in financial and other matters, including conduct and discipline.

The Board does not have any gender diversity policies and targets and no measures have been taken to meet the targets as both genders are given fair and equal treatment. The Board believes that candidature to the Board should be based on a candidate's merits, capability, experience, skill-sets and integrity but in line with the Code, the Board will consider more females onto the Board in due course to bring about a more diverse perspective.

In line with the Code and in view of the gained attention of boardroom diversity as an important element of a well functioned organisation, the Board shall also accord due consideration to inculcate diversity policy in the boardroom and workplace which encapsulates not only to gender, but also age and ethnicity.

(ii) Board Responsibilities

The Board collectively leads and is responsible for the performance and affairs of the Group, including practising a high level of good governance. All Board members are expected to show good stewardship and act in a professional manner as well as upholding the core values of integrity and enterprise with due regard to their fiduciary duties and responsibilities.

The Board has the responsibility in leading and directing the Group towards realising long term objectives and shareholders' value. The Board retains full and effective control of the Group's strategic plans, implementing an appropriate system of risk management and ensuring the adequacy and integrity of the Group's system of internal control.

Broadly, the Board assumes the following principal responsibilities in discharging its fiduciary and leadership functions:

- Reviewing and adopting a strategic plan for the Group, including addressing the Group's business strategies on promoting sustainability;
- Overseeing the conduct of the Group's business, and evaluating whether or not its businesses are being properly managed;
- Identifying principal business risks faced by the Group and ensuring the implementation of appropriate internal controls and mitigating measures to address such risks;
- Ensuring that all candidates appointed to the Board are of sufficient calibre, including having in place a process to provide for the orderly succession of the members of the Board;
- Overseeing the development and implementation of an investor relations programme and stakeholder communications policy; and
- Reviewing the adequacy and integrity of the Group's internal control and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines.

The Board has also delegated certain responsibilities to the following Committees to assist in the execution of its responsibilities:

a. Audit Committee
b. Nomination Committee
c. Remuneration Committee

The role of the Board Committees is to advise and make recommendations to the Board. However, the ultimate responsibility for the final decision on all matters lies with the Board. The Chairman of various Committees provide a verbal report on the outcome of their Committee meetings to the Board, and any further deliberation is made at the Board level, if required.

Each Committee operates in accordance with respective terms of reference approved by the Board. The Board appoints the members and Chairman of each Committee.

(iii) Board Charter

A Board Charter was formalised on 30 May 2013. The Board Charter is intended to identify the role, structure and processes related to key governance activities of the Board. It also serves as a reference point for Board activities. It is designed to provide guidance and clarity for Directors and Management with regard to the roles of the Board and its Committees, the role of the Group MD, the requirements of Directors in carrying out their roles and in discharging their duties towards the Company as well as the Board's operating practices.

A copy of the Board Charter is published in the corporate website of the Company at http://technodex.listedcompany.com/misc/board_charter.pdf.

The Board has also adopted a whistle blowing policy to provide avenue for all employees of the Group and members of the public to raise concerns and disclose any improper conduct within the Group and to take appropriate actions to resolve them effectively. The Board has also adopted a Code of Ethics and Conduct which is incorporated in the Board Charter of the Company.

(iv) Board Meetings and Supply of Information

The Board schedules at least four (4) meetings in a year with additional meetings to be convened where necessary. During the financial year ended 30 April 2017, the Board met five (5) times where they deliberated and approved various reports and issues, including the quarterly financial results of the Group for the announcement to Bursa Securities as well as discussed on the business plans and strategies, major investments, strategic decisions as well as the Group's financial performance.

Details of the Directors' attendance at Board meetings during the financial year ended 30 April 2017 are set out as follows:

Name of Directors	Attendance
Steven Wong Chin Fung, Chairman *(re-designated from Senior Independent Non-Executive Director on 20 September 2016)*	5 of 5
Tan Sze Chong	5 of 5
Tan Boon Wooi	5 of 5
Tan Tian Wooi	5 of 5
Datuk Abd Hamid Bin Abu Bakar *(appointed on 20 December 2016)*	1 of 1
Kerk Han Meng, Chairman *(resigned on 20 September 2016)*	2 of 2
Koo Teck Seong *(resigned on 20 September 2016)*	2 of 2

The Board is satisfied with the level of time commitment given by the Directors of the Company towards fulfilling their duties and responsibilities. This is evidenced by the attendance record of the Directors as set out herein above.

The Directors receive notices of meetings, typically at least five (5) working days prior to the date of the meeting, setting out the agenda for the meetings. A full set of Board Papers were distributed to the Directors in advance to provide sufficient details of matters to be deliberated during the meeting and the information provided therein is not confined to financial data but includes also non-financial information, both quantitative and qualitative, which is deemed critical for the Directors' knowledge and information in arriving at a sound and informed decision.

Where necessary, senior management and/or external professionals may be invited to attend these meetings to clarify and/or explain matters being tabled.

In the event a potential conflict of interest situation arises, the Director concerned is to declare his interest and shall abstain from any deliberation and participation in respect of such resolution pertaining to the transaction.

Minutes of Board meetings together with decisions made by way of circular resolution are duly recorded and properly kept by the Company Secretary.

The Board appoints the Company Secretary, who plays an important advisory role, and ensures that the Company Secretary fulfils the functions for which she has been appointed. The Company Secretary advises the Board and its Committees on issues relating to compliance with laws, rules, procedures and regulations affecting the Company.

The Board recognises that the Company Secretary is suitably qualified and capable of carrying out the duties required. The Board is satisfied with the service and support rendered by the Company Secretary to the Board in the discharge of her functions.

(v) Access to Information and Independent Advice

All Board members, particularly the Chairman, have unrestricted access to the advice and services of the Company Secretary to enable them to discharge their duties effectively. The Directors also have access to the Internal and External Auditors of the Group, with or without Management presence to seek explanations or additional information.

The Directors, collectively or individually, may seek independent professional advice and information in the furtherance of their duties at the Company's expense, so as to ensure the Directors are able to make independent and informed decisions.

(vi) Appointment to the Board and Re-election of Directors

The members of the Board are appointed in a formal and transparent practice as endorsed by the Code. The Nomination Committee scrutinises the candidates and recommend the same for the Board's approval. In discharging this duty, the Nomination Committee will assess the suitability of an individual by taking into account the individual's mix of skill, functional knowledge, expertise, experience, professionalism, integrity and/or other commitments that the candidate shall bring to complement the Board.

All Board members shall notify the Chairman of the Board before accepting any new directorships in other companies. The notification shall include an indication of time that will be spent on the new appointment. The Chairman shall also notify the Board if he has any new directorships or significant commitments outside the Company.

In accordance with the Company's Constitution, one-third (1/3) of the Directors for the time being, or if their number is not multiple of three (3), the number nearest to one-third (1/3) with a minimum of one (1), shall retire at the Annual General Meeting ("AGM"), and be eligible for re-election provided that all Directors shall retire at least once in every three (3) years.

Directors who are appointed by the Board in the course of the year shall be subject to re-election at the next AGM to be held following their appointment.

(vii) Tenure of Independent Director

The Board is aware that the tenure of an Independent Director shall not exceed a cumulative term of nine (9) years. However, upon completion of the nine (9) years, the Independent Director may continue to serve the Board subject to the Director's re-designation as a Non-Independent Director. In the event the Director is to remain designated as an Independent Director, the Board shall first justify and obtain shareholders' approval on a yearly basis.

(viii) Evaluation of the performance of the Directors and the Board as a whole

The Board recognises the importance of assessing the effectiveness of individual Directors, the Board and its Board Committees as a whole. The Nomination Committee is entrusted the task to review and evaluate the Directors' performance and the effectiveness of the Board and its Board Committees on an annual basis.

The Nomination Committee is required to report annually to the Board an assessment of the performance of the Board and its Board Committees. This will be discussed with the Board. The Nomination Committee will also evaluate each individual Director's performance and contributions to the effectiveness of the Board and the relevant Board Committees.

(ix) Annual Assessment of Independence

The Board had through the Nomination Committee of the Company, conducted an evaluation of level of independence of the Independent Directors of the Company against the criteria as set out in the annual assessment form, amongst others, the Independent Director's background and family relationships and consider whether the Independent Director can continue to bring independent and objective judgment to Board deliberations/decisions.

The Board is satisfied with the level of independence demonstrated by the Independent Directors and their ability to act in the best interest of the Company and/or the Group.

(x) Directors' Training

The Board acknowledges that continuous education is vital for the Board members to gain insight into the state of economy, technological advances, regulatory update and management strategies to enhance the Board's skills and knowledge in discharging its responsibilities.

The Directors are encouraged to attend relevant seminars and training programmes to equip themselves with the knowledge to effectively discharge their duties as Directors. In addition, Directors are responsible for determining their continuous training needs to keep abreast of changes in both the regulatory and business environments as well as with new developments within the industry which the Group operates.

The Board will assess the training needs of the Directors and ensure Directors have access to continuing education programmes.

During the financial year ended 30 April 2017, all Directors (save for Datuk Abd Hamid Bin Abu Bakar), have attended the in-house training on "An Overview to the Amendments to the ACE Market Listing Requirements of Bursa Securities" conducted by the Company Secretary.

The newly appointed Director, Datuk Abd Hamid Bin Abu Bakar has successfully completed Mandatory Accreditation Programme as required by Bursa Securities.

The Directors also attended the following trainings:

Name of Directors	Trainings Attended
Tan Sze Chong	Fraud Risk Management Workshop
Tan Boon Wooi	Fraud Risk Management Workshop
Tan Tian Wooi	• Forum on Key Audit Matters • Transforming Audit Through Data and Analysis

(xi) Directors' Remuneration

The Board through Remuneration Committee establishes formal and transparent remuneration policies and procedures to attract and retain Directors. The Directors' remuneration is structured so as to link rewards to their corporate and individual performance. The Board recognises that levels of remuneration must be sufficient to attract, retain and motivate the Directors of the quality required to manage the business of the Group and to align the interest of the Directors with those of the shareholders.

The Board will determine the level of remuneration of Board Members, taking into consideration the recommendations of the Remuneration Committee for the Independent Non-Executive Chairman, Group MD, Executive Director, Independent Director and Non-Independent Director.

Non-Executive Directors will be paid a basic fee as ordinary remuneration and will be paid a sum based on their responsibilities in Committees and the Board, their attendance and/or special skills and expertise they bring to the Board. The fee shall be fixed in sum and not by a commission or percentage of profits or turnover.

Each individual Director shall abstain from the deliberation and voting on all matters pertaining to their own remuneration.

The Board is of the view that the disclosure of remuneration by appropriate components and bands are sufficient to meet the objectives set out in the ACE Market Listing Requirements of Bursa Securities.

The remuneration of the Directors for the financial year under review for the Company and the Group are as follows:

The Company	Salaries and Other Emoluments (RM)	Fees (RM)	Total (RM)
Executive Directors	1,203,740	18,667	1,222,407
Non-Executive Directors	7,500	136,933	144,433
TOTAL	**1,211,240**	**155,600**	**1,366,840**

Range of Remuneration	Executive	Non-Executive
Below RM50,000	-	2
RM50,001 to RM 100,000	-	2
RM100,001 to RM150,000	1	-
RM250,001 – RM300,000	1	-
RM800,001 – RM850,000	1	-

The Group	Salaries and Other Emoluments (RM)	Fees (RM)	Total (RM)
Executive Directors	1,203,740	18,667	1,222,407
Non-Executive Directors	7,500	136,933	144,433
TOTAL	**1,211,240**	**155,600**	**1,366,840**

Range of Remuneration	Executive	Non-Executive
Below RM50,000	-	2
RM50,001 to RM 100,000	-	2
RM100,001 to RM150,000	1	-
RM250,001 – RM300,000	1	-
RM800,001 – RM850,000	1	-

(xii) Corporate Disclosure Policy

The Board is committed to provide effective communication to its shareholders and general public regarding the business, operations and financial performance of the Group and where necessary, information filed with regulators is in accordance with all applicable legal and regulatory requirements.

A Corporate Disclosure Policy was formalised on 20 June 2014 to promote comprehensive, accurate and timely disclosures pertaining to the Company and the Group to regulators, shareholders and stakeholders.

B. BOARD COMMITTEES

The Board has delegated certain responsibilities to the Board Committees that operates within clearly defined terms of reference. These Committees are:

(i) Audit Committee

The Audit Committee's objectives are, among others, providing an additional assurance to the Board by giving an objective and independent review of financial, operational and administrative controls and procedures and establishing and maintaining internal controls

The members of Audit Committee and the works carried out during the financial year ended 30 April 2017 are set forth in the Audit Committee Report in this Annual Report.

The term of office and performance of the Audit Committee and its members should be reviewed by the Nomination Committee annually to determine whether such Audit Committee and members have carried out their duties in accordance with the terms of reference.

(ii) Nomination Committee

The Nomination Committee of the Company is responsible to oversee the selection and assessment of Directors. The Nomination Committee will assess the candidates and recommend to the Board who will thereon assess the shortlisted candidates and arrive at a decision on the appointment of the Director.

The Nomination Committee of the Company comprises the following members, all being Independent Non-Executive Directors:-

Name of Committee Members	Designation
Steven Wong Chin Fung, Chairman	Independent Non-Executive Chairman
Tan Tian Wooi, Member	Independent Non-Executive Director
Datuk Abd Hamid Bin Abu Bakar, Member *(appointed on 28 March 2017)*	Non-Independent Non-Executive Director
Koo Teck Seong *(resigned on 20 September 2016)*	Independent Non-Executive Director

The Nomination Committee meets as and when required. The Nomination Committee met two (2) times during the financial year ended 30 April 2017 and the activities undertaken by the Committee were as follows:

a. Carried out the assessment and rating of the performance of each Non-Executive Directors against the criteria as set out in the annual assessment form, amongst others, attendance at Board or Committee meetings, adequate preparation for Board and/or Committee meetings, regular contribution to Board or Committee meetings, personal input to the role and other contributions to the Board or Committees as a whole.

b. Carried out the assessment and rating of the performance of the Executive Directors against diverse key performance indicators, amongst others, financial, strategic, operations management and business plans, product development, conformance and compliance, shareholders'/investors' relations, employee training and development, succession planning and personal input to the role.

c. Evaluated the balance of skills, knowledge and experience of the Board and in the light of this evaluation, reviewed the role of the Independent Non-Executive Chairman and Group MD, to ensure balance of power and authority, and a clear division of responsibilities as the head of the Company.

d. Reviewed and assessed the independence of the Independent Directors.

e. Considered and recommended to the Board for consideration, the re-election of Mr. Tan Sze Chong and Mr. Tan Boon Wooi as Directors who were due to retire at the last Annual General Meeting held on 23 September 2016.

f. Considered and recommend to the Board for consideration, the appontment of Datuk Abd Hamid Bin Abu Bakar as a Non-Independent Non-Executive Director.

(iii) Remuneration Committee

The Remuneration Committee is principally responsible for assessing and reviewing the remuneration of the Group MD, Executive Directors and Non-Executive Directors and subsequently furnishes their recommendations to the Board for adoption.

The Board had also through the Remuneration Committee, established formal and transparent remuneration policies and procedures to attract and retain Directors.

Non-Executive Directors are paid a basic fee as ordinary remuneration based on their responsibilities in the Board and Board Committees. The fee shall be fixed in sum and not by commission or percentage of profits or turnover. The annual Directors' fee payable are endorsed by the Board for approval by the shareholder of the Company at the AGM. Directors do not participate in decisions regarding their own remuneration packages.

The Remuneration Committee comprises the following members:-

Name of Committee Members	Designation
Tan Tian Wooi, Chairman *(re-designated from member on 20 September 2016)*	Independent Non-Executive Director
Steven Wong Chin Fung, Member *(appointed on 20 September 2016)*	Independent Non-Executive Chairman
Tan Sze Chong, Member *(appointed on 20 September 2016)*	Group Managing Director
Koo Teck Seong, Chairman *(resigned on 20 September 2016)*	Independent Non-Executive Director
Kerk Han Meng, Member *(resigned on 20 September 2016)*	Executive Chairman

C. THE SHAREHOLDERS

(i) Dialogue between the Company and Investors

The Board values the importance of dissemination of information on major developments of the Group to the shareholders, potential investors and the general public in a timely and equitable manner. Quarterly results, announcements, annual reports and circulars serve as the primary means of dissemination of information so that the shareholders are constantly kept abreast of the Group's progress and development. The Company's corporate website at www.technodex.com serves as one of the most convenient ways for shareholders and members of the public to gain access to corporate information, news and events relating to the Group.

The Board will ensure that the general meetings of the Company are conducted in an efficient manner and serve as a mode in shareholders communications. These include the supply of comprehensive and timely information to shareholders and the encouragement of active participation at the general meetings.

(ii) AGM

The AGM remains as a principal forum used by the Group for communication with its shareholders. During the AGM, shareholders are accorded time and opportunity to query the Board on the resolutions being proposed and also matters relating to the performance, developments within and the future direction of the Group.

Shareholders are also invited to convey and share their inputs with the Board. Where applicable, the Board will also ensure that each item of special business that is included in the notice of meeting is accompanied by a full written explanation of that resolution and its effects to facilitate its understanding and evaluation.

All resolutions set out in the Notice of the AGM are put to vote by way of poll of which the votes shall be validated by an independent scrutineer. The outcome of all resolutions proposed at the general meeting is announced to Bursa Securities at the end of the meeting day.

A summary of the key matters discussed at the AGM, if any, will be published on the Company's website for shareholders' information.

D. ACCOUNTABILITY AND AUDIT

(i) Financial reporting

The Board has overall responsibility for the quality and completeness of the financial statements of the Company and the Group, both on a quarterly and full year basis, and has a duty to ensure that those financial statements are prepared based on appropriate and consistently applied accounting policies, supported by reasonably prudent judgment and estimates and in accordance to the applicable financial reporting standards.

The Audit Committee plays a crucial role in assisting the Board to scrutinise the information to be in compliance with applicable financial reporting standards for disclosure to shareholders to ensure material accuracy, adequacy, validity and timelines of the financial statements.

(ii) Internal Control and Risk Management

The Board is responsible for maintaining a sound system of internal control to safeguard shareholders' investments and the Company's assets and for reviewing the adequacy and integrity of the system.

Risk management is an integral part of the Group's business operations and it is subject to periodic reviews by the Board. The Group adopted a structured risk management framework with discussions involving different levels of managements to identify and address risks faced by the Group.

As guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, the Board performs reviews on an annual basis covering not only financial, but operational and compliance controls and risk management systems, in all material aspects. Management is responsible for implementing the processes for identifying, evaluating, monitoring and reporting of risks and internal control, taking appropriate and timely corrective actions as needed, and for providing assurance to the Board that the processes have been carried out.

The Audit Committee has been entrusted by the Board to ensure effectiveness of the Group's internal control systems. The Board is provided with reasonable assurance from the various reports submitted by Management and the Audit Committee on risk management and internal control system. Details on the Statement on Risk Management and Internal Control are furnished in this Annual Report.

The Board recognises that identification, evaluation and management of significant risks faced by the Company are an on-going process. The improvement of the system of internal controls is also an on-going process and the Board maintains continuing commitment to strengthen the Company's internal control environment and processes.

(iii) Relationship with Auditors

The Group has established a transparent and appropriate relationship with the Internal Auditors and External Auditors. Such relationship allows the Group to seek professional advice on matters relating to compliance and corporate governance. The internal audit function of the Group is outsourced to a third party who reports direct and regularly to the Audit Committee of the Company. Similar to the External Auditors, Internal Auditors too have direct reporting access to the Audit Committee to ensure that issues highlighted are addressed independently, objectively and impartially without any undue influence of the Management.

The Audit Committee undertakes an annual review of the suitability and independence of the External Auditors. Having assessed their performance, the Audit Committee will make its recommendation to the Board for reappointment, upon which the shareholders' approval will be sought at the AGM of the Company.

E. STATEMENT OF COMPLIANCE WITH THE BEST PRACTICES OF THE CODE

The Company is committed to achieving high standards of corporate governance throughout the Company and the Group and highest level of integrity and ethical standards in all of its business dealings.

The Board will continue to strive for the full compliance with the Code in the coming financial year.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Malaysian Code on Corporate Governance 2012 requires listed companies to maintain a sound system risk management and internal control to safeguard shareholders' investments and the Company's assets. Rule 15.26(b) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad requires the Board of Directors ("the Board") to include a statement on the state of internal control as a group in its annual report.

The Board recognises the importance of good corporate governance practices and is committed to maintaining a sound system risk management and internal control to safeguard shareholders' investments and the Company and its Subsidiaries ("the Group")'s assets. The Board is pleased to provide the following statement, which outlines the nature and scope of internal control of the Group for the financial year ended 30 April 2017.

RESPONSIBILITY FOR RISK MANAGEMENT AND INTERNAL CONTROL

The Board recognises the importance of risk management and risk-based internal audit to establish and maintain a sound system risk management and internal control. The Board affirms its overall responsibility for the Group's systems of internal control and for reviewing the adequacy and integrity of those systems. Because of the limitations that are inherent in any systems of internal control, those systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement, fraud or loss.

The regular reviews and evaluations of internal control systems, are ongoing processes for identifying, evaluating and managing significant risks faced or potentially exposed to, by the Group in pursuing its business objectives. These processes have been in place throughout the financial year under review and up to the date of approval of the annual report.

The Board has received assurance from the Group Managing Director that the Group's risk management and internal control is operating adequately and effectively in all material aspects, based on the risk management and internal control system of the Group.

RISK MANAGEMENT FRAMEWORK

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

INTERNAL CONTROL SYSTEM

The Key Elements of the Group's Internal Control System includes:

a. Organisational structure with clearly defined lines of responsibility, authority and accountability. These delegations of responsibilities and authority limits are subjected to periodic review throughout the year as to their implementation and for continuing suitability.

b. Policies and procedures for key business processes are formalised and documented for implementation and continuous improvements.

c. Clearly defined authorisation limits at appropriate levels are set out for controlling and approving capital expenditure and expenses.

d. Clearly defined Internal Policies, Standard Operating Procedures and Personnel Manual as the key framework for good internal control practices. These policy manuals are subject to regular reviews to meet new and changing business requirements.

e. Regular Management and Operation meetings were conducted to ensure activities and risk mitigation actions were executed as proposed.

f. Key information covering financial performance and key business aspects are provided to the Senior Management and Board of Directors on a regular and timely basis.

g. There has been active participation by the Executive Directors in the day-to-day running of business operations and regular dialogue and reporting to the Board of Directors.

INTERNAL AUDIT FUNCTIONS

The Board acknowledges the importance of the internal audit function. The Board has outsourced its internal audit function to an independent professional consulting firm as part of its efforts to provide adequate and effective internal control systems. The internal audit function is carried out in accordance with the internal audit plan as recommended and approved by the Audit Committee. The internal audit function adopts accepted auditing practices in addition to an independent and objective reporting on the state of the Group's internal control system.

During the financial year under review, the outsourced Internal Auditors reviewed critical business processes, identified risks and internal control gaps, assessed the effectiveness and adequacy of the existing state of internal control of the key subsidiary and recommended possible improvements to the internal control systems. This is to provide reasonable assurance that such system continues to operate satisfactorily and effectively within the Group. The Board continuously takes measures to strengthen the control environment.

In the financial year under review, there were no material losses, incurred as a result of weaknesses in the internal control system that would require disclosure in this Annual Report. The Board will continue to improve and enhance the existing system risk management and internal control to ensure its adequacy and relevance in safeguarding the shareholders' interests and the Group's assets. This statement was approved by the Board.

The total cost incurred for the internal audit function was RM18,000 for the financial year ended 30 April 2017.

REVIEW OF STATEMENT BY EXTERNAL AUDITORS

The External Auditors have reviewed this Statement on Risk Management and Internal Control and reported to the Board that nothing has come to their attention that causes them to believe that the Statement is inconsistent with their understanding of the process adopted by the Board in reviewing the adequacy and integrity of the Group's internal control system.

ADEQUACY AND EFFECTIVENESS OF THE GROUP'S RISK MANAGEMENT FRAMEWORK AND INTERNAL CONTROL SYSTEM

The Board has received assurance from the Group Managing Director that the Group's risk management framework and internal control system are operating adequately and effectively in all material aspects in relation to the subsidiaries disclosed in the financial statements of the Company and the Group for the financial year ended 30 April 2017.

Pursuant to the above, the Board is of the view that the risk management framework and internal control system are satisfactory and no material weakness and/or reported shortfall in the risk management framework and internal control system has resulted and/or give rise to any material loss, contingency and/or uncertainty during the financial year under review.

This Statement is made in accordance with the resolution of the Board of Directors dated 10 August 2017.

REPORT OF THE AUDIT COMMITTEE

The principal objective of the Audit Committee is to assist the Board of Directors ("the Board") in discharging its statutory duties and responsibilities in relation to corporate governance, internal control systems, risk management framework, management and financial reporting practices of the Company and its subsidiaries ("the Group") and to ensure proper disclosure to the shareholders of the Company.

MEMBERS

The current members of the Audit Committee are as follows:

Tan Tian Wooi *(Chairman, Independent Non-Executive Director)*

Steven Wong Chin Fung *(Member, Independent Non-Executive Chairman)*

Datuk Abd Hamid Bin Abu Bakar *(Member, Non-Independent Non-Executive Director)*

The Terms of Reference of the Audit Committee can be accessed from the corporate website of the Company at *http://technodex.listedcompany.com/misc/AC_terms_of_reference.pdf*.

SUMMARY OF WORKS DURING THE FINANCIAL YEAR

During the financial year under review, the Audit Committee convened five (5) meetings. Details of attendance of the members of the Audit Committee at those meetings are as follows:

Committee Members	No. of meetings attended
Tan Tian Wooi, Chairman	5 of 5
Steven Wong Chin Fung	5 of 5
Datuk Abd Hamid bin Abu Bakar *(appointed on 20 December 2016)*	1 of 1
Koo Teck Seong *(resigned on 20 September 2016)*	2 of 2

The following is a summary of the main works carried out by the Audit Committee during the financial year under review:

(i) In overseeing the Company's financial reporting, reviewed the four (4) quarterly financial results and annual audited financial statements of the Group and the Company including the announcements pertaining thereto. Discussion focused particularly on any change in accounting policies and practices, significant adjustments arising from the audit and compliance with accounting standards and other legal requirements before recommending to the Board for approval and release of the Group's results to Bursa Securities.

(ii) Reviewed with External Auditors on the results and issues arising from their audit of the financial year end statements and their resolutions of such issues highlighted in their report to the Audit Committee.

(iii) Considered and recommended the nomination on the appointment of CAS & Associates (now known as CAS Malaysia PLT) as External Auditors of the Company at the 12th Annual General Meeting to the Board for consideration.

(iv) Reviewed with the External Auditors, the audit plan and scope of the statutory audit of the Group's financial statements for financial year ended 30 April 2017 before the audit commences to ensure the scope of the external audit is comprehensive.

(v) Considered and recommended the External Auditors' fee to the Board for approval.

(vi) Reviewed the reports for the internal audit function and considered the findings of internal audit investigations and the Management responses thereon, and ensure that appropriate actions are taken on the recommendations raised by the Internal Auditors.

(vii) Reviewed the related party transactions and/or recurrent related party transactions that transpired to ensure that the transactions entered into were at arm's length basis and on normal commercial terms.

(viii) Reviewed the Corporate Governance Statement, Audit Committee Report and Statement on Risk Management and Internal Control to ensure adherence to legal and regulatory reporting requirement before recommending to the Board for approval for inclusion in the Company's Annual Report.

INTERNAL CONTROL REVIEW AND INTERNAL AUDIT FUNCTION

The Group outsourced its internal audit function to an independent professional services firm to conduct an independent review of the Group's systems of internal control. The firm appointed is independent of the activities carried out by them.

Internal audit reports are presented, together with the Management's response and proposed action plans to the Audit Committee for reviews.

The Internal Auditors undertake internal audit based on Risk Based Methodology approach, where concentration was made on critical business process in order to achieve the best possible results with most efficient and effective methods.

The works carried out by the Internal Auditors of the Group during the financial year under review were as summarised below:-

(i) Conducted internal audit on the adequacy and effectiveness of the internal control system in revenue and account receivable of Surfstek Innovation Sdn. Bhd.

(ii) Presentation of the internal audit findings at Audit Committee meeting. The results of the audit together with the Management's response and proposed action plans were reviewed by the Audit Committee.

(iii) Conducted follow up reviews and reported to the Audit Committee on the status of implementation to ensure proposed action plans were properly and appropriately implemented by the Management, especially on areas where significant findings have been noted. The relevant Management members were made responsible for ensuring that agreed audit recommendations and/or corrective actions on reported weaknesses have been appropriately addressed within the required timeframes.

The internal audit reviews did not reveal any weakness which would result in material losses, contingencies or uncertainties that would require disclosure in the annual report.

The fees incurred during the financial year ended 30 April 2017 in relation to the internal audit function was RM18,000.

STATEMENT OF DIRECTORS' RESPONSIBILITY

The Board of Directors ("the Board") is required by the Companies Act 2016 to ensure that the financial statements prepared for each financial year have been made in accordance with applicable approved accounting standards, the provisions of the Companies Act 2016 and the requirements of ACE Market Listing Requirements of Bursa Malaysia Securities Berhad and give a true and fair view of the state of affairs of the Company and its subsidiaries ("the Group") at the end of the financial year and to the results and cash flows of the Group and of the Company for the financial year then ended.

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

The Board is satisfied that in preparing the financial statements of the Group and of the Company for the financial year ended 30 April 2017, the Group and the Company have used the appropriate accounting policies and consistently applied and supported by reasonable prudent judgement and estimates, that measures have been taken to ensure that accounting records are properly kept in accordance with the law and that the preparation of the financial statements is on a going concern basis as the Directors have a reasonable expectation, having made enquiries, that the Group and the Company have adequate resources to continue in operations for the foreseeable future.

The Board has also taken all such necessary steps to ensure that proper internal controls are in place to safeguard the assets of the Group and the Company and to detect and prevent fraud and other irregularities.

This Statement was made in accordance a resolution of the Board dated 10 August 2017.

ADDITIONAL COMPLIANCE INFORMATION

1. UTILISATION OF PROCEEDS

The Company had on 4 July 2016 completed the private placement exercise upon the listing of and quotation of 37,539,390 new ordinary shares of RM0.10 each at an issue price of RM0.105 per share on the ACE Market of Bursa Malaysia Securities Berhad ("Private Placement"). The utilisation of gross proceeds from the Private Placement as at 31 July 2017 was as follows:

Details of utilisation	Proposed utilisation RM'000	Amount utilised RM'000
Working capital	2,271	2,271
Business development	1,554 [1]	1,554 [1]
Expenses relating to the Proposed Private Placement	117	117
Total	**3,942**	**3,942**

Note: [1]

(i) The proceeds of RM1.554 million arising from the Private Placement which was allocated for business development expenditure were meant to be utilised in new business ventures, where the business to be acquired were intended to be operating in the same industry with the Company and shall be related to the field of IT Security and data-related (which are complementary to the existing operation of the Company). However, the proceeds have been subsequently utilised in the following manner:-

No.	Particulars	RM'000
a.	Development of data content related portal platforms	1,237
b.	Development of new technology framework for future software/programmes	317
	Total	**1,554**

(ii) At the Extraordinary General Meeting of the Company held on 10 August 2017, the Shareholders have approved the proposed ratification in respect of the variation to the utilisation of proceeds of RM1.554 million raised from the Private Placement.

2. AUDIT AND NON-AUDIT FEES

The amount of audit and non-audit fees paid/ payable to the External Auditors by the Company and the Group for the financial year ended 30 April 2017 are as follows:-

	Company RM	Group RM
Audit Fee	40,000	110,000
Non - Audit Fee	3,000	3,000

3. MATERIAL CONTRACTS

There were no material contracts entered into by the Company and its subsidiaries involving Directors and major shareholders' interest during the financial year ended 30 April 2017.

4. CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES ("CSR") AND PRACTICES

The Company did not undertake any corporate responsibility activities during the year under review as the Board focuses on capturing market opportunities to sustain its business growth.

FINANCIAL REPORT

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2017

DIRECTORS' REPORT

The directors hereby submit their report together with the audited financial statements of the Group and of the Company for the financial year ended 30 April 2017.

PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding and providing information technology products and related services, and carrying out relevant research and development activities whilst the principal activities of the subsidiaries are set out in Note 7 to the financial statements.

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

FINANCIAL RESULTS

	The Group RM	The Company RM
Net profit/(loss) attributable to:		
Owners of the parent	429,628	(2,960,857)
Non-controlling interests	1,893,398	-
Net profit/(loss) for the year	2,323,026	(2,960,857)

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

DIVIDENDS

No dividends were paid, declared or proposed by the Company since the end of the previous financial year. The directors also do not recommend any dividend in respect of the current financial year.

RESERVES AND PROVISIONS

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

ISSUES OF SHARES AND DEBENTURES

During the financial year:-

(a) the Company increased its issued and paid–up share capital from RM37,539,390 to RM41,293,329 by the allotment of 37,539,390 new ordinary share at RM0.105 each via a private placement for the purpose of working capital. The shares were issued for cash consideration. All the new ordinary shares issued rank pari passu in all respect of the distribution of dividends and repayment of capital with the existing shares; and

(b) there were no issues of debentures by the Company.

WARRANTS 2013/2018

The Company had on 23 September 2013 issued 85,196,350 new Warrants 2013/2018 to all entitled shareholders of the Company on the basis of one (1) free detachable warrant for every three (3) existing ordinary shares of RM0.10 each held in the Company.

WARRANTS 2013/2018 (continued)

Each warrant carried the entitlement to subscribe for one (1) new ordinary share of RM0.10 each in the Company at the exercise price of RM0.11 which shall be satisfied in cash and at any time during the exercise period as indicated above ("Exercise Period") subject to the adjustments in accordance with the provisions of the deed poll dated 6 August 2013. Any warrants not exercised during the Exercise Period will thereafter lapse and cease to be valid for any purpose.

As at 30 April 2017, the total number of Warrants 2013/2018 which were unconverted amounted to 84,666,350 units. Details of the Warrants 2013/2018 are disclosed in Note 16 to the financial statements.

There were no exercise of warrant during the current financial year end. Subsequent to the end of the financial year, on 14 August 2017, the Company increased its issued and paid-up share capital from RM41,293,329 to RM41,348,329 by issuance of 500,000 new ordinary shares resulting from the conversion of warrants at the exercise price of RM0.11 per share.

The ordinary shares issued from the exercise of Warrants 2013/2018 shall rank pari passu in all respects with the existing issued ordinary shares of the Company, save and except that they will not be entitled to any dividends, rights, allotment, and/or other distributions that may be declared, made or paid prior to the date of allotment and issue of the new shares arising from the exercise of Warrants 2013/2018.

OPTIONS GRANTED OVER UNISSUED SHARES

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

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables, and satisfied themselves that there are no known bad debts and that adequate allowance had been made for impairment losses on receivable is required.

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

CURRENT ASSETS

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

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

VALUATION METHODS

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

CONTINGENT AND OTHER LIABILITIES

The contingent liabilities are disclosed in Note 35 to the financial statements. At the date of this report, there does not exist:-

(a) other than that as disclosed under Note 13 to the financial statements, any charge on the assets of the Group and of the Company that has arisen since the end of the financial year which secures the liabilities of any other person; or

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

No contingent or other liability of the Group and 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 Group and the Company to meet their obligations when they fall due.

CHANGE OF CIRCUMSTANCES

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

ITEMS OF AN UNUSUAL NATURE

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

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

DIRECTORS

The directors who served since the date of last report are as follows:-

Technodex Berhad
TAN SZE CHONG
TAN BOON WOOI
STEVEN WONG CHIN FUNG
TAN TIAN WOOI
DATUK ABD HAMID BIN ABU BAKAR (Appointed on 20.12.2016)
KERK HAN MENG (Resigned on 20.09.2016)
KOO TECK SEONG (Resigned on 20.09.2016)

Subsidiaries of Technodex Berhad
HENG LING JY (f)
KAVIN CH'NG KIM SWEE
LEONG SENG HONG
TAN CHIN SIONG
TAN WAH CHOY

DIRECTORS' INTERESTS

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

	Number of Ordinary Shares			
	At 1.5.2016	Bought	Sold	At 30.4.2017
Direct interests in the Company				
Tan Sze Chong	24,029,066	-	-	24,029,066
Tan Boon Wooi	25,500,000	7,565,000	-	33,065,000
Indirect interest				
Tan Sze Chong*	66,666	-	-	66,666

* Deemed interest by virtue of his spouse's shareholdings in Technodex Berhad.

	Number of Warrants 2013/2018			
	At 1.5.2016	Bought	Sold	At 30.4.2017
Indirect interest				
Tan Sze Chong*	16,666	-	-	16,666

* Deemed interest by virtue of his spouse's warrants holdings in Technodex Berhad.

Other than as disclosed, the other directors holding office at the end of the financial year had no interest in shares and options over shares of the Company or its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by directors as shown in the financial statements, or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company 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 except for any benefits which may be deemed to arise from transactions entered into in the ordinary course of business with companies in which certain directors have substantial financial interests as disclosed in Note 31 to the financial statements.

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

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

The significant events during the financial year are disclosed in Note 37 to the financial statements.

SUBSEQUENT EVENTS AFTER THE BALANCE SHEET DATE

The subsequent events after the balance sheet date are disclosed in Note 38 to the financial statements.

DIRECTORS' REMUNERATIONS

The amounts of the remunerations of the directors or past directors of the Group and of the Company comprising remunerations received/receivable from the Group and the Company during the year are as follows:-

	The Group 2017 RM	The Company 2017 RM
Fees	155,600	155,600
Remunerations	1,574,093	1,170,093
Contribution to defined contribution plan	65,928	40,008
Others	1,950	1,139
	1,797,571	1,366,840

None of the directors or past directors of the Company have received any other benefits otherwise than in cash from the Company or any of its subsidiaries during the financial year.

No payment has been paid to or payable to any third party in respect of the services provided to the Company or any of its subsidiaries by the directors or past directors of the Company during the financial year.

INDEMNIFYING DIRECTORS, OFFICERS OR AUDITORS

No indemnities have been given or insurance premium paid, during or since the end of the financial year, for any person who is or has been the director, officer or auditor of the Company except for an indemnity given to key management personnel of the Company.

AUDITORS' REMUNERATIONS

Total amounts paid to or receivable by the auditors as remunerations for their services as auditors from the Company and its subsidiaries are as follows:-

	The Group 2017 RM	The Company 2017 RM
Statutory audit	106,000	40,000

AUDITORS

The auditors, CAS Malaysia PLT (converted from a conventional partnership, CAS Malaysia and CAS & Associates), Chartered Accountants have indicated their willingness to be re-appointed.

On behalf of the Board of Directors

TAN SZE CHONG
Director

TAN BOON WOOI
Director

Puchong

Dated : 22 August 2017

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

We, Tan Sze Chong and Tan Boon Wooi, being two of the directors of Technodex Berhad, state that, in the opinion of the directors, the financial statements set out on pages 46 to 94 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of Companies Act, 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 April 2017 and of their financial performance and cash flows for the financial year ended.

The supplementary information set out in Note 40, which is not part of the financial statements, is prepared in all material respects, in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants and the directive of Bursa Malaysia Securities Berhad.

On behalf of the Board of Directors

TAN SZE CHONG
Director

TAN BOON WOOI
Director

Puchong

Dated : 22 August 2017

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

I, Tan Sze Chong, I/C No. 690206-01-5891, being the director primarily responsible for the financial management of Technodex Berhad, do solemnly and sincerely declare that the financial statements set out on pages 46 to 95 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by
abovementioned, Tan Sze Chong,
I/C No. 690206-01-5891, at Puchong
in the State of Selangor Darul Ehsan on this day of
22 August 2017

TAN SZE CHONG

Before me,
KHOR HAN GHEE
LICENSE NO: B 476
COMMISSIONER FOR OATHS

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TECHNODEX BERHAD

(Incorporated in Malaysia)
Company No: 627634 - A

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Technodex Berhad, which comprise the statements of financial position as at 30 April 2017 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 46 to 94.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 April 2017, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirement 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 ('ISAs'). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENCE AND OTHER ETHICAL RESPONSIBILITIES

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

KEY AUDIT MATTERS

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

Intangible Assets

The Risk

At the balance sheet date, the net carrying amount of intangible assets of the Group and of the Company are amounted to RM13,754,502 and RM4,849,468 respectively, which representing for 31% and 25% of the Group's and of the Company's total assets.

Accounting for intangible assets requires management use judgement and make assumptions that affect carrying values and amortisation methods. The Group determines recoverable amounts based on value-in-use. Those calculations use discounted future cash flows forecast in which management make judgements over certain key inputs including forecast revenue growth, gross margin of the intangible assets and discount rates.

Given the high level of management judgement related to the forecasts used, estimation uncertainty and the significant carrying amounts involved, intangible assets is considered a key audit matter.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TECHNODEX BERHAD (continued)

KEY AUDIT MATTERS (continued)

Intangible Assets (continued)

Our response

Our audit procedures included, amongst others:-

- Assessing the appropriateness of the Group's intangible assets recognition accounting policies;
- Enquiring and evaluating the technical feasibility and commercial feasibility of the internally generated software development expense;
- Obtaining the list of additions during the financial year and verified to the supporting documents;
- Evaluating management's assessment of whether there were any indicators of impairment of intangible assets;
- Assessing the reasonableness of cash flows forecast and projections by comparison to historical performance and future outlook, reviewing business proposals and through discussion with management;
- Verifying the discount rate by comparison to third party information, the Group's cost of capital and relevant risk factors;
- Performing sensitivity analysis to access the impact on the recoverable amount of the cash-generating units; and
- Reviewing the adequacy of disclosure in the financial statements.

Impairment of Trade Receivables

The Risk

Trade receivables are significant to the Group as these represent approximately 37% of the total assets. The key associated risk is the recoverability of the invoiced trade receivables as the recoverability of trade receivables required management judgement in determining the adequacy of the impairment loss associated with each individual trade receivables.

Our response

Our audit procedures included:-

- Assessment of the management's control over recording and monitoring of credit risk for each individual receivables;
- Reviewing aging of trade receivables and check for adequacy of allowance for doubtful debts;
- Reviewing for action taken for overdue debts; and
- Assessed cash receipts subsequent year to the end of the reporting period for its effect in reducing amounts outstanding as at the end of the reporting period and recoverability of outstanding trade receivables.

We have evaluated the adequacy of the Group's disclosure for trade receivables

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

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

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

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TECHNODEX BERHAD (continued)

RESPONSIBILITIES OF THE DIRECTORS FOR THE FINANCIAL STATEMENTS

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

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

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TECHNODEX BERHAD (continued)

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (continued)

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

OTHER REPORTING RESPONSIBILITIES

The supplementary information set out in Note 40 to the financial statements is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The Directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

OTHER MATTERS

1. This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act, 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.
2. The financial statements of the Company as at 30 April 2016, were audited by another firm of auditors whose report dated 11 August 2016, expressed an unmodified opinion on those statements.

CAS Malaysia PLT (LLP0009918-LCA) & (AF 1476)
Chartered Accountants

LYE GHEE KANG
NO. 2710/02/19(J)
Chartered Accountant

Johor Bahru

Dated : 22 August 2017

STATEMENTS OF FINANCIAL POSITION
AS AT 30 APRIL 2017

		The Group		The Company	
		2017	2016	2017	2016
	Note	RM	RM	RM	RM
ASSETS					
NON-CURRENT ASSETS					
Property, plant and equipment	5	1,378,129	1,080,690	194,305	117,961
Intangible assets	6	13,754,502	10,046,826	4,849,468	5,965,759
Investment in subsidiaries	7	-	-	7,438,476	7,438,476
Goodwill on consolidation	8	2,713,542	2,713,542	-	-
		17,846,173	13,841,058	12,482,249	13,522,196
CURRENT ASSETS					
Inventories	9	1,032,902	-	-	-
Trade receivables	10	16,497,655	11,647,251	2,284,495	-
Other receivables	11	4,239,638	2,256,519	55,722	235,227
Amounts owing by subsidiaries	12	-	-	4,644,981	5,370,573
Current tax assets		239,022	-	46,820	22,160
Fixed deposits with licensed banks	13	2,307,067	600,000	4,410	-
Cash and bank balances		2,205,235	4,293,529	189,130	200,276
		26,521,519	18,797,299	7,225,558	5,828,236
TOTAL ASSETS		**44,367,692**	**32,638,357**	**19,707,807**	**19,350,432**
EQUITY AND LIABILITIES					
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY					
Share capital	14	41,293,329	37,539,390	41,293,329	37,539,390
Share premium	15	1,303,919	1,853,040	1,303,919	1,853,040
Foreign exchange translation reserve	17	-	675,705	-	-
Accumulated losses		(13,146,147)	(14,251,480)	(23,400,419)	(20,439,562)
		29,451,101	25,816,655	19,196,829	18,952,868
NON-CONTROLLING INTERESTS		6,356,858	4,484,537	-	-
TOTAL EQUITY		**35,807,959**	**30,301,192**	**19,196,829**	**18,952,868**

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

STATEMENTS OF FINANCIAL POSITION
AS AT 30 APRIL 2017 (continued)

	Note	The Group 2017 RM	The Group 2016 RM	The Company 2017 RM	The Company 2016 RM
LIABILITIES					
NON-CURRENT LIABILITIES					
Finance lease payables	18	138,660	-	-	-
Bank borrowings	19	1,635,464	-	-	-
Deferred tax liabilities	20	62,630	61,032	-	-
		1,836,754	61,032	-	-
CURRENT LIABILITIES					
Trade payables	21	902,222	186,701	-	-
Other payables	22	4,135,412	1,806,336	510,978	397,564
Amount owing to directors	23	7,399	-	-	-
Finance lease payables	18	37,750	-	-	-
Bank borrowings	19	1,437,770	173,755	-	-
Provision for taxation		202,426	109,341	-	-
		6,722,979	2,276,133	510,978	397,564
TOTAL LIABILITIES		8,559,733	2,337,165	510,978	397,564
TOTAL EQUITY AND LIABILITIES		**44,367,692**	**32,638,357**	**19,707,807**	**19,350,432**
NET ASSETS PER SHARE (RM)	24	**0.09**	**0.08**		

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

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2017

		The Group		The Company	
		2017	2016	2017	2016
	Note	RM	RM	RM	RM
Revenue	25	53,493,846	23,972,637	1,204,038	1,956,210
Less: Cost of sales		(25,648,754)	-	-	-
Gross profit		27,845,092	23,972,637	1,204,038	1,956,210
Add: Other operating income		47,808	91,457	67,691	82,404
Less: Employment benefits		(4,804,859)	(4,478,588)	(497,703)	(495,192)
Less: Depreciation and amortisation		(2,459,930)	(2,917,097)	(1,407,242)	(1,899,370)
Less: Other expenses		(17,931,963)	(14,319,719)	(2,327,641)	(1,531,276)
Profit/(Loss) from operations		2,696,148	2,348,690	(2,960,857)	(1,887,224)
Less: Finance costs		(67,434)	(24,970)	-	-
Profit/(Loss) before taxation	26	2,628,714	2,323,720	(2,960,857)	(1,887,224)
Less: Income tax expense	27	(305,688)	(251,029)	-	(25,767)
Profit/(Loss) after taxation		2,323,026	2,072,691	(2,960,857)	(1,912,991)
Other comprehensive income:					
Reversal of adjustment of exchange reserve		675,705	-	-	-
Foreign currency translation		-	1,070	-	-
Total other comprehensive income of the year, net of tax		675,705	1,070	-	-
Total comprehensive income/(loss) for the year, net of tax		2,998,731	2,073,761	(2,960,857)	(1,912,991)
Profit/(Loss) attributable to:					
Owners of the parent		429,628	289,863	(2,960,857)	(1,912,991)
Non-controlling interests		1,893,398	1,782,828	-	-
		2,323,026	2,072,691	(2,960,857)	(1,912,991)
Total comprehensive income/(loss) attributable to:					
Owners of the parent		1,105,333	290,933	(2,960,857)	(1,912,991)
Non-controlling interests		1,893,398	1,782,828	-	-
		2,998,731	2,073,761	(2,960,857)	(1,912,991)
Basic earning per share (sen)	28	**0.08**	**0.08**		

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

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2017

The Group	Note	Share Capital RM	Share Premium RM	Foreign Exchange Translation Reserve RM	Accumulated Losses RM	Attributable to owners of the Company RM	Non-Controlling Interests RM	Total RM
		Non-Distributable			Distributable			
As at 1 May 2015		37,539,390	1,853,040	674,635	(14,541,343)	25,525,722	1,201,659	26,727,381
Contributions by and distributions to Owners of the Company								
- Acquisition of a subsidiary		-	-	-	-	-	1,500,050	1,500,050
Profit after taxation for the year		-	-	-	289,863	289,863	1,782,828	2,072,691
Other comprehensive income for the year, net of tax		-	-	1,070	-	1,070	-	1,070
Total comprehensive income for the year		-	-	1,070	289,863	290,933	1,782,828	2,073,761
At 30 April 2016		**37,539,390**	**1,853,040**	**675,705**	**(14,251,480)**	**25,816,655**	**4,484,537**	**30,301,192**
As at 1 May 2016		37,539,390	1,853,040	675,705	(14,251,480)	25,816,655	4,484,537	30,301,192
Contributions by and distributions to Owners of the Company								
- Issuance of shares		3,753,939	(132,018)	-	-	3,621,921	-	3,621,921
- Writing off of preliminary expenses		-	(417,103)	-	-	(417,103)	-	(417,103)
		3,753,939	(549,121)	-	-	3,204,818	-	3,204,818
Profit after taxation for the year		-	-	-	429,628	429,628	1,893,398	2,323,026
Effect of disposal of subsidiary		-	-	-	-	-	(21,077)	(21,077)
Other comprehensive income for the year								
- Reversal of adjustment of exchange reserve	17	-	-	(675,705)	675,705	-	-	-
Total comprehensive income for the year		-	-	(675,705)	1,105,333	429,628	1,872,321	2,301,949
At 30 April 2017		**41,293,329**	**1,303,919**	**-**	**(13,146,147)**	**29,451,101**	**6,356,858**	**35,807,959**

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

STATEMENTS OF CHANGES IN EQUITY (continued)
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2017

	Non-Distributable		Distributable	
The Company	Share Capital RM	Share Premium RM	Accumulated Losses RM	Total RM
As at 1 May 2015	37,539,390	1,853,040	(18,526,571)	20,865,859
Loss and total comprehensive loss for the year	-	-	(1,912,991)	(1,912,991)
As at 30 April 2016	37,539,390	1,853,040	(20,439,562)	18,952,868
Contributions by and distribution to Owners of the Company				
- Issuance of shares	3,753,939	(132,018)	-	3,621,921
- Writing off of preliminary expenses	-	(417,103)	-	(417,103)
Loss and total comprehensive loss for the year	-	-	(2,960,857)	(2,960,857)
As at 30 April 2017	**41,293,329**	**1,303,919**	**(23,400,419)**	**19,196,829**

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

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2017

	The Group		The Company	
	2017	2016	2017	2016
	RM	RM	RM	RM
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit/(Loss) before taxation	2,628,714	2,323,720	(2,960,857)	(1,887,224)
Adjustments for:-				
Allowance for doubtful debt	180,000	-	-	-
Amortisation of intangible assets	2,211,163	2,935,630	1,360,281	1,856,638
Depreciation of property, plant and equipment	248,767	202,110	46,961	42,732
Gain on disposal of a subsidiary	(3,609)	-	-	-
Interest expenses	67,434	24,970	-	-
Loss on property, plant and equipment written off	35,325	10	-	-
Interest income	(38,843)	(62,047)	(67,691)	(82,404)
Operating profit/(loss) before working capital changes	5,328,951	5,424,393	(1,621,306)	(70,258)
(INCREASE)/DECREASE ON WORKING CAPITAL				
Inventories	(1,032,902)	-	-	-
Receivables	(7,042,574)	(3,985,421)	(1,379,398)	(2,223,510)
Payables	3,044,597	(13,556)	113,414	(97,666)
Cash generated from/(used in) operations	298,072	1,425,416	(2,887,290)	(2,391,434)
Interest received	38,843	62,047	67,691	82,404
Interest paid	(67,434)	(24,970)	-	-
Tax paid	(450,608)	(359,305)	(25,241)	(26,712)
Tax refund	581	27,177	581	833
Net cash generated (used in)/from operating activities	(180,546)	1,130,365	(2,844,259)	(2,334,909)
CASH FLOWS FROM INVESTING ACTIVITIES				
Acquisition of a subsidiary, net of cash and cash equivalents acquired	-	-	-	(1,500,050)
Placement deposit with licensed banks with original maturity of more than three months	(2,100,000)	-	-	-
Proceeds from disposal of a subsidiary	29,051	-	-	-
Purchase of property, plant and equipment	(581,531)	(44,245)	(123,305)	(15,590)
Purchase of intangible assets	(5,918,839)	(3,310,762)	(243,990)	(851,931)
Net cash used in investing activities	(8,571,319)	(3,355,007)	(367,295)	(2,367,571)

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

STATEMENTS OF CASH FLOWS (continued)

	The Group		The Company	
	2017	2016	2017	2016
	RM	RM	RM	RM
CASH FLOWS FROM FINANCING ACTIVITIES				
Amount owing to directors	7,399	-	-	-
Expenses on issuance of shares	(736,818)	-	(549,121)	-
Proceeds from decrease in stake of NCI	(17,468)	-	-	-
Proceeds from issuance of shares	3,941,636	-	3,753,939	-
Proceeds from issuance of shares to non-controlling interests in subsidiaries	-	1,500,050	-	-
Proceeds from finance lease payables	203,800	-	-	-
Proceeds from bank borrowings	3,400,000	-	-	-
Repayment of finance lease payables	(27,390)	-	-	-
Repayment of bank borrowings	(500,521)	(691,482)	-	-
Net cash generated from financing activities	6,270,638	808,568	3,204,818	-
Net decrease in cash and cash equivalents	(2,481,227)	(1,416,074)	(6,736)	(4,702,480)
Effect of foreign exchange rate changes	-	1,070	-	-
Cash and cash equivalents brought forward	4,893,529	6,308,533	200,276	4,902,756
Cash and cash equivalents carried forward	**2,412,302**	**4,893,529**	**193,540**	**200,276**
Cash and cash equivalents comprise of:				
Cash and bank balances	2,205,235	4,293,529	189,130	200,276
Fixed deposits with licensed banks:				
Not more than three months	207,067	600,000	4,410	-
More than three months	2,100,000	-	-	-
	4,512,302	4,893,529	193,540	200,276
Less: Deposits with licensed banks (more than three months)	(2,100,000)	-	-	-
	2,412,302	**4,893,529**	**193,540**	**200,276**

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2017

1. GENERAL INFORMATION

The Company is a public limited company and is incorporated under the Companies Act, 2016 in Malaysia. The domicile of the Company is Malaysia. The registered office and principal place of business are as follows:-

Registered office	:	Third Floor, No. 79 (Room A), Jalan SS21/60, Damansara Utama, 47400 Petaling Jaya, Selangor.
Principal place of business	:	Level 3, Tower 1, Avenue 3, The Horizon, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated on 22 August 2017.

2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding and providing information technology products and related services, and carrying out relevant research and development activities whilst the principal activities of the subsidiaries are set out in Note 7 to the financial statements.

3. BASIS OF PREPARATION

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

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

MFRSs, Interpretations and Amendments effective for annual periods beginning on or after 1 January 2016

MFRS 14 Regulatory Deferral Accounts

Amendments to MFRS 5, MFRS 7, MFRS 119 and MFRS 134 Annual Improvements to

MFRSs 2012 – 2014 Cycle

Amendments to MFRS 10, MFRS 12 and MFRS 128 Investment Entities: Applying the Consolidation Exception

Amendments to MFRS 11 Accounting for Acquisitions of Interests in Joint Operations

Amendments to MFRS 101 Disclosure Initiative

Amendments to MFRS 116 and MFRS 138 Clarification of Acceptable Methods of Depreciation and Amortization

Amendments to MFRS 116 and MFRS 141 Agriculture: Bearer Plants

Amendments to MFRS 127 Equity Method in Separate Financial Statements

The adoption of the above accounting standards and interpretations (including the consequential amendments) did not have any material impact on the Group's and the Company's financial statements.

3. *BASIS OF PREPARATION (continued)*

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

MFRSs and IC Interpretations (Including The Consequential Amendments)	Effective Date
Amendments to MFRS 12 Annual Improvements to MFRS Standards 2014 – 2016 Cycle	1 January 2017
Amendments to MFRS 112 Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017
Amendments to MFRS 107 Disclosure Initiative	1 January 2017
MFRS 9 Financial Instruments (IFRS 9 as issued by IASB in July 2014)	1 January 2018
MFRS 15 Revenue from Contracts with Customers	1 January 2018
MFRS 15 Clarifications to MFRS 15	1 January 2018
Amendments to MFRS 1 and MFRS 128 Annual Improvements to MFRS Standards 2014 – 2016 Cycle	1 January 2018
Amendments to MFRS 2 Classification and Measurement of Share-based Payment Transactions	1 January 2018
Amendments to MFRS 140 Transfers of Investment Property	1 January 2018
MFRS 16 Leases	1 January 2019
MFRS 17 Insurance Contracts	1 January 2021
IC Int. 22 Foreign Currency Transactions and Advance Consideration	1 January 2018

Effective date to be determined by Malaysian Accounting Standards Board

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

IC Int. 23 Uncertainty over Income Tax Treatments

The initial application of the accounting standards, amendments or interpretations are not expected to have any material financial impacts to the Group and the Company except as follow:-

MFRS 9 Financial Instruments

The MASB recently released MFRS 9 'Financial Instruments' (2014), representing the completion of its project to replace MFRS 139 'Financial Instruments: Recognition and Measurement'. The new standard introduces extensive changes to MFRS 139's guidance on the classification and measurement of financial assets and introduces a new 'expected credit loss' model for the impairment of financial assets. MFRS 9 also provides new guidance on the application of hedge accounting.

MFRS 15 Revenue from Contracts with Customers

MFRS 15 Revenue from Contracts with Customers was issued in September 2014 and established a five-step model that will apply to recognition of revenue arising from contracts with customers. Under this Standard, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principle of this Standard is to provide a more structured approach to measuring and recognising revenue.

This Standard is applicable to all entities and will supersede all current revenue recognition requirements under MFRS. Either a full or modified restrospective application is required for annual periods beginning on or after 1 January 2018 with early adoption permitted.

3. BASIS OF PREPARATION (continued)

(ii) (continued)

MFRS 16 Leases

MFRS 16 will replace the existing standard on Leases, MFRS 117 when it becomes effective.

Currently under MFRS 117, a lease is classified either as a finance lease or an operating lease based on the extent to which risks and rewards incidental to ownership of the leased asset lie with the lessor or the lessee. A lessee recognises the asset and liability arising from a finance lease but not an operating lease. MFRS 16 eliminates the distinction between finance leases and operating leases for lessees.

Under the new standard, a lessee is required to recognise the assets and liabilities in respect of all leases, except for short-term leases of 12 months or less and leases of low value assets. At the commencement of a lease, a lessee recognises a right-of-use asset and a corresponding lease liability. The lessee will be required to separately recognise the depreciation on the right-of-use asset and interest expense on the lease liability. Lessor accounting remained substantially unchanged from the current accounting under MFRS 117.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated by the directors and management and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and judgements that affect the application of the Group's accounting policies and disclosures, and have a significant risk of causing a material adjustment to the carrying amounts of assets, liabilities, income and expenses are discussed below:-

(a) Depreciation of Property, Plant and Equipment

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

(b) Income Taxes

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

(c) Impairment of Non-Financial Assets

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

4. *SIGNIFICANT ACCOUNTING POLICIES (continued)*

4.1 *CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)*

(d) Amortisation of Intangible Assets

Changes in the expected level of usage and technological development could impact the economic useful lives and therefore, future amortisation charges could be revised.

(e) Impairment of Trade and Other receivables

An impairment loss is recognised when there is objective evidence that a financial asset is impaired. Management specifically reviews its loans and receivables financial assets and analyses historical bad debts, customer concentrations, customer creditworthiness, current economic trends and changes in the customer payment terms when making a judgement to evaluate the adequacy of the allowance for impairment losses. Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. If the expectation is different from the estimation, such difference will impact the carrying value of receivables.

(f) Impairment of Goodwill

Goodwill is tested for impairment annually and at other times when such indicators exist. This requires management to estimate the expected future cash flows of the cash-generating unit to which goodwill is allocated and to apply a suitable discount rate in order to determine the present value of those cash flows. The future cash flows are most sensitive to budgeted gross margins, growth rates estimated and discount rate used. If the expectation is different from the estimation, such difference will impact the carrying value of goodwill.

(g) Fair Value Estimates for Certain Financial Assets and Liabilities

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

4.2 BASIS OF CONSOLIDATION

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 30 April 2017.

Subsidiaries are entities (including structured entities) controlled by the Group. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Subsidiaries are consolidated from the date on which control is transferred to the Group up to the effective date on which control ceases, as appropriate.

Intragroup transactions, balances, income and expenses are eliminated on consolidation. Where necessary, adjustments are made to the financial statements of subsidiaries to ensure consistency of accounting policies with those of the Group.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 BASIS OF CONSOLIDATION (continued)

(a) Business Combinations

Acquisitions of businesses are accounted for using the acquisition method. Under the acquisition method, the consideration transferred for acquisition of a subsidiary is the fair value of the assets transferred, liabilities incurred and the equity interests issued by the Group at the acquisition date. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs, other than the costs to issue debt or equity securities, are recognised in profit or loss when incurred.

In a business combination achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

Non-controlling interests in the acquiree may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets at the date of acquisition. The choice of measurement basis is made on a transaction-by-transaction basis.

(b) Non-Controlling interests

Non-controlling interests are presented within equity in the consolidated statement of financial position, separately from the equity attributable to owners of the Company. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

At the end of each reporting period, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

(c) Changes In Ownership Interests In Subsidiaries Without Change of Control

All changes in the parent's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of consideration paid or received is recognised directly in equity of the Group.

(d) Loss of Control

Upon the loss of control of a subsidiary, the Group recognises any gain or loss on disposal in profit or loss which is calculated as the difference between:-

(i) the aggregate of the fair value of the consideration received and the fair value of any retained interest in the former subsidiary; and

(ii) the previous carrying amount of the assets (including goodwill), and liabilities of the former subsidiary and any non-controlling interests.

Amounts previously recognised in other comprehensive income in relation to the former subsidiary are accounted for in the same manner as would be required if the relevant assets or liabilities were disposed of (i.e. reclassified to profit or loss or transferred directly to retained profits). The fair value of any investments retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under MFRS 139 or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.3 GOODWILL

Goodwill is measured at cost less accumulated impairment losses, if any. The carrying value of goodwill is reviewed for impairment annually. The impairment value of goodwill is recognised immediately in profit or loss. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Under the acquisition method, any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interests recognised and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities at the date of acquisition is recorded as goodwill.

Where the latter amount exceeds the former, after reassessment, the excess represents a bargain purchase gain and is recognised as a gain in profit or loss.

4.4 FUNCTIONAL AND FOREIGN CURRENCIES

(a) Functional and Presentation Currency

The individual financial statements of each entity in the Group are presented in the currency of the primary economic environment in which the entity operates, which is the functional currency.

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

(b) Transactions and Balances

Transactions in foreign currencies are converted into the respective functional currencies on initial recognition, using the exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities at the end of the reporting period are translated at the rates ruling as of that date. Non-monetary assets and liabilities are translated using exchange rates that existed when the values were determined. All exchange differences are recognised in profit or loss.

(c) Foreign Operations

Assets and liabilities of foreign operations are translated to RM at the rates of exchange ruling at the end of the reporting period. Revenues and expenses of foreign operations are translated at exchange rates ruling at the dates of the transactions. All exchange differences arising from translation are taken directly to other comprehensive income and accumulated in equity under the translation reserve. On the disposal of a foreign operation, the cumulative amount recognised in other comprehensive income relating to that particular foreign operation is reclassified from equity to profit or loss.

Goodwill and fair value adjustments arising from the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated at the closing rate at the end of the reporting period except for those business combinations that occurred before the date of transition (1 January 2011) which are treated as assets and liabilities of the Company and are not retranslated.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.5 FINANCIAL INSTRUMENTS

Financial instruments are recognised in the statements of financial position when the Group has become a party to the contractual provisions of the instruments.

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

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

A financial instrument is recognised initially, at its fair value plus, in the case of a financial instrument not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial instrument.

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

(a) Financial Assets

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

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

Financial assets are classified as financial assets at fair value through profit or loss when the financial asset is either held for trading or is designated to eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise. Derivatives are also classified as held for trading unless they are designated as hedges.

Financial assets at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. Dividend income from this category of financial assets is recognised in profit or loss when the Group's right to receive payment is established.

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

(ii) Held-to-maturity Investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the management has the positive intention and ability to hold to maturity. Held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment loss, with interest income recognised in profit or loss on an effective yield basis.

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.5 FINANCIAL INSTRUMENTS (continued)

(a) Financial Assets (continued)

(iii) Loans and Receivables Financial Assets

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

(iv) Available-for-sale Financial Assets

Available-for-sale financial assets are non-derivative financial assets that are designated in this category or are not classified in any of the other categories.

After initial recognition, available-for-sale financial assets are remeasured to their fair values at the end of each reporting period. Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in the fair value reserve, with the exception of impairment losses. On derecognition, the cumulative gain or loss previously accumulated in the fair value reserve is reclassified from equity into profit or loss.

Dividends on available-for-sale equity instruments are recognised in profit or loss when the Group's right to receive payments is established.

Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less accumulated impairment losses, if any.

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

(b) Financial Liabilities

All financial liabilities are initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method other than those categorised as fair value through profit or loss.

Fair value through profit or loss category comprises financial liabilities that are either held for trading or are designated to eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise. Derivatives are also classified as held for trading unless they are designated as hedges.

(c) Equity Instruments

Ordinary shares classified as equity are measured at cost and are not remeasured subsequently. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from proceeds.

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.5 FINANCIAL INSTRUMENTS (continued)

(d) Derecognition

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

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

4.6 INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries are stated at cost in the statement of financial position of the Company, and are reviewed for impairment at the end of the reporting period if events or changes in circumstances indicate that the carrying values may not be recoverable. The cost of the investments includes transaction costs.

On the disposal of the investments in subsidiaries, the difference between the net disposal proceeds and the carrying amount of the investments is recognised in profit or loss.

4.7 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment, other than freehold land, are stated at cost less accumulated depreciation and impairment losses, if any.

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

Building	2%
Computer and software	20% - 40%
Furniture and fittings	10% - 15%
Machineries	14%
Motor vehicles	20%
Office equipment	10% - 15%
Telecommunication equipment	15%
Renovation	15% - 20%

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.7 PROPERTY, PLANT AND EQUIPMENT (continued)

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when the cost is incurred and it is probable that the future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. The carrying amount of parts that are replaced is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred. Cost also comprises the initial estimate of dismantling and removing the asset and restoring the site on which it is located for which the Group is obligated to incur when the asset is acquired, if applicable.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising from derecognition of the asset is recognised in profit or loss.

4.8 RESEARCH AND DEVELOPMENT EXPENDITURE

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

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

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

4.9 INTANGIBLE ASSETS

An intangible asset shall be recognised if, and only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and that the cost of the asset can be measured reliably. An entity shall assess the probability of the expected future economic benefits using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset. An intangible asset shall be measured initially at cost.

The useful lives of intangible assets are assessed to be either finite or indefinite.

Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible assets may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed annually. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the profit or loss in the expense category consistent with the function of the intangible asset.

Intangible assets that have been capitalised are amortised on a straight line basis over the period of their expected benefit, but not exceeding 5 years begin from the period when the intangible assets are available for use.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.9 INTANGIBLE ASSETS (continued)

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash generating unit level. Such intangible are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis.

4.10 IMPAIRMENT

(a) Impairment of Financial Assets

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

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

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

(b) Impairment of Non-Financial Assets

The carrying values of assets, other than those to which MFRS 136 – Impairment of Assets does not apply, are reviewed at the end of each reporting period for impairment when there is an indication that the assets might be impaired. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts. The recoverable amount of the assets is the higher of the assets' fair value less costs to sell and their value-in-use, which is measured by reference to discounted future cash flow.

An impairment loss is recognised in profit or loss immediately.

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

4.11 ASSETS UNDER HIRE PURCHASE

Assets acquired under hire purchase are capitalised in the financial statements at the lower of the fair value of the leased assets and the present value of the minimum lease payments and, are depreciated in accordance with the policy set out in Note 4.7 above. Each hire purchase payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. Finance charges are recognised in profit or loss over the period of the respective hire purchase agreements.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.12 INCOME TAXES

Income tax for the year comprises current and deferred tax.

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

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax liabilities are recognised for all taxable temporary differences other than those that arise from goodwill or excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the business combination costs or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

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

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same taxation authority.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transactions either in other comprehensive income or directly in equity and deferred tax arising from a business combination is included in the resulting goodwill or excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the business combination costs.

4.13 INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a first-in-first-out basis. Cost of finished goods and work-in-progress includes raw materials, direct labour and appropriate proportion of production overheads. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

4.14 CASH AND CASH EQUIVALENTS

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.15 PROVISIONS

Provision are recognised when the Group has a present obligation as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount can be made. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the provision is the present value of the estimated expenditure required to settle the obligation. The unwinding of the discount is recognised as interest expense in profit or loss.

4.16 EMPLOYMENT BENEFITS

(a) Short-Term Employment Benefits

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

(b) Defined Contribution Plans

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

4.17 RELATED PARTIES

A party is related to an entity (referred to as the "reporting entity") if:-

(a) A person or a close member of that person's family is related to a reporting entity if that person:-
- (i) has control or joint control over the reporting entity;
- (ii) has significant influence over the reporting entity; or
- (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

(b) An entity is related to a reporting entity if any of the following conditions applies:-
- (i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
- (vi) The entity is controlled or joint controlled by a person identified in (a) above.
- (vii) A person identified in (a) (i) above has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity.

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.18 CONTINGENT LIABILITIES

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that an outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the financial statements. When a change in the probability of an outflow occurs so that the outflow is probable, it will then be recognised as a provision.

4.19 FAIR VALUE MEASUREMENTS

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

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

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

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

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

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

4.20 REVENUE AND OTHER INCOME

(a) Sale of Goods

Revenue is measured at fair value of the consideration received or receivable and is recognised upon delivery of goods and customers' acceptance and where applicable, net of returns and trade discounts.

(b) Services

Revenue is recognised upon the rendering services and when the outcome of the transaction can be estimated reliably. In the event the outcome of the transaction could not be estimated reliably, revenue is recognised to the extent of the expenses incurred that are recoverable.

(c) Interest Income

Interest income is recognised on an accrual basis using the effective interest method.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.20 REVENUE AND OTHER INCOME (continued)

(d) Management fee

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

(e) Rental Income

Rental income is recognised on an accrual basis.

4.21 OPERATING SEGMENTS

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

4.22 BORROWINGS

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

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

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

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

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

4.23 EARNINGS PER ORDINARY SHARE

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

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

5. **PROPERTY, PLANT AND EQUIPMENT**

The Group	Building RM	Computer and software RM	Furniture and fittings RM	Machineries RM	Motor vehicles RM	Office equipment RM	Tele-communication equipment RM	Renovation RM	Total RM
Cost:									
At 1 May 2016	450,000	461,742	569,283	350,500	112,750	185,008	34,292	145,356	2,308,931
Additions	-	30,963	46,055	-	241,244	17,563	-	245,706	581,531
Disposal of subsidiary	-	(20,297)	(2,288)	-	(12,750)	(2,994)	(4,243)	(3,800)	(46,372)
Written off	-	-	(2,191)	-	-	-	-	(24,848)	(27,039)
At 30 April 2017	**450,000**	**472,408**	**610,859**	**350,500**	**341,244**	**199,577**	**30,049**	**362,414**	**2,817,051**
Accumulated Depreciation:									
At 1 May 2016	57,000	302,090	370,095	134,943	111,049	149,540	30,436	73,088	1,228,241
Additions	9,000	58,931	50,154	49,070	45,380	13,155	1,218	21,859	248,767
Disposal of subsidiary	-	(19,476)	(897)	-	(11,050)	(1,154)	(1,997)	(1,647)	(36,221)
Written off	-	-	(73)	-	-	-	-	(1,792)	(1,865)
At 30 April 2017	**66,000**	**341,545**	**419,279**	**184,013**	**145,379**	**161,541**	**29,657**	**91,508**	**1,438,922**
Net carrying amount	**384,000**	**130,863**	**191,580**	**166,487**	**195,865**	**38,036**	**392**	**270,906**	**1,378,129**

5. *PROPERTY, PLANT AND EQUIPMENT (continued)*

The Group	Building RM	Computer and software RM	Furniture and fittings RM	Machineries RM	Motor vehicles RM	Office equipment RM	Tele-communication equipment RM	Renovation RM	Total RM
Cost:									
At 1 May 2015	450,000	446,552	567,408	630,500	112,750	175,016	34,292	128,168	2,544,686
Additions	-	15,190	1,875	-	-	9,992	-	17,188	44,245
Written off	-	-	-	(280,000)	-	-	-	-	(280,000)
At 30 April 2016	**450,000**	**461,742**	**569,283**	**350,500**	**112,750**	**185,008**	**34,292**	**145,356**	**2,308,931**
Accumulated Depreciation:									
At 1 May 2015	48,000	241,148	320,053	365,863	108,499	135,686	28,149	58,723	1,306,121
Additions	9,000	60,942	50,042	49,070	2,550	13,854	2,287	14,365	202,110
Written off	-	-	-	(279,990)	-	-	-	-	(279,990)
At 30 April 2016	**57,000**	**302,090**	**370,095**	**134,943**	**111,049**	**149,540**	**30,436**	**73,088**	**1,228,241**
Net carrying amount	**393,000**	**159,652**	**199,188**	**215,557**	**1,701**	**35,468**	**3,856**	**72,268**	**1,080,690**

5. PROPERTY, PLANT AND EQUIPMENT (continued)

The Company	Computer and software RM	Furniture and fittings RM	Office equipment RM	Renovation RM	Total RM
Cost:					
At 1 May 2016	20,632	217,441	93,432	81,120	412,625
Additions	-	20,581	12,050	90,674	123,305
Written off	-	-	-	-	-
At 30 April 2017	**20,632**	**238,022**	**105,482**	**171,794**	**535,930**
Accumulated Depreciation:					
At 1 May 2016	13,973	189,453	74,052	17,186	294,664
Additions	2,008	18,872	9,796	16,285	46,961
Written off	-	-	-	-	-
At 30 April 2017	**15,981**	**208,325**	**83,848**	**33,471**	**341,625**
Net carrying amount	**4,651**	**29,697**	**21,634**	**138,323**	**194,305**
Cost:					
At 1 May 2015	20,632	217,441	88,602	70,360	397,035
Additions	-	-	4,830	10,760	15,590
Written off	-	-	-	-	-
At 30 April 2016	**20,632**	**217,441**	**93,432**	**81,120**	**412,625**
Accumulated Depreciation:					
At 1 May 2015	11,966	169,817	64,749	5,400	251,932
Additions	2,007	19,636	9,303	11,786	42,732
Written off	-	-	-	-	-
At 30 April 2016	**13,973**	**189,453**	**74,052**	**17,186**	**294,664**
Net carrying amount	**6,659**	**27,988**	**19,380**	**63,934**	**117,961**

The net carrying amount of the Group's property, plant and equipment held in trust by a director are as follow:-

	The Group 2017 RM	2016 RM
Building	384,000	393,000

5. *PROPERTY, PLANT AND EQUIPMENT (continued)*

The carrying amount of the Group's property, plant and equipment under finance lease are as follow:-

	The Group	
	2017	2016
	RM	RM
Motor vehicles	195,865	-

The cost of fully depreciated property, plant and equipment that are still in used are as follows:-

	The Group		The Company	
	2017	2016	2017	2016
	RM	RM	RM	RM
Computer and software	176,069	143,742	10,594	-
Furniture and fittings	74,847	35,584	37,970	-
Motor vehicles	99,999	99,999	-	-
Office equipment	84,999	78,599	-	-
Tele-communication equipment	23,178	19,263	-	-
Renovation	54,002	46,164	-	-
	513,094	423,351	48,564	-

6. INTANGIBLE ASSETS

	The Group		The Company	
	2017	2016	2017	2016
	RM	RM	RM	RM
Cost:				
At 1 May 2016/2015	33,194,736	29,883,974	20,903,347	20,051,416
Additional during the financial year	5,918,839	3,310,762	243,990	851,931
At 30 April 2017/2016	39,113,575	33,194,736	21,147,337	20,903,347
Accumulated amortisation:				
At 1 May 2016/2015	23,147,910	20,212,280	14,937,588	13,080,950
Amortisation during the financial year	2,211,163	2,935,630	1,360,281	1,856,638
At 30 April 2017/2016	25,359,073	23,147,910	16,297,869	14,937,588
Net carrying amount	**13,754,502**	**10,046,826**	**4,849,468**	**5,965,759**

Intangible assets of Group and of the Company relate to the Technodex Platform Software, Comprehensive Reporting System, Tailoring Production MS, E-Document, Property MS, Warehouse Management, Telematics Platform, ThinkHR System and SurfsTek Online Distribution Database (SODD) and others.

Included in the intangible assets of the Group and the Company at the end of the reporting period were staff costs amounting to RM2,255,240 (2016: RM1,497,016) and RM243,990 (2016: RM1,147,980) respectively.

Included in the intangible assets of the Group at the end of the reporting period were software license with a carrying amount of RMNIL (2016: RM555,311) which were acquired under hire purchase.

6. *INTANGIBLE ASSETS (continued)*

Included in the intangible assets of the Group at the end of the reporting period are SODD, an online hotel booking platform with net carrying amount of RM1,275,000 during the financial year, the Company has assessed that the SODD a hotel distribution database with 300,000 hotels worldwide have an indefinite useful life, based on an analysis of all of the relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash flows for the entity.

7. INVESTMENTS IN SUBSIDIARIES

	The Company	
	2017	2016
	RM	RM
Unquoted shares, at cost:	7,438,476	7,438,476

The details of the subsidiaries are as follows:-

Name of subsidiaries	Country of Incorporation	Effective Equity Interest 2017	2016	Principal Activity
Technodex Solutions Sdn. Bhd.	Malaysia	100%	100%	Providing information technology products and related services, and carrying out relevant research and development activities.
Evodex Solutions Sdn. Bhd.	Malaysia	100%	100%	Providing human resource solutions and other related products.
MyProperty Data Sdn. Bhd.	Malaysia	50%	50%	Dormant.
Surfstek Resources (R&D) Sdn. Bhd.	Malaysia	50%	50%	Providing information technology products and related services, and carrying out relevant research and development activities.
Idealseed Resources Sdn. Bhd.	Malaysia	55%	55%	Provision of employment, consultancy and management services.
Idealseed Arrowhead Sdn. Bhd. ^2	Malaysia	51%	51%	IT outsourcing, IT projects and provision of recruitment and employment services.
Surfstek Innovation Sdn. Bhd. ^4	Malaysia	100%	-	Supply computer hardware components and all kind of computer related products.
Hotelsurfs Sdn. Bhd. ^4	Malaysia	100%	-	Dormant.

The above mentioned subsidiaries are audited by CAS Malaysia PLT.

7. INVESTMENT IN SUBSIDIARIES (continued)

Name of subsidiaries	Country of Incorporation	Effective Equity Interest 2017	2016	Principal Activity
Tdex Global Limited #	Hong Kong SAR	-	100%	Dormant.
Suzhou Technodex Co., Ltd. ^1 #	The People's Republic of China.	-	100%	Dormant.
Idealseed Talent Tactics Sdn. Bhd. ^2	Malaysia	-	51%	Provision of consultancy and supply of human resources.
Idealseed Creation Sdn. Bhd. ^3	Malaysia	-	51%	Dormant.

The above mentioned subsidiaries were not audited by CAS Malaysia PLT.

^1 Interest held by Tdex Global Limited
^2 Interest held by Idealseed Resources Sdn. Bhd.
^3 Interest held by Idealseed Talent Tactics Sdn. Bhd.
^4 Interest held by Surfstek Resources (R&D) Sdn. Bhd.
 # Company has been strike off during the financial year.

(a) In the previous financial year:-

(i) On 1 July 2015, the Company acquired and subscribed a total of 50 ordinary shares of RM1 each in MyProperty Data Sdn. Bhd. representing 50% of the enlarged issued and paid-up share capital for a total cash consideration of RM50.

(ii) On 3 July 2015, the Company acquired and subscribed a total of 1 ordinary shares of RM1 each in Surfstek Resources (R&D) Sdn. Bhd. representing 50% of the enlarged issued and paid-up share capital for a total cash consideration of RM1. On 28 December 2015, the Company had entered into an Shareholders' Agreement between the Company and Surfstek Resources (M) Sdn. Bhd. to increase Surfstek Resources (R&D) Sdn. Bhd. paid-up share capital from 2 to 3,000,000 for a total cash consideration of RM2,999,998 which the Company has further acquired and subscribed additional of 1,499,999 for a total consideration of RM1,499,999. Total cash consideration for this investment is amounting to RM1,500,000.

(b) During the financial year, Surfstek Resources (R&D) Sdn. Bhd. acquired the following subsidiary companies:-

(i) On 12 May 2016, a total of 2 ordinary shares of RM1 each in Hotelsurfs Sdn. Bhd. representing 100% of the enlarged issued and paid-up share capital for a total cash consideration of RM2. Subsequently, on 08 August 2016, the Company has further increase paid-up share capital from 2 to 1,000,000 for a total consideration of RM999,998. Total cash consideration for this investment is amounting to RM1,000,000.

(ii) On 26 May 2016, a total of 2 ordinary shares of RM1 each in Surfstek Innovation Sdn. Bhd. representing 100% of the enlarged issued and paid-up share capital for a total cash consideration of RM2. Subsequently, on 08 August 2016, the Company has further increase paid-up share capital from 2 to 1,000,000 for a total consideration of RM999,998. Total cash consideration for this investment is amounting to RM1,000,000.

7. *INVESTMENT IN SUBSIDIARIES (continued)*

(c) The non-controlling interests at the end of the reporting year comprise the following:-

	2017 RM	2016 RM
Idealseed Resources Sdn. Bhd. (IRSB)	2,056,967	1,590,190
MyProperty Data Sdn. Bhd. (MDSB)	(17,731)	(4,613)
Surfstek Resources (R&D) Sdn. Bhd. (SRSB)	4,294,647	2,845,585
Idealseed Talent Tactics Sdn. Bhd. (ITTSB)	-	25,356
Idealseed Arrowhead Sdn. Bhd. (IASB)	22,975	32,298
Other individually immaterial subsidiary	-	(4,279)
	6,356,858	4,484,537

(d) The summarised financial information for each subsidiary that has non-controlling interest are material to the Group is as follows:-

	IRSB RM	MDSB RM	SRSB RM	Total RM
2017				
At 30 April				
Non-current assets	1,367,307	674,105	3,217,015	5,258,427
Current assets	6,348,921	265,686	7,642,305	14,256,912
Current liabilities	(3,109,174)	(975,252)	(2,127,164)	(6,211,590)
Net assets	4,607,054	(35,461)	8,732,156	13,303,749
2016				
At 30 April				
Non-current assets	424,510	250,172	1,487,409	2,162,091
Current assets	4,850,847	60,129	4,436,613	9,347,589
Current liabilities	(1,688,227)	(319,527)	(232,852)	(2,240,606)
Net assets	3,587,130	(9,226)	5,691,170	9,269,074
Financial year ended 30 April				
2017				
Revenue	12,437,414	7,956	30,362,308	42,807,678
Profit/(Loss) for the financial year	1,037,282	(26,235)	2,898,123	3,909,170
Total comprehensive income/(loss)	1,037,282	(26,235)	2,898,123	3,909,170
Dividends paid to non-controlling interests	-	-	-	-
2016				
Revenue	11,814,217	-	3,500,000	15,314,217
Profit/(Loss) for the financial year	980,777	(9,326)	2,691,170	3,662,621
Total comprehensive income/(loss)	980,777	(9,326)	2,691,170	3,662,621
Dividends paid to non-controlling interests	-	-	-	-

7. INVESTMENT IN SUBSIDIARIES (continued)

(d) The summarised financial information for each subsidiary that has non-controlling interest are material to the Group is as follows:- (continued)

	IRSB RM	MDSB RM	SRSB RM	Total RM
2017				
Net cash flows from/(for) operating activities	31,029	625,787	(553,514)	(142,982)
Net cash flows for investing activities	(943,445)	(423,933)	(1,809,668)	(3,177,046)
Net cash flows from financing activities	776,255	-	176,410	912,985
2016				
Net cash flows from operating activities	248,107	308,986	1,980,863	2,537,956
Net cash flows for investing activities	(13,360)	(250,172)	(1,713,052)	(1,976,584)
Net cash flows from financing activities	-	100	3,000,000	3,000,100

8. GOODWILL ON CONSOLIDATION

	The Group 2017 RM	 2016 RM
At Cost:-		
Goodwill on consolidation	2,713,542	2,713,542

Goodwill on consolidation arose from the acquisition of subsidiaries in the financial year ended 30 June 2005 and is stated at cost.

Addition of goodwill on consolidation in last financial year arose from the acquisition of subsidiaries in the financial year ended 31 October 2014 and is stated at cost.

The Group has assessed the recoverable amounts of goodwill and determined that no impairment is required. The recoverable amounts of the cash-generating units are determined using the value-in-use approach, and this is derived from the present value of the future cash flows from the information technology segment computed based on the projections of financial budgets approved by management covering a period of 5 years. The key assumptions used in the determination of the recoverable amounts are as follow:-

	2017	2016
Gross margin	16% - 42%	40%
Growth rate	16% - 36%	40%
Discount rate	10.56% - 13.53%	7%

(i) Budgeted gross margin
The basis used to determine the budgeted gross margin is based on past performance and the expectation of market development.

(ii) Growth rate
The growth rates used are based on the expected projection of the information technology products and related services.

8. GOODWILL ON CONSOLIDATION (continued)

(iii) Discount rate

The discount rates used are weighted average cost of capital.

Based on these assumptions, the Directors are at the view that no impairment loss on goodwill.

Sensitivity change in key assumption

There were be no impairment loss if the revenue growth rate are assumed to reduce by a further 10% per annum. Similarly if the discount rate applied were to be increased in 10%.

9. INVENTORIES

	The Group	
	2017	2016
	RM	RM
At Costs:-		
Trading stocks	1,032,902	-

The cost of inventories of the Group recognised as an expense during the financial year amounted to RM25,647,215.

10. TRADE RECEIVABLES

	The Group		The Company	
	2017	2016	2017	2016
	RM	RM	RM	RM
Trade receivables – third parties	16,677,655	11,647,251	-	-
– subsidiaries company	-	-	2,284,495	-
Less: Allowance for impairment loss	(180,000)	-	-	-
	16,497,655	11,647,251	2,284,495	-
Allowance for impairment losses:-				
At 1 May 2016/2015	-	22,158	-	-
Addition during the financial year (Note 26)	180,000	-	-	-
Reversal of impairment no longer required	-	(1,254)	-	-
Bad debts written off	-	(20,904)	-	-
At 30 April 2017/2016	180,000	-	-	-

(a) The Group's normal trade credit terms is ranging from 30 to 60 (2016: 30 to 60) days.

(b) The allowance for impairment losses is made mainly on those trade receivables in significant financial difficulties and have defaulted on payments.

11. OTHER RECEIVABLES

	The Group		The Company	
	2017	2016	2017	2016
	RM	RM	RM	RM
Other receivables	292,920	2,386,172	-	33,695
GST receivables	480,765	-	10,887	-
Deposits	2,005,309	832,271	23,371	11,100
Prepayments	1,460,644	295,318	21,464	190,432
	4,239,638	3,513,761	55,722	235,227
Less: Allowance for impairment loss	-	(1,257,242)	-	-
	4,239,638	2,256,519	55,722	235,227
Allowance for doubtful debts:-				
At 1 May 2016/2015	1,257,242	1,257,242	-	-
Addition during the financial year	-	-	-	-
Written off	(1,257,242)	-	-	-
At 30 April 2017/2016	-	1,257,242	-	-

Other receivables are unsecured, non-interest bearing and collectible on demand.

Included in the deposits, there is an amount of RM1,448,250 paid to secure projects.

12. AMOUNT OWING BY SUBSIDIARIES

	The Company	
	2017	2016
	RM	RM
Trade balances	-	4,308,526
Non-trade balances	11,887,863	8,304,929
	11,887,863	12,613,455
Less: Allowance for impairment losses	(7,242,882)	(7,242,882)
	4,644,981	5,370,573
Allowance for impairment losses:-		
Balance as at 30 April 2017/2016	7,242,882	7,242,882

The amount owing by subsidiaries are non-trade in nature, unsecured, interest free and repayable on demand.

13. FIXED DEPOSITS WITH LICENSED BANKS

(a) The fixed deposits with licensed banks of the Group and the Company at the end of the reporting period bore effective interest rates of 2.65 to 3.50% and Nil (2016: 3.20% and Nil) per annum. The fixed deposits have an average maturity periods ranging from 1 to 6 (2016: 3) months.

(b) Included in fixed deposits with licensed banks of the Group at the end of the reporting period was an amount of RM802,657 (2016: RM600,000) which has been pledged to a licensed bank as security for banking facilities to the Group.

14. SHARE CAPITAL

	The Group/The Company			
	Number of ordinary share		*Amount*	
	2017	2016	2017	2016
	Units	Units	RM	RM
Authorised:-				
At 1 May 2016/2015	-	500,000,000	-	50,000,000
Issued during the year	-	-	-	-
At 30 April 2017/2016	-	500,000,000	-	50,000,000
Issued and fully paid ordinary shares:-				
At 1 May 2016/2015	375,393,900	375,393,900	37,539,390	37,539,390
Issued during the year	37,539,390	-	3,753,939	-
At 30 April 2017/2016	412,933,290	375,393,900	41,293,329	37,539,390

Pursuant to the Companies Act 2016 effective from 31 January 2017, the concept of authorised share capital and par value has been abolished.

Ordinary shares of the Company have no par value. 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 restrictions.

During the financial year, the Company increased its issued and paid-up share capital from RM37,539,390 to RM41,293,329 by issuance of 37,539,390 new ordinary shares at RM0.105 per share for cash via private placement.

15. SHARE PREMIUM

The movements in the share premium of the Group and the Company are as follows:

	The Group/The Company	
	2017	2016
	RM	RM
At 1 May 2016/2015	1,853,040	1,853,040
Share issuance expenses	(132,018)	-
Writing off of preliminary expenses	(417,103)	-
At 30 April 2017/2016	1,303,919	1,853,040

Companies Act 2016 ("CA2016") has come into effect on 31 January 2017. Following the adoption of CA2016 the share premium account will now be merged with the Company's share capital. Notwithstanding that, Section 618 of CA2016 provides a transitional period of twenty four (24) months to utilise the amounts in the share premium account. Therefore, the Company has not consolidated the share premium into share capital until the expiry of the transitional period.

16. WARRANTS 2013/2018

	The Group/The Company	
	2017	**2016**
	RM	**RM**
No. of outstanding warrants:-		
At 1 May 2016/2015	84,666,350	84,666,350
Exercised	-	-
At 30 April 2017/2016	84,666,350	84,666,350

17. FOREIGN EXCHANGE TRANSLATION RESERVE

The reversal adjustment of foreign exchange translation reserve is due to the strike off of two foreign subsidiaries, Tdex Global Limited and Suzhou Technodex Co., Ltd during the financial year.

18. FINANCE LEASE LIABILITIES

	The Group	
	2017	**2016**
	RM	**RM**
Minimum hire purchase payments:		
- not later than one year	46,956	-
- later than one year and not later than five years	151,792	-
	198,748	-
Less: Future finance charges	(22,338)	-
Present value of hire purchase payables	176,410	-
Current liabilities:		
Not later than one year	37,750	-
Non-Current liabilities:		
Later than one year and not later than five years	138,660	-

The hire purchase payables bore an effective interest rates ranging from 5.10% to 6.63% per annum at the end of the reporting year.

19. BANK BORROWINGS

	The Group	
	2017	2016
	RM	RM
Secured: Term loan	3,073,234	173,755
Current liabilities:		
Secured: Term loan	1,437,770	173,755
Non-Current liabilities:		
Secured: Term loan	1,635,464	-
	3,073,234	173,755

Other contractual terms of bank borrowings are as follows: -

Functional currency/ currency exposure	Monthly installment RM	Repayment period	Contractual interest rate at balance sheet date (per annum)	Commencement date of repayment
Term loan 2.5 years	123,088.66	30 months	5.00%	2017

Term loan is secured by ways of the following:-

Term loan

(i) An irrevocable and unconditional letter of instruction and authorisation from the Company to Jabatan Penilaian Dan Perkhidmatan Harta (JPPH) in the format as advised by MIDF's solicitors, instructing and authorising JPPH to pay MIDF all proceeds of sale made due to payable under the invoice(s) by JPPH to the Company for the commissioning of the Perisian Property Information System Malaysia (PRISM) project in the manner as stipulated by MIDF in the invoice(s). The letter of authorisation shall not be varied or amended without MIDF's prior written consent;

(ii) Pledge RM600,000 as General Investment Account (GIA) in favour of MIDF with the right to set off; and

(iii) Corporate guaranteed amounting to RM3,400,000 from holding company.

20. DEFERRED TAX LIABILITIES

	The Group	
	2017	2016
	RM	RM
At 1 May	61,032	75,624
Recognised in/(from) profit or loss (Note 27)	1,598	(14,592)
At 30 April	62,630	61,032

The deferred tax liabilities are attributable to the following:-

Taxable temporary difference between net carrying amount and tax written down value of plant and equipment	62,630	61,032

21. TRADE PAYABLES

The normal trade credit terms granted to the Group are 30 to 60 days.

22. OTHER PAYABLES

	The Group		The Company	
	2017	2016	2017	2016
	RM	RM	RM	RM
Other payables	1,270,066	289,546	196,363	69,983
Due from subsidiaries	-	-	17,339	-
GST payables	11,800	-	-	-
Deposits received	918,354	76,665	-	-
Accruals	1,935,192	1,440,125	297,276	327,581
	4,135,412	1,806,336	510,978	397,564

Included in accruals is an amount of RM219,600 (2016: RM225,000) owing to directors and a former director in respect of outstanding remuneration and fees of the Group and the Company.

23. AMOUNT OWING TO DIRECTORS

The amount owing to directors are non-trade in nature, unsecured, interest free and repayable on demand.

24. NET ASSETS PER SHARE

	The Group	
	2017	2016
	RM	RM
Net assets	35,807,959	30,301,192
Number of issued ordinary shares as at 30 April	412,933,290	375,393,900
Net assets per share (RM)	0.09	0.08

25. REVENUE

	The Group		The Company	
	2017	2016	2017	2016
	RM	RM	RM	RM
Sales of goods and services	53,493,846	23,972,637	4,038	-
License fees	-	-	-	1,156,210
Management fees	-	-	1,200,000	800,000
	53,493,846	23,972,637	1,204,038	1,956,210

26. PROFIT/(LOSS) BEFORE TAXATION

	The Group		The Company	
	2017	2016	2017	2016
	RM	RM	RM	RM
(a) After charging/(crediting):				
Allowance for doubtful debt (Note 10)	180,000	-	-	-
Amortisation of intangible assets	2,211,163	2,935,630	1,360,281	1,856,638
Audit fee:				
- current year	106,000	98,000	40,000	40,000
- under provision in prior year	-	2,602	-	5,000
Depreciation of property, plant and equipment	248,767	202,110	46,961	42,732
Directors' fees				
- current year	155,600	205,000	155,600	204,000
- over provision in prior year	-	(32,000)	-	(32,000)
Directors' other emoluments	1,641,971	1,219,882	1,211,240	559,840
Finance lease interests	67,434	24,970	-	-
Gain on derecognition of foreign subsidiary	(2,100)	-	-	-
Gain on disposal of subsidiaries (Note 29)	(3,609)	-	-	-
Gain on foreign exchange - realised	(256)	-	-	-
Impairment of trade debtors no longer required	-	(1,254)	-	-
Interest income	(38,843)	(62,047)	(67,691)	(82,404)
Lease expenses	84,198	280	4,520	280
Loss on foreign exchange - realised	7,364	4,931	-	-
Loss on property, plant and equipment written off	35,325	10	-	-
Management fee	-	-	(1,200,000)	(800,000)
Preliminary expenses written off	4,243	6,940	-	-
Rental income	-	(15,900)	-	-
Rental of office equipment	-	52,827	-	-
Rental of premises	334,656	203,664	112,020	87,600
Rental of safe	-	267	-	-
Staff costs	4,804,859	11,673,756	497,703	457,724

	The Group		The Company	
	2017	2016	2017	2016
	RM	RM	RM	RM
(b) Employee information				
Staff costs (excluding directors' emoluments):				
Salaries and other benefits	4,294,910	10,724,170	452,592	409,316
Defined contribution benefit	509,949	949,586	45,111	48,408
	4,804,859	**11,673,756**	**497,703**	**457,724**

27. INCOME TAX EXPENSE

	The Group		The Company	
	2017	2016	2017	2016
	RM	RM	RM	RM
Current year expenses:-				
- Current year	236,446	397,402	-	25,767
- Under/(Over) provision in prior year	67,644	(131,781)	-	-
Deferred tax expenses (Note 20):-				
- Origination and reversal of temporary differences	(8,659)	(14,592)	-	-
- Under provided in prior year	10,257	-	-	-
	305,688	251,029	-	25,767

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

	The Group		The Company	
	2017	2016	2017	2016
	RM	RM	RM	RM
Profit/(loss) before taxation	2,628,714	2,323,720	(2,960,857)	(1,887,224)
Taxation at the statutory tax rate of 24%	630,891	557,693	(710,606)	(452,934)
Effect of expenses not deductible for tax purposes	683,189	575,956	415,265	456,025
Income not subject to tax	(1,169,268)	(716,442)	(33)	-
Effect of temporary differences not recognised	(5,861)	(34,397)	-	22,676
Deferred tax assets not recognised	379,118	-	295,374	-
Under/(Over) provision for tax expenses in prior year	77,901	(131,781)	-	-
Utilised of previously unrecognised tax credit	(290,282)	-	-	-
	305,688	251,029	-	25,767

One of the Group's subsidiary has been granted Pioneer Status under the Promotion of Investments Act, 1986 as a MSC Malaysia Status Company for a period of five years from 10 March 2016 to 09 March 2021 and enjoy 100% tax exemption on the approved pioneer activities during the said period.

No deferred tax assets are recognised in the statements of financial position for the following items:-

	The Group		The Company	
	2017	2016	2017	2016
	RM	RM	RM	RM
Unabsorbed capital allowance	479,759	82,000	478,079	82,000
Unutilised tax losses	7,116,238	6,400,000	1,515,656	-
	7,595,997	6,482,000	1,993,735	82,000

28. EARNING PER SHARE

The basic profit per share is arrived at by dividing the Group's profit attributable to owners of the Company of RM429,628 (2016: RM289,863) by the following weighted average number of ordinary shares in issue during the financial year.

	2017 RM	2016 RM
Profit attributable to owners of the Company (RM)	429,628	289,863
Weighted average number of ordinary shares:		
Issued ordinary shares at 1 May 2016/2015	375,393,900	375,393,900
Effect of new ordinary shares issued	37,539,390	-
Weighted average number of ordinary shares at 30 April 2017/2016	412,933,290	375,393,900
Basic earnings per share (sen)	0.10	0.08

The diluted earning per share was not presented as there were no dilutive potential ordinary shares outstanding at the end of the reporting year.

Diluted earning per share not disclosed in the notes to the account as the Company having antidilutive for the year presented.

29. DISPOSAL OF SUBSIDIARY

On 12 August 2016, one of the Group's subsidiary, Idealseed Resources Sdn. Bhd. has disposed 5,100 ordinary shares of RM1.00 each in Idealseed Talent Tactics Sdn. Bhd. (ITT), representing 51% of the issued and paid-up share capital of ITT for a total consideration of RM30,000.

Details of the assets, liabilities and net cash inflow arising from the disposal of an indirect subsidiary during the financial year ended 30 April 2017 are as follows:-

	2017 RM
Property, plant and equipment	5,177
Trade receivables	83,159
Other receivables and deposits	911
Cash and bank balances	949
Current tax assets	424
Other payables and accruals	(46,175)
Amount owing to holding company	(20,236)
Non-controlling interest	2,182
Net assets disposed	26,391
Gain on disposal of subsidiary	3,609
Proceeds from disposal, net of transaction costs	30,000
Less: Cash and cash equivalent in subsidiary disposed	(949)
Net cash inflow from disposal of subsidiary during the financial year	**29,051**

The audited financial statements for Idealseed Talents Tactics Sdn. Bhd as at 30 April 2016 has been used for the purpose of disposal of subsidiary as there is no material transaction from 1 May 2016 until the date of disposal.

30. PURCHASE OF PROPERTY, PLANT AND EQUIPMENT

	The Group		The Company	
	2017	2016	2017	2016
	RM	RM	RM	RM
Cost of plant and equipment purchase via cash	377,731	44,245	123,305	15,590
Finance lease arrangement	203,800	-	-	-
	581,531	44,245	123,305	15,590

31. DIRECTORS' REMUNERATION

(a) The aggregate amounts of emoluments received and receivable by directors of the Group and the Company during the financial year are as follows:-

	The Group		The Company	
	2017	2016	2017	2016
	RM	RM	RM	RM
Executive directors:				
- fees	18,667	1,000	18,667	-
- non-fee emoluments	1,634,471	1,198,882	1,203,740	538,840
	1,653,138	1,199,882	1,222,407	538,840
Non-executive directors:				
- fees	136,933	204,000	136,933	204,000
- non-fee emoluments	7,500	21,000	7,500	21,000
	144,433	225,000	144,433	225,000

(b) Details of directors' emoluments of the Group and the Company received/receivable for the financial year in bands of RM50,000 are as follows:-

	The Group		The Company	
	2017	2016	2017	2016
Executive directors:				
Below RM50,000	1	-	-	-
RM50,001 – RM100,000	-	3	-	-
RM100,001 – RM150,000	1	-	1	-
RM150,001 – RM200,000	1	-	-	-
RM200,001 – RM250,000	1	1	-	-
RM250,001 – RM300,000	1	1	1	2
RM300,001 – RM350,000	-	1	-	-
RM450,001 – RM500,000	-	1	-	-
RM800,001 – RM850,000	1	-	1	-
Non-executive directors:				
Below RM50,000	2	-	2	-
RM50,001 – RM100,000	2	4	2	4

32. SIGNIFICANT RELATED PARTY DISCLOSURES

(a) Identities of related parties

In addition to the information detailed elsewhere in the financial statements, the Group has related party relationships with its directors, key management personnel and entities within the same group of companies.

(b) Other than those disclosed elsewhere in the financial statements, the Group and the Company also carried out the following significant transactions with the related parties during the financial year:-

	The Group		The Company	
	2017 RM	2016 RM	2017 RM	2016 RM
Key management personnel compensation:				
- short term employee benefits	1,797,571	863,840	1,366,840	731,840
Management fee	-	-	(1,200,000)	(600,000)
License fee	-	-	(1,346,726)	(1,156,210)

33. OPERATING SEGMENTS

The operating segments reporting are not presented as the Group is principally involved in the information technology industry.

Geographical Information

In presenting the information on the basis of geographical segments, segment revenue is based on the geographical location of customers. The carrying values of segment assets are based on the geographical location of the assets.

	Revenue		Non-current Assets	
	2017 RM	2016 RM	2017 RM	2016 RM
Malaysia	26,042,635	23,972,637	17,846,173	13,841,058
Dubai	4,904,803	-	-	-
England, U.K	2,000,000	-	-	-
Hong Kong	2,000,000	-	-	-
Indonesia	17,926,305	-	-	-
Singapore	91,767	-	-	-
Vietnam	438,534	-	-	-
Thailand	109,802	-	-	-
	53,513,846	23,972,637	17,846,173	13,841,058

Major Customers

Revenue from one major customer, with revenue equal to or more than 10% of the Group's revenue, amounted to RM6,544,385 (2016: RM1,472,829) arising from the information technology services.

34. OPERATING LEASE COMMITMENTS

The future minimum lease payments under the non-cancellable operating leases are as follows:-

	The Group		The Company	
	2017	2016	2017	2016
	RM	RM	RM	RM
Not more than one year	451,835	183,200	141,678	87,600
Later than one year and not later than five years	300,776	10,800	102,659	-
	752,611	194,000	244,337	87,600

35. CONTINGENT LIABILITY

	The Company	
	2017	2016
	RM	RM
Corporate guarantee - unsecured		
In favour of banks for banking facilities granted to subsidiaries	6,003,000	2,000,000
In favour of third parties for supplies of good and services to a subsidiary	2,000,000	-

As at the end of the reporting period, there was no indication that any subsidiary would default on repayment.

The corporate guarantee have not been recognised since the fair value on initial recognition was not material as the repayment is on schedule.

36. FINANCIAL INSTRUMENTS

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

36.1 FINANCIAL RISK MANAGEMENT POLICIES

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

(a) Market Risk

(i) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group incurs foreign currency risk on transactions that are denominated in a currency other than the functional currency of the operations to which they relate. Exposure to foreign currency risks are monitored on an on-going basis. The currencies giving rise to this risk are primarily the United States Dollar ("USD") and Euro ("EUR").

The Company's policy is to minimise the exposure of overseas operating activities to transaction risks by matching local currency income against local currency cost.

36. *FINANCIAL INSTRUMENTS (continued)*

36.1 FINANCIAL RISK MANAGEMENT POLICIES (continued)

(a) Market Risk (continued)

(i) Foreign Currency Risk (continued)

	USD RM	EUR RM	Total RM
At 30 April 2017			
Trade receivables	54,901	-	54,901
Cash and bank balances	50,064	4,236	54,300
Trade payables	21,600	-	21,600
At 30 April 2016			
Cash and bank balances	76,611	4,235	80,846
Trade payables	8,719	-	8,719

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's profit net of tax and equity to a reasonably possible change in the USD and EUR exchange rates against the respective functional currencies of the Group entities, will all other variables held constant.

	Effect on profit net of tax/equity, net of tax	
	2017 **RM**	**2016** **RM**
USD/RM - strengthened 10%	6,336	5,160
- weakened 10%	(6,336)	(5,160)
EUR/RM - strengthened 10%	322	321
- weakened 10%	(322)	(321)

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises mainly from interest-bearing financial assets and liabilities. The Group's policy is to obtain the most favourable interest rates available. Any surplus funds of the Group will be placed with licensed financial institutions to generate interest income.

Information relating to the Group's exposure to the interest rate risk of the financial liabilities is disclosed in Note 36.1(c) to the financial statements.

Interest rate risk sensitivity analysis

The Group is not exposed to interest rate risk as the interest-bearing financial instruments carry fixed interest rates and are measured at amortised costs. As such, sensitivity analysis is not disclosed.

(iii) Equity Price Risk

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

36. FINANCIAL INSTRUMENTS (continued)

36.1 FINANCIAL RISK MANAGEMENT POLICIES (continued)

(b) Credit Risk

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

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

(i) Credit risk concentration profile

The Group and the Company does not have any major concentration of credit risk related to any individual customer or counterparty.

(ii) Exposure to credit risk

As the Group and the Company does not hold any collateral, the maximum exposure to credit risk is represented by the carrying amount of the financial assets at the end of the reporting period.

The exposure of credit risk for trade receivables by geographical region is as follows:-

	The Group		The Company	
	2017	2016	2017	2016
	RM	RM	RM	RM
Malaysia	12,138,289	10,502,786	2,284,495	-
England, U.K	2,304,465	1,144,465	-	-
Hong Kong	2,000,000	-	-	-
Thailand	54,901	-	-	-
	16,497,655	11,647,251	2,284,495	-

36. *FINANCIAL INSTRUMENTS (continued)*

36.1 *FINANCIAL RISK MANAGEMENT POLICIES (continued)*

(b) *Credit Risk (continued)*

(iii) *Aging analysis*

The aging analysis of the Group's and the Company's trade receivables (including amount owing by related parties) at the end of the reporting period are as follows:-

	The Group		The Company	
	2017	2016	2017	2016
	RM	RM	RM	RM
Neither past due nor impaired	5,796,530	6,332,746	53,774	-
1 to 30 days past due but not impaired	3,473,552	2,470,534	40,281	-
31 to 60 days past due but not impaired	265,466	519,309	-	-
61 to 90 days past due but not impaired	58,873	657,067	116,856	-
More than 90 days past due but not impaired	7,083,234	1,667,595	2,073,584	-
	10,881,125	5,314,505	2,230,721	
Impaired	(180,000)	-	-	-
	16,497,655	**11,647,251**	**2,284,495**	**-**

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

The collective impairment allowance is determined based on estimated irrecoverable amounts from the sale of goods, determined by reference to past default experience.

Trade receivables that are past due but not impaired

The Group and the Company believes that no impairment allowance is necessary in respect of these trade receivables. They are substantially companies with good collection tract record and no recent history of default.

36. FINANCIAL INSTRUMENTS (continued)

36.1 FINANCIAL RISK MANAGEMENT POLICIES (continued)

(c) Liquidity Risk

Liquidity risk arises mainly from general funding and business activities. The Group and the Company practises prudent risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):-

The Group	**On demand or within one year RM**	**Two to five years RM**	**Total RM**
2017			
Trade payables	902,222	-	902,222
Other payables	4,135,412	-	4,135,412
Amount owing to directors	7,399	-	7,399
Finance lease liabilities	46,956	151,792	198,748
Bank borrowings	1,600,153	1,723,241	3,323,394
Total undiscounted financial liabilities	6,692,142	1,875,033	8,567,175
2016			
Trade payables	186,701	-	186,701
Other payables	1,806,336	-	1,806,336
Bank borrowings	175,954	-	175,954
Total undiscounted financial liabilities	2,168,991	-	2,168,991
The Company			
2017			
Other payables	510,978	-	510,978
Contingent liabilities	8,003,000	-	8,003,000
Total undiscounted financial liabilities	8,513,978	-	8,513,978
2016			
Other payables	397,564	-	397,564
Contingent liabilities	2,000,000	-	2,000,000
Total undiscounted financial liabilities	2,397,564	-	2,397,564

36. FINANCIAL INSTRUMENTS (continued)

36.2 CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities within the Group will be able to maintain an optimal capital structure so as to support their businesses and maximise shareholder(s) value. To achieve this objective, the Group may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group manages its capital based on debt-to-equity ratio that complies with debts covenants and regulatory, if any. The debt-to-equity ratio is calculated as total borrowings from financial institutions divided by total equity.

There was no change in the Group's approach to capital management during the financial year. The debt-to-equity ratio of the Group at the end of the reporting period was as follows:-

	The Group	
	2017	2016
	RM	RM
Trade payables	902,222	186,701
Other payables	4,135,412	1,806,336
Amount owing to directors	7,399	-
Finance lease payables	176,410	-
Bank borrowings	3,073,234	173,755
	8,294,677	2,166,792
Less: Fixed deposits with licensed banks	(2,307,067)	(600,000)
Less: Cash and bank balances	(2,205,235)	(4,293,529)
Net debt/(asset)	3,782,375	(2,726,737)
Net equity	35,807,959	30,301,192
Debt-to-equity ratio	0.11	(0.09)

36.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	The Group		The Company	
	2017	2016	2017	2016
	RM	RM	RM	RM
Financial assets				
Loans and receivables financial assets				
Trade receivables	16,497,655	11,647,251	2,284,495	-
Other receivables	4,239,638	2,256,519	55,722	235,227
Amount owing by subsidiaries	-	-	4,644,981	5,370,573
Fixed deposits with licensed banks	2,307,067	600,000	4,410	-
Cash and bank balances	2,205,235	4,293,529	189,130	200,276
	25,249,595	18,797,299	7,178,738	5,806,076

36. FINANCIAL INSTRUMENTS (continued)

36.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS (continued)

	The Group		The Company	
	2017	2016	2017	2016
	RM	RM	RM	RM
Financial liabilities				
Other financial liabilities				
Trade payables	902,222	186,701	-	-
Other payables	4,135,412	1,806,336	510,978	397,564
Amount owing to directors	7,399	-	-	-
Finance lease payables	176,410	-	-	-
Bank borrowings	3,073,234	173,755	-	-
	8,294,677	2,166,792	510,978	397,564

36.4 FAIR VALUE MEASUREMENTS

At the end of the reporting period, there were no financial instruments carried at fair values.

The fair values of the financial assets and financial liabilities approximated their carrying amounts due to the relatively short-term maturity of the financial instruments (maturing within the next 12 months). The fair values are included in level 3 of the fair value hierarchy.

37. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

(a) On 12 May 2016, a total of 2 ordinary shares of RM1 each in Hotelsurfs Sdn. Bhd. representing 100% of the enlarged issued and paid-up share capital for a total cash consideration of RM2. Subsequently, on 08 August 2016, the Company has further increase paid-up share capital from 2 to 1,000,000 for a total consideration of RM999,998. Total cash consideration for this investment is amounting to RM1,000,000.

(b) On 26 May 2016, a total of 2 ordinary shares of RM1 each in Surfstek Innovation Sdn. Bhd. representing 100% of the enlarged issued and paid-up share capital for a total cash consideration of RM2. Subsequently, on 08 August 2016, the Company has further increase paid-up share capital from 2 to 1,000,000 for a total consideration of RM999,998. Total cash consideration for this investment is amounting to RM1,000,000.

38. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

(a) On 2 November 2016, the Company entered following sale and purchase of share agreement in relation to the proposed acquisitions:-

(i) additional 42% equity interest in Idealseed Resources Sdn. Bhd. ("Idealseed") by Tdex for a total purchase consideration of RM2,677,500 to be satisfied by the issuance and allotment of 13,387,500 new ordinary shares of RM0.10 each in the Company ("Tdex shares" or "consideration shares") at an issue price of RM0.20 per Tdex share to Tan Wah Choy and Wong Siam Hong (collectively referred to as "Idealseed vendors").

(ii) the remaining 50% equity interest in Surfstek Resources (R&D) Sdn. Bhd. ("Surfstek R&D") by Tdex for a total purchase consideration of RM13,455,000 to be satisfied by the issuance and allotment of 67,275,000 new Tdex shares at an issue price of RM0.20 per Tdex share to Surfstek Resources (M) Sdn. Bhd. ("Surfstek vendor").

38. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE (continued)

(b) On 16 August 2017, the Company increased its issued and paid-up share capital from RM41,293,329 to RM41,343,329 by issuance of 500,000 new ordinary shares resulting from the conversion of warrants at the exercise price of RM0.11 per shares.

39. RECLASSIFICATION FOR PRESENTATION PURPOSE

	The Group	
	As restated RM	As previously reported RM
30 April 2016		
Statement of Financial Position		
Current Liabilities		
Hire purchase payables	-	173,755
Bank borrowings	173,755	-

40. SUPPLEMENTARY INFORMATION – DISCLOSURE OF REALISED AND UNREALISED PROFITS/ (LOSSES)

The breakdown of the accumulated loss of the Group and of the Company at the end of the reporting period into realised and unrealised losses are presented in accordance with the directive issued by Bursa Malaysia Securities Berhad and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants, as follows:-

	The Group		The Company	
	2017	2016	2017	2016
	RM	RM	RM	RM
Total accumulated losses of the Company and its subsidiaries				
- realised	(15,017,784)	(27,659,945)	(23,400,419)	(20,439,562)
- unrealised	(62,630)	(61,032)	-	-
	(15,080,414)	(27,720,977)	(23,400,419)	(20,439,562)
Less: Consolidation adjustments	1,934,267	13,469,497	-	-
At 30 April 2017/2016	(13,146,147)	(14,251,480)	(23,400,419)	(20,439,562)

ANALYSIS OF SHAREHOLDINGS
AS AT 31 JULY 2017

Total number of Issued Shares	:	412,933,290 Ordinary Shares
Class of Equity Securities	:	Ordinary shares ("shares")
Voting rights by show of hand	:	One vote for every member
Voting rights by poll	:	One vote for every share held

DISTRIBUTION SCHEDULE OF SHAREHOLDERS

Size of holdings	No. of holders	%	No. of shares	%
Less than 100 shares	89	5.34	4,050	*
100 – 1,000 shares	60	3.60	24,240	0.01
1,001 – 10,000 shares	293	17.57	2,072,974	0.50
10,001 – 100,000 shares	871	52.25	40,712,120	9.86
100,001 – Less than 5% of issued shares	350	21.00	236,312,554	57.23
5% and above of issued shares	4	0.24	133,807,352	32.40
Total	**1,667**	**100.00**	**412,933,290**	**100.00**

* Negligible

SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS AS AT 31 JULY 2017
(As per the Register of Substantial Shareholders)

	Direct		Indirect	
Name of Substantial Shareholders	**No. of shares**	**%**	**No. of shares**	**%**
ACE Credit (M) Sdn. Bhd.	44,982,200	10.89	-	-
Tan Boon Wooi	33,065,000	8.01	-	-
Kerk Han Meng	31,731,086	7.68	-	-
Tan Sze Chong	24,029,066	5.82	66,666 (1)	0.02
Chang Choon Ming	22,550,000	5.46	-	-
Heng Ling Jy	66,666	0.02	24,029,066 (1)	5.82

Note : (1) Deemed interested by virtue of his/her spouse's interest in Technodex Berhad.

DIRECTORS' SHAREHOLDINGS AS AT 31 JULY 2017
(As per the Register of Directors' Shareholdings)

TechnoDex Berhad

	Direct		Indirect	
Name of Directors	**No. of shares**	**%**	**No. of shares**	**%**
Tan Sze Chong	24,029,066	5.82	66,666 (1)	0.02
Tan Boon Wooi	33,065,000	8.01	-	-

Note : (1) Deemed interested by virtue of his spouse's interest in Technodex Berhad.

DIRECTORS' SHAREHOLDING IN RELATED CORPORATION AS AT 31 JULY 2017
(As per the Register of Directors' Shareholdings)

Related Corporation

Myproperty Data Sdn. Bhd.

	Direct		Indirect	
Name of Director	**No. of shares**	**%**	**No. of shares**	**%**
Datuk Abd Hamid Bin Abu Bakar	-	-	50 (1)	50.00

Note : (1) Deemed interested by virtue of his interest in Epilog Tenggara Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016.

ANALYSIS OF SHAREHOLDINGS (continued)

30 LARGEST SECURITIES ACCOUNT HOLDERS AS AT 31 JULY 2017
(without aggregating securities from different securities accounts belonging to the same person)

No.	Name	No. of Shares Held	%
1.	JF Apex Nominees (Tempatan) Sdn. Bhd. - Pledged securities account for ACE Credit (M) Sdn. Bhd.	44,982,200	10.89
2.	Kenanga Nominees (Tempatan) Sdn. Bhd. - Pledged securities account for Tan Boon Wooi	33,065,000	8.01
3.	Kerk Han Meng	31,731,086	7.68
4.	Tan Sze Chong	24,029,066	5.82
5.	JF Apex Nominees (Tempatan) Sdn. Bhd. - Pledged securities account for Chang Choon Ming	12,759,500	3.09
6.	Tee Yok Lan @ Tay Eng Lun	10,858,900	2.63
7.	Sim Guat Keow @ Sim Han Che	10,314,300	2.50
8.	Chin Sin Hong	10,000,000	2.42
9.	M & A Nominee (Tempatan) Sdn. Bhd. - Pledged securities account for Chan Choon Ming	9,790,000	2.37
10.	Wang Han Lin	7,000,000	1.70
11.	Low Fui Teck	6,217,900	1.51
12.	Koo Teck Seong	5,855,000	1.42
13.	Lui Yuen Qiu	5,600,000	1.36
14.	Chee Kin @ Chen Hun Ken	4,427,300	1.07
15.	Low Fui Teck	3,800,966	0.92
16.	JF Apex Nominees (Tempatan) Sdn. Bhd. - Pledged securities account for Lau Chee Meng	3,700,000	0.90
17.	Chen Chii Sy	3,258,600	0.79
18.	Lai Sook Fun	3,150,000	0.76
19.	Kerk Su Chuin	2,924,266	0.71
20.	Liew Sze Fook	2,750,000	0.67
21.	Tan Kian Seng	2,400,000	0.58
22.	Hin Juat Chin	2,270,000	0.55
23.	Chan Kean Han	2,200,000	0.53
24.	Kerk Su Chyi	2,125,066	0.51
25.	Tan Juat Lai	2,122,500	0.51
26.	Leow Beng Guan	2,101,900	0.51
27.	Choo Ai Lee	1,766,666	0.43
28.	Kwei Eng An	1,750,000	0.42
29.	CIMSEC Nominees (Tempatan) Sdn. Bhd. CIMB Bank For Yeo Ann Seck	1,700,000	0.41
30.	Chua Ah Choo	1,600,000	0.39

ANALYSIS OF WARRANT HOLDINGS
AS AT 31 JULY 2017

Type of Convertible Securities	:	Warrants 2013/2018
No. of Warrants Issued	:	85,196,350
Exercise Price	:	RM 0.11
Exercise Period	:	23 September 2013 to 22 September 2018

DISTRIBUTION SCHEDULE OF 2013/2018 WARRANT HOLDINGS

Size of holdings	No. of Holders	No. of Warrants	%
Less than 100	34	1,490	*
100 – 1,000	21	10,561	0.01
1,001 – 10,000	92	624,187	0.74
10,001 – 100,000	348	17,973,929	21.23
100,001 – Less than 5% of issued warrants	162	66,056,183	78.02
5% and above of issued warrants	-	-	-
Total	**657**	**84,666,350**	**100.00**

* Negligible

DIRECTORS' WARRANT HOLDINGS AS AT 31 JULY 2017
(As per the Register of Directors' Warrant Holdings)

	Direct		Indirect	
Name of Director	No. of Warrants	%	No. of Warrants	%
Tan Sze Chong	-	-	16,666 [1]	0.02

Note: -
[1] Deemed interested by virtue of his spouse's interest in Technodex Berhad.

ANALYSIS OF WARRANT HOLDINGS (continued)

30 LARGEST 2013/2018 WARRANT HOLDERS AS AT 31 JULY 2017
(without aggregating securities from different securities accounts belonging to the same person)

No.	Name	No. of Warrants Held	%
1.	Kenanga Nominees (Tempatan) Sdn. Bhd. - Lim Soh Woon	3,050,000	3.60
2.	Maybank Nominees (Tempatan) Sdn. Bhd. - Pledged securities account for Lai Siew Leong	2,388,600	2.82
3.	Chua Ming Shen	2,168,000	2.56
4.	Tey Kim Hwa	2,050,000	2.42
5.	Pee Kar Sein	2,000,000	2.36
6.	Low Chee Keong	1,931,000	2.28
7.	JF Apex Nominees (Tempatan) Sdn. Bhd. - Pledged securities account for Lau Chee Meng	1,900,000	2.24
8.	Joel Ow Yang	1,529,900	1.81
9.	Chong Siew Mee	1,500,000	1.77
10.	Hew Yat Yin	1,500,000	1.77
11.	Chen Tong Yee	1,200,000	1.42
12.	Aw Guan Sin	1,000,000	1.18
13.	Boey Ak Poo	1,000,000	1.18
14.	Kenanga Nominees (Tempatan) Sdn. Bhd. - Pledged securities account for Heng Yong Kang @ Wang Yong Kang	1,000,000	1.18
15.	RHB Nominees (Tempatan) Sdn. Bhd. - Exempt An for RHB Securities Singapore Pte. Ltd.	1,000,000	1.18
16.	Wang Han Lin	1,000,000	1.18
17.	Ang Geok Meng	848,000	1.00
18.	Kenanga Nominees (Tempatan) Sdn. Bhd. - Pledged securities account for Young Ah Nyen	809,000	0.96
19.	Lye Ming Zh	774,900	0.92
20.	Koh Eng Soon	710,200	0.84
21.	Yeoh Song Mein	700,000	0.83
22.	Tan Yew Thiam	669,900	0.79
23.	Yap Kok How	619,700	0.73
24.	Ong Khim Chuan	585,300	0.69
25.	Raja Muhammad Bin Raja Omar	560,000	0.66
26.	Wan Sau Leong	558,700	0.66
27.	Chan Chea Yin @ Tan Chean Yan	500,000	0.59
28.	Ee Kim Cheng	500,000	0.59
29.	Lee Boon Seng	500,000	0.59
30.	Lim Chuie Fang	500,000	0.59

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Thirteenth Annual General Meeting of TECHNODEX BERHAD ("the Company") will be held at Connexion Conference & Event Centre, THE VERTICAL, Level M1 – Pinnacle 10, No. 8, Jalan Kerinchi, Bangsar South City, 59200 Kuala Lumpur on Friday, 20 October 2017 at 11.00 a.m. to transact the following businesses:-

AGENDA

As Ordinary Business:

1. To receive the Audited Financial Statements for the financial year ended 30 April 2017 together with the reports of the Directors and Auditors thereon. ***Please refer to Note i***
2. To approve the payment of Directors' fees and benefits of RM171,600 for the financial year ended 30 April 2017. ***Ordinary Resolution 1***
3. To approve the payment of Directors' fees and benefits of up to RM198,000 for the financial year ending 30 April 2018. ***Ordinary Resolution 2***
4. To re-elect Mr. Steven Wong Chin Fung as Director who retires by rotation in accordance with Clause 93 of the Company's Constitution. ***Ordinary Resolution 3***
5. To re-elect YBhg. Datuk Abd Hamid Bin Abu Bakar as Director who retires by rotation in accordance with Clause 99 of the Company's Constitution. ***Ordinary Resolution 4***
6. To re-appoint CAS Malaysia PLT as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration. ***Ordinary Resolution 5***

As Special Business:

To consider and if thought fit, pass with or without any modifications, the following resolution:-

7. **GENERAL AUTHORITY FOR THE DIRECTORS TO ALLOT AND ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016** ***Ordinary Resolution 6***

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

8. To transact any other business of which due notice shall have been given in accordance with the Companies Act 2016.

By order of the Board

TEA SOR HUA (MACS 01324)
Company Secretary

Petaling Jaya, Selangor Darul Ehsan
30 August 2017

NOTICE OF ANNUAL GENERAL MEETING (continued)

Notes:

i. The Agenda No. 1 is meant for discussion only as the provision of Section 340(1)(a) of the Companies Act 2016 does not require a formal approval from members for the Audited Financial Statements. Hence, Agenda No. 1 will not put forward for voting.

ii. A member who is entitled to attend and vote at Thirteenth Annual General Meeting ("the Meeting") shall be entitled to appoint up to two (2) proxies to attend and vote at the Meeting. Where a member appoints two (2) proxies, the member shall specify the proportion of his shareholdings to be represented by each proxy and only one (1) proxy specifically nominated by the member, and if no such nomination is made, the proxy whose name is ranked first in the alphabetical order shall be allowed to vote on a show of hands.

iii. A proxy may but need not be a member of the Company. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak at the Meeting.

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

v. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. The appointment of multiple proxies shall not be valid unless the proportion of its shareholdings represented by each proxy is specified.

vi. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, either under the seal or under the hand of an officer or attorney duly authorised.

vii. The instrument appointing a proxy must be deposited at the Share Registrar of the Company situated at Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan, not less than forty-eight (48) hours before the time for holding the Meeting, or adjourned meeting at which the person named in the instrument proposes to vote, or in the case of a poll, not less than twenty-four (24) hours before the time appointed for taking of the poll.

viii. For the purpose of determining a member who shall be entitled to attend the Meeting, the Company will be requesting Bursa Malaysia Depository Sdn. Bhd. in accordance with Clause 58(2) of the Company's Constitution to issue a General Meeting Record of Depositors as at 11 October 2017. Only members whose names appear in the General Meeting Record of Depositors as at 11 October 2017 shall be regarded as members and entitled to attend, speak and vote at the Meeting.

EXPLANATORY NOTES TO SPECIAL BUSINESS

1. The Ordinary Resolution 6 proposed under item 7 of the Agenda is a renewal of the general mandate for issuance of shares by the Company under Sections 75 and 76 of the Companies Act 2016. This Ordinary Resolution, if passed, is to empower the Directors to issue shares in the Company up to an amount not exceeding in total ten per centum (10%) of the total number of issued shares of the Company for such purposes as the Directors consider would be in the interest of the Company. This would avoid any delay and cost involved in convening at a general meeting to approve such an issue of shares. This authority will, unless revoked or varied by the Company at a general meeting, expire at the conclusion of the next annual general meeting or the expiration of the period within which the next annual general meeting is required by law to be held, whichever is the earlier.

   This general mandate will provide flexibility to the Company for allotment of shares for any possible fund raising activities, including but not limited to further placing of shares, for the purpose of funding future investment project(s), working capital and/or acquisition(s).

   As at the date of this Notice, no new ordinary shares were issued by the Company pursuant to the general mandate granted to the Directors at the last Annual General Meeting held on 23 September 2016 which will lapse at the conclusion of the Thirteenth Annual General Meeting.

This page is intentionally left blank

PROXY FORM

TechnoDex Berhad 627634-A
(Incorporated in Malaysia)

I/We (full name in capital letters)______________________________ NRIC/Company No.______________________________

of (full address)____

being (a) member(s) of TECHNODEX BERHAD ("the Company") hereby appoint (full name in capital letters)____________________

NRIC No.____________________________of (full address)____

______________________________and/or (full name in capital letters) ____

NRIC No.______________________of (full address)____

or failing him/her, the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the Thirteenth Annual General Meeting of the Company to be held at Connexion Conference & Event Centre, THE VERTICAL, Level M1 – Pinnacle 10, No. 8, Jalan Kerinchi, Bangsar South City, 59200 Kuala Lumpur on Friday, 20 October 2017 at 11.00 a.m. and at any adjournment thereof.

Please indicate with an "X" in the appropriate spaces how you wish your votes to be cast. If no specific direction as to vote is given, the Proxy will vote or abstain from voting at his/her discretion.

No.	Ordinary Resolutions	For	Against
1.	To approve the payment of Directors' fees and benefits of RM171,600 for the financial year ended 30 April 2017.		
2.	To approve the payment of Directors' fees and benefits of up to RM198,000 for the financial year ending 30 April 2018.		
3.	To re-elect Mr. Steven Wong Chin Fung as Director who retires by rotation in accordance with Clause 93 of the Company's Constitution.		
4.	To re-elect YBhg. Datuk Abd Hamid Bin Abu Bakar as Director who retires by rotation in accordance with Clause 99 of the Company's Constitution.		
5.	To re-appoint CAS Malaysia PLT as Auditors of the Company.		
6.	To approve the authority for Directors to issue shares pursuant to Sections 75 and 76 of the Companies Act 2016.		

NO. OF SHARES HELD	
CDS ACCOUNT NO.	

Dated this__________day of______________________2017

____

Signature/Common Seal of Member(s)

Percentage of shareholdings to be represented by the proxies:		
	No. of shares	%
Proxy 1		
Proxy 2		
TOTAL		100

NOTES:

i. A member who is entitled to attend and vote at Thirteenth Annual General Meeting ("the Meeting") shall be entitled to appoint up to two (2) proxies to attend and vote at the Meeting. Where a member appoints two (2) proxies, the member shall specify the proportion of his shareholdings to be represented by each proxy and only one (1) proxy specifically nominated by the member, and if no such nomination is made, the proxy whose name is ranked first in the alphabetical order shall be allowed to vote on a show of hands.

ii. A proxy may but need not be a member of the Company. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak at the Meeting.

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

iv. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. The appointment of multiple proxies shall not be valid unless the proportion of its shareholdings represented by each proxy is specified.

v. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, either under the seal or under the hand of an officer or attorney duly authorised.

vi. The instrument appointing a proxy must be deposited at the Share Registrar of the Company situated at Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan, not less than forty-eight (48) hours before the time for holding the Meeting, or adjourned meeting at which the person named in the instrument proposes to vote, or in the case of a poll, not less than twenty-four (24) hours before the time appointed for taking of the poll.

vii. For the purpose of determining a member who shall be entitled to attend the Meeting, the Company will be requesting Bursa Malaysia Depository Sdn. Bhd. in accordance with Clause 58(2) of the Company's Constitution to issue a General Meeting Record of Depositors as at 11 October 2017. Only members whose names appear in the General Meeting Record of Depositors as at 11 October 2017 shall be regarded as members and entitled to attend, speak and vote at the Meeting.

THEN FOLD HERE

AFFIX
STAMP

The Share Registrar of

TechnoDex Berhad 627634-A

Symphony Share Registrars Sdn. Bhd.

Level 6, Symphony House, Pusat Dagangan Dana 1,
Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan

1ST FOLD HERE

www.technodex.com

TechnoDex Berhad (627634-A)
Level 3, Tower 1, Avenue 3, The Horizon,
Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur.
T : + (603) 2240 1000 **F :** + (603) 2240 1001