CYBERJAYA EDUCATION GROUP BERHAD

2023

CYBERJAYA EDUCATION GROUP BERHAD
(formerly known as MINDA GLOBAL BERHAD)
[201601039044 (1209985 – V)]

ANNUAL REPORT

VISION

Our vision is to build a community of quality learning institutions that craft the future minds of the world.

MISSION

Our mission is to promote open and equitable access to educational opportunities that empower communities.

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CHAIRMAN'S STATEMENT

Dear Valued Shareholders,

On behalf of the Board of Directors ("Board") of Cyberjaya Education Group Berhad ("CYBER" or "The Group"), it is my pleasure to present to you the Annual Report of CYBER for the financial period ended 30th June 2023.

It should be noted that, the Group has changed its financial year end from 31 December 2022 to 30 June 2023 which resulted in an eighteen-month period (1 January 2022 to 30 June 2023) for its reporting period ("FPE2023"). Accordingly, the comparative figures which cover the financial year ended 31 December 2021 ("FY2021") may not be comparable with the current period's financial figures. This new reporting period will allow us to manage our resources better and to be more consistent with our natural business cycle.

Our New Outlook

We have successfully completed a significant rebranding effort across our entire Group, now known as Cyberjaya Education Group Berhad. This new name and brand is more reflective of the current state of affairs within our Organisation which is primarily driven by our Cyberjaya branded institutes of higher education.

In line with the above, we have also embarked on some major initiatives to further streamline our Organisation's strategic focus:

1. The successful acquisition of our purpose-built campus in Cyberjaya for RM 180 million to further enhance and differentiate our infrastructure and product offerings.
2. The divestment of Asia Metropolitan University will allow us to free up capital and better allocate resources and investments into our core operating Institutions.

Our Continued Growth

I am delighted to report that despite the wider macro-economic challenges, CYBER has continued to record sustained growth in FPE2023. Our revenue surged from RM108 million to RM185 million, a commendable increase of 71%. Furthermore, our profit after tax demonstrated substantial improvement, rising from RM3.5 million to RM9 million, reflecting an impressive 157% increase.

These remarkable financial results are primarily attributable to the maturing of our Institutions and the sustained growth in student enrolments across our core Institutions. We have successfully expanded our student base (18%) which has not only boosted our revenue but also reinforced our position as a prominent player in the education sector.

Future Outlook

As we look to the future, CYBER remains poised for continued growth and success. Our commitment to delivering quality education remains unwavering, and we are steadfast in our commitment to prepare our students for success in a rapidly evolving world.

CHAIRMAN'S STATEMENT

(Continued)

In closing, I extend my sincere gratitude to our dedicated team, our students, their families, and our valued stakeholders for their unwavering support. FPE2023 has been a year of significant transformation and achievement for our Group, and we hope to continue building on the back of this year to carry our Organisation to ever greater heights in the years to come.

Thank you.

General Tan Sri Dato' Seri Mohd Shahrom Bin Dato' Hj. Nordin (Rtd.)
Independent Non-Executive Chairman

KENYATAAN PENGERUSI

Para pemegang saham yang dihormati,

Bagi pihak Lembaga Pengarah ("Cyberjaya Education Group Berhad ("CYBER" atau "Kumpulan"), saya dengan sukacitanya membentangkan Laporan Tahunan CYBER bagi tahun kewangan yang berakhir pada 30 Jun 2023.

Perlu dinyatakan bahawa CYBER telah mengubah tahun kewangan daripada 31 Disember 2022 kepada 30 Jun 2023 yang mana merangkumi tempoh 18 bulan (1 Januari 2022 hingga 30 Jun 2023) bagi penyata kewangan ("FPE2023"). Oleh itu, penyata kewangan yang merangkumi tahun kewangan yang berakhir pada 31 Disember 2021 tidak bersesuaian untuk dibandingkan dengan penyata kewangan tempoh semasa. Tempoh penyata kewangan baharu ini akan membolehkan kami mengurus sumber-sumber kami dengan lebih baik dan menjadi lebih selaras dengan kitaran semulajadi perniagaan kami.

Wawasan Baru

Kami telah berjaya melaksanakan penjenamaan semula yang signifikan bagi seluruh entiti kumpulan kami yang kini dikenali sebagai Cyberjaya Education Group Berhad. Nama dan jenama baru ini lebih mencerminkan keadaan semasa dalam organisasi kami yang dipacu oleh institusi pengajian tinggi Cyberjaya.

Seiring dengan itu, kami juga telah melancarkan beberapa inisiatif utama untuk menyelaraskan lagi fokus strategik organisasi kami iaitu dengan:

1. Pemerolehan kampus di Cyberjaya dengan jumlah RM180 juta bagi meningkatkan dan memperkembangkan infrastruktur dan tawaran produk kami.
2. Penjualan Universiti Asia Metropolitan membolehkan kami memperoleh modal dan memperuntukkan sumber dan pelaburan dengan lebih baik ke dalam operasi teras Institusi kami.

Peningkatan Berterusan

Saya dengan berbesar hati memaklumkan bahawa walaupun menghadapi cabaran makroekonomi yang meluas, CYBER terus mencatatkan kenaikan keuntungan berterusan dalam FPE2023. Pendapatan kami meningkat dari RM108 juta ke RM185 juta, iaitu peningkatan yang luar biasa sebanyak 71%. Selanjutnya, keuntungan selepas cukai kami menunjukkan peningkatan yang ketara, meningkat daripada RM3.5 juta kepada RM9 juta dimana ianya mencerminkan peningkatan yang mengagumkan sebanyak 157%.

Laporan kewangan yang luar biasa ini boleh dikaitkan dengan perkembangan maju Institusi dan peningkatan berterusan terutamanya enrolmen pelajar di dalam institusi-institusi kami. Kami telah berjaya memperluaskan dan mengembangkan populasi pelajar-pelajar kami sebanyak (18%) yang bukan sahaja meningkatkan pendapatan tetapi juga memperkuatkan kedudukan kami sebagai peneraju utama dalam sektor pendidikan tinggi di negara ini.

KENYATAAN PENGERUSI

(Continued)

Wawasan Masa Hadapan

Memandang ke masa hadapan, CYBER akan terus bersedia untuk perkembangan dan kejayaan yang berterusan. Komitmen kami untuk menyampaikan pendidikan berkualiti akan tetap kekal teguh dan kukuh di samping komitmen untuk menyediakan dan mempersiapkan pelajar-pelajar kami untuk kejayaan mereka di dalam dunia yang sentiasa berubah dengan pesat.

Akhir kata, saya ingin merakamkan setinggi-tinggi penghargaan dan ribuan terima kasih kepada seluruh kakitangan yang bekerja dengan penuh dedikasi, para pelajar yang dikasihi dan keluarga mereka serta para pemegang saham yang dihargai di atas sokongan yang tidak berbelah bagi. FPE2023 telah menjadi tahun transformasi dan pencapaian yang signifikan untuk CYBER dan kami berharap untuk terus menggapai kejayaan tahun ini dan membawa organisasi kami ke puncak yang lebih tinggi pada tahun-tahun mendatang.

Terima kasih.

Jeneral Tan Sri Dato' Seri Mohd Shahrom Bin Dato' Hj Nordin (B)
Pengerusi Bebas Bukan Eksekutif

DIRECTORS' PROFILE

General Tan Sri Dato' Seri Mohd Shahrom Bin Dato' Hj. Nordin (Rtd.)
Independent Non-Executive Chairman

General Tan Sri Dato' Seri Mohd Shahrom Bin Dato' Hj. Nordin (Rtd.) ("Tan Sri Dato' Seri Mohd Shahrom") (Malaysian/male, aged 76) was appointed as the Independent Non-Executive Chairman of the Board on 9 January 2018.

After his secondary education, Tan Sri Dato' Seri Mohd Shahrom was selected for Officer Cadet training at the Royal Military College, Kuala Lumpur in 1966 and was commissioned as a Second Lieutenant into the Royal Malay Regiment in 1968. He served in various appointments at command, staff training and the diplomatic services levels and was the Chief of the Malaysian Army in 2003. Prior to that appointment, he was the Chief of Staff at the Armed Forces Headquarters.

Currently, Tan Sri Dato' Seri Mohd Shahrom is the Executive Director (Defence and Business Development) of the National Aerospace & Defence Industries Sdn Bhd ("NADI") and also a Director of SME Ordnance Sdn Bhd (SMEO), a subsidiary company of the NADI Group of Companies. He is also a member of the Executive Committee of the Retired Armed Forces Officers' Association.

Other than as disclosed above, Tan Sri Dato' Seri Mohd Shahrom has no directorship in any other public company and listed issuer. He has no family relationship with any other Director and/or major shareholder of the Company. He has no conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries. He has not been convicted of any offence (other than traffic offences, if any) within the past five (5) years nor imposed with any public sanction or penalty by the relevant regulatory bodies during the financial period ended 30 June 2023. He attended all ten (10) board meetings of the Company held during the financial period ended 30 June 2023.

DIRECTORS' PROFILE

(Continued)

Tan Sri Dato' Dr. Palaniappan A/L Ramanathan Chettiar
Non-Independent Non-Executive Director

Tan Sri Dato' Dr. Palaniappan A/L Ramanathan Chettiar ("Tan Sri Dato' Dr. Palan") (Malaysian/male, aged 67) was appointed to the Board on 9 January 2018. He was the Group Managing Director of Cyberjaya Education Group Berhad and redesignated as Non-Independent Non-Executive Director on 1 January 2022.

He completed his PhD (Education) at the Federation University, Ballarat, Australia, and the Advanced Management Programme at Harvard Business School. He has authored numerous books including the Reflections of an Entrepreneur published in 2021 by University Malaya Press. More details about Tan Sri Dato' Dr. Palan can be found at www.palan.org.

He serves as the Pro-Chancellor of University of Cyberjaya (UoC). He founded Yayasan Palan to support Corporate Social Responsibility initiatives and his voluntary contributions include serving on non-profit organisations, both governmental and private. He served as a Director on the Board of Directors, University of Malaya and Chairman of UM Specialist Centre. He also served as a member of the Special Independent Committee to advise the Yang Di Pertuan Agong on the state of Emergency in 2021.

Other than as disclosed above, Tan Sri Dato' Dr. Palan has no directorship in any other public company and listed issuer. He is a substantial shareholder of the Company and has no direct family relationship with any other Director of the Company other than Mr Maha Palan, his son, the Group Managing Director of the Company.

He has no conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries. He has not been convicted of any offence (other than traffic offences, if any) within the past five (5) years nor imposed with any public sanction or penalty by the relevant regulatory bodies during the financial period ended 30 June 2023. He attended eight (8) out of ten (10) board meetings of the Company held during the financial period ended 30 June 2023.

DIRECTORS' PROFILE

(Continued)

Maha Ramanathan Palan
Group Managing Director
Non-Independent Executive Director

Maha Ramanathan Palan ("Mr. Maha") (Malaysian/male, aged 29) was appointed to the Board on the 23rd of July 2018. He is the Group Managing Director of Cyberjaya Education Group Berhad ("CYBER").

Mr. Maha has a Masters in Risk Management & Financial Engineering from Imperial College London and a Bachelor (Hons) in Chemical Engineering from the University of Manchester.

Mr. Maha joined the board in 2018 as CYBER operated a diverse set of Institutions but remained loss-making to develop and lead the Strategic Turnaround Plan. Within three (3) years (and despite the COVID-19 pandemic), Mr. Maha had successfully turned around the Group with CYBER posting its first full-year profit in FY2021. Mr. Maha was then appointed as Group Managing Director to lead the Group further to meet its future growth and transformation goals. The Group has grown from 584 employees in 2018 to over 1,000 employees with a revenue of over RM180 million in FPE2023.

Mr. Maha also serves as the Group Managing Director of SMRT Holdings Berhad, a company which is pioneering the digitisation of legacy grid infrastructure & development of cost effective smart grids in ASEAN. He is also a co-founder of the Palan Foundation, a registered non-profit organisation committed to improving the educational attainment of young disadvantaged individuals.

Prior to joining CYBER, Mr. Maha served in investment-focused roles in firms including British Petroleum Plc and Piton Capital LLP. During his tenure with these firms, he has invested in and helped grow a diverse range of companies that amongst others allowed for equitable access to market participation and improved the interoperability of energy infrastructure.

Other than as disclosed above, Mr. Maha has no directorship in any other public company and listed issuer. Mr. Maha is the son of Tan Sri Dato' Dr. Palaniappan who is a Director and substantial shareholder of the Company. He has no family relationship with any major shareholder of the Company. He has no conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries. He has not been convicted of any offence (other than traffic offences, if any) within the past five (5) years nor imposed with any public sanction or penalty by the relevant regulatory bodies during the financial period ended 30 June 2023. He attended eight (8) out of ten (10) board meetings of the Company held during the financial period ended 30 June 2023.

DIRECTORS' PROFILE

(Continued)

TAN SRI DATUK (DR.) RAFIAH BINTI SALIM

Senior Independent Non-Executive Director

Tan Sri Datuk (Dr.) Rafiah Binti Salim ("Tan Sri Datuk (Dr.) Rafiah") (Malaysian/female, aged 77) was appointed as an Independent Non-Executive Director to the Board on 9 January 2018 and redesignated as Senior Independent Non-Executive Director on 20 February 2018. She is the Chairman of the Nomination and Remuneration Committee and a member of the Audit and Risk Management Committee.

Tan Sri Datuk (Dr.) Rafiah graduated with a Masters and a Bachelor's Degree in Law from Queen's University, Belfast, United Kingdom and was awarded an honorary Doctorate by the same University in 2002. She was called to the Malaysian Bar in 1988.

Tan Sri Datuk (Dr.) Rafiah has excellent service records within both the domestic public and private sectors, and international environment. She has served as a Lecturer, Deputy Dean and Dean of the Law Faculty of University of Malaya, Assistant Governor of the Central Bank of Malaysia, Human Resource General Manager of Malayan Banking Berhad and the Assistant Secretary General for United Nations Human Resource Management in New York. Tan Sri Datuk (Dr.) Rafiah was previously an Executive Director of the International Centre for Leadership in Finance and in 2006, she was appointed as the first female Vice-Chancellor in Malaysia posted to University of Malaya.

Tan Sri Datuk (Dr.) Rafiah is currently the Chairman of Malaysian Genomics Resource Centre Berhad. Tan Sri Datuk (Dr.) Rafiah is also a director of Lotte Chemical Titan Holding Berhad.

Other than disclosed above, Tan Sri Datuk (Dr.) Rafiah has no directorship in any other public company and listed issuer. She has no family relationship with any other Director and/or major shareholder of the Company. She has no conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries. She has not been convicted of any offence (other than traffic offences, if any) within the past five (5) years nor imposed with any public sanction or penalty by the relevant regulatory bodies during the financial period ended 30 June 2023. She attended all ten (10) board meetings of the Company held during the financial period ended 30 June 2023.

DIRECTORS' PROFILE

(Continued)

Tan Sri Datuk Wira Dr. Mohd Shukor Bin Mahfar
Independent Non-Executive Director

Tan Sri Datuk Wira Dr. Mohd Shukor Bin Mahfar ("Tan Sri Datuk Wira Dr. Mohd Shukor") (Malaysian/male, aged 67), was appointed as an Independent Non-Executive Director to the Board on 9 January 2018. He is the Chairman of the Audit and Risk Management Committee and a member of the Nomination and Remuneration Committee.

He started his career as a Bank Officer back in 1978. He later joined the Inland Revenue Board of Malaysia as an Assessment Officer. He quickly rose through the ranks and was appointed as the Chief Executive Officer in January 2011 until his retirement in December 2016.

Tan Sri Datuk Wira Dr. Mohd Shukor was elected as the President of the Malaysian Association of Statutory Bodies and Chairman of The Commonwealth Association of Tax Administrators (CATA); and was awarded the CEO of the Year 2015 by The European Emerging Markets Awards and received the 2015 Lifetime Achievement Award – Outstanding Contribution in Shaping People by The Asia HRD Award.

Tan Sri Datuk Wira Dr. Mohd Shukor holds a Bachelor of Economics from the University Malaya, a Postgraduate Diploma in Computer Science from the Malaysia University of Technology, and Master of Taxation and Doctor of Public Administration from the Golden Gate University, USA. He also received an Honorary Doctor of Management from Universiti Tenaga Nasional (UNITEN) and Asia Metropolitan University.

In July 2020, Tan Sri Datuk Wira Dr. Mohd Shukor was appointed as the Chairman of the Board of Directors of Universiti Utara Malaysia. He also serves as the Chairman of McMillan Woods National Tax Firm and MSM Management Advisory. Tan Sri Datuk Wira Dr. Mohd Shukor is currently a Director of Paragon Globe Berhad (formerly known as Goh Ban Huat Berhad) and Censof Holdings Berhad. He is also an Advisor to Century Software (M) Sdn Bhd. He was appointed as a board of director at Ann Joo Resources Berhad, effective from April 20, 2023.

Other than as disclosed above, Tan Sri Datuk Wira Dr. Mohd Shukor has no directorship in any other public company and listed issuer. He has no family relationship with any other Director and/or major shareholder of the Company. He has no conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries. He has not been convicted of any offence (other than traffic offences, if any) within the past five (5) years nor imposed with any public sanction or penalty by the relevant regulatory bodies during the financial period ended 30 June 2023. He attended all ten (10) board meetings of the Company held during the financial period ended 30 June 2023.

DIRECTORS' PROFILE

(Continued)

Dato' Tan Choon Hwa @ Esther Tan Choon Hwa
Independent Non-Executive Director

Dato' Tan Choon Hwa @ Esther Tan Choon Hwa ("Dato' Esther Tan") (Malaysian/female, aged 73), was appointed as an Independent Non-Executive Director to the Board on 9 January 2018. She is a member of the Audit and Risk Management Committee and a member of the Nomination and Remuneration Committee.

She is a Fellow Member of the Institute of Chartered Accountants in England and Wales (FCA), a Member of the Malaysian Institute of Accountants (MIA) and a Fellow Member of the Chartered Tax Institute of Malaysia.

Dato' Esther Tan began her career as an auditor with Grant Thornton in UK and later with Kingston Smith in UK before coming back to Malaysia. In 1984, she started her practice which eventually merged to be what is known as GEP Associates. The firm is a member firm of an International Organisation called AGN International with its headquarters in the United Kingdom boasting of 465 offices worldwide.

In 2006, Dato' Esther Tan received the award from the National Association of Women Entrepreneur Malaysia as "The Woman Entrepreneur of the Year" under the Finance section.

Dato' Esther Tan currently also sits as director of Poh Kong Holdings Berhad and MK Land Holdings Berhad.

Other than as disclosed above, Dato' Esther Tan has no directorship in any other public company and listed issuer. She has no family relationship with any other Director and/or major shareholder of the Company. She has no conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries. She has not been convicted of any offence (other than traffic offences, if any) within the past five (5) years nor imposed with any public sanction or penalty by the relevant regulatory bodies during the financial period ended 30 June 2023. She attended all ten (10) board meetings of the Company held during the financial period ended 30 June 2023.

KEY SENIOR MANAGEMENTS' PROFILE

Leong Tuck Yee
Group Chief Financial Officer

Leong Tuck Yee ("Mr. Leong") (Malaysian/male, aged 50) joined the Company in end 2019 and was appointed as the Group Chief Financial Officer of the Company on 5 March 2020.

Mr. Leong graduated with an Honorary Bachelor's Degree in Accounting from the University of Malaya. He is a member of the Malaysian Institute of Certified Public Accountants (MICPA) and a member of the Malaysian Institute of Accountants (MIA).

Prior to joining the Company, Mr. Leong was the Senior Finance Director of Pure Circle Sdn Bhd, a subsidiary of Pure Circle (UK) Limited headquartered in Chicago. He led the local finance team in providing global financial services which included strategic planning, compliance, taxation, capital management and corporate treasury. He had held other senior roles, including Finance Director, Global Controller, and Managing Director in leading global and regional organisations such as SGL Carbon, Cognis Oleochemicals, Cargill, and AIC Corporation Berhad. He has extensive hands-on experience in managing complex financial operations across large organisations worldwide.

Mr. Leong started his career in 1996 as an Auditor with Arthur Andersen Malaysia. During his tenure, he audited various companies from large manufacturing companies, insurance, and services companies. He left Arthur Andersen in 2001 and joined commercial companies.

Mr. Leong has no directorship in any public company or listed issuer. He has no family relationship with any Director and/or major shareholder of the Company. He has no conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries. He has not been convicted of any offence (other than traffic offences, if any) within the past five (5) years nor imposed with any public sanction or penalty by the relevant regulatory bodies during the financial period ended 30 June 2023.

KEY SENIOR MANAGEMENTS' PROFILE

(Continued)

Dato' Hj Abd Rashid bin Hj Mohd Sharif
Group Chief Regulatory Officer

Dato' Hj Abd Rashid Bin Hj Mohd Sharif ("Dato' Hj Abd Rashid") (Malaysian/male, aged 59) was appointed as Group Chief Regulatory Officer in 2018. He holds a Master's Degree in Art and Design Education from De Monfort University, United Kingdom, Bachelor's Degree in Industrial Design from MARA University of Technology and Art Teachers' Diploma from MARA University of Technology. In addition to that, he is currently pursuing his PhD in Management where he will be able to offer his knowledge in doctoral research and create connections throughout his career.

Dato' Hj Abd Rashid is an educationist with 35 years' experience in educational strategic leadership, compliance and communication. He has a strong foundation and knowledge in education business and management. With his 35 years of experience in education, it has enabled him to lead and manage high qualified and calibre individuals towards achieving desired goals and objectives.

Dato' Hj Abd Rashid is also well-versed in the implementation of communication programmes to ensure a positive and productive relationship with ministries, government agencies, local authorities, other institutions and organisations. He has been providing strategic leadership, compliance and management to the business while being fully responsible for the day-to-day running of the company and institutions.

Furthermore, Dato' Hj Abd Rashid is also well-versed in the field of pedagogy in terms of interaction with students and ensuring programme objectives are delivered. He believes motivation is necessary to achieve one's goal and ambition.

Dato' Hj Abd Rashid has no directorship in any public company or listed issuer. He has no family relationship with any Director and/or major shareholder of the Company. He has no conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries. He has not been convicted of any offence (other than traffic offences, if any) within the past five (5) years nor imposed with any public sanction or penalty by the relevant regulatory bodies during the financial period ended 30 June 2023.

KEY SENIOR MANAGEMENTS' PROFILE

(Continued)

Mr Kalaiarasu Malayandi
Group Chief Commercial Officer

Kalaiarasu Malayandi ("Mr. Kalaiarasu") (Malaysian/male, aged 37) is the Group Chief Commercial Officer of the Company.

He has a Masters in Business Administration ("MBA" from Victoria University, Australia and a Bachelors in Electronic & Computing Engineering from Nottingham Trent University.

Mr. Kalaiarasu has played various roles in Cyberjaya Education Group Berhad and its component Institutions since 2013 and was first appointed within the Senior Management Team as Bursar of the University of Cyberjaya in early 2014. Since then, Mr. Kalaiarasu has continued to progress within the leadership team culminating in his appointment as the Chief Commercial Officer of CYBER on the 1st of February 2020.

During his time with CYBER, Mr. Kalaiarasu has continued to successfully lead the Organisation's drive for growth as evidenced by the Organisation's enrolment growth of 35%. The organisation has grown financially positive as well under his leadership managing the marketing and student recruitment department.

Under Mr. Kalaiarasu's leadership the University of Cyberjaya was honoured with several awards and recognitions which includes SME 100 Award: Fast moving companies, Brand Laureate SME Best Brands Award 2015/16 in the Medical & Healthcare Education category and 2015 Workforce Optimas Awards. Mr. Kalaiarasu himself was also honoured with Asia Pacific Entrepreneurship Awards for the Education & Training Industry, 2016.

Prior to joining the education industry Mr. Kalaiarasu was in the Technology and Software industry during which time he rose from being a consultant to a senior management position. During this time, he has collaborated and liaised directly with several clients including Shell, Crédit Agricole, Ministry of Health Singapore, and several more.

Mr. Kalaiarasu has no directorship in any public company or listed issuer. He has no family relationship with any Director and/or major shareholder of the Company. He has no conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries. He has not been convicted of any offence (other than traffic offences, if any) within the past five (5) years nor imposed with any public sanction or penalty by the relevant regulatory bodies during the financial period ended 30 June 2023.

KEY SENIOR MANAGEMENTS' PROFILE

(Continued)

Dr. Susheela Nair

Group Chief Governance Officer

Dr. Susheela Nair ("Dr. Nair") (Malaysian/female, aged 54) joined Cyberjaya Education Group Berhad in November 2022. She has a legal background and holds a Ph.D in the field of consumer law from Universiti Malaya. She is also an accredited mediator.

Dr. Nair was admitted to the Malaysian Bar as an Advocate and Solicitor of the High Court of Malaya in 1998. She thereafter commenced her career in legal practice. Her interest in consumer protection and advocacy saw her transition to the NGO arena where she served Consumers International (Asia Pacific Office) and undertook law reform, development, and capacity building initiatives in the region. During this period, she worked closely with multilateral agencies, governments, and civil society. Upon completing her Ph.D, Dr. Nair embarked on the next phase of her career in the higher education industry. In 2009, she was appointed as Policy Analyst at Monash University Malaysia. She transitioned into various senior roles within the university before being appointed as Registrar and Chief Governance Officer. Her expertise in higher education administration also led to her appointment as Registrar of Universiti Malaya, the leading research-intensive national university.

Her senior management roles and broad portfolio responsibilities in university administration nurtured her transformative leadership skills which include a strong understanding of governance systems and global best practices, harmonisation of transnational education policies, and sound talent management strategies. She comes with a wealth of experience in managing organisational change and transformation.

Dr. Nair has no directorship in any public company and listed issuer. She has no family relationship with any Director and/or major shareholder of the Company. She has no conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries. She has not been convicted of any offence (other than traffic offences, if any) within the past five (5) years nor imposed with any public sanction or penalty by the relevant regulatory bodies during the financial period ended 30 June 2023.

KEY SENIOR MANAGEMENTS' PROFILE

(Continued)

Professor Dr. Zabidi Azhar Mohd Hussin
Vice Chancellor,
University of Cyberjaya ("UoC")

Professor Dr. Zabidi Azhar Mohd Hussin ("Professor Dr. Zabidi') (Malaysian/male, aged 62) graduated with an MBBS from the University of Newcastle Upon Tyne, England in 1985. His keen interest in children's health led him to obtain his Diploma in Child Health (DCH), Glasgow in 1987. In 1991, he received his membership to the Royal College of Physicians of Edinburgh and became a Fellow of the Royal College of Paediatrics and Child Health of UK in 1995.

With extensive experience in teaching, research and leadership, Professor Dr. Zabidi's field of specialisation lies in Paediatric Neurology and Medical Education with special interest in bioethics and communication skills. He is also the honorary editor for the Advances in Medical Education and Practice and has been awarded the Neurology and Neuroscience Excellence Grant. Professor Dr. Zabidi serves as a Council Member of the Malaysian Medical Council, member of the Ethics Expert Panel for the European Research Agency and a member of the Malaysian Qualification Agency's accreditation panel for the Malaysian and International Accreditation. He is Head of Child Health Cluster for Malaysia's National Professors Council and a visiting professor for Universitas Jeneral Soedirman, Indonesia and the American University of Sovereign Nations, USA.

Professor Dr. Zabidi has previously served in senior roles in University Sains Malaysia as Dean of the School of Medicine (1999-2005) and General Manager of the USAINS Tech Services (2005-2016) while serving as a Professor of Paediatrics at USM. He was also formerly the Vice-Chancellor of Perdana University and the Pro Vice-Chancellor, Academic at International Medical University.

Professor Dr. Zabidi has no directorship in any public company and listed issuer. He has no family relationship with any Director and/or major shareholder of the Company. He has no conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries. He has not been convicted of any offence (other than traffic offences, if any) within the past five (5) years nor imposed with any public sanction or penalty by the relevant regulatory bodies during the financial period ended 30 June 2023.

KEY SENIOR MANAGEMENTS' PROFILE
(Continued)

Adjunct Prof. Dr. Subramanian Amamalay ("A. Subra")
Chief Executive,
SMR HR Group

Adjunct Prof. Dr. Subramanian Amamalay ("Mr. Subra") (Malaysian/ male, aged 64) has over the last three decades worked in various management roles with a variety of organisations globally. He is the Chairman of SMRT Holdings Berhad, a technology company listed on Bursa Malaysia Securities Berhad. Mr. Subra has served as a director both in an executive and non-executive capacity with public listed corporations. He is also Principal Consultant and Director with SMR HR Group Sdn Bhd. SMR HR Group, an ISO 9001 certified organisation and one of the leading professional services HR firms in the region. He is also an adjunct professor with the University of Cyberjaya.

Mr. Subra has worked internally with the Public Sector having served with the Ministry of Social Welfare and within the private sector in the Finance, Education and Professional Services sector. In his work over the last three decades, he has both consulted and project managed consulting assignments in his domain expertise areas: Human Resources Management, Quality Management and General Management with a dedicated focus on corporate governance and stakeholder engagement.

In the course of his work, he has travelled extensively to work with many organisations in most parts of Asia and the Middle East, including Malaysia, Indonesia, Singapore, Brunei, Vietnam, Hong Kong, India, Sudan, Qatar, Abu Dhabi, Dubai, Bahrain, Oman and Saudi Arabia.

He completed his Bachelors in Social Sciences from University Science Malaysia (USM) before completing his Masters and Doctorate in Business Administration from Asia Metropolitan University. Professionally, he is an SMR-accredited trainer and accredited competency professional. He has also successfully completed his Certificate in Training Practice and achieved membership of the Chartered Institute of Personnel & Development (CIPD), United Kingdom. Subra is a qualified auditor of the IRCA and is certified in Total Quality Management and Strategic Planning.

Mr. Subra has no directorship in any public company and listed issuer. He has no family relationship with any Director and/or major shareholder of the Company. He has no conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries. He has not been convicted of any offence (other than traffic offences, if any) within the past five (5) years nor imposed with any public sanction or penalty by the relevant regulatory bodies during the financial period ended 30 June 2023.

MANAGEMENTS' PROFILE

Jullian John
Vice President - Operations

Mr. Jullian John ("Mr Jullian") (Malaysian/male, aged 39) joined the Cyberjaya University College of Medical Sciences ("CUCMS") in 2015 to head its Corporate & Marketing Communications team before being appointed as the Bursar in February 2020 and later as the Vice President for Operations in April 2023. He has been part of the management team during the institution's transition to the University of Cyberjaya ("UoC"). Jullian has broad responsibility that spans the University and the Group's support and strategic departments. He is also primarily responsible for driving operational results and achieving strategic alignment between the Colleges division and the larger Group.

Mr. Jullian holds a B.Eng (Communications & Electronics) from Northumbria University, UK and an MBA from Victoria University, Australia. He has over 17 years of corporate experience in the higher education, property development and manufacturing industries, having had stints in UCSI Group and YTL Group before joining UoC and Cyberjaya Education Group Berhad.

Mr. Jullian has no directorship in any public company or listed issuer. He has no family relationship with any Director and/or major shareholder of the Company. He has no conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries. He has not been convicted of any offence (other than traffic offences, if any) within the past five (5) years nor imposed with any public sanction or penalty by the relevant regulatory bodies during the financial period ended 30 June 2023.

MANAGEMENTS' PROFILE

(Continued)

Professor Dr Mudiarasan Kuppusamy

Deputy Vice Chancellor (Research & Innovation)

Professor Dr. Mudiarasan Kuppusamy (Malaysian/male, aged 48) graduated with a PhD in management from Western Sydney University in Australia. He presently serves as the University of Cyberjaya's Deputy Vice Chancellor for Research and Innovation. He has been the Faculty of Business & Technology Dean since November 2019 prior to this. He led the faculty while enrollment rose, and numerous new degree offerings were added. With an influential agenda on the horizon, he is now responsible for integrating innovation and research activities across the education group in his capacity as the Deputy Vice Chancellor (Research & Innovation).

He is an expert data modelling analyst with a focus on information, communication, and technologies. He has more than 20 years of experience in academia and research, and he has a comprehensive understanding of the formulation of digital strategy roadmaps at both the macro and micro levels. Additionally, he creates and offers a variety of training programmes for businesses, covering topics including data-driven performance, digital marketing, and digital content. Prof. Dr. Mudiarasan frequently publishes in international journals, books, and chapters. He actively supports accessible educational opportunities and participates in several community development initiatives.

Professor Dr. Mudiarasan Kuppusamy has no directorship in any public company or listed issuer. He has no family relationship with any Director and/or major shareholder of the Company. He has no conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries. He has not been convicted of any offence (other than traffic offences, if any) within the past five (5) years nor imposed with any public sanction or penalty by the relevant regulatory bodies during the financial period ended 30 June 2023.

MANAGEMENTS' PROFILE

(Continued)

Dr. Hassan Basri Jahubar Sathik
Director, Academic Affairs
University of Cyberjaya ("UoC")

Joining in June 2014, Dr. Hassan Basri ("Dr. Hassan") (Malaysian/male, aged 42) became an integral part of the institution, starting as Head of Programme and subsequently assuming the role of Deputy Dean of the Faculty of Allied Health Sciences, reflecting his dedication and administrative acumen. In 2016, he became the inaugural Director of the Centre for Collaborative Programmes, navigating the complexity of establishing and managing both local and international academic partnerships. Dr. Hassan has been pivotal in creating avenues for collaborative academia, ensuring the university's global impact and reach. Since April 2023, as the Director of Academic Affairs, he has crafted and implemented strategic academic policies and developed programs that enriched the university and affiliated institutions.

Dr. Hassan's pre-UoC tenure includes invaluable experiences at the Ministry of Health, the Ministry of Defence, and Kolej Universiti Insaniah, beginning in 2006. His academic credentials are both expansive and impressive: an MBBS from Manipal University, an MPH from University College Dublin, and a Post-Graduate Diploma in Medical Education from the University of Warwick, UK.

His expertise and contributions to public health and management have been recognized through various fellowships and memberships. Dr. Hassan is a Fellow of the Royal Society of Public Health and the Chartered Management Institute, both in the UK. He is also a respected member of the Chartered Institute of Environmental Health, UK, and the Institute of Health Promotion & Education, UK. His fellowships and affiliations not only underline his expertise but also his commitment to driving excellence and innovation in health and education. Dr. Hassan continues to be a visionary leader at UoC, sculpting academic policies, and partnerships that enhance the institution's reputation and impact on a global scale.

Dr. Hassan has no directorship in any public company or listed issuer. He has no family relationship with any Director and/or major shareholder of the Company. He has no conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries. He has not been convicted of any offence (other than traffic offences, if any) within the past five (5) years nor imposed with any public sanction or penalty by the relevant regulatory bodies during the financial period ended 30 June 2023.

MANAGEMENTS' PROFILE

(Continued)

Doreen Tan
Chief Executive,
Cyberjaya College Kuching

Ms. Doreen Tan ("Ms. Doreen") (Malaysian/female, aged 53) was appointed as Chief Executive of Cyberjaya College Kuching in 2022. She graduated with a Bachelor of Business in Business Administration and Management from RMIT University and completed her Master of Education (School Leadership) from Open University Malaysia.

Ms. Doreen has over twenty five years of experience in various roles and industries with about twenty years of experience in higher education industry having worked previously in KDU College and also Sunway College Kuching. At one point in her career, she was involved in continuing professional development and subsequently handled business development for East Malaysia market while working with Malaysian Division of The Chartered Institute of Management Accountants (CIMA).

Ms. Doreen has no directorship in any public company or listed issuer. She has no family relationship with any Director and/or major shareholder of the Company. She has no conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries. She has not been convicted of any offence (other than traffic offences, if any) within the past five (5) years nor imposed with any public sanction or penalty by the relevant regulatory bodies during the financial period ended 30 June 2023.

MANAGEMENTS' PROFILE

(Continued)

Joanna Fu
Chief Executive,
Cyberjaya College Kota Kinabalu

Mdm. Joanna Fu ("Mdm. Joanna") (Malaysian/female, aged 42) joined Cyberjaya College Kota Kinabalu in 2011 as a pharmacy lecturer, before being appointed as the Head of Academic in 2018. With more than 11 years of working experience in the education sector, she has in-depth knowledge and experience in Academic Management, and was recently appointed as the Acting Chief Executive of Cyberjaya College Kota Kinabalu.

Mdm. Joanna graduated with a Bachelor of Pharmacy from the University of South Australia, Adelaide in 2004 and completed her Master's Degree in Management from Open University Malaysia in 2021. She began her career as a pharmacist with the Malaysian Ministry of Health before embarking into the educational sector. She is also a registered pharmacist with the Pharmacy Board of Malaysia.

Mdm. Joanna has no directorship in any public company or listed issuer. She has no family relationship with any Director and/or major shareholder of the Company. She has no conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries. She has not been convicted of any offence (other than traffic offences, if any) within the past five (5) years nor imposed with any public sanction or penalty by the relevant regulatory bodies during the financial period ended 30 June 2023.

MANAGEMENTS' PROFILE

(Continued)

Punithavalli Kathirveloo
Chief Executive,
Cyberjaya College Central

Ms. Punithavalli Kathiveloo ("Ms. Punitha") (Malaysian/female, aged 42) joined the company in 2017 and has since been actively involved in various roles and responsibilities across departments and institutions within the group and to a greater extent in college operations.

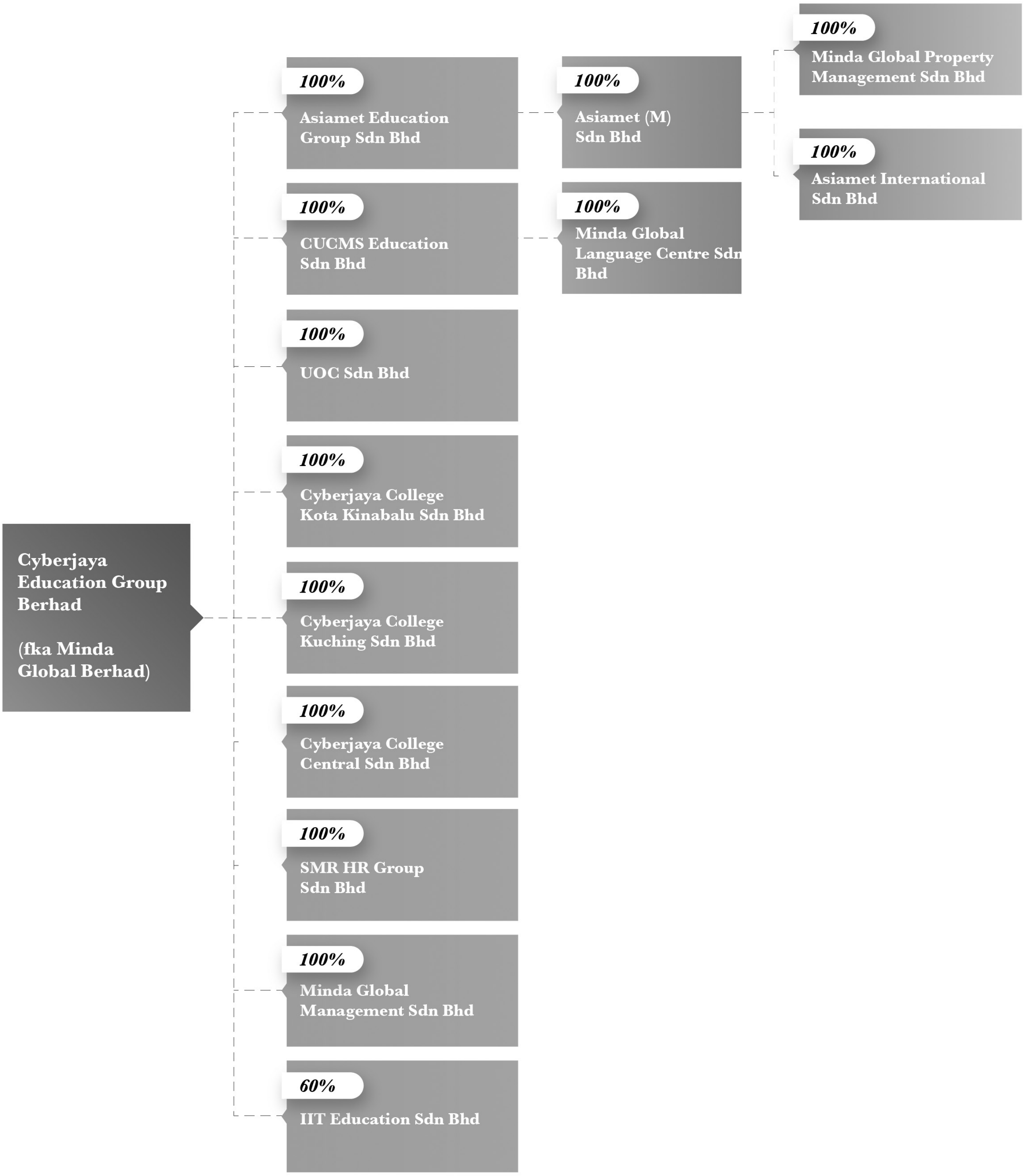
She was appointed as the Principal of Cyberjaya College Central and Oxbridge Language Centre in 2019 and assumes the role of Chief Executive of the college in 2022. Graduated from Universiti Utara Malaysia with first degree in Bachelor of Communication, she pursued Master's in Corporate Communication from Universiti Putra Malaysia; and currently doing her Doctorate in Education Leadership and Policies, in Universiti Pendidikan Sultan Idris.

A lecturer by profession, Ms. Punitha has over 15 years of experience in leadership and senior management roles, span within number of private colleges and universities in Malaysia. And over the past years, she gradually evolved into heading colleges as the most defining aspects of her career. She firmly believes establishing good connection with students, employees, alumni, regulatory and the public is essential for the growth of an education institution.

Ms. Punitha has no directorship in any public company or listed issuer. She has no family relationship with any Director and/or major shareholder of the Company. She has no conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries. She has not been convicted of any offence (other than traffic offences, if any) within the past five (5) years nor imposed with any public sanction or penalty by the relevant regulatory bodies during the financial period ended 30 June 2023.

GROUP CORPORATE STRUCTURE

As At 30 September 2023



MANAGEMENT DISCUSSION & ANALYSIS

This Management Discussion & Analysis ("MDA") is provided to assist shareholders to develop a clearer understanding of the results of our operations and financial condition when reading our Financial Statements shared below on pages 60 to 176. It should be noted that this MDA covers an 18-month financial period from 1 January 2022 to 30 June 2023 ("FPE2023"), following a change in CYBER's financial year end from 31 December to 30 June. Our MDA is presented in the following sections:

- Overview
- Results of Operations
- Way Forward

Overview

<u>Our Business</u>

Cyberjaya Education Group Berhad (formerly known as Minda Global Berhad) was formed in February 2018 to grow and transform our component Institutions into Establishments that are financially viable over the long term, while continuing to be guided by our clear purpose to provide equitable access to education for all.

Over the course of FPE2023, we have successfully completed major exercises to further refine our Organisation's structure and strategic presence in Malaysia's Education industry:

1. Our Group embarked on a formal change of name on the 4th July 2023 to Cyberjaya Education Group Berhad from Minda Global Berhad. This exercise was done in parallel with the execution of our broader strategic plans as we refocus the Group towards the better established Cyberjaya Education brand and exit non-core assets. Pursuant to this name change, the Group had also agreed to divest Asia Metropolitan University (dated 21st July 2023), which is currently pending regulatory approvals.

2. The completion of our Cheras property sale (dated 10th March 2023) and subsequent completion of the purchase of our flagship, purpose-built UOC Campus for RM180 million (dated 10th May 2023). This strategic reorganisation of our real estate assets is in line with our drive to reinvest in our core Institutions while divesting our non-core assets.

3. The change of our financial year end from 31 December 2022 to 30 June 2023. This change in year end was made with a view to facilitate better resource management and to be more consistent with our natural business cycle. As a result, our financial performance for the current period which comprises an 18-month period may not be comparable with the comparative figures which cover the financial year ended 31 December 2021.

With the completion of the above exercises, we will continue to operate a portfolio of Learning Institutions throughout Malaysia, which now encompass the University of Cyberjaya, Cyberjaya College Kota Kinabalu, Cyberjaya College Kuching, Cyberjaya College Central, Oxbridge Language Centre, and SMR HR Group.

MANAGEMENT DISCUSSION & ANALYSIS

(Continued)

Key Business Metrics

Enrolment

Enrolment is our Organisation's most important non-financial metric – it is defined as "the total number of students who are registered in programmes at our Institutions as of the end of our Fiscal Year or any such cut-off date".

New Student Enrolment provides an indication of our Organisation's future Revenue and Earnings trends. Total Student Enrolment for any such period is a function of new student enrolment and continuing student enrolments offset by enrolment reductions due to factors such as graduations and attrition.

All of our Institutions have well defined enrolment cycles – one primary intake during which the majority of new students are enrolled and multiple minor intakes during which smaller numbers of students are enrolled spread out across the year.

Attrition

Attrition is our Organisation's primary risk indicator – it is defined as "any student exiting a programme prior to the programme's completion". As attrition has a direct impact on Total Student Enrolment, it also has a direct impact on revenue and earnings trends.

We have multiple measures in place to ensure Attrition is kept at minimal levels in all our Institutions – these include remedial classes, mentoring, counselling, and financial assistance programmes, amongst others.

Results of Operations

For the FPE2023, we posted a total revenue of RM 184.7 million, which represents a revenue growth of 71.2%.

Our revenue continues to increase at a healthy pace primarily driven by a sustained increase in the number of active students over the past three years due to successive growth in our past student intake cycles. As we continue on this growth trajectory, we have begun to reinvest in our Organisation as we build out capabilities.

The Organisation continues to operates at a sustainable Gross Profit margin of 49% (representing a growth of 96% relative to FY2018) and an EBITDA margin of 32% (representing a growth of 455% relative to FY2018). Cash flows remained healthy as well with RM27.4 million net cash generated from operating activities in FPE2023. While the Group expects to incur additional expenditures moving forward as we reinvest into the Organisation to improve infrastructure and widen our offerings, we will continue to ensure that cash flows remain healthy.

MANAGEMENT DISCUSSION & ANALYSIS

(Continued)

Overall, FPE2023 marks a very significant milestone in our Organisation's history:

1. We have recorded our highest ever revenue of RM 184.7 million (representing a growth of 103% relative to FY2018).
2. We have now more than doubled our active student population since the end FY2018.
3. We continue to grow our profit at a sustainable pace as we now move towards the Growth and Transformation phase of our Organisation.

Way Forward

Having now successfully steadied our financial footing, the Organisation will now be gearing towards entering a new Growth & Transformation phase as we look towards emerging as a new leader within the Malaysian higher education landscape.

SUSTAINABILITY STATEMENT

Cyberjaya Education Group Berhad's Vision and Mission underline its commitment to sustainability.

Our Core Values are the principles that drive our journey towards becoming responsible citizens and realising our Vision. As proof of our commitment to these values, we ascertain the impacts we impose and consequently undertake measures that can positively contribute to and enhance the Economy, Environment and Society (EES).

About This Statement

As a demonstration of Cyberjaya Education Group Berhad's continuous commitment to operate as a sustainable organisation, in this statement, we report on our EES initiatives to all our stakeholders and the communities where we serve and operate.

<u>Reporting Guideline:</u>

Principal Guideline: Sustainability Reporting Guide by Bursa Malaysia Securities Berhad (3rd Edition). Additional Guideline: United Nations Sustainable Development Goals

Scope and Boundary: This report covers the entire domestic operation of the Group.

Reporting Period: This statement enumerates our EES activities from 1 January 2022 to 30 June 2023

Reporting Cycle: Annually coinciding with our Annual Report

Engage with Us: We value your feedback. Email us at: inquiry@cyberjaya.edu.my

Materiality

<u>Materiality Analysis</u>

Our materiality assessment identified the EES issues that presented either risks or opportunities to Cyberjaya Education Group Berhad and its subsidiaries (the Group). We addressed those that pressingly concerned our stakeholders.

<u>Materiality Review</u>

In the year under review, we have reassessed our materiality themes to identify those currently affecting our stakeholders and our business and operations.

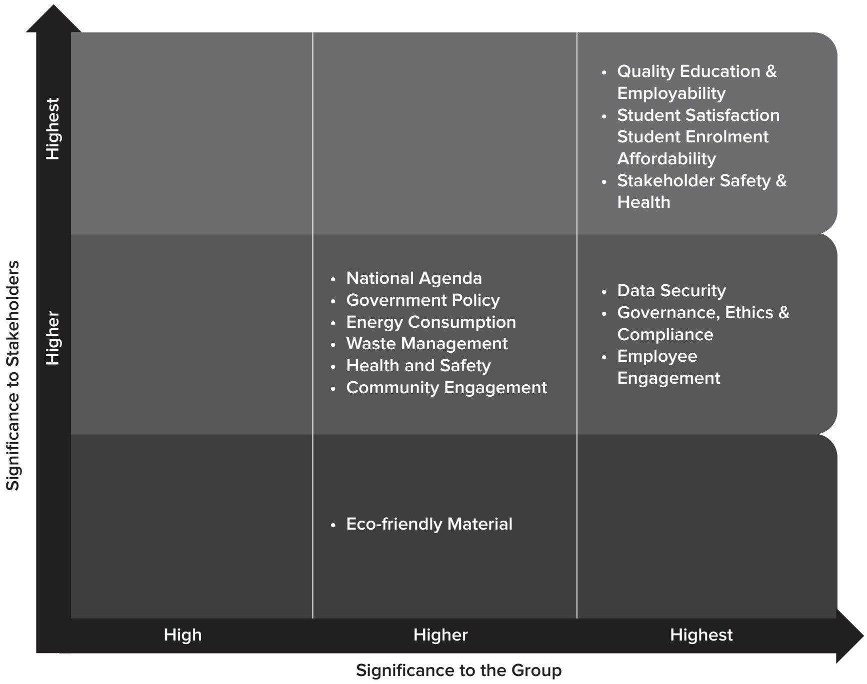
This assessment revealed that the material issues that we identified previously remained consistent with the type of activities that we have today. Our business underwent no significant change. As such, our materiality issues are unchanged in the current report.

SUSTAINABILITY STATEMENT

(Continued)

Materiality Matrix

The EES impacts of the Group and their influence on stakeholder assessments and decisions are illustrated below: Each issue's level of importance to the Group is plotted along the X-axis, whereas its level of importance to our stakeholders is plotted along the Y-axis.



The sustainable aspects of utmost importance to our stakeholders and our Group are Quality Education and Employability, Student Satisfaction, Student Enrolment and Affordability, and Safety & Health of all stakeholders on campus.

The least important issue currently is the use of Eco-friendly Materials. Our campuses do not exert a significant impact on carbon footprint on the environment. Therefore, Eco-friendly Materials do not carry much weight for our attention at present.

Nevertheless, we expect this to be addressed as we continue our operations in the future and pay more attention to being an organisation that cares about the use of resources responsibly and sustainably.

Stakeholder Engagement

Our engagement is a continuous process that involves categorising stakeholder Groups in terms of priority, followed by identifying opportunities for engagement and communication. We believe that a year-round interaction with all stakeholders will provide a platform to communicate their concerns when they desire rather than wait for the next scheduled communication event. We clarify perceptions and address stakeholders' concerns, and then we proceed to plan for meaningful stakeholder collaborations to realise our sustainability goals.

SUSTAINABILITY STATEMENT
(Continued)

The table below shows the list of stakeholders, their concerns, and actions we have taken to respond to the matters necessary to each Group.

Stakeholder Groups	Concern	Response
Students and Parents	Cost	• Scholarships and PTPTN.
	Academic Performance	• Student progress report is communicated each semester, with face-to-face communication if required.
	Health and Safety	• Appointment of a competent OSH Safety Officer and OSH Committees across all institutions • Security measures on the campus and in the hostel/ residence. • Emergency Response Programme.
Future Employers	Quality	• Complying with Ministry of Education (MOE) audits and inspections, ISO 9001 certification, and partnerships with International Universities.
	Employee Competencies	• ICT knowledge, balanced emotional quotient (EQ), and IQ competencies.
Government/ Regulators	Accreditation and Requirements	• Submission of new programmes and renewal of accreditation.
	Employability	• Courses are geared towards the 21st-century job market.
Sponsors	Uplifting of B40 and M40 groups	• Ensure that quality and relevant subjects are offered. • Monitor enrolment and student retention.
Investors/ Financiers	Transparent and Timely Reporting	• Upload the latest financial results and announcements on the Company website. • Whistle Blowing Policy.
Suppliers/Contractors	Contract Terms	• Fair renewal and evaluation of contractors and vendors.
Employees	Career Advancement	• Performance evaluations and career development training.
Non-Governmental Organisation (NGO)/ Community	Collaboration	• Engage with NGOs and the community through relevant and meaningful projects. • Insightful student initiatives with the community and NGOs. • Increase Student participation.

Education is both a goal and a means for attaining all the other United Nations Sustainable Development Goals (SDGs); hence, education is a basic component and key enabler of SDGs. At Cyberjaya Education Group Berhad, we have systems in place to include sustainability principles in management structures and appropriate educational responses.

The Global Education 2030 Agenda

United Nations Educational, Scientific and Cultural Organisation (UNESCO) is the United Nations' specialised agency for education entrusted to lead and coordinate the Education 2030 Agenda. The Group's SDGs contribution is mapped according to UNESCO's Education for SDGs Learning Objectives.

SUSTAINABILITY STATEMENT

(Continued)

SDGs Agenda

Cyberjaya Education Group Berhad's Contribution

Goal 1: End poverty in all its forms everywhere

- 1049 students who have received financial aid due to low income.
- RM 28,423,438 scholarships received by students.
- University admission target for students from the low-income group is 30%
- 718 new international student enrolments between 2022 to June 2023.
- Distributed 1000 sets of stationery and 1000 school bags to flood victims through the flood relief programme in 2022.

Goal 3: Ensure healthy lives and promote well-being for all

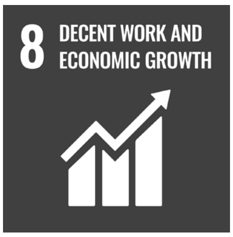
- Produced 389 graduates in the health profession in 2021.
- Promoted awareness of cardiovascular health to over 120 members of the community in Kampung Jenderam Hilir through Karnival Mesra Ubat (2022).
- The University's Health and Psychology Clinic provided services to 653 persons since Nov. 2021 until 2023.

Goal 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

- 1038 graduates in 2021.
- 7 public lectures involving a total of 560 people in 2022.
- 1014 participants for short courses open to the public
- 100 active users on our e-Varsity learning site.

Goal 5: Achieve gender equality and empower all women and girls

- 337 female students starting an undergraduate degree at the University of Cyberjaya
- Female staff are given 60 days of maternity leave, while 7 days of paternity leave is given to male staff.
- The likelihood of women graduating is 97.14%. (2021)



Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

- Number of students taking work placements: 494
- Graduate employability rate: 88.6%

Goal 17: Strengthen the implementation and revitalize the global partnership for sustainable development.

- Partnership with Siti Healthcare to improve graduate employability in the healthcare industry.
- 317 undergraduate students who have completed the SDG integrated course on Environmental Volunteerism.

SUSTAINABILITY STATEMENT

(Continued)

Sustainable Governance

Board of Directors

Cyberjaya Education Group Berhad's commitment to carry out the EES objectives is enshrined in the Group's Board Charter. The Board is chiefly accountable for integrating and driving the sustainability in our Group and ensuring that the management recognises and addresses the obligations arising from the EES stakeholders impacted by the Company's operations.

The Management

The Executive Committee (Exco) was established to lead the management in monitoring and implementing sustainability-related strategies as well as coordinating with and providing support to various departments in the identification, management, implementation, and monitoring of material sustainability issues.

To ensure that sustainability is embedded in the strategic direction of our business, members of Exco regularly update the Board. In turn, the Board regularly reviews and reassesses whether existing strategies are in keeping with the current best practices. Moreover, the Board is tasked with recognising and taking advantage of opportunities as well as overcoming material sustainability risks and challenges.

Sustainability Risk and Internal Control

The Group's Risk Management and Internal Control Framework includes systems for evaluating and monitoring whether the Company's policies and practices comply with legal and regulatory requirements.

To emphasise our commitment to operating our business sustainably and responsibly, we have established an internal audit team that carefully monitors all departments in order to identify, assess, and mitigate various risks that the Group may face. This proactive approach has led to the review, strengthening and development of over 14 SOPs and two policies within 2022 alone that safeguard the Group and its stakeholders, especially in directly addressing EES objectives.

We will continue to organise and develop resources to address the components of EES relevant to our organisation and are looking forward to more robust and comprehensive sustainability practices capable of meeting the challenges, needs, and expectations of all our stakeholders.

Ethics and Transparency

Our Employee Handbook guides our employees in their conduct and responsibilities and doing business in an equitable and just manner. We have established a Whistle Blowing Policy that is open to all parties who wish to provide information about a reasonable belief that an improper activity has occurred. We have implemented an Anti-Bribery and Corruption Policy during the year, which underlines our commitment to fair and non-corrupted business practices.

SUSTAINABILITY STATEMENT

(Continued)

Student Development

Together with our best educators, Cyberjaya Education Group Berhad is privileged and proud to have contributed and helped the next generation in nation-building and creating a better future for everyone. True to our mission, we provide access to education that allows our students to stand head-to-head with the very best in their field.

Quality Education

As with previous years, Cyberjaya Education Group Berhad's primary focus in developing its programmes is the quality of education that our students receive. Our goals align with the Malaysian government's commitment to the United Nations Sustainable Development Goal (SDG) of creating inclusive and equitable quality education opportunities for all.

Malaysia's progress as a nation is mainly dependent on the quality of its workforce. With that in mind, we have taken steps to ensure everything from our facilities to our lecturers is up to par with international standards. Our university programmes are fully accredited by the Malaysian Qualifications Agency (MQA) and ISO 9001 certified.

Our institutions are recognised by the Association of Commonwealth Universities and listed on the International Association of Universities' World Higher Education Database.

Cyberjaya Education Group Institutional Accreditations & Recognitions

University of Cyberjaya
Ministry of Higher Education SETARA Ratings 2022: Competitive
QS STARS Ratings 2022: 5 Stars for Teaching, 5 Stars for Employability, 5 Stars for Academic Development, 5 Stars for Internationalisation, 5 Stars for Facilities, 5 Stars for Social Responsibility, 5 Stars for Inclusiveness and
5 Stars for Specialist Criteria (MBBS).
Times Higher Education (THE) Impact Rankings 2023: Ranked 401 - 600

Cyberjaya College Kuching
Ministry of Higher Education MyQuest College Based Ratings 2022: Competitive

Cyberjaya College Kota Kinabalu
Ministry of Higher Education MyQuest College Based Ratings 2022: Competitive

The development of the youth under our educational programmes is vital to our business development and the country's advancement. Because of this, our goals are aligned with that of the government.

We tailor our syllabus to meet the needs of both the private and public industries. With our health and medical science programmes, we aim to boost the national doctor-to-patient ratio. Most developed countries maintain a doctor-to-patient ratio of 2–4: 1000. In comparison, Malaysia currently stands at a ratio of 1.6: 1000. The University has successfully produced a total of 1,670 medicine graduates up until December 2022 and will graduate a further 158 by November 2023, making the University an important contributor in terms of building the nation's human capital for medicine in Malaysia.

SUSTAINABILITY STATEMENT

(Continued)

In 2022, the University also established its Faculty of Psychology and Social Sciences, with an increased focus on enhancing its Psychology programmes, and establishment of its own Health and Psychology Clinic. Since 2021, the clinic has seen a total of 653 patients. According to the Institute of Public Health, National Health and Morbidity Survey 2015, a staggering 29.2% of Malaysians aged 16 and above have encountered some form of mental illness, making the initiative by the University to address mental health directly through its clinic an important step towards ensuring a healthier community where the University is located.

In late 2022, the University also established its Faculty of Nursing in order to directly address the current worldwide shortage of nurses. According to the World Bank, there is currently a shortage of 13 million nurses worldwide, aggravated due to the COVID-19 pandemic. The unprecedented demand for nurses, coupled with factors such as heavy workloads, inadequate resources, and burnout, has intensified the urgency to address this shortage. Realising this, in early 2023, the Group established partnerships with domestic and international health providers to provide full or partial scholarships to increase the number of nursing students across all its institutions. This has led the University to attract 135 nursing applicants in 2023 alone.

The University is also cognizant of the challenges fresh graduates face in securing jobs. To expose our graduates to career and job opportunities, we established the Global Engagement Department, dedicated to providing important support to students before they graduate to enhance their employability further. This includes organising resume writing workshops, industry talks and career fairs. The department has also established the UoC Jobs Board platform, allowing the University's industry partners an avenue to post jobs available within their organisations that, in turn, has helped numerous graduates to gain employment in Malaysia and Singapore.

Meanwhile, Cyberjaya College Kota Kinabalu and Kuching are creating their own impact in their respective communities and are currently among the largest higher education providers where they are located. In 2022, both colleges graduated a total of 262 students. This is especially significant in uplifting the local community, especially in the face of reports by the Malaysian Human Resources Ministry, which reported that Sabah currently has the highest number of unemployed, making up 29% of the total jobless Malaysian citizens.

Both colleges are key players in their respective communities by providing access to quality higher education programmes that improve the quality of life in both states. Programmes offered also directly affect key sectors in both states that require focus and attention. At the Kuching campus, for instance, the Diploma in Environmental Health is offered as more attention is given to preserving the natural environment of the state, which in turn improves the local economy. At the Kota Kinabalu campus, the Diploma in Occupational Safety and Health is a popular programme given that there are a lot of job opportunities for that sector with the existence of several Oil and Gas companies in the state.

<u>Student Diversity</u>

A 2015 Harvard study demonstrated the advantages of a diverse student body in college and university and the overall improvement in the quality of education. At Cyberjaya Education Group Berhad, we recognise the unique talents, abilities, and perspectives that each race, religion, and background that each student brings.

At Cyberjaya Education Group, we recognise the profound significance of these findings and are wholeheartedly dedicated to implementing strategies that diversify equitable education opportunities.

SUSTAINABILITY STATEMENT

(Continued)

The Group has always taken progressive steps towards celebrating the diverse cultural, religious and economic backgrounds of each individual by celebrating cultural festivals such as Ramadhan, Pongal celebrations, Mid-Autumn and Chinese New Year, as well as organising a cultural month to meld them all together and educate our students on one another's traditional values and practices.

Providing Equal Opportunity

The Group places importance on cultivating the innate talent of the B40 households. Parents typically cannot afford the cost of higher education without economic aid. The Group's view that we can contribute to successfully growing the number of highly skilled employees in Malaysia by providing education to this particularly vulnerable group.

Health and Safety

The safety of our student body is always ensured through our efforts to create a healthy environment. Between 2021 to 2022, the Group collectively conducted a total of 3 Safety Audits in all of its three campuses and a total of 45 staff members received Safety Trainings. The Group also complies with all Safety Inspections that are required for each of its programmes as per MQA requirements.

We also provide facilities, supplies, amenities, and avenues that our students need to practice safe and healthy habits.

Among these are the provision of canteen food with healthy nutritional value, declaring the campuses non-smoking zones, 24-hour security and regular patrols of classrooms in one-hour intervals, well-lit parking areas, and traffic enforcement during rush hours.

In planning each of our campuses, Cyberjaya Education Group's goal has been to generate a conducive work environment. With this in mind, we offer various study areas and amenities that assist our students' workflow and even their social experience.

Our campuses provide study areas surrounded by lush greenery, a well-stocked library, student lounges for meetings and relaxation, modern learning laboratories and lecture rooms, advanced technology and digital tools, and sports facilities such as basketball, badminton courts, and futsal fields.

Stakeholder Engagement: Students, Parents, Employees, and the Public

The campus also looks to consistently improve or modify our facilities to the needs of our students. Hence, we've installed suggestion boxes throughout our grounds, coupled with other avenues for constructive criticism such as surveys, email addresses, and evaluation forms.

The Group has also installed a grievance mechanism so that anyone can come forward via a protected and confidential avenue to voice their complaints and report any improper conduct or unethical activity.

We comply with the Personal Data Protection Act 2010 and implement measures to ensure that all collected data are securely protected.

SUSTAINABILITY STATEMENT

(Continued)

Workforce

Human Capital Development

Our industry is arguably one of the most vital components of the Malaysian economy. The development and retention of human capital are significant aspects that decide the success or failure of a developing economy. As a knowledge institution, Cyberjaya Education Group is committed to ensuring that our employees continue to actively educate themselves in the newest developments in their respective fields.

Our Educators and Support Staff

Cyberjaya Education Group also understands that a student's success is mainly dependent on the capability of their teachers. With this in mind, the Company supports the continual upskilling of the teaching staff by providing ample employment progression opportunities, thereby enabling them to build a rewarding professional career.

Our educators are one of Cyberjaya Education Group's most valuable assets and play an essential role in our continuous success. For this reason, we give great attention to the development of their capabilities and careers. As our staff is filled with some of the most gifted educators in the industry, we consult with them in crafting our programmes and provide the resources for their continuous growth. They are the backbone of Cyberjaya Education Group's business and are treated with training based on their skill set, job role, and core functional areas.

Performance reviews

Another contributor to our employee growth is Cyberjaya Education Group's implementation of regular performance reviews and appraisals by the heads of each department. These performance reviews are conducted formally, once a year, and informally, at a frequency that our managers decide.

These performance reviews are planned and structured to provide critical constructive assessments of their strengths and weaknesses. The Heads of Departments then evaluate the lacking areas in the workforce, if any, and plan training programmes targeted towards improving these areas.

Employee Benefits

Faced with a national brain drain and the increasing immigration of skilled employees out of Malaysia, we have taken steps to make the teaching profession more attractive to qualified educators by investing in their physical health and future employability.

On top of the basic remuneration, we go above and beyond to reward our most outstanding employees. The Company conducts assessments of our employees' top preferences for benefits and tailors our incentive programme to their feedback.

We provide non-compulsory financial benefits within the incentive scheme, such as promotions, pay increments, bonuses, medical and dental reimbursements, and mileage claims. Additionally, our non-financial benefit scheme includes staff insurance, free parking, accommodation, annual medical and hospitalisation coverage, maternity, paternity, congratulatory, compassionate, replacement, and study leaves.

SUSTAINABILITY STATEMENT

(Continued)

Employee Wellbeing

Cyberjaya Education Group believes in allowing flexibility for the balance of our employees' professional and personal lives. The reason is that in our experience, an employee that is fulfilled by having stability in their work, family, health and social commitments perform better than those who do not. As such, in all our campuses, programmes designed to improve productivity, manage stress, and foster social relationships have been implemented accordingly. Team bonding and networking events encourage camaraderie both within and beyond the confines of the workplace.

Health and Safety

The Group complies with the Occupational Safety and Health Act 1994 and organises training sessions to educate our staff on the risks that exist in the workplace. We have established Health and Safety policies that eliminate and reduce the risks to the well-being of Cyberjaya Education Group's staff, students, contractors, visitors and any third party who may face risks during their work.

Special attention is given to the faculty and students of the medical sciences to handle possible workplace hazards due to the nature of their activities. Educators and students are regularly reminded of safety protocols, including the proper handling and disposal of high-risk materials such as agar media, sharp objects, and test kits.

In an emergency, our staff are trained in CPR, fire safety and basic first aid skills. All incidents are recorded, examined, and actioned upon through appropriate precautionary procedure. The incident log is reviewed regularly by our team and the relevant heads of department to prevent reoccurrence.

Diversity

The Group recognises the advantages of having a diverse workforce made up of men and women of all races to take advantage of the different perspectives that each individual has to offer. We are committed to treating every employee equally and upholding a culture of meritocracy regardless of religious beliefs, age, gender or ethnicity.

The Group also promotes inclusivity and inclusion by ensuring that more women are represented at the management level to ensure that women are represented to promote better decision-making, innovation, and problem-solving within the organisation. The more balanced gender representation in leadership positions in the Group provides for more equal opportunities and creates sustainable leadership and governance.

Community

An organisation can leave a real and lasting positive or negative impact on the communities it operates in. Cyberjaya Education Group takes a cautious approach concerning its impact on the communities where it operates because being a socially conscious company is important.

The Board encourages charitable projects and initiatives that help communities. Our educational institutions attract socially responsible individuals who care for the welfare of the communities they live in and interact. Sustainability Education programmes are also regularly organised for students, faculty and residents of our communities.

SUSTAINABILITY STATEMENT

(Continued)

Cyberjaya Education Group exerts a significant positive economic impact on local residents. Our campuses increase the overall population that they're located in and actively promote local businesses. Our students often run small F&B businesses within the communities, thereby providing goods and services that may otherwise be unavailable or inconvenient to acquire.

The Group also observes a local sourcing and hiring practice where preference is given to the purchase of supplies and goods as well as the hiring of staff that resides in the immediate community.

The government has outlined its national education agenda to create an industrialised, developed nation. As such, we've aligned our teaching syllabus to meet the workforce needs.

Supply Chain

Cyberjaya Education Group is constantly conducting active negotiations with each of our suppliers to ensure that the stakeholders' interests are being prioritised.

Vendor Selection and Qualification

We assess the product or service by initiating trial periods before any commitment is given to any long-term business relationship during the vendor selection process. Throughout the trial period, we note the specifications of each supplier, such as delivery time, quality, cost, and overall service experience.

Each vendor is then assigned a percentage rating that reflects their service quality. Before making long-term buying commitments to any single supplier, our procurement department exercises due diligence by exploring and meeting with alternative suppliers and assessing their businesses as options to be presented to the relevant decision-makers.

Vendor Monitoring

If deemed necessary, the internal team may also conduct surveys with students, employees, and any relevant party regarding the effectiveness of such a product or service to garner feedback and review the necessity or effectiveness of the provided product.

Our chosen suppliers are reviewed annually or whenever deemed appropriate to ensure that they maintain the integrity and quality of the provided product or service.

Environment

As an institution of higher learning, we take on the responsibility of imparting the importance of environmental preservation to our students.

Management has strived to implement strategies that manage our environment by conserving energy and water consumption by putting in place strict rules on the proper steps for the socially responsible disposal of waste.

SUSTAINABILITY STATEMENT

(Continued)

Energy Initiatives

The Group invested in 11 school buses that ferry our students to and from the campus and the residential apartments. This investment not only reduces the Group's carbon footprint but contributes to the acclimatisation of students to the use of public transportation. University accommodations are strategically built at a short distance from the campus to encourage walking.

Electricity Consumption

Lights are switched off during lunch hours, and campus staff have been directed to patrol classrooms in one-hour intervals to ensure that corridor lights and classroom facilities are switched off when not in use. We have also installed timers for LED lights and air conditioning units within campuses to reduce unnecessary wastage.

The Group is in the midst of installing solar panels for clean energy generation on its campuses. The system, when fully operational, is expected to generate over 614,080 kWh of electricity, thus significantly reducing the Group's carbon footprint. The annual carbon dioxide offset of 341 tons is equivalent to planting 11,042 trees annually.

Waste Management Initiatives

The Group has switched most of its processes to digital systems to reduce paper, ink and electricity. If paper must be used, reusing single-sided paper is encouraged. We also control the use of paper through a quota system.

Also, installing drinking water fountains around the campus for our students and staff has reduced the need to purchase bottled water. This lowers the usage and disposal of plastic water bottles and cuts plastic waste.

Cyberjaya Education Group abides by the Department of Environment (DOE) prescribed standards in the disposal of our scheduled waste. Our scheduled waste partners also meet all DOE certification criteria in treating our waste disposals.

Responsible Disposal of Scheduled Waste

As our medical program is one of our most prominent, we produce some amount of clinical and medical waste from our health science programmes and always take the utmost precautions to dispose of any hazardous material.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors ("Board") of Cyberjaya Education Group Berhad (formerly known as Minda Global Berhad) ("Cyberjaya Education Group" or "the Company") is committed to upholding the high standards of corporate governance throughout Cyberjaya Education Group and its subsidiaries ("the Group") with the ultimate objective of realising long-term shareholder value while taking into account the interest of other stakeholders. This Corporate Governance Overview Statement ("Statement") sets out a summary of the corporate governance practices undertaken during the financial period ended 30 June 2023 which takes guidance from the key Corporate Governance principles set out in the Malaysian Code on Corporate Governance 2021 ("MCCG 2021").

The Statement is prepared in compliance with the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") and is to be read in conjunction with the Corporate Governance Report for the financial period ended 30 June 2023, which is made available on the Company's website at http://cyberjaya.education/. The said Corporate Governance Report provides the details on how the Group has applied each corporate governance practice, any departure thereof and alternative measure being in place within the Group during the financial period ended 30 June 2023.

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Responsibilities

The Company has an experienced Board that is primarily responsible for charting and reviewing the strategic direction of the Group and delegates the implementation of these directions to the management. The Board also ensures the implementation of appropriate risk management and internal control systems, including financial, operational and compliance to safeguard the shareholders' interest and the Group's assets. The Directors are aware of their responsibility to make decisions objectively to achieve the success of the Group, with the best interest of the stakeholders in mind. In discharging its responsibility, the Board is guided by the Board Charter that sets out amongst others its composition, roles and responsibilities, powers, Board Committees and board meeting procedures. The Board Charter was last reviewed and adopted by the Board in April 2022, and is available on the Company's website at https://cyberjya.education/.

The Board has established Board Committees namely the Audit and Risk Management Committee ("ARMC") and, Nomination Committee and Remuneration Committee ("NRC"), which are entrusted with specific oversight responsibilities for the Company's Groups' affairs. The Board Committees are granted the authorities to act on each Board's behalf in accordance with their respective Terms of Reference ("TOR") and to report to the Board with the necessary recommendation. The TOR of the Board Committees are available on the Company's website.

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

The Chairman is responsible for ensuring the integrity and effectiveness of the governance process of the Board, acts as facilitator at the meetings and ensure that Board proceedings are in compliance with good conduct and best practices. Whilst the Managing Director is responsible for making and implementing operational and corporate decision as well as developing, coordinating and implementing business and corporate strategies. The

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Continued)

Independent Non-Executive Directors of the Company play a key role in providing unbiased and independent views, advice and contributing their knowledge and experience toward the formulation of policies and in the decision-making process.

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

The Company had adopted a Code of Conduct and Ethics for Directors relating to ethical practices which stresses on the following key values where all Directors of the Group are to:

- Act in the best interests of, and fulfill their fiduciary obligations to the Group;
- Act honestly, fairly, ethically and with integrity;
- Conduct themselves in a professional, courteous and respectful manner and not take improper advantage of their position;
- Not use the Group's property or position for personal or third-party gain;
- Not solicit or accept from or give to stakeholders gifts or other benefits;
- Not use any information or opportunity received by them in their capacity as Directors in a manner that would be detrimental to the Group's interests; and
- Not engage in any outside business, professional or other activities that would directly or indirectly materially adversely affect the Group.

The Board had formalised a Whistleblowing Policy as the Board is committed to the highest standard of integrity, openness and accountability in the conduct of its businesses and operations. It aspires to conduct its affairs in an ethical, responsible and transparent manner. The whistleblowing policy provides an avenue for all Directors and employees of the Group to disclose any improper conduct and to provide protection for them who report such allegations.

The Company adopts a "zero tolerance" policy against all forms of bribery and corruption and is committed to conducting business professionally and upholding high standard of ethics and integrity. In this regard, the Company has adopted the Anti-Bribery and Anti-Corruption Policy to ensure compliance with and adherence to all applicable laws including, amongst others, the Malaysian Anti-Corruption Act 2009 and any of its amendments that may be made by the relevant authority from time to time. The Anti-Bribery and Anti-Corruption Policy will be reviewed and updated as and when necessary to ensure its relevance and effectiveness.

The Code of Conduct and Ethics for Directors, Whistleblowing Policy and Anti-Bribery and Anti-Corruption Policy of the Group are published on the Company's website.

The Board is ultimately accountable for ensuring that sustainability is integrated into the strategic direction of Bursa Malaysia and its operations. The Company engages its stakeholders through various means of communication to enable them to understand the Group's sustainability, priorities and targets as well as performance. The Sustainability Report of the Group which provides an overview of the sustainability performance for the financial period ended 30 June 2023, is set out on pages 28 to 39 of the Annual Report 2023.

II. BOARD COMPOSITION

The Board currently consists of six (6) Directors i.e., one (1) Independent Non-Executive Chairman, one (1) Group Managing Director, one (1) Non-Independent Non-Executive Director and three (3) Independent Non-Executive Directors. The Independent Non-Executive Directors fulfilled the criteria of "Independence" as prescribed under the MMLR. This complies with the MMLR which requires at least two (2) Directors or one-third (1/3) of the Board, whichever is higher, are Independent Directors. All Independent Non-Executive Directors are independent of management and have no family or business relationships with the Executive Directors and major shareholders which would interfere with the exercise of their independent judgment.

The Board acknowledges the call by the Government and MCCG for Boards to comprise at least 30% women on board. The Board composition currently comprises two (2) women Directors, representing 33% of the total number of board members.

The size and composition of the Board are reviewed periodically by the NRC to ensure that the size of the Board is appropriate and conducive for effective discussion and decision-making, with a strong element of independence. No individual or small group of individuals dominates the Board's decision-making process. The Independent Non-Executive Directors have conducted themselves professionally, are clear with the objectives and their fiduciary role, with independent insights in doing what is right for the Company and all stakeholders. The NRC, with the concurrence of the Board, is of the view that the current Board size is optimal based on the Group's operation and that it reflects a fair mix of financial, technical and business experiences that are important to the stewardship of the Group.

In accordance to the Board Charter, the tenure of an Independent Director should not exceed a cumulative term of nine (9) years from the date of first appointment as Director. In the event the Board wishes to retain the independence status of an Independent Director who has served for more than nine (9) years, Board justification and shareholders' approval are required. Two-tier voting process will be applied in the Annual General Meeting ("AGM") for retaining any Independent Director serving beyond nine (9) years.

As at the date of this statement, the term of service of the Independent Directors is less than nine (9) years.

The Board through its NRC conducts an annual review of its size and composition, to determine if the Board has the right size and sufficient diversity with independence elements that fit the Company's objectives and strategic goals. With the current composition, the NRC opines that all the Board members have the necessary knowledge, experience, requisite range of skills and competence to enable them to discharge their duties and responsibilities effectively. All Directors on the Board have extensive experience with their many years of experience on the Boards of other companies and/or also as professionals in their respective fields of expertise. The Chairman of the Board is not a member of any Board Committees which applied to the new Practice of MCCG 2021.

None of the Directors of the Company hold more than five (5) directorships of listed companies as provided under Paragraph 15.06 of the MMLR.

The Board meets on a quarterly basis with additional meetings being convened when necessary to address urgent matters. All the Directors have complied with the minimum attendance requirements as stipulated by the MMLR. The Board met on ten (10) occasions during the financial period ended 30 June 2023 and the details of attendance at Board Meetings is set out below: -

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Continued)

Directors	Number of meetings attended / Number of meetings held	Percentage of attendance (%)
General Tan Sri Dato' Seri Mohd Shahrom Bin Dato' Hj. Nordin (Rtd.)	10/10	100%
Maha Ramanathan Palan	*8/10	80%
Tan Sri Dato' Dr. Palaniappan A/L Ramanathan Chettiar	*8/10	80%
Tan Sri Datuk (Dr.) Rafiah Binti Salim	10/10	100%
Tan Sri Datuk Wira Dr. Mohd Shukor Bin Mahfar	10/10	100%
Dato' Tan Choon Hwa @ Esther Tan Choon Hwa	10/10	100%

Note: - Mr. Maha Ramanathan Palan and Tan Sri Dato' Dr. Palaniappan A/L Ramanathan Chettiar, being the interested Directors, did not attend the Special Board of Directors' Meeting held on 22 May 2023 pertaining to the Proposed Appointment of Independent Advisor in relation to the Take-Over Offer from Special Flagship Holdings Sdn. Bhd. and the Special Board of Directors' Meeting held on 6 June 2023 in relation to the Independent Advice Circular.*

Prior to each meeting, a reasonable notice of meetings and agenda will be circulated to all Directors together with the draft minutes of the previous meeting and the agenda together with the respective reports/papers and other board meeting reference materials such as management reports and financial reports to be discussed in order for them to be apprised of the topics and to be prepared accordingly. The deliberations and decisions at Board and Board Committee meetings are well documented in the minutes.

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

Training programmes and seminars attended by the Directors of the Company during the financial period ended 30 June 2023 are as follows:-

Directors	Training Programmes/Seminars/Workshops/Conferences
General Tan Sri Dato' Seri Mohd Shahrom Bin Dato' Hj. Nordin (Rtd.)	• Langkawi Aviation Summit by Ministry of Transport • Aerospace Seminar by MITI & Malaysian Investment Development Authority at Langkawi during LIMA 23
Maha Ramanathan Palan	• Harvard Business Review - Driving Growth Through Transformation • Harvard Business Review - How to Help Students Discover Their Strengths • Harvard Business Review – What It Takes to Lead an Organizational Transformation • The Asia HRD Congress 2022 • Webinar : How Great Leaders influence the Head, Heart And Action

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Continued)

Directors	Training Programmes/Seminars/Workshops/Conferences
Tan Sri Dato' Dr. Palaniappan A/L Ramanathan Chettiar	• How to build your fist Unicorn • Depression, Anxiety & Panic Attack Management • SHRM Tech, Hyderabad • Learning Extravaganza
Tan Sri Datuk (Dr.) Rafiah Binti Salim	• International Directors Summit 2022 • Invitation to Securities Commission Malaysia Audit Oversight Board Conversation with Audit Committees
Tan Sri Datuk Wira Dr. Mohd Shukor Bin Mahfar	• Task Force on Climate-related Financial Disclosures (TCFD): TCFD 101 • Task Force on Climate-related Financial Disclosures (TCFD): TCFD 102 • Updates on MCCG 2021 and latest amendments to MMLR • Good Governance & Leadership: Pathway to Sustainable of UUM • Audit Oversight Board's Conversation with Audit Committees • National Tax Conference 2022 • Advocacy Session for Directors and Senior Management of main Market Listed issuers • Leadership in action • Merger and Acquisition Activities • Dep VC Leadership On Board Programme • Seminar Percukaian Kebangsaan 2022 (Bajet 2023) • Virtual Tax Conference 2023
Dato' Tan Choon Hwa @ Esther Tan Choon Hwa	• Zoom Conversation with AC • The Board Agender • Malaysian Property Tax, Estates and Trusts • Advancing Cyber Resilience • Advocacy dialogue "A serious allegation is reported, what should Board do" • 2023 Budget briefing

Company Secretary

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

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

Nomination and Remuneration Committee ("NRC")

The NRC was entrusted by the Board to assist in nomination for the Board and Board Committees as well as assessing their performance and remuneration package. Full details of the NRC's duties and responsibilities are stated in its TOR which is available on the Company's website.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Continued)

The NRC currently comprises exclusively Independent Non-Executive Directors as follows:-

1. Tan Sri Datuk (Dr.) Rafiah Binti Salim (Chairman)
2. Tan Sri Datuk Wira Dr. Mohd Shukor Bin Mahfar
3. Dato' Tan Choon Hwa @ Esther Tan Choon Hwa

The NRC is responsible for the Board evaluation process covering the Board, the Board Committees and individual Director. The NRC, upon conclusion of the evaluation exercise performed for the financial period ended 30 June 2023, was satisfied that the composition of the Board and its Board Committees possess a right blend of knowledge, expertise and experience and the appropriate mix of skills. In addition, there was mutual respect amongst individual Director which contributed to a healthy environment for constructive deliberation and decision-making process.

The Board acknowledges the importance of not solely relying on recommendations from existing Board members, Management or major shareholders in identifying candidates for appointment of Directors. The NRC is empowered by its terms of reference. The primary function of the NRC is to recommend new candidates for directorship to the Board, recommend Directors to fill the seats on the Board Committees, assess the effectiveness of the Board, Board Committees and its members, assist the Board in reviewing the required mix of skills and experience and other qualities of the Board and ascertain a fair and comparable remuneration package for Executive Directors. The appointment of the members of the Board is a formal and transparent selection process. The NRC will assess the suitability of a potential candidate by taking into account the candidate's skills, knowledge, expertise and experience, professionalism, integrity and/or other commitments that the candidate can bring to complement the Board as well as the criteria set out in the Directors' Fit and Proper Policy, before recommending the same to be approved and appointed by the Board. The Company Secretaries will ensure all appointments are properly made and all legal requirements are met. There was no Director appointed to the Board during the financial period ended 30 June 2023.

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

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

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

The summary of activities undertaken by the NRC during the financial period ended 30 June 2023 are as follows:

(a) Reviewed and assessed the effectiveness of the Board as a whole and the Board Committees;
(b) Reviewed and assessed the contribution and performance of each of the individual Directors;

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Continued)

(c) Reviewed the terms of office and performance of the Audit and Risk Management Committee and each of its members;
(d) Reviewed the independence of the Independent Directors;
(e) Reviewed and recommended to the Board on the re-election of Directors who will retire at the AGM of the Company;
(f) Reviewed the training programmes attended by the Directors and assessed the training needs of all Directors; and
(g) Reviewed and recommended the payment of Directors' Fees and other benefits payable to Directors.

The NRC had reviewed and assessed the size, mix of skill and experience, performance and contribution of the Board and Individual Director and satisfied with the current composition and performance of the Board for the financial period ended 30 June 2023.

The NRC met twice during the financial period ended 30 June 2023. The details of the members' attendance were as follows :

Directors	Number of meetings attended/ Number of meetings held
Tan Sri Datuk (Dr.) Rafiah Binti Salim	2/2
Tan Sri Datuk Wira Dr. Mohd Shukor Bin Mahfar	2/2
Dato' Tan Choon Hwa @ Esther Tan Choon Hwa	2/2

III. Directors' Remuneration

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

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

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

The annual review for the financial period ended 30 June 2023 was conducted by the Nomination and Remuneration Committee on 28 November 2022.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Continued)

The remuneration of individual Directors of the Company, including the remuneration for services rendered to the Group and the Company for the financial period ended 30 June 2023 are as follows:-

Received from the Company

Name	Salaries, Allowances, and Others RM	Fees RM	Retirement Benefits RM	Meeting Allowances RM	Benefit- in-kind RM	Total RM
General Tan Sri Dato' Seri Mohd Shahrom Bin Dato' Hj. Nordin (Rtd.)	-	82,500	-	8,000	-	90,500
Maha Ramanathan Palan	-	-	-	-	-	-
Tan Sri Datuk (Dr.) Rafiah Binti Salim	-	66,000	-	9,500	-	75,500
Tan Sri Datuk Wira Dr. Mohd Shukor Bin Mahfar	-	66,000	-	12,000	-	78,000
Dato' Tan Choon Hwa @ Esther Tan Choon Hwa	-	66,000	-	8,500	-	74,500
Tan Sri Dato' Dr. Palaniappan A/L Ramanathan Chettiar	-	-	-		-	-

Received on Group Basis

Company	Salaries, Allowances, and Others RM	Fees RM	Retirement Benefits RM	Meeting Allowances RM	Benefit- in-kind RM	Total RM
General Tan Sri Dato' Seri Mohd Shahrom Bin Dato' Hj. Nordin (Rtd.)	-	82,500	-	8,000	-	90,500
Maha Ramanathan Palan	1,754,997	-	210,420	-	-	1,965,417
Tan Sri Datuk (Dr.) Rafiah Binti Salim	-	66,000	-	9,500	-	75,500
Tan Sri Datuk Wira Dr. Mohd Shukor Bin Mahfar	-	66,000	-	12,000	-	78,000
Dato' Tan Choon Hwa @ Esther Tan Choon Hwa	-	66,000	-	8,500	-	74,500
Tan Sri Dato' Dr. Palaniappan A/L Ramanathan Chettiar	360,718	-	43,200		-	403,918

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Continued)

The aggregate remuneration paid out to the key senior management on group basis during the financial period ended 30 June 2023 are as follows:-

Remuneration (RM)	Number of Key Senior Management *
2,630,201.75	6

**exclude remuneration of Group Managing Director which has been disclosed under the Director's Remuneration above.*

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

I. Audit and Risk Management Committee

The Board upholds the integrity of financial reporting. The ARMC is entrusted to provide advice and assistance to the Board in fulfilling its statutory and fiduciary responsibilities relating to the Company's internal and external audit functions, risk management, compliance systems and practices, financial systems, accounting and control systems and matters that may significantly impact the financial condition or affairs of the business. The ARMC is also responsible for ensuring that the financial statements of the Company comply with the applicable financial reporting standards in Malaysia.

The members of the ARMC are as follows:-

1. Tan Sri Datuk Wira Dr. Mohd Shukor Bin Mahfar (Chairman)
2. Dato' Tan Choon Hwa @ Esther Tan Choon Hwa
3. Tan Sri Datuk (Dr.) Rafiah Binti Salim

The Chairman of the ARMC is not the Chairman of the Board. The ARMC comprises at least one (1) member fulfils qualifications prescribed by Bursa Securities via Paragraph 15.09(1)(c) of the MMLR of Bursa Securities. To date, the Company has not appointed a former audit partner to be a member of the ARMC. In addition, the ARMC has revised the TOR of ARMC to update the cooling-off period of a former audit partner to three (3) years before he/she can be considered for appointment as a ARMC member which aligns with the MCCG.

The composition of the ARMC is reviewed annually with the view to maintain an independent and effective ARMC, and in line with the principles of the MCCG, all members of the ARMC have continuously improved their financial literacy by attending trainings on the developments and changes in the Malaysian Financial Reporting Standards in order for them to discharge their duties effectively.

The ARMC has unrestricted access to both the internal and external auditors, who report functionally and directly to the ARMC. The ARMC has established transparent arrangements to maintain an appropriate relationship with the Company's auditors.

In the annual assessment of the suitability, objectivity and independence of the External Auditors, the ARMC is guided by the factors as prescribed under Paragraph 15.21 of the MMLR. The ARMC has also considered, amongst others, the following:

(a) the External Auditors' ability to meet deadlines in providing services and responding to issues in a timely manner as contemplated in the Audit Planning Memorandum;

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(Continued)

(b) the competence, audit quality and resources capacity of the External Auditors in relation to the audit;
(c) the information presented in the Annual Transparency Report of the audit firm;
(d) the nature of the non-audit services provided by the External Auditors and fees paid for such services relative to the audit fee; and
(e) whether there are safeguards in place to ensure that there is no threat to the objectivity and independence of the audit arising from the provision of non-audit services or tenure of the External Auditors.

Based on the ARMC's assessment of the External Auditors, the Board is satisfied with the independence, quality of service and adequacy of resources provided by the External Auditors in carrying out the annual audit for the financial period ended 30 June 2023. In view thereof, the Board has recommended the re-appointment of the External Auditors for the approval of shareholders at the forthcoming 6th AGM.

II. Risk Management and Internal Control Framework

The Board acknowledges its overall responsibility to maintain effective governance, risk management and compliance framework. Supported by the Management and internal audit function, the Board ensures the adequacy and effectiveness of the Group's risk management and internal control practices. The Board is responsible to ensure that the Group complies with all applicable provisions of law and regulations and ensures that appropriate risk management systems are in place throughout the Group. The ARMC assists the Board to oversee and review the effectiveness of the Group's risk management and internal control systems. To facilitate effective monitoring, the Board through ARMC regularly receives reports from the Internal Auditors on any business risks related to its business activities that have impacted or likely to impact the Company from achieving its objectives and strategies.

The Statement on Risk Management and Internal Control is set out on pages 55 to 58 of this Annual Report.

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

I. Communication with Stakeholders

The Company is committed to ensure that timely, accurate and complete information about the Company is provided equally to its shareholders, stakeholders and to the general investing public. Timely information is critical towards building and maintaining the Group's corporate credibility, market integrity and promotes investor confidence.

The Company has in place a Shareholder Communications Policy ("SCP") which provides guidance to the Management and employees on the Company's disclosure requirements, handling of material information, and in dealing with investors, analysts, media and the investing public. The Board delegates the implementation of the SCP Policy to the Group Managing Director and the Group Chief Financial Officer. The Group also maintains comprehensive control of all important corporate information and prohibits any insider trading by any Director or principal officer when he or she is in possession of price sensitive information.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Continued)

The Company strives to promote a better understanding of the Group through investor relation activities. Apart from general meetings, the Company has in place the following initiatives to facilitate effective communication with its shareholders:

(a) the Annual Report;
(b) various announcements made to Bursa Securities;
(c) regular dialogues with analysts and fund managers representing individual and institutional shareholders; and
(d) attending to shareholders' and investors' emails and phone enquiries; and the Company's website at http://cyberjaya.education/ under Investor Relations section, which houses Board Charter, Company's Policies, annual reports, quarterly and full year financial results, press releases and other corporate information on Cyberjaya Education Group. The website also provides Investor Relations contact for shareholders to direct their queries or concerns to.

II. Conduct of General Meetings

The AGM represents the principal forum for dialogue and interaction with shareholders. At each AGM, the Board presents the performance and progress of the Company and provides ample opportunity for shareholders to raise questions pertaining to the business activities of the Company.

The Notice of the AGM is sent to shareholders at least 28 days prior to the AGM. The Company believes that shareholders will have sufficient time to make the necessary arrangements to submit the proxy forms or to participate the AGM.

The Chairman will ensure that shareholders are given the opportunity to comment or raise issues and questions whether pertaining to issues on the agenda, the annual report, Group's strategy or developments in the Group. The Chairman plays a vital role in fostering constructive dialogue between the Board and the shareholders. All the members of the Board and the respective Chairman of the Board's Committees are present at the meetings to address queries raised by the shareholders which are relevant to their areas of responsibility. The Company's External Auditors will also attend the AGM and would be available to answer questions from the shareholders pertaining to the audit matters and the auditor's report.

The Minutes of the 5th AGM (including all the Questions raised at the meeting and the Answers thereto) were also made available on the Company's website.

STATEMENT OF COMPLIANCE WITH THE CODE

The Board is satisfied that the Group has substantially complied with the majority of the practices of the MCCG 2021 throughout the financial year. In pursuit of safeguarding the interest of the shareholders and other stakeholders, the Board is committed and will continue to strengthen its application of the best practices in corporate governance.

This Corporate Governance Overview Statement is made in accordance with the resolution of the Board of Directors dated 20 October 2023.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

The Board of Directors of Cyberjaya Education Group Berhad (fka Minda Global Berhad) is pleased to present the Audit and Risk Management Committee ("ARMC") Report for the period year ended ("FPE") 30 June 2023.

Composition Of The Audit And Risk Management Committee And Meetings

The ARMC comprises three (3) members, all of whom are Independent Non-Executive Directors of the Company. One of the ARMC members is a member of the Malaysian Institute of Accountants. The composition of the ARMC complied with Paragraph 15.09(1) of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"). As of the date of this report, the members of the ARMC are as follows: -

- Tan Sri Datuk Wira Dr. Mohd Shukor Bin Mahfar
  (Independent Non-Executive Director)
  Chairman

- Dato' Tan Choon Hwa @ Esther Tan Choon Hwa
  (Independent Non-Executive Director)
  Member

- Tan Sri Datuk (Dr.) Rafiah Binti Salim
  (Senior Independent Non-Executive Director)
  Member

Meetings

The ARMC held eight (8) meetings during the financial period ended 30 June 2023. The attendance of the committee members was as follows: -

Directors	Number of meetings attended/ Number of meetings held
Tan Sri Datuk Wira Dr. Mohd Shukor Bin Mahfar	8/8
Dato' Tan Choon Hwa @ Esther Tan Choon Hwa	8/8
Tan Sri Datuk (Dr.) Rafiah Binti Salim	8/8

Terms of Reference

The Terms of Reference ("TOR") of the ARMC which sets out the authority, duties, and responsibilities of the ARMC are consistent with the requirements of the MMLR of Bursa Securities and the Malaysian Code on Corporate Governance 2021 ("MCCG 2021"). The TOR of the ARMC is made available on the Company's website at http://cyberjaya.education/.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

(Continued)

SUMMARY OF WORK OF THE ARMC DURING THE PERIOD ENDED 30 JUNE 2023

During the FPE 30 June 2023, the activities of the ARMC included the following: -

i. Reviewed unaudited quarterly financial results and announcements of Cyberjaya Education Group Berhad and its subsidiaries ("the Group") prior to submission to the Board for consideration and approval. The items reviewed were the Group's consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position, consolidated statement of changes in equity and consolidated statement of cash flows as well as the explanatory notes pursuant to Malaysian Financial Reporting Standard ("MFRS") 134: Interim Financial Reporting. The ARMC also reviewed the variance of the quarterly results against the budget, if any;

ii. Reviewed the audited financial statements for the FPE 30 June 2023 prior to submission to the Board for consideration and approval. The ARMC took note of the External Auditors' observations arising from the audit that are significant e.g., any material variance between the financial results of the sixth quarter and the audited figures, and material weaknesses in internal controls;

iii. Reviewed the External Auditors' Audit Review Memorandum to the ARMC for the FPE 30 June 2023 in relation to the statutory audit;

iv. Reviewed the ARMC Report and Statement on Risk Management and Internal Control for the FPE 30 June 2023 and recommended the adoption to the Board;

v. Reviewed with the External Auditors the Audit Planning Memorandum for the FPE 30 June 2023 which comprised the declaration by the External Auditors of their professional independence, the audit objectives, the statutory/other responsibilities of the auditors and directors, the scope of the audit and approach, fraud-related matters and laws and regulations, areas of audit emphasis significant audit findings, new Financial Reporting Standards issued and effective/yet to be effective;

vi. Reviewed and recommended to the Board the re-appointment of External Auditors which was proposed for shareholders' approval at the Annual General Meeting held in 2023;

vii. Reviewed and approved appointment of the Internal Auditor for the FPE 30 June 2023 to ensure adequacy of audit scope, coverage, and resources to carry out the internal audit functions effectively;

viii. Reviewed the Internal Audit reports tabled for the FPE 30 June 2023 by the Internal Auditors which highlighted key control issues together with root causes, risks, audit recommendations for improvement and Management's action plans to address the control deficiencies;

ix. Reviewed the follow-up audit reports tabled FPE 30 June 2023 by the Internal Auditors on the adequacy and effectiveness of the action plans or corrective actions undertaken by Management in addressing the audit issues or control deficiencies highlighted from Internal Audit reports;

x. Reported to the Board on significant issues and concerns discussed during the ARMC's meetings together with applicable recommendations; and

xi. Reviewed the appropriateness of management response to key risk areas and follow-up on management risk treatment action plans reported by the Risk Management Sub-Committee.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

(Continued)

Internal Audit Function

In accordance with paragraph 15.27 of the MMLR of Bursa Securities, a listed issuer must establish an internal audit function which is independent of the activities it audits and must ensure its internal audit function reports directly to the ARMC.

Furthermore, the Group had established an internal audit function which is essential for assisting the ARMC in reviewing the state of the systems of internal control maintained by the Management.

The Internal Auditors have performed their work in accordance with the principles of the International Professional Practice Framework on internal auditing covering the conduct of the audit planning, execution, documentation, communication of findings and consultation with key stakeholders on the audit concerns.

All internal audit reports were reviewed by the ARMC and discussed at ARMC Meetings. Follow-up reviews would subsequently be performed to ascertain the extent of implementation of the recommended corrective actions for improvements.

The Internal Auditors place great importance on effective and fair communication with all stakeholders. Open channels of communication are maintained to facilitate this. In striving for continuous improvement, the Internal Auditors endeavor to put in place appropriate action plans and carry out necessary assignments to further enhance the Group's systems of internal control. Its resources and manpower requirements are reviewed on a regular basis to ensure their function are carried out effectively.

In summary, the main responsibilities of the Internal Auditors are to:

- Undertake periodic reviews of the Group's operations and the systems of internal control by performing periodic reviews of the business processes to examine and evaluate the adequacy and efficiency of financial and operating controls and highlight significant risks and non-compliance impacting the Group.

- Where applicable, the Internal Auditors provide recommendations to improve the effectiveness of risk management, control and governance processes. The Management will follow through and review the status of actions on recommendations made by the Internal Auditors.

- Internal audit reviews are carried out on units that are identified premised on a risk-based approach, in line with the Group's objectives and policies in the context of its evolving business and regulatory environment, taking into consideration input of the Management and the Board.

- The ARMC meets on a quarterly basis to review the internal control issues identified in reports prepared by Internal Auditors and further evaluates the effectiveness and adequacy of the Group's internal control system.

The ARMC has active oversight of Internal Auditors' scope of work and resources. It also reviews the Internal Audit function and the scope of the annual audit plan and the frequency of the internal audit activities.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

(Continued)

During the financial period, the Internal Auditors conducted the following internal audit review in accordance with the Internal Audit Plan: -

For FPE 30 June 2023:

i. Internal Audit Review on Limit of Authority and Policy & Procedure
ii. Internal Audit Review on Organizational Chart and Staff Job Descriptions
iii. Internal Audit Review on Terms of Reference
iv. Fixed Assets Management
v. Internal Audit Review on Human Resource Department & Safety/Health Unit
vi. Internal Audit Review on Group Corporate & Marketing Communication & Recruitment Centre

This ARMC Report is made in accordance with the resolution of the Board of Directors 20 October 2023.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

Introduction

According to Paragraph 15.26(b) of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Malaysia"), the Board of Directors ("the Board") of the Company is pleased to provide the following statement on risk management and internal control of the Company and its subsidiaries ("the Group") for the financial year ended 30 June 2023. This has been prepared following Paragraph 15.26(b) of the MMLR of Bursa Malaysia and "Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers".

Board Responsibilities

The Board acknowledges its overall responsibility in establishing a sound enterprise risk management framework ("ERM") and internal control system.

The Board is of the view that the risk management framework and internal control system are designed to manage the Group's risks within acceptable risk appetite, rather than eliminate the risk of failure to achieve the goals and objectives of the Group. It can therefore only provide reasonable, rather than absolute assurance of effectiveness against material misstatement of management and financial information or against financial losses and fraud.

The Board has established an appropriate control structure and process for identifying, evaluating, monitoring, and managing significant risks that may affect the achievement of business objectives. The control structure and process which have been instituted throughout the Group are updated and reviewed from time to time to suit the changes in the business environment, and this ongoing process has been in place for the whole financial year under review and up to the date of approval of this Statement for inclusion in the Annual Report.

Internal Control Structure

The key processes that the Board has established in reviewing the adequacy and effectiveness of the risk management and internal control systems include the following:

Risk Management Framework

The enhanced ERM Framework, which is in line with ISO31000:2018, outlines the risk governance and structure, risk policies, risk assessment process and integration of risk management into significant activities and functions.

The Board has established an organizational structure with clearly defined lines of responsibility, authority limits, and accountability aligned to business and operations requirements which support the risk management process and practices.

The Board has extended the responsibilities of the ARMC to oversee the company-wide risk management practices. Any approved policy and framework formulated to identify, measure, and monitor various risk components would be reviewed and recommended by the ARMC to the Board. Additionally, the ARMC reviews and assesses the adequacy of these risk management and ensures infrastructure, resources and systems are in place for risk management.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL
(Continued)

The ARMC is assisted by the Risk Management Sub-Committee which consists of the Management team. The Risk Management Sub-Committee monitors the policy implementation, provides risk education across the Group, reports and monitors critical risks identified and ensures accountability of the respective Risk Owner and Risk Co-owner.

Day-to-day operations regarding financial, commercial, legal compliance and operational aspects of the Group are closely monitored by the respective Heads of Department and are delegated with the responsibilities to identify and manage these risks. Significant risks identified during the risk assessment process were maintained in a formal database of risks and controls information i.e., risk registers, which capture the possible root causes, existing critical controls, and impact. The risks were then categorized by the likelihood of occurrence and criticality of impact i.e., Low, Moderate & High.

A risk profile for each business function was established to provide the Management with a holistic view of the risks to assist in its formulation of strategies, business plans and decision-making process. Subsequently, risk action plan identification was carried out for the Top 6 Risks of the Company to manage the risks to an optimal level.

Internal Audit Function

The Group has established an Internal Audit Function that reports to the ARMC and assists the ARMC in reviewing the effectiveness of the Internal control system whilst ensuring that there is an appropriate balance of controls and risk management throughout the Group in achieving its business objectives.

For the financial period under review, the Internal Auditors conducted and reported the following to the ARMC:-

FYE 30 June 2023		
Reporting Month	**Agenda**	**Auditee**
February 2022	• Internal Audit Manual • Proposed Internal Audit Plan FYE 2022 • Follow-up Action on Audit Findings	Asiamet (M) Sdn Bhd University of Cyberjaya *("UoC")*
May 2022	• Internal Audit & Compliance Activity Status • Follow-up Action on Audit Findings	Asiamet (M) Sdn Bhd University of Cyberjaya *("UoC")*
November 2022	• Follow-up audit on Control Environment Audit • Group Procurement • Proposed Internal Audit Plan FYE 2023	Cyberjaya Education Group Berhad (fka Minda Global Berhad)
February 2023	• Revised Internal Audit Plan FYE 2023 • Internal Audit Charter	Cyberjaya Education Group Berhad (fka Minda Global Berhad)
May 2023	• Human Resource Department • Safety & Health unit	Cyberjaya Education Group Berhad (fka Minda Global Berhad)
August 2023	• Group Corporate & Marketing Communication • Recruitment Centre	Cyberjaya Education Group Berhad (fka Minda Global Berhad)

In line with this, the ARMC considered all the findings of the internal audit through the review of the internal audit reports, the Management responses and the recommendations made by the Internal Audit Function which were tabled at the ARMC meeting. Follow-up visits were also carried out to ensure weaknesses identified have been or are being addressed. During its quarterly meetings, periodic audit reports and status reports on follow-up actions were tabled to the ARMC.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

(Continued)

The Internal Audit Function includes:

- Undertaking periodic reviews of the Group's operations and the systems of internal control by performing periodic reviews of the business processes to examine and evaluate the adequacy and efficiency of financial and operating controls and highlight significant risks and non-compliance impacting the Group.

- Where applicable, the Internal Audit provides recommendations to improve the effectiveness of risk management, control, and governance processes. The Management will follow through and review the status of actions on recommendations made by the internal auditors.

- Internal audit reviews are carried out on units that are identified premised on a risk-based approach, in line with the Group's objectives and policies in the context of its evolving business and regulatory environment, taking into consideration the input of the senior management and the Board.

- The ARMC meets every quarter to review the internal control issues identified in reports prepared by Internal Audit and further evaluates the effectiveness and adequacy of the Group's internal control system.

- The ARMC has active oversight of the Internal Audit's scope of work and resources. It also reviews the Internal Audit function the scope of the annual audit plan and the frequency of the internal audit activities.

Other Key Elements of Internal Control

The other key elements of the procedures established by the Board that provide effective internal control include:

- Other Board Committees are also established to assist the Board in performing its oversight function namely Nomination Committee and Remuneration Committee.

- A defined framework with appropriate empowerment and authority limits has been approved by the Board.

- There are policies and procedures in place to ensure compliance with internal control and the prescribed laws and regulations. These policies and procedures are updated from time to time in tandem with changes to the business environment or regulatory guidelines.

- On behalf of the Board, the ARMC has the responsibility for oversight of risk management and internal controls over financial reporting and the operations of the Group.

- During the financial year and up to the date of this Annual Report, the ARMC has kept under review the effectiveness of this system of internal control and has reported quarterly to the Board. In carrying out their reviews, the ARMC receives internal audit reports from the Internal Auditors; reports on the annual reviews of the internal control system of the Company which covers all internal controls, both financial and non-financial; contingencies or uncertainties caused by weaknesses in internal controls.

- The Management is responsible and empowered to carry out the below internal control activities:
  - Identifying and evaluating the risks faced in the achievement of business objectives and strategies;
  - Formulating relevant policies and procedures to manage these risks;
  - Designing, implementing, and monitoring a sound system of internal control;
  - Implementing the key policies which are reported to the Board; and
  - Reporting promptly to the Board any changes to the risks and corrective actions taken.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL
(Continued)

Anti-Bribery and Anti-Corruption

As one of the core values of the Group is integrity, it firmly believes in acting professionally, fairly and with integrity in all business dealings and relationships. Therefore, the Group has established the Anti-Bribery and Anti-Corruption Policy. With the implementation of section 17A under the Malaysian Anti-Corruption Commission ("MACC") Act 2009 effective from 1 June 2020 onwards, the Group has conducted a due diligence and risk assessment to ensure that the policy complies with the provision of the Act.

The Group also has in place an Anti-Bribery Management System. The Board has approved the establishment of the Committee on Governance and Integrity ("CGI") to ensure compliance with Malaysian laws. This committee will provide oversight and advice to the Board for the management of Bribery and Corruption Risk.

Assurance From The Management

The Board has received reasonable assurance from the Group Managing Director and Group Chief Financial Officer that the Group's risk management and internal control system is operating adequately and effectively, in all material aspects, based on the risk management and internal control system of the Group for the financial period ended 30 June 2023, and up to the date of this Annual Report.

Review of The Statement by External Auditors

As required by paragraph 15.23 of the MMLR, the external auditors have performed a limited assurance engagement on this Statement on Risk Management and Internal Control for inclusion in the annual report for the financial period ended 30 June 2023. Their engagement was performed in accordance with the Audit and Assurance Practice Guide 3 issued by the Malaysian Institute of Accountants which does not require the auditors to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system. Based on their procedures performed and evidence obtained, the external auditors reported that nothing has come to their attention that causes them to believe that the Statement on Risk Management and Internal Control intended to be included in the annual report is not prepared, in all material respects, in accordance with the disclosures required by paragraphs 41 and 42 of the "Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers" to be set out nor is the Statement on Risk Management and Internal Control factually inaccurate.

Conclusion

For the financial period under review and, up to the date of this Annual Report, the Board believes that there is an ongoing process of identifying, evaluating, and managing significant risks faced by the Group. The Board continues to take appropriate action plans to strengthen the risk management and internal control systems to meet the Group's objectives.

This statement is made by a resolution of the Board of Directors dated 20 October 2023.

ADDITIONAL COMPLIANCE INFORMATION

Audit And Non-Audit Fees

The amount of audit and non-audit fees payable to the External Auditors of the Company and the Group during the financial period are as follows:-

	Company RM	Group RM
Audit fees	95,000	394,000
Non-audit fees: - Review of statement on risk management and internal control	6,000	6,000
Total	101,000	400,000

Material Contract Involving Directors And Substantial Shareholders

There was no material contract entered into by the Company and its subsidiaries involving the current Directors' and major shareholders' interests which were subsisting at the end of the financial period ended 30 June 2023.

CONSOLIDATED FINANCIAL STATEMENTS

DIRECTORS' REPORT

The directors hereby submit their report together with the audited financial statements of the Group and of the Company for the financial period from 1 January 2022 to 30 June 2023.

CHANGE OF NAME

The Company has changed its name from Minda Global Berhad to Cyberjaya Education Group Berhad with effect from 4 July 2023.

CHANGE OF FINANCIAL YEAR END

During the financial period, the Group and the Company changed their financial year end from 31 December to 30 June. Accordingly, the financial statements of the Group and of the Company for the financial period ended 30 June 2023 cover an eighteen-month period compared to the twelve months financial year ended 31 December 2021.

PRINCIPAL ACTIVITIES

The Company is principally engaged as an investment holding company. The principal activities of its subsidiaries are disclosed in Note 10 to the financial statements.

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

RESULTS

	Group RM'000	Company RM'000
Profit/(Loss) for the financial period	8,959	(83,862)
Attributable to:		
Owners of the Company	9,036	(83,862)
Non-controlling interests	(77)	-
	8,959	(83,862)

DIVIDENDS

No dividend has been paid or declared by the Company since the end of the previous financial year.

The directors do not recommend the payment of any dividends in respect of the financial period ended 30 June 2023.

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

RESERVES OR PROVISIONS

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

BAD AND DOUBTFUL DEBTS

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

At the date of this report, the directors are not aware of any circumstances which would render the amount written off for bad debts or the amount of allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent.

CURRENT ASSETS

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

VALUATION METHODS

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

CONTINGENT AND OTHER LIABILITIES

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

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

(ii) any contingent liabilities in respect of the Group or of the Company which has arisen since the end of the financial period.

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

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

ITEMS OF MATERIAL AND UNUSUAL NATURE

In the opinion of the directors,

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

(ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial period and the date of this report which is likely to affect substantially the results of the operations of the Group and of the Company for the financial period in which this report is made.

AUDITORS' REMUNERATION

The auditors' remuneration of the Group and of the Company during the financial period were RM400,000 and RM101,000 respectively.

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

ISSUE OF SHARES AND DEBENTURES

During the financial period, the Company issued a total of 357,142,857 new ordinary shares pursuant to private placements at an issue price of RM0.07 per ordinary share as part of the purchase consideration of the acquisition of land and building located in Cyberjaya.

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

The Company did not issue any debentures during the financial period.

OPTIONS GRANTED OVER UNISSUED SHARES

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

DIRECTORS

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

General Tan Sri Dato' Seri Mohd Shahrom Bin Dato' Hj Nordin (Rtd.)
Tan Sri Dato' Dr. Palaniappan A/L Ramanathan Chettiar *
Tan Sri Datuk (Dr.) Rafiah Binti Salim
Tan Sri Datuk Wira Dr. Mohd Shukor Bin Mahfar
Dato' Tan Choon Hwa @ Esther Tan Choon Hwa
Maha Ramanathan Palan *

* Director of the Company and certain subsidiaries

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

DIRECTORS (CONTINUED)

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

Subramanian A/L Amamalay	
Murugappan Kalaimani	
Dato' Abd Rashid Bin Mohd Sharif	
Fazyanie Binti Fadzil	
Russaliza Binti Yaakop	
Ahmad Shalimin Bin Ahmad Shaffie	(Appointed on 7 October 2022)
Mohamad Bin Abd Razak	(Appointed on 7 October 2022)
Leong Tuck Yee	(Appointed on 31 January 2023)
Tan Sri Dr. Zulkurnain Bin Awang	(Resigned on 21 February 2022)
Prof. Datuk Dr. Megat Burhainuddin Bin Megat Abdul Rahman	(Deceased on 13 February 2023)
Dato' (Dr.) Asariah Binti Mior Shaharuddin	(Resigned on 31 January 2023)
Prof. Tan Sri Dato' Dr. Mohd Amin Bin Jalaludin	(Resigned on 31 January 2023)
Major General Dato' Pahlawan Dr. Mohana Dass A/L Ramasamy (Rtd.)	(Resigned on 31 January 2023)

DIRECTORS' INTERESTS

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

	Number of ordinary shares			
	At 1.1.2022 Units	**Bought/ Increase ^ Units**	**Sold/ Decrease@ Units**	**At 30.6.2023 Units**
The holding company				
Special Flagship Holdings Sdn. Bhd.				
Direct interest				
Tan Sri Dato' Dr. Palaniappan A/L Ramanathan Chettiar	-	976,587,722	-	976,587,722

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

DIRECTORS' INTERESTS (CONTINUED)

According to the Register of Directors' Shareholdings required to be kept by the Company under Section 59 of the Companies Act 2016 in Malaysia, the interests of directors in office at the end of the financial period in shares in the Company and its related corporations during the financial period were as follows (Continued):

	Number of ordinary shares			
	At 1.1.2022 Units	**Bought/ Increase ^ Units**	**Sold/ Decrease@ Units**	**At 30.6.2023 Units**
The former ultimate holding company				
SMRT Holdings Berhad				
Direct interest				
Tan Sri Dato' Dr. Palaniappan A/L Ramanathan Chettiar	60,704,515	-	(60,704,515)	-
Indirect interest				
Tan Sri Dato' Dr. Palaniappan A/L Ramanathan Chettiar #	71,289,272	-	(71,289,272)	-

^ *Increased by virtue of the acquisition of SMR Education Sdn. Bhd., the former immediate holding company, by Special Flagship Holdings Sdn. Bhd. from SMRT Holdings Berhad during the financial period resulting in Special Flagship Holdings Sdn. Bhd. becoming the ultimate holding company during the financial period. The acquisition was completed on 19 May 2023.*

@ *Decreased by virtue of the disposal of SMR Education Sdn. Bhd., the former immediate holding company, by SMRT Holdings Berhad to Special Flagship Holdings Sdn. Bhd. during the financial period resulting in SMRT Holdings Berhad ceasing to be the ultimate holding company during the financial period. The disposal was completed on 19 May 2023.*

Deemed interested pursuant to Section 8 and Section 197 of the Companies Act 2016 in Malaysia, by virtue of his shareholding in Special Flagship Holdings Sdn. Bhd. and his spouse, Puan Sri Datin Kamatchi @ Valliammai A/P Malayandi.

By virtue of his interests in the ordinary shares of the holding company and pursuant to Section 8 of the Companies Act 2016 in Malaysia, Tan Sri Dato' Dr. Palaniappan A/L Ramanathan Chettiar is deemed to have an interest in the ordinary shares of the Company and its subsidiaries to the extent that the holding company has an interest.

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

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

DIRECTORS' BENEFITS

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

The directors' benefits of the Group and of the Company are as follows:

	Group RM'000	Company RM'000
Directors of the Company:		
- fees	255	255
- salaries, allowances and others	2,154	38
- contribution to Employees' Provident Fund	254	-
	2,663	293

	Group RM'000
Directors of the subsidiaries:	
- fees	119
- salaries, allowances and others	1,104
- contribution to Employees' Provident Fund	129
	1,352

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

INDEMNITY TO DIRECTORS AND OFFICERS

During the financial period, the total amount of indemnity insurance coverage effected and insurance premium paid for the directors and certain officers of the Company and its subsidiaries were RM40,000,000 and RM40,500 respectively.

SUBSIDIARIES

The details of the Company's subsidiaries are disclosed in Note 10 to the financial statements.

The auditors' reports on the financial statements of the subsidiaries did not contain any qualification.

INTERESTS IN HOLDING COMPANIES AND OTHER RELATED CORPORATIONS

Other than as disclosed elsewhere in this report, the Company does not have any interests in shares in the holding company and its other related corporations during the financial period.

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

HOLDING COMPANY

The directors regard Special Flagship Holdings Sdn. Bhd., a company incorporated and domiciled in Malaysia as the holding company of the Company.

SIGNIFICANT EVENTS DURING AND SUBSEQUENT TO THE END OF THE FINANCIAL PERIOD

Details of significant events during and subsequent to the end of the financial period are disclosed in Note 34 to the financial statements.

AUDITORS

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

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

……………………………………......................
GENERAL TAN SRI DATO' SERI MOHD SHAHROM BIN DATO' HJ NORDIN (RTD.)
Director

……………………………………......................
TAN SRI DATO' DR. PALANIAPPAN A/L RAMANATHAN CHETTIAR
Director

Date: 20 October 2023

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2023

		Group		Company	
		30.6.2023	31.12.2021	30.6.2023	31.12.2021
	Note	RM'000	RM'000	RM'000	RM'000
ASSETS					
Non-current assets					
Property and equipment	5	252,201	76,323	-	-
Right-of-use assets	6	27,002	147,611	-	-
Investment property	7	31,557	-	-	-
Goodwill on consolidation	8	75,683	75,683	-	-
Other intangible assets	9	53,389	54,068	-	-
Investment in subsidiaries	10	-	-	341,444	422,371
Deferred tax assets	11	7,419	8,425	-	-
Contract costs	12	4,491	2,736	-	-
Total non-current assets		451,742	364,846	341,444	422,371
Current assets					
Trade and other receivables	13	32,397	42,424	29,617	5,892
Contract costs	12	4,931	2,666	-	-
Current tax assets		200	537	-	-
Cash and bank balances	14	10,421	16,947	5	42
		47,949	62,574	29,622	5,934
Non-current assets held for sale	15	-	20,278	-	-
Total current assets		47,949	82,852	29,622	5,934
TOTAL ASSETS		499,691	447,698	371,066	428,305
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	16	413,129	388,129	413,129	388,129
Other reserves	17	17,983	7,420	-	-
Accumulated losses		(183,894)	(192,930)	(248,183)	(164,321)
		247,218	202,619	164,946	223,808
Non-controlling interests		323	-	-	-
TOTAL EQUITY		247,541	202,619	164,946	223,808

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2023 (CONTINUED)

		Group		Company	
		30.6.2023	31.12.2021	30.6.2023	31.12.2021
	Note	RM'000	RM'000	RM'000	RM'000
Non-current liabilities					
Borrowings	18	145,593	16,538	-	-
Lease liabilities	19	15,979	130,185	-	-
Deferred tax liabilities	11	19,901	16,533	-	-
Total non-current liabilities		181,473	163,256	-	-
Current liabilities					
Borrowings	18	11,311	1,417	-	-
Lease liabilities	19	5,007	14,272	-	-
Trade and other payables	20	16,447	36,208	206,120	204,497
Contract liabilities	21	37,337	29,926	-	-
Current tax liabilities		575	-	-	-
Total current liabilities		70,677	81,823	206,120	204,497
TOTAL LIABILITIES		252,150	245,079	206,120	204,497
TOTAL EQUITY AND LIABILITIES		499,691	447,698	371,066	428,305

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

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2023

	Note	Group 1.1.2022 to 30.6.2023 RM'000	Group Financial year ended 31.12.2021 RM'000	Company 1.1.2022 to 30.6.2023 RM'000	Company Financial year ended 31.12.2021 RM'000
Revenue	22	184,669	107,916	-	-
Cost of services		(93,266)	(48,256)	-	-
Gross profit		91,403	59,660	-	-
Other income		20,300	1,761	-	1,436
Administrative expenses		(80,630)	(41,351)	(959)	(470)
Net impairment loss on receivables		(3,047)	(4,373)	-	-
Other expenses		-	-	(82,904)	(72,950)
Operating profit/(loss)	23	28,026	15,697	(83,863)	(71,984)
Finance income		29	76	1	1
Finance costs	24	(16,700)	(11,871)	-	(115)
Profit/(Loss) before tax		11,355	3,902	(83,862)	(72,098)
Income tax expense	25	(2,396)	(400)	-	-
Profit/(Loss) for the financial period/year		8,959	3,502	(83,862)	(72,098)
Other comprehensive income, net of tax					
Items that will not be reclassified subsequently to profit or loss					
Revaluation of property and equipment		10,563	-	-	-
		10,563	-	-	-
Total comprehensive income/(loss) for the financial period/year		19,522	3,502	(83,862)	(72,098)

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2023 (CONTINUED)

		Group		Company	
	Note	1.1.2022 to 30.6.2023 RM'000	Financial year ended 31.12.2021 RM'000	1.1.2022 to 30.6.2023 RM'000	Financial year ended 31.12.2021 RM'000
Profit/(Loss) attributable to:					
Owners of the Company		9,036	3,502	(83,862)	(72,098)
Non-controlling interests		(77)	-	-	-
		8,959	3,502	(83,862)	(72,098)
Total comprehensive income/(loss) attributable to:					
Owners of the Company		19,599	3,502	(83,862)	(72,098)
Non-controlling interests		(77)	-	-	-
		19,522	3,502	(83,862)	(72,098)
Basic and diluted earnings per share (sen)	26	0.62	0.27		

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

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2023

	Attributable to owners of the Company				
		Other reserves			
Group	**Share capital RM'000**	**Capital reorganisation deficit RM'000**	**Revaluation reserve RM'000**	**Accumulated losses RM'000**	**Total RM'000**
At 1 January 2021	383,209	(7,064)	14,484	(196,432)	194,197
Total comprehensive income for the financial year					
Profit for the financial year, representing total comprehensive income	-	-	-	3,502	3,502
Transaction with owners					
Issue of ordinary shares, representing total transaction with owners	4,920	-	-	-	4,920
At 31 December 2021	388,129	(7,064)	14,484	(192,930)	202,619

CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2023 (CONTINUED)

	Attributable to owners of the Company					
		Other reserves				
Group (Continued)	**Share capital RM'000**	**Capital reorganisation deficit RM'000**	**Revaluation reserve RM'000**	**Accumulated losses RM'000**	**Non-controlling interests RM'000**	**Total RM'000**
At 1 January 2022	388,129	(7,064)	14,484	(192,930)	-	202,619
Total comprehensive income/(loss) for the financial period						
Profit/(Loss) for the financial period	-	-	-	9,036	(77)	8,959
Other comprehensive income for the financial period	-	-	10,563	-	-	10,563
Total comprehensive income/(loss)	-	-	10,563	9,036	(77)	19,522
Transaction with owners						
Issue of ordinary shares, representing total transaction with owners	25,000	-	-	-	-	25,000
Non-controlling interest arising from acquisition of a new subsidiary	-	-	-	-	400	400
At 30 June 2023	413,129	(7,064)	25,047	(183,894)	323	247,541

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2023 (CONTINUED)

Company	Share capital RM'000	Accumulated losses RM'000	Total equity RM'000
At 1 January 2021	383,209	(92,223)	290,986
Loss for the financial year, representing total comprehensive loss for the financial year	-	(72,098)	(72,098)
Transaction with owners			
Issue of ordinary shares, representing total transaction with owners	4,920	-	4,920
At 31 December 2021	388,129	(164,321)	223,808
Loss for the financial period, representing total comprehensive loss for the financial period	-	(83,862)	(83,862)
Transaction with owners			
Issue of ordinary shares, representing total transaction with owners	25,000	-	25,000
At 30 June 2023	413,129	(248,183)	164,946

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

CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2023

		Group		Company	
	Note	1.1.2022 to 30.6.2023 RM'000	Financial year ended 31.12.2021 RM'000	1.1.2022 to 30.6.2023 RM'000	Financial year ended 31.12.2021 RM'000
Cash flows from operating activities					
Profit/(Loss) before tax		11,355	3,902	(83,862)	(72,098)
Adjustments for:					
Amortisation of intangible assets		765	599	-	-
Amortisation of contract costs		9,074	3,288	-	-
Depreciation of:					
- property and equipment		11,067	6,917	-	-
- right-of-use asset		19,610	12,842	-	-
Impairment losses on:					
- trade receivables		3,957	4,139	-	-
- other receivables		197	234	-	-
- investment in subsidiaries		-	-	81,527	72,950
Reversal on impairment losses on:					
- property and equipment		(2,393)	-	-	-
- trade receivables		(288)	-	-	-
- other receivables		(819)	-	-	-
- amount due from subsidiaries		-	-	-	(1,437)
- non-current assets held for sale		-	(131)	-	-
Bad debts written off:					
- trade receivables		1,886	-	-	-
- other receivables		425	-	-	-
(Gain)/Loss on disposal of:					
- property and equipment		-	#	-	-
- a subsidiary	10(a)	(1,368)	(50)	1,377	-
- non-current assets held for sale		289	-	-	-
Rent concession income		(126)	(123)	-	-
Interest expense		16,700	11,871	-	115
Interest income		(29)	(76)	(1)	(1)
Gain on modification and termination of lease		(13,457)	(127)	-	-
Unrealised gain on foreign exchange		(23)	(9)	-	-
Waiver of debts		(543)	-	-	-
Operating profit/(loss) before changes in working capital		56,279	43,276	(959)	(471)
Changes in working capital:					
Trade and other receivables		2,733	(7,587)	(22)	14
Contract costs		(13,094)	(4,808)	-	-
Trade and other payables		(9,655)	(10,292)	(259)	(266)
Contract liabilities		8,062	235	-	-
Net cash generated from/(used in) operations, carried forward		44,325	20,824	(1,240)	(723)

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2023 (CONTINUED)

	Note	Group 1.1.2022 to 30.6.2023 RM'000	Group Financial year ended 31.12.2021 RM'000	Company 1.1.2022 to 30.6.2023 RM'000	Company Financial year ended 31.12.2021 RM'000
Cash flows from operating activities (Continued)					
Net cash generated from/(used in) operations, brought forward		44,325	20,824	(1,240)	(723)
Income tax paid		(238)	(36)	-	-
Income tax refunded		18	41	-	-
Interest paid		(16,700)	(11,871)	-	-
Interest received		29	76	1	1
Net cash from/(used in) operating activities		27,434	9,034	(1,239)	(722)
Cash flows from investing activities					
Disposal of subsidiary, net of cash	10(a)	348	83	600	-
Subscription of shares in a subsidiary		-	-	(600)	-
Advances to subsidiaries		-	-	(25,403)	(1,321)
Purchase of property and equipment	(b)	(191,145)	(1,144)	-	-
Purchase of intangible asset		(86)	-	-	-
Proceeds from disposal of property and equipment		-	@	-	-
Proceeds from disposal of non-current assets held for sale		16,989	3,600	-	-
Placement of deposits pledged with licensed banks		(13)	(42)	-	-
Placement of bank accounts pledged for term loan	14	(224)	(204)	-	-
Repayment from former holding company		4,555	-	-	-
(Advances to)/Repayments from former related companies		(2,209)	3,898	-	-
Net cash (used in)/from investing activities		(171,785)	6,191	(25,403)	(1,321)

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2023 (CONTINUED)

	Note	Group 1.1.2022 to 30.6.2023 RM'000	Group Financial year ended 31.12.2021 RM'000	Company 1.1.2022 to 30.6.2023 RM'000	Company Financial year ended 31.12.2021 RM'000
Cash flows from financing activities					
Advances from/(Repayments to) subsidiaries	(a)	-	-	4,105	(2,848)
(Repayment to)/Advances from former holding company	(a)	(2,766)	520	(1,613)	520
Repayment to former related companies	(a)	(3,517)	(660)	(887)	(520)
Proceeds from issuance of ordinary shares		25,000	4,920	25,000	4,920
Drawdown of term loan	(a)	140,000	-	-	-
Repayment of term loan	(a)	(4,117)	-	-	-
Payments of lease liabilities	(a)	(19,761)	(8,699)	-	-
Repayment of hire purchase payables	(a)	(207)	(177)	-	-
Net cash from/(used in) financing activities		134,632	(4,096)	26,605	2,072
Net (decrease)/increase in cash and cash equivalents		(9,719)	11,129	(37)	29
Cash and cash equivalents at the beginning of the financial period/year		12,233	1,104	42	13
Cash and cash equivalents at the end of the financial period/year		2,514	12,233	5	42
Analysis of cash and cash equivalents:					
Deposits placed with licensed banks	14	942	929	-	-
Cash and bank balances	14	9,479	16,018	5	42
Bank overdrafts	18	(3,018)	(62)	-	-
		7,403	16,885	5	42
Less: Deposits pledged with licensed banks	14	(942)	(929)	-	-
Less: Bank accounts pledged for term loan	14	(3,947)	(3,723)	-	-
Cash and cash equivalents		2,514	12,233	5	42

\# Representing (RM1).
@ Representing RM1.

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2023 (CONTINUED)

(a) Reconciliation of liabilities arising from financing activities:

Group

	1 January 2022 RM'000	Cash flows RM'000	Non-cash: Additions RM'000	Non-cash: Modification and derecognition of lease RM'000	Non-cash: Rent consession RM'000	30 June 2023 RM'000
Amounts due to former holding company	2,766	(2,766)	-	-	-	-
Amounts due to former related companies	3,517	(3,517)	-	-	-	-
Term loans (Islamic)	17,390	135,883	-	-	-	153,273
Hire purchase payables	503	(207)	317	-	-	613
Lease liabilities	144,457	(19,761)	12,563	(116,147)	(126)	20,986
	168,633	109,632	12,880	(116,147)	(126)	174,872

	1 January 2021 RM'000	Cash flows RM'000	Non-cash: Additions RM'000	Non-cash: Modification and derecognition of lease RM'000	Non-cash: Rent consession RM'000	31 December 2021 RM'000
Amounts due to former holding company	2,246	520	-	-	-	2,766
Amounts due to former related companies	4,177	(660)	-	-	-	3,517
Term loans (Islamic)	17,390	-	-	-	-	17,390
Hire purchase payables	680	(177)	-	-	-	503
Lease liabilities	122,212	(8,699)	32,592	(1,525)	(123)	144,457
	146,705	(9,016)	32,592	(1,525)	(123)	168,633

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2023 (CONTINUED)

(a) Reconciliation of liabilities arising from financing activities (Continued):

Company

	1 January 2022 RM'000	Cash Flows RM'000	Non-cash Interest RM'000	30 June 2023 RM'000
Amounts due to subsidiaries	201,907	4,105	-	206,012
Amounts due to former holding company	1,613	(1,613)	-	-
Amounts due to former related companies	887	(887)	-	-
	204,407	1,605	-	206,012

	1 January 2021 RM'000	Cash Flows RM'000	Non-cash Interest RM'000	31 December 2021 RM'000
Amounts due to subsidiaries	204,755	(2,848)	-	201,907
Amounts due to holding company	1,093	520	-	1,613
Amounts due to related companies	1,292	(520)	115	887
	207,140	(2,848)	115	204,407

(b) During the financial period, the Group made the following cash payments to purchase property and equipment:

	1.1.2022 to 30.6.2023 RM'000	Financial year ended 31.12.2021 RM'000
Purchase of property and equipment	191,462	1,144
Financed by way of hire purchase arrangements	(317)	-
Cash payments on purchase of property and equipment	191,145	1,144

(c) Total cash outflows for leases

During the financial period, the Group had total cash outflows for leases of RM34,148,000 (Financial year ended 31.12.2021: RM19,664,000).

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

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Cyberjaya Education Group Berhad (formerly known as Minda Global Berhad) ("the Company") is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad. The registered office of the Company is located at Level 5, Tower 8, Avenue 5, Bangsar South City, 59200 Kuala Lumpur. The principal place of business of the Company is located at Level 8, Tower Block, UOC Campus, Persiaran Bestari, Cyber 11, 63000 Cyberjaya, Selangor Darul Ehsan.

The holding company is Special Flagship Holdings Sdn. Bhd., a company incorporated and domiciled in Malaysia.

The Company is principally engaged as an investment holding company. The principal activities of the subsidiaries are disclosed in Note 10.

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

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 20 October 2023.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

2.2 Adoption of amendments/improvements to MFRSs

The Group and the Company have adopted the following amendments/improvements to MFRSs for the current financial period:

<u>Amendments/Improvement to MFRSs</u>	
MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards
MFRS 3	Business Combinations
MFRS 9	Financial Instruments
MFRS 16	Leases
MFRS 116	Property, Plant and Equipment
MFRS 137	Provisions, Contingent Liabilities and Contingent Asset
MFRS 141	Agriculture

The adoption of the above amendments/improvements to MFRSs did not have any significant effect on the financial statements of the Group and of the Company and did not result in significant changes to the Group's and the Company's existing accounting policies.

CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

2. BASIS OF PREPARATION (CONTINUED)

2.3 New MFRS and amendments/improvements to MFRSs that have been issued, but yet to be effective

(a) The Group and the Company have not adopted the following new MFRS and amendments/improvements to MFRSs that have been issued, but yet to be effective:

		Effective for financial periods beginning on or after
New MFRS		
MFRS 17	Insurance Contracts	1 January 2023
Amendments/Improvements to MFRSs		
MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards	1 January 2023#
MFRS 3	Business Combinations	1 January 2023#
MFRS 5	Non-current Assets Held for Sale and Discontinued Operations	1 January 2023#
MFRS 7	Financial Instruments: Disclosures	1 January 2023#/ 1 January 2024
MFRS 9	Financial Instruments	1 January 2023#
MFRS 10	Consolidated Financial Statements	Deferred
MFRS 15	Revenue from Contracts with Customers	1 January 2023#
MFRS 16	Leases	1 January 2024
MFRS 17	Insurance Contracts	1 January 2023
MFRS 101	Presentation of Financial Statements	1 January 2023/ 1 January 2023#/ 1 January 2024
MFRS 107	Statement of Cash Flows	1 January 2023#/ 1 January 2024
MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2023
MFRS 112	Income Taxes	1 January 2023
MFRS 116	Property, Plant and Equipment	1 January 2023#
MFRS 119	Employee Benefits	1 January 2023#
MFRS 121	The Effects of Changes in Foreign Exchange Rate	1 January 2025
MFRS 128	Investments in Associates and Joint Ventures	Deferred/ 1 January 2023#
MFRS 132	Financial Instruments: Presentation	1 January 2023#
MFRS 136	Impairment of Assets	1 January 2023#
MFRS 137	Provisions, Contingent Liabilities and Contingent Assets	1 January 2023#
MFRS 138	Intangible Assets	1 January 2023#
MFRS 140	Investment Property	1 January 2023#

\# *Amendments as to the consequence of effective of MFRS 17 Insurance Contracts*

CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

2. BASIS OF PREPARATION (CONTINUED)

2.3 New MFRS and amendments/improvements to MFRSs that have been issued, but yet to be effective (Continued)

(b) The Group and the Company plan to adopt the above applicable new MFRS and amendments/improvements to MFRSs when they become effective. A brief discussion on the above significant new MFRS and amendments/improvements to MFRSs that may be applicable to the Group and the Company are summarised below.

Amendments to MFRS 101 Presentation of Financial Statements

The amendments include specifying that an entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period; clarifying that classification of liability is unaffected by the likelihood of the entity to exercise its right to defer settlement of the liability for at least twelve months after the reporting period; clarifying how lending conditions affect classification of a liability; and clarifying requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments.

In another amendments, an entity is required to disclose its material accounting policy information rather than significant accounting policies. The amendments, amongst others, also include examples of circumstances in which an entity is likely to consider an accounting policy information to be material to its financial statements. To support this amendments, MFRS Practice Statement 2 was also amended to provide guidance on how to apply the concept of materiality to accounting policy information disclosures. The guidance and examples provided in the MFRS Practice Statement 2 highlight the need to focus on entity-specific information and demonstrate how the four-step materiality process can address standardised (or boilerplate) information and duplication of requirements of MFRSs in the accounting policy information disclosures.

The latest amendments to MFRS 101 clarify how conditions with which an entity must comply within 12 months after the reporting period affect the classification of a liability. As such, the amendments specify that covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date. Instead, the amendments require an entity to disclose information about these covenants in the notes to the financial statements.

Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors

The amendments revise the definition of accounting estimates to clarify how an entity should distinguish changes in accounting policies from changes in accounting estimates. The distinction is important because the changes in accounting estimates are applied prospectively to transactions, other events, or conditions from the date of that change, but changes in accounting policies are generally also applied retrospectively to past transactions and other past events.

The initial application of the above applicable new MFRS and amendments/improvements to MFRSs is not expected to have material impact to the current and prior years financial statements of the Group and of the Company.

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

2. BASIS OF PREPARATION (CONTINUED)

2.4 Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which they operate ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency, and has been rounded to the nearest thousand, unless otherwise stated.

2.5 Basis of measurement

The financial statements of the Group and of the Company have been prepared on the historical cost basis, except as otherwise disclosed in Note 3.

2.6 Use of estimates and judgement

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

The areas where assumptions and major sources of estimation uncertainty at the end of the reporting period that have significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year, or areas involving judgements that have most effect on the amounts recognised in the financial statements are disclosed in Note 4.

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

3. SIGNIFICANT ACCOUNTING POLICIES

Unless otherwise stated, the following accounting policies have been applied consistently to all the financial years/periods presented in the financial statements of the Group and of the Company.

(a) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

(i) Subsidiaries

Subsidiaries are entities, including structured entities, controlled by the Company. The financial statements of subsidiaries are included in the consolidated financial statements from the date the control commences until the date that control ceases.

The Group adopted *MFRS 10 Consolidated Financial Statements*.

- Control exists when the Group is exposed, 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.
- Potential voting rights are considered when assessing control only when such rights are substantive.
- The Group considers it has *de facto* power over an investee when, despite not having the majority of voting rights, it has the current ability to direct the activities of the investee that significantly affect the investee's return.

Separate financial statements

In the Company's statement of financial position, investment in subsidiaries are measured at cost less any accumulated impairment losses, unless the investment is classified as held for sale or distribution. The policy for the recognition and measurement of impairment losses shall be applied on the same basis as would be required for impairment of non-financial assets as disclosed in Note 3(i)(ii).

Contributions to subsidiaries are amounts for which the settlement is neither planned nor likely to occur in the foreseeable future is, in substance, considered as part of the Company's investment in the subsidiaries.

(ii) Business combination

Acquisition method

Business combinations are accounted for using the acquisition method from the acquisition date, which is the date on which control is transferred to the Group.

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

3. **SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

(a) **Basis of consolidation (Continued)**

(ii) Business combination (Continued)

Acquisition method (Continued)

For new acquisitions, the Group measures the cost of goodwill at the acquisition date as:

(i) the fair value of consideration transferred; plus
(ii) the recognised amount of any non-controlling interest in the acquiree; plus
(iii) if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
(iv) the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

The accounting policy for goodwill is set out in Note 3(c)(i).

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss at the acquisition date.

For each business combination, the Group elects whether it measures the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets at the acquisition date.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the business combination occurs, the Group uses provisional fair value amounts for the items for which the accounting is incomplete. The provisional amounts are adjusted to reflect new information obtained about facts and circumstances that existed as of the acquisition date, including additional assets or liabilities identified in the measurement period. The measurement period for completion of the initial accounting ends as soon as the Group receives the information it was seeking about facts and circumstances or learns that more information is not obtainable, subject to the measurement period not exceeding one year from the acquisition date.

Book-value method

Business combination under common control is accounted for using book-value method from the acquisition date, which is the date on which control is transferred to the Group.

For new acquisition, the Group measures the following items at book value:

- the purchase consideration; plus
- the recognised amount of non-controlling interests in the acquiree; plus
- if the business combination is acquired in stages, the book value of equity interest in acquiree; less
- the net amount of the identifiable assets and liabilities assumed.

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of consolidation (Continued)

(ii) Business combination (Continued)

Book-value method (Continued)

The Group will recognise and disclose the amount recognised in equity (as part of capital reorganisation reserve or deficit) for the differences between the purchase consideration and the book value of identifiable assets and liabilities assumed, and the components of the equity that includes the difference.

(iii) Reorganisation

Acquisition of entities under a reorganisation scheme does not result in any change in economic substance. Accordingly, the consolidated financial statements of the Company are a continuation of the acquired entity and is accounted for as follows:

- the results of entities are presented as if the reorganisation occurred from the beginning of the earliest period presented in the financial statements;
- the assets and liabilities of the acquired entity is recognised and measured in the consolidated financial statements at the pre-combination carrying amounts, without restatement to fair value;
- no new goodwill is recognised as a result of the reorganisation. The only goodwill that is recognised is the existing goodwill relating to the combining entities;
- the retained earnings and other equity balances of acquired entity immediately before the business combination are those of the Group; and
- the equity structure, however, reflects the equity structure of the Company and the differences arising from the change in equity structure of the Group will be accounted for in capital reorganisation reserve or deficit.

(iv) Acquisition of non-controlling interests

The Group treats all changes in its ownership interest in a subsidiary that do not result in a loss of control as equity transactions between the Group and its non-controlling interest holders. Any difference between the Group's share of net assets before and after the change, and any consideration received or paid, is adjusted to or against Group reserves.

(v) Non-controlling interests

Non-controlling interests at the end of the reporting period, being the equity in a subsidiary not attributable directly or indirectly to the equity holders of the Company, are presented in the consolidated statement of financial position and statement of changes in equity within equity, separately from equity attributable to the owners of the Company. Non-controlling interests in the results of the Group is presented in the consolidated statement of profit or loss and other comprehensive income as an allocation of the profit or loss and the comprehensive income for the year between non-controlling interests and owners of the Company.

Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

3. **SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

(a) **Basis of consolidation (Continued)**

(vi) Transaction eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements.

(vii) Loss of control

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the former subsidiary from the consolidated statement of financial position. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the former subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as an equity accounted investee or as a financial asset depending on the level of influence retained.

(b) **Property and equipment and depreciation**

Property and equipment (other than buildings) are measured at cost less accumulated depreciation and any accumulated impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 3(i)(ii).

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

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

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

Buildings are measured at fair value, based on valuations by external independent valuers, less accumulated depreciation and any accumulated impairment losses recognised after the date of revaluation. Valuations are performed with sufficient regularity to ensure that the fair value of the buildings does not differ materially from the carrying amount. Any accumulated depreciation as at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

3. **SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

(b) **Property and equipment and depreciation (Continued)**

A revaluation surplus is recognised in other comprehensive income and credited to the revaluation reserve. However, the increase shall be recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss. If an asset's carrying amount is decreased as a result of a revaluation, the decrease shall be recognised in profit or loss. However, the decrease shall be recognised in other comprehensive income to the extent of any credit balance existing in the revaluation reserve in respect of that asset.

The revaluation reserve is transferred to retained earnings upon disposal of the assets.

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

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property and equipment. Freehold land has an unlimited useful life and therefore is not depreciated. Capital work in progress are not depreciated until the assets are ready for their intended use.

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

Buildings	33 1/3 - 60 years
Books	5 - 10 years
Motor vehicles	5 years
Furniture and fittings	5 - 10 years
Computer, LCD and overhead projectors	2 1/2 - 5 years
Renovation and electrical installation	5 - 10 years
Office and medical equipment	5 - 10 years
Robes	5 years
Signage	5 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Fully depreciated assets are retained in the accounts until the assets are no longer in use.

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

3. **SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

(c) **Goodwill and other intangible assets (Continued)**

(i) Goodwill

Goodwill arising from business combinations is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. After initially recognition, goodwill is measured at cost less any accumulated impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 3(i)(ii).

(ii) Development costs

An intangible asset arising from development is recognised when the following criteria are met:

- it is technically feasible to complete the intangible asset so that it will be available for use or sale;
- management intends to complete the intangible asset and use or sell it;
- there is an ability to use or sell the asset;
- it can be demonstrated how the intangible asset will generate future economic benefits;
- adequate resources to complete the development and to use or sell the intangible asset are available; and
- the expenditures attributable to the intangible asset during its development can be reliably measured.

Other development costs that do not meet these criteria are recognised in profit or loss as incurred. Development costs previously recognised as an expense are not recognised as an intangible asset in a subsequent period.

Capitalised development costs are measured at cost less accumulated amortisation and accumulated impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 3(i)(ii).

(iii) Software

Software that are acquired by the Group, which have finite useful lives, are measured at cost less any accumulated amortisation and any accumulated impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 3(i)(ii).

(iv) Education license

Education license acquired in a business combination are recognised at fair value at the acquisition date. The license has been acquired with the option to renew at little or no cost to the Group. As a result, the license is assessed as having an indefinite useful life. The policy for the recognition and measurement of impairment losses is in accordance with Note 3(i)(ii).

(v) Trademark

Trademark with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses, if any. The policy for the recognition and measurement of impairment losses is in accordance with Note 3(i)(ii).

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Goodwill and other intangible assets (Continued)

(vi) Other intangible assets

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

(vii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill is recognised in profit or loss as incurred.

(viii) Amortisation

Goodwill and intangible assets with indefinite useful lives are not amortised but are tested for impairment annually and whenever there is an indication that they may be impaired.

Other intangible assets are amortised from the date that they are available for use. Amortisation is based on the cost of an asset less its residual value. Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets.

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

Software	5 years
Development costs	8 - 10 years
Intellectual rights	5 years
Franchise fee	10 years

Amortisation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted, if appropriate.

(d) Leases

(i) Definition of lease

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

- the contract involves the use of an identified asset;
- the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Group has the right to direct the use of the asset.

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets.

3. **SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

(d) **Leases (Continued)**

(i) Definition of lease (Continued)

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. All other leases that do not meet this criterion are classified as operating leases.

(ii) Lessee accounting

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets.

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

<u>Right-of-use asset</u>

The right-of-use assets (other than leasehold land that relates to the class of property and equipment measured at fair value) are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use assets are subsequently measured at cost less accumulated depreciation and any accumulated impairment losses, and adjust for any remeasurement of the lease liabilities. The right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. If the Group expects to exercise a purchase option, the right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts from the commencement date of the underlying asset. The policy for the recognition and measurement of impairment losses is in accordance with Note 3(i)(ii).

<u>Lease liability</u>

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

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

- fixed lease payments (including in-substance fixed payments), less any lease incentives; and
- the exercise price of a purchase option, if the lessee is reasonably certain to exercise that option.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability and by reducing the carrying amount to reflect the lease payments made.

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

3. **SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

(d) **Leases (Continued)**

(ii) Lessee accounting (Continued)

Lease liability (Continued)

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

Variable lease payments that do not depend on an index or a rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "other expenses" in the statements of comprehensive income.

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

Short-term leases and leases of low value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases and leases of low value assets. The Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

(iii) Lessor accounting

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. All other leases that do not meet this criterion are classified as operating leases.

When the Group is intermediate lessors, they account for the head lease and the sublease as two separate contracts. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease. If a head lease is a short-term lease to which the Group applies the exemption described in Note 3(d)(ii), then it classifies the sub-lease as an operating lease.

3. **SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

(d) **Leases (Continued)**

(iii) Lessor accounting (Continued)

If an entity in the Group is a lessor in a finance lease, it derecognises the underlying asset and recognises a lease receivable at an amount equal to the net investment in the lease. Finance income is recognised in profit or loss based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the finance lease.

If an entity in the Group is a lessor in an operating lease, the underlying asset is not derecognised but is presented in the statements of financial position according to the nature of the asset. Lease income from operating leases is recognised in profit or loss on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished.

When a contract includes lease and non-lease components, the Group applies MFRS 15 to allocate the consideration under the contract to each component.

(e) **Investment property**

Investment properties are properties held to earn rental income or for capital appreciation or both.

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and any accumulated impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 3(i)(ii).

Cost includes purchase price and any directly attributable costs incurred to bring the property to its present location and condition intended for use as an investment property. The cost of a self-constructed investment property includes the cost of material, direct labour and any other direct attributable costs. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs in Note 3(l).

Depreciation is calculated using the straight-line method to allocate the cost less its residual value, if any, over its estimated useful life.

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

Leasehold land	99 years
Building	33 1/3 years

The residual values, useful lives and depreciation methods are reviewed at the end of each reporting period and adjusted prospectively over the remaining useful life.

An investment property is derecognised on its disposal or when it is permanently withdrawn from use and no future economic benefits are expected from its disposal. Any gains and losses arising from derecognition of the asset is recognised in the profit or loss.

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Investment property (Continued)

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property carried at fair value to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. For a transfer from owner-occupied property to investment property, any difference arising on the date of change in use between the carrying amount of the item immediately prior to the transfer and its fair value is recognised directly in equity as a revaluation of property, plant and equipment.

(f) Non-current assets or disposal groups held for sale

Non-current assets or disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. The criteria for held for sale classification is regarded as met only when:

- the asset or disposal group is available for immediate sale in its present condition;
- the management is committed to a plan to sell the asset and the asset or disposal group is actively marketed for sale at a price that is reasonable in relation to its current fair value; and
- the sale is expected to be completed within one year from the date of classification and actions required to complete the plan indicates that it is unlikely that significant changes to the plan will be made or that the sale will be withdrawn.

Immediately before classification as held for sale or distribution, the assets, or components of a disposal group, are remeasured in accordance with the Group's accounting policies. Thereafter generally the assets, or disposal group are measured at the lower of their carrying amount and fair value less costs to sell.

Any impairment loss on a disposal group is first allocated to goodwill, and then to remaining assets and liabilities on pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets and investment property measured at fair value, which continue to be measured in accordance with the Group's accounting policies. Impairment losses on initial classification as held for sale or distribution and subsequent gains or losses on remeasurement are recognised in profit or loss. A gain for any subsequent increase in fair value less costs to sell of an asset is recognised but not in excess of the cumulative impairment loss that has been recognised.

Intangible assets and property and equipment once classified as held for sale are not amortised or depreciated. In addition, equity accounting of equity-accounted associates and joint venture ceases once classified as held for sale.

Assets and liabilities classified as held for sale are presented separately as current items in the statements of financial position.

(g) Cash and cash equivalents

For the purpose of the statements of cash flows, cash and cash equivalents comprise cash on hand, bank balances and deposits and other short-term, highly liquid investments with a maturity of three months or less, that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. Cash and cash equivalents are presented net of bank overdrafts.

3. **SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

(h) **Financial instruments**

Financial instruments are recognised in the statements of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument.

Except for the trade receivables that do not contain a significant financing component or for which the Group and the Company have applied the practical expedient, the financial instruments are recognised initially at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset and financial liability. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Trade receivables that do not contain a significant financing component or for which the Group and the Company have applied the practical expedient are measured at the transaction price determined under MFRS 15.

An embedded derivative is recognised separately from the host contract and accounted for as a derivative if, and only if, it is not closely related to the economic characteristics and risks of the host contract; it is a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured as fair value through profit or loss. The host contract, in the event an embedded derivative is recognised separately, is accounted for in accordance with the policy applicable to the nature of the host contract.

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at fair value through profit or loss.

(i) Subsequent measurement

The Group and the Company categorise the financial instruments as follows:

(a) Financial assets

For the purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income with recycling of cumulative gains and losses upon derecognition
- Financial assets designated at fair value through other comprehensive income with no recycling of cumulative gains and losses upon derecognition
- Financial assets at fair value through profit or loss

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

3. **SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

(h) **Financial instruments (Continued)**

(i) Subsequent measurement (Continued)

The Group and the Company categorise the financial instruments as follows (Continued):

(a) Financial assets (Continued)

The classification depends on the entity's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

The Group and the Company reclassify financial assets when and only when their business models for managing those assets change.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's and the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group and the Company classify their debt instruments:

- Amortised cost

  Financial assets that are held for collection of contractual cash flows and those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. The policy for the recognition and measurement of impairment is in accordance with Note 3(i)(i). Gains and losses are recognised in profit or loss when the financial asset is derecognised, modified or impaired.

- Fair value through other comprehensive income (FVOCI)

  Financial assets that are held for collection of contractual cash flows and for selling the financial assets, and the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. For debt instruments at FVOCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. The policy for the recognition and measurement of impairment is in accordance with Note 3(i)(i). Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to profit or loss.

3. **SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

(h) **Financial instruments (Continued)**

(i) Subsequent measurement (Continued)

The Group and the Company categorise the financial instruments as follows (Continued):

(a) Financial assets (Continued)

Debt instruments (Continued)

- Fair value through profit or loss (FVPL)

  Financial assets at FVPL include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model.

  Notwithstanding the criteria for debt instruments to be classified at amortised cost or at FVOCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

  Financial assets at fair value through profit or loss are carried in the statements of financial position at fair value with net changes in fair value recognised in the profit or loss.

(b) Financial liabilities

The Group and the Company classify their financial liabilities in the following measurement categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading, including derivatives (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument) or financial liabilities designated into this category upon initial recognition.

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

3. **SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

(h) **Financial instruments (Continued)**

(i) Subsequent measurement (Continued)

The Group and the Company categorise the financial instruments as follows (Continued):

(b) Financial liabilities (Continued)

<u>Financial liabilities at fair value through profit or loss (Continued)</u>

Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value with the gain or loss recognised in profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in MFRS 9 are satisfied. The Group and the Company have not designated any financial liability as at fair value through profit or loss.

<u>Financial liabilities at amortised cost</u>

Subsequent to initial recognition, other financial liabilities are measured at amortised cost using effective interest method. Gains and losses are recognised in profit or loss when the financial liabilities are derecognised and through the amortisation process.

(ii) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantee contracts are recognised initially as a liability at fair value, net of transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, the liability is measured at the higher of the amount of the loss allowance determined in accordance with Section 5.5 of MFRS 9 and the amount initially recognised, when appropriate, the cumulative amount of income recognised in accordance with the principles of MFRS 15.

(iii) Derecognition

A financial asset or a part of it is derecognised when, and only when:

(a) the contractual rights to receive cash flows from the financial asset expire; or

(b) the Group and the Company have transferred their rights to receive cash flows from the asset or have assumed an obligation to pay the received cash flows in full without material delay to a third party; and either (a) the Group and the Company have transferred substantially all the risks and rewards of the asset, or (b) the Group and the Company have neither transferred nor retained substantially all the risks and rewards of the asset, but have transferred control of the asset.

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

3. **SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

(h) **Financial instruments (Continued)**

(iii) Derecognition (Continued)

The Group and the Company evaluate if, and to what extent, they have retained the risks and rewards of ownership. When they have neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group and the Company continue to recognise the transferred asset to the extent of their continuing involvement. In that case, the Group and the Company also recognise an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group and the Company have retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group and the Company could be required to repay.

On derecognition of a financial asset, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) 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, cancelled or expired. On derecognition of a financial liability, the difference between the carrying amount and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

(iv) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is presented in the statements of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

In accounting for a transfer of a financial asset that does not qualify for derecognition, the entity shall not offset the transferred asset and the associated liability.

(i) **Impairment of assets**

(i) Impairment of financial assets

Financial assets measured at amortised cost, financial assets measured at fair value through other comprehensive income (FVOCI), lease receivables, contract assets or a loan commitment and financial guarantee contracts will be subject to the impairment requirement in MFRS 9 which is related to the accounting for expected credit losses on the financial assets. Expected credit loss is the weighted average of credit losses with the respective risks of a default occurring as the weights.

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Impairment of assets (Continued)

(i) Impairment of financial assets (Continued)

The Group and the Company measure loss allowance at an amount equal to lifetime expected credit loss, except for the following, which are measured as 12-month expected credit loss:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

For trade receivables, contract assets and lease receivables, the Group and the Company apply the simplified approach permitted by MFRS 9 to measure the loss allowance at an amount equal to lifetime expected credit loss.

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

The Group and the Company assume that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

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

- the counterparty is unable to pay its credit obligations to the Group and the Company in full, without taking into account any credit enhancements held by the Group and the Company; or
- the contractual payment of the financial asset is more than 90 days past due unless the Group and the Company have reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of lifetime expected credit losses that represent the expected credit losses that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group and the Company are exposed to credit risk.

3. **SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

(i) **Impairment of assets (Continued)**

(i) Impairment of financial assets (Continued)

Expected credit losses are a probability-weighted estimate of credit losses (i.e. the present value of all cash shortfalls) over the expected life of the financial instrument. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

Expected credit losses are discounted at the effective interest rate of the financial assets.

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

- significant financial difficulty of the counterparty;
- a breach of contract, such as a default of past due event;
- the counterparty, for economic or contractual reasons relating to the counterparty's financial difficulty, having granted to the counterparty a concession(s) that the counterparties would not otherwise consider; or
- it is becoming probable that the counterparty will enter bankruptcy or other financial reorganisation.

The amount of impairment losses (or reversal) shall be recognised in profit or loss, as an impairment gain or loss. For financial assets measured at FVOCI, the loss allowance shall be recognised in other comprehensive income and shall not reduce the carrying amount of the financial asset in the statements of financial position.

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

(ii) Impairment of non-financial assets

The carrying amounts of non-financial assets (except for deferred tax assets and non-current assets or disposal groups classified as held for sale) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the Group and the Company make an estimate of the asset's recoverable amount. For goodwill and intangible assets that have indefinite useful life and are not yet available for use, the recoverable amount is estimated at each reporting date.

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Impairment of assets (Continued)

(ii) Impairment of non-financial assets (Continued)

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of non-financial assets or cash-generating units ("CGUs"). Subject to an operating segment ceiling test, for the purpose of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to a CGU or a group of CGUs that are expected to benefit from the synergies of business combination.

The recoverable amount of an asset or a CGU is the higher of its fair value less costs of disposal and its value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. In determining the fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Where the carrying amount of an asset exceed its recoverable amount, the carrying amount of asset is reduced to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

Impairment losses are recognised in profit or loss, except for assets that were previously revalued with the revaluation surplus recognised in other comprehensive income. In the latter case, the impairment is recognised in other comprehensive income up to the amount of any previous revaluation.

Impairment losses in respect of goodwill are not reversed. For other assets, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. An impairment loss is reversed only if there has been a change in the estimates used to determine the assets recoverable amount since the last impairment loss was recognised. Reversal of impairment loss is restricted by the asset's carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

(j) Share capital

(i) Ordinary shares

Ordinary shares are equity instruments. An equity instrument is a contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

3. **SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

(j) **Share capital (Continued)**

(ii) Treasury shares

When share capital recognised as equity is repurchased, the amount of consideration paid is recognised directly in equity. Repurchased shares that have not been cancelled including any attributable transaction costs are classified as treasury shares and presented as a deduction from total equity.

When treasury shares are sold or reissued subsequently, the difference between the sales consideration and the carrying amount is presented as a movement in equity.

(k) **Revenue and other income**

The Group recognises revenue that depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

Revenue recognition of the Group are applied for each contract with a customer or a combination of contracts with the same customer (or related parties of the customer).

The Group measures revenue from sale of good or service at its transaction price, being the amount of consideration to which the Group expects to be entitled in exchange for transferring promised good or service to a customer, excluding amounts collected on behalf of third parties, adjusted for the effects of any variable consideration, constraining estimates of variable consideration, significant financing components, non-cash consideration and consideration payable to customer. If the transaction price includes variable consideration, the Group uses the expected value method by estimating the sum of probability-weighted amounts in a range or possible consideration amounts, or the most likely outcome method, depending on which method the Group expects to better predict the amount of consideration to which it is entitled.

For contract with separate performance obligations, the transaction price is allocated to the separate performance obligations on the relative stand-alone selling price basis. If the stand-alone selling price is not directly observable, the Group estimates it by using the costs plus margin approach.

Revenue from contracts with customers is recognised by reference to each distinct performance obligation in the contract with customer, i.e. when or as a performance obligation in the contract with customer is satisfied. A performance obligation is satisfied when or as the customer obtains control of the good or service underlying the particular performance obligation, which the performance obligation may be satisfied at a point in time or over time.

A contract modification is a change in the scope or price (or both) of a contract that is approved by the parties to the contract. A modification exists when the change either creates new or changes existing enforceable rights and obligations of the parties to the contract. The Group assesses the type of modification and accounts for as either creates a separate new contract, terminates the existing contract and creation of a new contract; or forms a part of the existing contracts.

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

3. **SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

(k) **Revenue and other income (Continued)**

(i) Services

Revenue of the Group represents course fees, royalty fees, resource fees, and other miscellaneous charges.

Revenue from course fees will be recognised within the semester of each courses offered to the students. The revenue will then be recognised over time throughout the semester in profit or loss.

Revenue from royalty fee is recognised only when the later of the subsequent sale occurs and the performance obligation to which the sales-based royalty has been satisfied based on substance of the agreement.

Revenue from resource fees is recognised over the period of the course in profit or loss.

Other miscellaneous charges represent application fees, registration fees, administration fees, processing fees, convocation fees, examination fees, training fees and clinical attachment fees. These fees are recognised at a point in time as services are rendered.

Payment terms for course and other student fees are on cash terms except for royalty fees which have a credit term of 30 days.

Advance payment received at the commencement of the semester will be recognised as contract liabilities.

(ii) Interest income

Interest income is recognised using the effective interest method.

(iii) Dividend income

Dividend income is recognised in profit or loss on the date that the Group's or the Company's right to receive payment is established.

(iv) Rental income

Rental income from student hostel is recognised on a straight-line basis over the term of the lease.

(l) **Borrowing costs**

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Borrowing costs (Continued)

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

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

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

(m) Income tax

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

(i) Current tax

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

(ii) Deferred tax

Deferred tax is recognised using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts in the statements of financial position. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, unused tax losses and unused tax credits, to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

Deferred tax is not recognised if the temporary differences arise from the initial recognition of assets and liabilities in a transaction which is not a business combination and that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal timing of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

3. **SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

(m) **Income tax (Continued)**

(ii) **Deferred tax (Continued)**

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilised.

Deferred tax is 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 tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

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 transaction either in other comprehensive income or directly in equity.

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

(iii) **Sales and services tax**

Revenue, expenses and assets are recognised net of the amount of sales and services tax except:

- where the sales and services tax incurred in a purchase of assets or services is not recoverable from the taxation authority, in which case the sales and services tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with the amount of sales and services tax included.

The net amount of sales and services tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statements of financial position.

(n) **Earnings per share**

The Group presents basic and diluted earnings per share (“EPS”) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held.

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(o) 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, which in this case is the Group Managing Director, to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

(p) Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations in respect of wages, salaries, social security contributions, annual bonuses, paid annual leave, sick leave and non-monetary benefits are recognised as an expense in the financial period where the employees have rendered their services to the Group and the Company.

(ii) Defined contribution plan

As required by law, the Group and the Company contribute to the Employees Provident Fund ("EPF"), the national defined contribution plan. Such contributions are recognised as an expense in the profit or loss in the period in which the employees render their services.

(q) Fair value measurements

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

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

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

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group and the Company can access at the measurement date.
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3: Unobservable inputs for the asset or liability.

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

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(r) Provisions

Provisions are recognised when the Group and the Company have present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

If the effect of the time value of money is material, provisions that are determined based on the expected future cash flows to settle the obligation are discounted using a current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provisions due to passage of time is recognised as finance costs.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed.

(i) Legal claims

For lawsuit provisions, a probability-weighted expected outcome is applied in the measurement, taking into account past court judgements made in similar cases and advice of legal experts.

(ii) Onerous contract

A provision for onerous contracts is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the lower of the present value of the expected cost of terminating the contract and the present value of the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

(s) Contingencies

A contingent liability or asset is a possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future event(s) not wholly within the control of the Group and of the Company.

Contingent liability is also referred as a present obligation that arises from past events but is not recognised because:

(i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
(ii) the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities and assets are not recognised in the statements of financial position.

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

3. **SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

(t) **Contract costs**

(i) Recognition and measurement

Contract costs represents costs of obtaining a contract such as commission fee paid to agents.

The incremental costs of obtaining a contract are those costs that the Group incurs to obtain a contract with a customer which they would not have incurred if the contract had not been obtained. The incremental costs of obtaining a contract with a customer are recognised as part of contract costs when the Group expects those costs are recoverable.

(ii) Amortisation

The costs of obtaining a contract are amortised on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates. The amortisation shall be updated subsequently to reflect any significant change to the expected timing of transfer to the customer of the goods or services to which the asset relates in accordance with MFRS 108 *Accounting Policies, Changes in Accounting Estimate and Errors*.

(iii) Impairment

Impairment loss are recognised in profit or loss to the extent that the carrying amount of the contract cost exceeds:

(a) the remaining amount of consideration that the entity expects to receive in exchange for the goods or services to which the asset relates; less
(b) the costs that relate directly to providing those goods or services and that have not been recognised as expenses.

Before an impairment loss is recognised for contract costs, the Group shall recognise any impairment loss for assets related to the contract that are recognised in accordance with another MFRSs, such as MFRS 102, MFRS 116 and MFRS 138. The Group shall include the resulting carrying amount of the contract costs in the carrying amount of the cash-generating unit to which it belongs for the purpose of applying MFRS 136 *Impairment of Assets* to that cash-generating unit.

An impairment loss is reversed when the impairment conditions no longer exist or have improved. Such reversal is recognised in profit or loss.

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

Significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have significant effect in determining the amount recognised in the financial period include the following:

(i) Valuation of property and equipment and right-of-use assets (Note 5 and 6)

Leasehold land and buildings are carried at revalued amount. Revaluation of these assets is based on valuation performed by independent professional property valuers. Significant judgement is required in estimating the fair value which may be derived based on different valuation methods determined to be appropriate and the use of key assumptions.

The valuation methods adopted by the valuer include cost method, being current estimates of construction costs less depreciation and comparison method, being comparison of transacted prices in an active market for similar properties in close proximity and where necessary, adjusting for location, size, tenure and other differences. Judgement has been applied in estimating the property prices for less readily observable external parameters. Any changes in these assumptions will have an impact on the carrying amounts of the revalued properties.

(ii) Impairment of goodwill and other intangible assets (Note 8 and 9)

The Group determines whether goodwill and other intangible assets with indefinite useful life are impaired at least on an annual basis. This requires an estimation of the value-in-use of the cash-generating unit ("CGU") to which goodwill or other intangible assets with indefinite useful life are allocated. Estimating a value-in-use amount requires the Group to make an estimate of the expected future cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The assumptions used in estimating the future cash flows may have significant effect on the Group's financial position and results if the actual cash flows are less than the expected.

(iii) Impairment of trade receivables (Note 13)

The provisions of expected credit losses for receivables are based on assumptions about risk of default and expected loss rate. The Group uses judgement in making these assumptions and selecting inputs to the expected credit losses ("ECL") calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

The Group individually assesses and also uses a provision matrix to calculate ECL for trade receivables. The individually assessed ECL may be based on indicators such as students who have quit, terminated, rejected or withdrawn from their courses. The provision rates are depending on the number of days that a receivable is past due. The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forward-looking estimates and ECL is a significant estimate. The amount of ECL is sensitive to changes in circumstances and of forecast economic conditions over the expected lives of the receivables. The Group's assessment of the indicators, historical credit loss experience and forecast of economic conditions may also not be representative of student's actual default in the future.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)

Significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have significant effect in determining the amount recognised in the financial period include the following (Continued):

(iv) **Impairment of investment in subsidiaries (Note 10)**

The Company carried out the impairment test on its investment in subsidiaries based on the value-in-use of the subsidiaries. Estimating the value-in-use amount requires the Company to make an estimation of the expected future cash flows from the subsidiaries and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The assumptions used in estimating the future cash flows may have significant effect on the Company's financial position and results if the actual cash flows are less than the expected.

(v) **Funding requirements and net current liabilities**

The Group applies judgement in determining the funding requirements and its ability to meet short term obligations. The Group considers the facts and circumstances and makes assumptions about the future, including the cash flows to be generated from the operations of the Group and the available financing facilities.

The details of funding requirements and ability to meet short term obligations are disclosed in Note 31(b).

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

5. PROPERTY AND EQUIPMENT

Group	Freehold land RM'000	Buildings RM'000	Books RM'000	Motor vehicles RM'000	Furniture and fittings RM'000	Computer, LCD and overhead projectors RM'000	Renovation and electrical installation RM'000	Office and medical equipment RM'000	Robes RM'000	Signage RM'000	Total RM'000
30.6.2023											
Cost/Valuation											
At 1 January 2022											
- As previously stated	-	55,420	509	2,367	7,631	4,549	57,159	5,360	139	4	133,138
- Reclassification (Note 32)	-	-	-	822	-	229	-	-	-	-	1,051
At 1 January 2022, as restated	-	55,420	509	3,189	7,631	4,778	57,159	5,360	139	4	134,189
Additions	26,000	161,383	7	305	1,136	866	656	730	-	379	191,462
Revaluation	2,000	11,065	-	-	-	-	-	-	-	-	13,065
Elimination of revaluation	-	(448)	-	-	-	-	-	-	-	-	(448)
Transfer to investment property (Note 7)	-	(20,000)	-	-	-	-	(5,527)	-	-	-	(25,527)
Disposal of a subsidiary (Note 10)	-	-	(2)	-	(73)	(110)	(118)	(79)	-	-	(382)
Written off	-	-	(2)	-	(2)	-	(9,329)	-	-	-	(9,333)
Reclassification	-	-	-	-	-	-	27	(27)	-	-	-
At 30 June 2023	28,000	207,420	512	3,494	8,692	5,534	42,868	5,984	139	383	303,026
Representing:											
- cost	-	-	512	3,494	8,692	5,534	42,868	5,984	139	383	67,606
- valuation	28,000	207,420	-	-	-	-	-	-	-	-	235,420
	28,000	207,420	512	3,494	8,692	5,534	42,868	5,984	139	383	303,026

5. PROPERTY AND EQUIPMENT (CONTINUED)

	Freehold land RM'000	Buildings RM'000	Books RM'000	Motor vehicles RM'000	Furniture and fittings RM'000	Computer, LCD and overhead projectors RM'000	Renovation and electrical installation RM'000	Office and medical equipment RM'000	Robes RM'000	Signage RM'000	Total RM'000
Group (Continued)											
30.6.2023											
Accumulated depreciation and impairment losses											
At 1 January 2022											
- As previously stated											
Accumulated depreciation	-	937	455	2,348	4,301	4,332	29,197	3,720	138	-	45,428
Accumulated impairment losses	-	11,611	-	-	42	-	-	-	-	-	11,653
	-	12,548	455	2,348	4,343	4,332	29,197	3,720	138	-	57,081
- Reclassification (Note 32)	-	-	-	556	-	229	-	-	-	-	785
At 1 January 2022, as restated	-	12,548	455	2,904	4,343	4,561	29,197	3,720	138	-	57,866
Depreciation for the financial period	-	1,854	24	248	1,543	268	6,520	542	-	68	11,067
Elimination of revaluation	-	(448)	-	-	-	-	-	-	-	-	(448)
Transfer to investment property (Note 7)	-	(148)	-	-	-	-	(5,527)	-	-	-	(5,675)
Disposal of a subsidiary (Note 10)	-	-	(2)	-	(61)	(110)	(37)	(51)	-	-	(261)
Written off	-	-	-	-	(2)	-	(9,329)	-	-	-	(9,331)
Reversal of impairment	-	(2,393)	-	-	-	-	-	-	-	-	(2,393)
At 30 June 2023	-	11,413	477	3,152	5,823	4,719	20,824	4,211	138	68	50,825
Representing:											
- accumulated depreciation	-	2,195	477	3,152	5,781	4,719	20,824	4,211	138	68	41,565
- accumulated impairment losses	-	9,218	-	-	42	-	-	-	-	-	9,260
	-	11,413	477	3,152	5,823	4,719	20,824	4,211	138	68	50,825

CONSOLIDATED FINANCIAL STATEMENTS

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5. PROPERTY AND EQUIPMENT (CONTINUED)

	Freehold land RM'000	Buildings RM'000	Books RM'000	Motor vehicles RM'000	Furniture and fittings RM'000	Computer, LCD and overhead projectors RM'000	Renovation and electrical installation RM'000	Office and medical equipment RM'000	Robes RM'000	Signage RM'000	Total RM'000
Group (Continued)											
30.6.2023											
Carrying amount											
At 30 June 2023	28,000	196,007	35	342	2,869	815	22,044	1,773	1	315	252,201
Representing:											
- cost	-	-	35	342	2,869	815	22,044	1,773	1	315	28,194
- valuation	28,000	196,007	-	-	-	-	-	-	-	-	224,007
	28,000	196,007	35	342	2,869	815	22,044	1,773	1	315	252,201

5. PROPERTY AND EQUIPMENT (CONTINUED)

	Buildings RM'000	Books RM'000	Motor vehicles RM'000	Furniture and fittings RM'000	Computer, LCD and overhead projectors RM'000	Renovation and electrical installation RM'000	Office and medical equipment RM'000	Robes RM'000	Signage RM'000	Total RM'000
Group (Continued)										
31.12.2021										
Cost/Valuation										
At 1 January 2021										
- As previously stated	55,420	494	2,736	7,557	4,513	56,224	5,279	139	1	132,363
- Reclassification (Note 32)	-	-	822	-	229	-	-	-	-	1,051
At 1 January 2021, as restated	55,420	494	3,558	7,557	4,742	56,224	5,279	139	1	133,414
Additions	-	15	-	74	36	935	81	-	3	1,144
Disposals	-	-	(369)	-	-	-	-	-	-	(369)
At 31 December 2021	55,420	509	3,189	7,631	4,778	57,159	5,360	139	4	134,189
Representing:										
- cost	-	509	3,189	7,631	4,778	57,159	5,360	139	4	78,769
- valuation	55,420	-	-	-	-	-	-	-	-	55,420
	55,420	509	3,189	7,631	4,778	57,159	5,360	139	4	134,189

5. **PROPERTY AND EQUIPMENT (CONTINUED)**

	Buildings RM'000	Books RM'000	Motor vehicles RM'000	Furniture and fittings RM'000	Computer, LCD and overhead projectors RM'000	Renovation and electrical installation RM'000	Office and medical equipment RM'000	Robes RM'000	Signage RM'000	Total RM'000
Group (Continued)										
31.12.2021										
Accumulated depreciation and impairment losses										
At 1 January 2021										
- As previously stated										
Accumulated depreciation	-	434	2,700	3,344	4,183	24,967	3,373	138	-	39,139
Accumulated impairment losses	11,611	-	-	42	-	-	-	-	-	11,653
	11,611	434	2,700	3,386	4,183	24,967	3,373	138	-	50,792
- Reclassification (Note 32)	-	-	389	-	137	-	-	-	-	526
At 1 January 2022, as restated	11,611	434	3,089	3,386	4,320	24,967	3,373	138	-	51,318
Depreciation for the financial year	937	21	184	957	241	4,230	347	-	-	6,917
Disposals										
- Depreciation	-	-	(369)	-	-	-	-	-	-	(369)
At 31 December 2021	12,548	455	2,904	4,343	4,561	29,197	3,720	138	-	57,866
Representing:										
- accumulated depreciation	937	455	2,904	4,301	4,561	29,197	3,720	138	-	46,213
- accumulated impairment losses	11,611	-	-	42	-	-	-	-	-	11,653
	12,548	455	2,904	4,343	4,561	29,197	3,720	138	-	57,866
Carrying amount										
At 31 December 2021	42,872	54	285	3,288	217	27,962	1,640	1	4	76,323

5. **PROPERTY AND EQUIPMENT (CONTINUED)**

	Buildings RM'000	Books RM'000	Motor vehicles RM'000	Furniture and fittings RM'000	Computer, LCD and overhead projectors RM'000	Renovation and electrical installation RM'000	Office and medical equipment RM'000	Robes RM'000	Signage RM'000	Total RM'000
Group (Continued)										
31.12.2021										
Representing:										
- cost	-	54	285	3,288	217	27,962	1,640	1	4	33,451
- valuation	42,872	-	-	-	-	-	-	-	-	42,872
	42,872	54	285	3,288	217	27,962	1,640	1	4	76,323

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

5. **PROPERTY AND EQUIPMENT (CONTINUED)**

Group

(a) **Revaluation of leasehold land and buildings**

Management determined that the leasehold land as disclosed in Note 6 and buildings constitute a separate class of asset under MFRS 13 *Fair Value Measurements*, based on the nature, characteristics and risks of the properties.

Fair value of the leasehold land was determined using the comparison method whilst fair value of the buildings was determined using the comparison and cost method. For valuation using comparison method, valuations performed by the valuer are based on transacted market prices, adjusted for differences in location, size, tenure and other differences of the specific land and buildings. For valuation using cost method, valuations performed by the valuer are based on the replacement cost of the building and other sites improvement less depreciation.

As at the date of valuation on 30 June 2023, the fair values are based on valuation performed by an independent professional valuers with experience in valuing land and buildings of similar nature. As a result, surplus of RM832,899 (Note 6) and RM13,064,929 respectively in respect of the leasehold land, freehold land and buildings, were recognised in other comprehensive income during the financial period ended 30 June 2023.

Had the revalued freehold land, leasehold land and buildings been carried at historical cost less accumulated depreciation, the carrying amount of the leasehold land and buildings that would have been included in the financial statements of the Group is as follows:

	Group	
	30.6.2023	**31.12.2021**
	RM'000	**RM'000**
Freehold land	28,000	-
Leasehold land	6,425	9,281
Buildings	182,548	34,260

(b) **Impairment loss**

Based on the valuation by the independent professional valuer, a reversal of impairment loss of RM2,392,736 (Financial year ended 31.12.2021: RM Nil) in respect of buildings were recognised in profit or loss.

(c) **Security**

Buildings and renovation with a carrying amount of RM215,859,650 (31.12.2021: RM42,875,693) were pledged to secure borrowings as disclosed in Note 18.

5. PROPERTY AND EQUIPMENT (CONTINUED)

Group (Continued)

(d) **Fair value information**

Fair value of freehold land, leasehold land and buildings are categorised as follows:

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Group				
30.6.2023				
- Freehold land	-	-	28,000	28,000
- Leasehold land (Note 6)	-	-	8,000	8,000
- Buildings	-	-	196,007	196,007
	-	-	232,007	232,007
31.12.2021				
- Leasehold land (Note 6)	-	-	20,300	20,300
- Buildings	-	-	43,809	43,809
	-	-	64,109	64,109

There were no Level 1 or Level 2 leasehold land and buildings or transfer between Level 1 and Level 2 during the financial period/year ended 30 June 2023 or 31 December 2021.

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

Property type	Valuation technique	Significant unobservables inputs	Relationship of unobservable input to fair value
30.6.2023/ 31.12.2021			
Freehold land, leasehold land and buildings	Comparison method	Adjusted market price of RM124 to RM462 per square feet	The higher/lower the adjusted price per square foot, the higher/lower the fair value
	Cost method	Average construction cost of RM236 to RM317 per square feet	The higher/lower the cost per square foot, the higher/lower the fair value
		Depreciation rate ranging from 1.0% to 1.5%	The higher/lower the depreciation rate, the lower/higher the fair value

Valuation processes applied by the Group

The fair value of leasehold land and buildings is determined by external independent property valuers, with appropriate recognised professional qualifications and recent experience in the location and category of property being valued. Changes in Level 3 fair values are analysed by the Group after obtaining the valuation report from valuers.

CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

5. **PROPERTY AND EQUIPMENT (CONTINUED)**

Group (Continued)

(d) **Fair value information (Continued)**

Highest and best use

In estimating the fair value of the properties, the highest and best use of the properties is their current use.

6. **RIGHT-OF-USE ASSETS**

The Group leases several assets including leasehold land and buildings.

Information about leases for which the Group is a lessee are presented below:

	Leasehold land RM'000	Buildings RM'000	Total RM'000
Group			
Cost/Valuation			
At 1 January 2022	20,300	159,237	179,537
Additions	-	12,563	12,563
Revaluation	833	-	833
Elimination on revaluation	(133)	-	(133)
Modification and derecognition of lease	-	(9,655)	(9,655)
Termination of lease	-	(132,386)	(132,386)
Transfer to investment property (Note 7)	(13,000)	-	(13,000)
At 30 June 2023	8,000	29,759	37,759
Representing:			
- cost	-	29,759	29,759
- valuation	8,000	-	8,000
	8,000	29,759	37,759

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

6. RIGHT-OF-USE ASSETS (CONTINUED)

Information about leases for which the Group is a lessee are presented below (Continued):

	Leasehold land RM'000	Buildings RM'000	Total RM'000
Group (Continued)			
Accumulated depreciation			
At 1 January 2022	571	31,355	31,926
Depreciation charge for the financial period	857	18,753	19,610
Elimination on revaluation	(133)	-	(133)
Modification and derecognition of lease	-	(4,125)	(4,125)
Termination of lease	-	(35,226)	(35,226)
Transfer to investment property (Note 7)	(1,295)	-	(1,295)
At 30 June 2023	-	10,757	10,757
Carrying amount			
At 30 June 2023	8,000	19,002	27,002
Representing:			
- cost	-	19,002	19,002
- valuation	8,000	-	8,000
	8,000	19,002	27,002

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

6. RIGHT-OF-USE ASSETS (CONTINUED)

Information about leases for which the Group is a lessee are presented below (Continued):

	Leasehold land RM'000	Buildings RM'000	Total RM'000
Group (Continued)			
Cost/Valuation			
At 1 January 2021	20,300	128,944	149,244
Additions	-	3,798	3,798
Reassessment of lease	-	28,794	28,794
Modification and derecognition of lease	-	(2,255)	(2,255)
Disposal of a subsidiary	-	(44)	(44)
At 31 December 2021	20,300	159,237	179,537
Representing:			
- cost	-	159,237	159,237
- valuation	20,300	-	20,300
	20,300	159,237	179,537
Accumulated depreciation			
At 1 January 2021	-	19,985	19,985
Depreciation charge for the financial year	571	12,271	12,842
Modification and derecognition of lease	-	(857)	(857)
Disposal of a subsidiary	-	(44)	(44)
At 31 December 2021	571	31,355	31,926
Carrying amount			
At 31 December 2021	19,729	127,882	147,611
Representing:			
- cost	-	127,882	127,882
- valuation	19,729	-	19,729
	19,729	127,882	147,611

(a) The Group leases land and buildings to be used as campus and office. The leasehold land has unexpired lease terms of 66 to 69 years (31.12.2021: 68 to 71 years). The leases of buildings generally have lease terms between 1 to 15 years (31.12.2021: 1 to 15 years).

(b) The leasehold land that relate to the buildings measured at fair value were revalued. The revaluation and fair value information were disclosed in Note 5(a) and 5(d).

(c) Leasehold land with net carrying amount of RM8,000,000 (31.12.2021: RM19,728,993) were pledged as security for borrowings as disclosed in Note 18.

6. RIGHT-OF-USE ASSETS (CONTINUED)

(d) The Group applies the practical expedient in paragraph 46A of *Amendment to MFRS 16 Leases* and accordingly, account for any reduction in lease payments resulting from the rent concession as other income.

7. INVESTMENT PROPERTY

	Leasehold land and building RM'000
Group	
Cost	
At 1 January 2022	-
Transfer from property and equipment (Note 5)	19,852
Transfer from right-of-use assets (Note 6)	11,705
At 30 June 2023	31,557
Carrying amount	
At 30 June 2023	31,557

During the financial period, a property with net carrying amount of RM31,557,000 has been transferred to investment property from property and equipment and right-of-use assets as the Company disposed its equity interest in the subsidiary that occupied the property.

The following are recognised in profit or loss in respect of investment property:

	Group 1.1.2022 to 30.6.2023 RM'000
Rental income	56
Direct operating expenses:	
- income generating investment property	194

Fair value of leasehold land and buildings are categorised as follows:

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Group				
30.6.2023				
- Leasehold land	-	-	13,000	13,000
- Buildings	-	-	20,000	20,000
	-	-	33,000	33,000

There were no Level 1 or Level 2 leasehold land and buildings or transfer between Level 1 and Level 2 during the financial period ended 30 June 2023.

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

7. INVESTMENT PROPERTY (CONTINUED)

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

Property type	Valuation technique	Significant unobservables inputs	Relationship of unobservable input to fair value
30.6.2023			
Leasehold land and buildings	Comparison method	Adjusted market price of RM45 per square feet	The higher/lower the adjusted price per square foot, the higher/lower the fair value
	Cost method	Average construction cost of RM8 to RM140 per square feet	The higher/lower the cost per square foot, the higher/lower the fair value
		Depreciation rate ranging from 1.5% to 2.0%	The higher/lower the depreciation rate, the lower/higher the fair value

(a) **Valuation processes applied by the Company**

The fair value of leasehold land and buildings is determined by external independent property valuers, with appropriate recognised professional qualifications and recent experience in the location and category of property being valued. Changes in Level 3 fair values are analysed by the Company after obtaining the valuation report from valuers.

Highest and best use

In estimating the fair value of the properties, the highest and best use of the properties is their current use.

(b) Leasehold land with net carrying amount of RM31,557,000 were pledged as security for borrowings as disclosed in Note 18.

CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

8. GOODWILL ON CONSOLIDATION

	Group	
	30.6.2023	31.12.2021
	RM'000	RM'000
Goodwill on consolidation	75,683	75,683

Goodwill on consolidation arose from the acquisition of UOC Sdn. Bhd. ("UOC"). UOC is identified as a single cash generating unit ("CGU").

Goodwill is assessed at each reporting date regardless of any indication of impairment by comparing the carrying amount with the recoverable amount of each CGUs.

The recoverable amount of CGU has been determined based on value-in-use calculations using cash flows projection from forecast approved by the Group covering a five-year period.

The calculation of value-in-use for the CGU is most sensitive to the following key assumptions:

- Cash flows were projected based on past experience, actual operating results and management's plans. The Group believes that the 5 years forecast period together with its estimated terminal value was justified due to the long-term nature of the education business;
- Revenue growth rates are based on several strategies in place such as increase in number of students;
- The growth rate used in determining the terminal value is 2% (31.12.2021: 1%) which is based on the country headline inflation rate; and
- The 13% (31.12.2021: 14%) pre-tax discount rate is the weighted average cost of capital which reflects the risk relating to the education business.

The values assigned to the above key assumptions represent the Group's assessment of future trends of the business and the industry, and are based on both external sources and internal sources of information.

The estimated recoverable amount exceeds the carrying amount of the CGU. Based on the sensitivity analysis performed, the Group believes that no reasonably possible change in base case key assumptions would cause the carrying value of the CGU to exceed its recoverable amount.

CONSOLIDATED FINANCIAL STATEMENTS

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9. OTHER INTANGIBLE ASSETS

	Education license RM'000	Software RM'000	Development costs RM'000	Intellectual rights RM'000	Franchise fee RM'000	Trademark RM'000	Total RM'000
Group							
30.6.2023							
Cost							
At 1 January 2022	49,829	992	2,976	3	53	1,500	55,353
Additions - acquired separately	-	76	10	-	-	-	86
At 30 June 2023	49,829	1,068	2,986	3	53	1,500	55,439
Accumulated amortisation							
At 1 January 2022	-	807	464	3	11	-	1,285
Amortisation for the financial period	-	199	558	-	8	-	765
At 30 June 2023	-	1,006	1,022	3	19	-	2,050
Carrying amount							
At 30 June 2023	49,829	62	1,964	-	34	1,500	53,389
31.12.2021							
Cost							
At 1 January 2021	49,829	992	3,157	3	53	1,500	55,534
Disposal of a subsidiary	-	-	(181)	-	-	-	(181)
At 31 December 2021	49,829	992	2,976	3	53	1,500	55,353
Accumulated amortisation							
At 1 January 2021	-	605	158	3	6	-	772
Amortisation for the financial year	-	202	392	-	5	-	599
Disposal of a subsidiary	-	-	(86)	-	-	-	(86)
At 31 December 2021	-	807	464	3	11	-	1,285
Carrying amount							
At 31 December 2021	49,829	185	2,512	-	42	1,500	54,068

(a) Amortisation

The amortisation of development costs of the Group is included in cost of sales. The amortisation of software and intellectual rights of the Group is included in administrative expenses.

9. **OTHER INTANGIBLE ASSETS (CONTINUED)**

(b) Education license

Education license to conduct the Bachelor of Medicine and Bachelor of Surgery ("MBBS") programme in university is allocated to the education segment that generates revenue from MBBS programme. The useful life of the license is estimated to be indefinite.

Education license is assessed at each reporting date regardless of any indication of impairment by comparing the carrying amount with the recoverable amount of the CGU. The recoverable amount of the CGUs has been determined based on value-in-use calculations using cash flows projection from forecast approved by the Company covering a five-year period.

The calculation of value-in-use for the CGU is most sensitive to the following key assumptions:

- Cash flows were projected based on past experience, actual operating results and management's plans. The Group believes that the 5 years forecast period together with its estimated terminal value was justified due to the long-term nature of the education business;
- Revenue growth rates are based on several strategies in place such as increase in number of students;
- The growth rate used in determining the terminal value is 2% (31.12.2021: 1%) which is based on the country headline inflation rate; and
- The 15% (31.12.2021: 14%) pre-tax discount rate is the weighted average cost of capital which reflects the risk relating to the education business.

The values assigned to the above key assumptions represent the Group's assessment of future trends of the business and the industry, and are based on both external sources and internal sources of information.

Based on the sensitivity analysis performed, the Group believes that no reasonably possible change in base case key assumptions would cause the carrying value of the CGU to exceed its recoverable amount. As a result of this analysis, management did not identify an impairment for this CGU.

(c) Trademark

Trademark represents the rights to use the Asia HRD Congress brand which the Company has assessed to have indefinite useful lives. Trademark is assessed at each reporting date regardless of any indication of impairment by comparing the carrying amount to its recoverable amount. The recoverable amount of trademark has been determined based on value-in-use calculations using cash flows projection from forecast approved by the Company covering five-year period.

Calculation of value-in-use for the trademark is most sensitive to the revenue projected and discount rate used. The 14% (31.12.2021: 14%) pre-tax discount rate is the weighted average cost of capital which reflects the risk relating to the trademark.

Based on the sensitivity analysis performed, the Group believes that no reasonably possible change in base case key assumptions would cause the carrying value of the CGU to exceed its recoverable amount.

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

10. INVESTMENT IN SUBSIDIARIES

	Company	
	30.6.2023	31.12.2021
	RM'000	RM'000
At cost:		
Unquoted shares	583,240	582,640
Less: Accumulated impairment losses		
At 1 January	(160,269)	(87,319)
Additions	(81,527)	(72,950)
At 30 June/31 December	(241,796)	(160,269)
	341,444	422,371

Amount due from subsidiaries represents loans that are part of net investments which is non-trade in nature, unsecured and non-interest bearing. The settlement of the amount is neither planned nor likely to occur in the foreseeable future as it is the intention of the Company to treat these amounts as long-term source of capital to the subsidiaries. As this amount is, in substance, a part of the Company's net investment in the subsidiaries, it is stated at cost less accumulated impairment loss, if any.

The Company assessed the recoverable amount of subsidiaries in view of recent proposed disposal of business of a subsidiary as disclosed in Note 34(c). An impairment of RM81,527,000 (Financial year ended 31.12.2021: RM72,950,000) was recognised and included in other expenses line in profit or loss, determined based on the recoverable amount using value-in-use of the subsidiaries. The value-in-use was calculated using cash flows projection covering 5-year period and terminal value with growth rate of 2% (31.12.2021: 1%), applying pre-tax discount rate of 13% (31.12.2021: 14%).

The details of the subsidiaries, which have principal place of business or incorporated in Malaysia, are as follows:

Name of Company	Ownership Interest		Principal Activities
	30.6.2023	31.12.2021	
	%	%	
Direct			
ASIAMET Education Group Sdn. Bhd. ("AEGSB")	100	100	Investment holding
Minda Global International Education Sdn. Bhd. ("MGIE")	-	100	Provision of education services
Minda Global Management Sdn. Bhd.	100	100	Provision of management service
Cyberjaya College Central Sdn. Bhd.	100	100	Provision of education services
Cyberjaya College Kota Kinabalu Sdn. Bhd.	100	100	Provision of education services

CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

10. **INVESTMENT IN SUBSIDIARIES (CONTINUED)**

The details of the subsidiaries, which have principal place of business or incorporated in Malaysia, are as follows (Continued):

Name of Company	Ownership Interest 30.6.2023 %	31.12.2021 %	Principal Activities
Direct (Continued)			
Cyberjaya College Kuching Sdn. Bhd.	100	100	Provision of education services
CUCMS Education Sdn. Bhd. ("CESB")	100	100	Provision of education services
UOC Sdn. Bhd.	100	100	Operation of education institutions and provision of education services
SMR HR Group Sdn. Bhd.	100	100	Provision of Human Resource Development ("HRD") solutions convering training, consulting, outsourcing, events, learning resources and advisory support services
IIT Education Sdn. Bhd. *	60	-	Provision of education services
Held through AEGSB			
ASIAMET (M) Sdn. Bhd.	100	100	Provision of education services
Held through CESB			
Minda Global Language Centre Sdn. Bhd.	100	100	Provision of education services
Held through AMSB			
Minda Global Property Management Sdn. Bhd.	100	100	Dormant
ASIAMET International Sdn. Bhd.	100	100	Dormant

* *Incorporated on 7 October 2022 with a paid-up capital of RM1,000,000 divided into 1,000,000 shares.*

CONSOLIDATED FINANCIAL STATEMENTS

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10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

(a) Disposal of Minda Global International Education Sdn. Bhd. ("MGIE")

On 5 October 2021, the Company entered into a share sale agreement to dispose of 500,000 ordinary shares, representing the entire equity interest in the subsidiary for a total consideration of RM600,000 ("Proposed Disposal"). On 1 March 2022, the Proposed Disposal was completed.

(i) Summary of the effects of disposal of MGIE:

	30.6.2023 RM'000	RM'000
Recognised:		
Cash consideration received		600
Derecognised:		
Property and equipment (Note 5)	121	
Other receivables	13	
Cash and cash equivalents	252	
Other payables	(503)	
Contract liabilities	(651)	(768)
Gain on disposal of MGIE		1,368

(ii) Effects of disposal on cash flows:

	30.6.2023 RM'000
Consideration received in cash	600
Less: Cash and cash equivalents of subsidiary disposed	(252)
Net cash inflows on disposal	348

(b) Disposal of CUCMS Properties Management Sdn. Bhd.

On 3 March 2021, CESB entered into a share sale agreement to dispose of 2 ordinary shares, representing the entire equity interest in the subsidiary for a total consideration of RM1.

(i) Summary of the effects of disposal of CUCMS Properties Management Sdn. Bhd.:

	31.12.2021 RM'000
Recognised:	
Cash consideration received	*
Derecognised:	
Cash and cash equivalents	@
Loss on disposal of CUCMS Properties Management Sdn. Bhd.	#

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

10. **INVESTMENT IN SUBSIDIARIES (CONTINUED)**

(b) **Disposal of CUCMS Properties Management Sdn. Bhd. (Continued)**

(ii) Effects of disposal on cash flows:

	31.12.2021 RM'000
Consideration received in cash	*
Less: Cash and cash equivalents of subsidiary disposed	@
Net cash outflows on disposal	#

* Representing RM1.
@ Representing (RM2).
# Representing (RM1).

(c) **Disposal of CUCMS Edutech Sdn. Bhd.**

(i) Summary of the effects of disposal of CUCMS Edutech Sdn. Bhd.:

	31.12.2021	
	RM'000	RM'000
Recognised:		
Cash consideration received		100
Derecognised:		
Other intangible asset (Note 9)	95	
Cash and cash equivalents	17	
Other payables	(12)	100
Gain on disposal of CUCMS Edutech Sdn. Bhd.		-

(ii) Effects of disposal on cash flows:

	31.12.2021 RM'000
Consideration received in cash	100
Less: Cash and cash equivalents of subsidiary disposed	(17)
Net cash inflows on disposal	83

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

11. DEFERRED TAX ASSETS/(LIABILITIES)

	Group	
	30.6.2023 RM'000	31.12.2021 RM'000
At 1 January	(8,108)	(7,750)
Recognised in profit or loss (Note 25)	(1,039)	(358)
Recognised in other comprehensive income (Note 25)	(3,335)	-
At 30 June/31 December	(12,482)	(8,108)

Deferred tax assets and deferred tax liabilities presented after appropriate offsetting as follows:

	Group	
	30.6.2023 RM'000	31.12.2021 RM'000
Deferred tax assets	7,419	8,425
Deferred tax liabilities	(19,901)	(16,533)
	(12,482)	(8,108)

The components and movements of deferred tax assets and liabilities during the financial period prior to offsetting are as follows:

Group	As at 1 January 2022 RM'000	Recognised in profit or loss RM'000	Recognised in other comprehensive income RM'000	As at 30 June 2023 RM'000
Deferred tax assets				
Property and equipment	752	740	-	1,492
Other deductible temporary differences	-	(1,290)	-	(1,290)
Contract liabilities	5,248	1,867	-	7,115
Unutilised tax losses	-	64	-	64
Right-of-use assets	3,386	(3,381)	-	5
	9,386	(2,000)	-	7,386
Deferred tax liabilities				
Other taxable temporary differences	(961)	961	-	-
Revaluation reserves	(4,574)	-	(3,335)	(7,909)
Education license	(11,959)	-	-	(11,959)
	(17,494)	961	(3,335)	(19,868)
	(8,108)	(1,039)	(3,335)	(12,482)

11. DEFERRED TAX ASSETS/(LIABILITIES) (CONTINUED)

The components and movements of deferred tax assets and liabilities during the financial period prior to offsetting are as follows (Continued):

Group	As at 1 January 2021 RM'000	Recognised in profit or loss RM'000	As at 31 December 2021 RM'000
Deferred tax assets			
Property and equipment	112	640	752
Other deductible temporary differences	833	(833)	-
Unabsorbed capital allowances	66	(66)	-
Contract liabilities	5,718	(470)	5,248
Unutilised tax losses	25	(25)	-
Right-of-use assets	2,708	678	3,386
	9,462	(76)	9,386
Deferred tax liabilities			
Other taxable temporary differences	(679)	(282)	(961)
Revaluation reserves	(4,574)	-	(4,574)
Education license	(11,959)	-	(11,959)
	(17,212)	(282)	(17,494)
	(7,750)	(358)	(8,108)

The estimated temporary differences for which no deferred tax assets have been recognised in the financial statements are as follows:

	Group	
	30.6.2023 RM'000	31.12.2021 RM'000
Unabsorbed capital allowances	284,026	280,693
Unutilised investment tax allowances	90,466	90,466
Unutilised tax losses	122,429	131,760
Other deductible temporary differences	33,105	36,953
	530,026	539,872

The unutilised tax losses are available for offset against future taxable profits of the subsidiaries which will expire in the following financial years:

	Group	
	30.6.2023 RM'000	31.12.2021 RM'000
2033	718	-
2031	1,469	1,469
2030	630	695
2029	6,707	6,707
2028	112,905	122,889
	122,429	131,760

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

12. CONTRACT COSTS

	Group	
	30.6.2023 RM'000	31.12.2021 RM'000
Non-current		
Contract costs	4,491	2,736
Current		
Contract costs	4,931	2,666
	9,422	5,402

Contract costs represent commission fees paid to the agents.

Contract costs are amortised in accordance with the pattern of transfer of services under the contracts with customers.

During the financial period, amortisation amounting to RM9,074,000 (Financial year ended 31.12.2021: RM3,288,000) was recognised as part of administrative expenses. There was no impairment loss in relation to the costs capitalised.

13. TRADE AND OTHER RECEIVABLES

	Group		Company	
	30.6.2023 RM'000	31.12.2021 RM'000	30.6.2023 RM'000	31.12.2021 RM'000
Current				
Trade				
Trade receivables	66,329	67,253	-	-
Less: Allowance for impairment losses	(50,933)	(48,843)	-	-
	15,396	18,410	-	-

CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

13. TRADE AND OTHER RECEIVABLES (CONTINUED)

	Group		Company	
	30.6.2023 RM'000	31.12.2021 RM'000	30.6.2023 RM'000	31.12.2021 RM'000
Current				
Non-trade				
Other receivables	8,323	3,130	-	-
Less: Allowance for impairment losses	(197)	(827)	-	-
	8,126	2,303	-	-
Deposits	4,255	11,565	-	-
Prepayments	4,220	618	22	-
Amounts due from former holding company	-	7,284	-	-
Amounts due from subsidiaries	-	-	29,595	5,892
Amounts due from former related companies	-	2,244	-	-
Amounts due from shareholder of a subsidiary	400	-	-	-
	8,875	21,711	29,617	5,892
	17,001	24,014	29,617	5,892
	32,397	42,424	29,617	5,892

(a) Trade receivables

Receivables that are impaired

The Group’s trade receivables that are impaired at the reporting date and the reconciliations of movement in the impairment allowance of trade receivables are as follows:

	Group	
	30.6.2023 RM'000	31.12.2021 RM'000
At 1 January	48,843	49,860
Charge for the financial period/year		
- Individually assessed	1,982	1,394
- Collectively assessed	1,975	2,745
Reversal of impairment losses		
- Collectively assessed	(288)	-
- Disposal of a subsidiary	(88)	-
Written off	(1,491)	(5,156)
At 30 June/31 December	50,933	48,843

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

13. TRADE AND OTHER RECEIVABLES (CONTINUED)

(a) Trade receivables (Continued)

The foreign currency exposure profiles on trade receivables are as follows:

	Group	
	30.6.2023	**31.12.2021**
	RM'000	**RM'000**
Ringgit Malaysia	15,053	18,376
Omani Rial	343	34
	15,396	18,410

The information about the credit exposures are disclosed in Note 31(a).

(b) Other receivables

The Group's other receivables that are impaired at the reporting date and the reconciliations of movement in the impairment allowance of other receivables are as follows:

	Group	
	30.6.2023	**31.12.2021**
	RM'000	**RM'000**
At 1 January	827	593
Charge for the financial period/year		
- Individually assessed	197	234
Reversal of impairment losses		
- Individually assessed	(819)	-
Written off	(8)	-
At 30 June/31 December	197	827

(c) Included in deposits of the Group are rental deposits amounting to RM3,664,919 (31.12.2021: RM9,916,690). In previous financial year, included in rental deposits of the Group are rental deposits amounting to RM7,943,793 paid to a former related company.

(d) The amounts due from former holding company is non-trade in nature, unsecured, interest free and repayable on demand.

(e) Amounts due from subsidiaries are non-trade in nature, unsecured, interest free and repayable on demand.

(f) The amounts due from former related companies are non-trade in nature, unsecured, interest free and repayable on demand. Former related companies refer to subsidiaries of former ultimate holding company.

CONSOLIDATED FINANCIAL STATEMENTS

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14. CASH AND BANK BALANCES

	Group		Company	
	30.6.2023	**31.12.2021**	**30.6.2023**	**31.12.2021**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Deposits placed with licensed banks	942	929	-	-
Cash and bank balances	9,479	16,018	5	42
	10,421	16,947	5	42

(a) Deposits placed with licensed banks of RM941,723 (31.12.2021: RM928,829) have been pledged to licensed banks for a bank guarantee facility and borrowing facility to secure credit facilities granted to a subsidiary.

(b) The deposits with licensed banks of the Group have a maturity period of 30 days to 365 days (31.12.2021: 30 days to 365 days) and bear interest at a rate of 2.00% to 2.60% (31.12.2021: 1.50% to 1.91%) per annum.

(c) Included in cash and bank balances of the Group amounting to RM3,947,043 (31.12.2021: RM3,723,176) are restricted fund held as security for the borrowing facilities as disclosed in Note 18.

15. NON-CURRENT ASSETS HELD FOR SALE

	Group	
	30.6.2023	**31.12.2021**
	RM'000	**RM'000**
Cost		
At 1 January	64,662	72,040
Disposal	(64,662)	(7,378)
At 30 June/31 December	-	64,662
Accumulated depreciation and impairment losses		
At 1 January	44,384	48,293
Reversal of impairment loss	-	(131)
Disposal	(44,384)	(3,778)
At 30 June/31 December	-	44,384
Carrying amount		
At 30 June/31 December	-	20,278

CONSOLIDATED FINANCIAL STATEMENTS

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15. NON-CURRENT ASSETS HELD FOR SALE (CONTINUED)

(a) During the financial year 2019, an earnest deposit was received from Ascent Resource Holdings Sdn. Bhd. ("ARHSB") by AMSB, a wholly-owned indirect subsidiary of the Company for the disposal of institutional premises comprising fifteen contiguous units of four storey terraced shop offices/offices, a single storey auditorium, eleven units of stratified ground floor shop offices/offices, five units of stratified first floor shop offices/offices and three units of stratified second floor shop offices/offices and a car park area for a total cash consideration of RM30,000,000 ("Proposed Building Disposal"). On 25 February 2020, AMSB entered into a sale and purchase agreement with ARHSB for the Proposed Building Disposal. The Proposed Building Disposal was completed during the financial period.

16. SHARE CAPITAL

	Group and Company			
	30.06.2023		31.12.2021	
	Number of shares Unit'000	RM'000	Number of shares Unit'000	RM'000
Issued and fully paid up (no par value):				
At 1 January	1,321,906	388,129	1,239,906	383,209
Issued during the financial period/year	357,143	25,000	82,000	4,920
At 30 June/31 December	1,679,049	413,129	1,321,906	388,129

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

During the financial period, the Company issued a total of 357,143,000 (31.12.2021: 82,000,000) new ordinary shares pursuant to private placements at an issue price of RM0.07 (31.12.2021: RM0.06) per ordinary share as part of the purchase consideration of the acquisition of land and building located in Cyberjaya.

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

17. OTHER RESERVES

	Group	
	30.6.2023	**31.12.2021**
	RM'000	**RM'000**
Capital reorganisation deficit	(7,064)	(7,064)
Revaluation reserve	25,047	14,484
	17,983	7,420

(a) Capital reorganisation deficit

Capital reorganisation deficit includes:

(i) the difference between the purchase consideration to acquire AEGSB and the share capital of AEGSB; and
(ii) the difference between the purchase consideration to acquire SMR HR Group Sdn. Bhd. and the book value of identifiable assets and liabilities assumed.

(b) Revaluation reserve

The revaluation reserve represents surplus from the revaluation of the Group's land and buildings net of deferred taxation.

18. BORROWINGS

	Group	
	30.6.2023	**31.12.2021**
	RM'000	**RM'000**
Non-current		
Secured		
Term loans (Islamic)	145,078	16,184
Hire purchase payables	515	354
Total non-current borrowing	145,593	16,538
Current		
Secured		
Bank overdrafts	3,018	62
Term loans (Islamic)	8,195	1,206
Hire purchase payables	98	149
Total current borrowings	11,311	1,417
Total borrowings	156,904	17,955

CONSOLIDATED FINANCIAL STATEMENTS

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18. BORROWINGS (CONTINUED)

(a) Term loans (Islamic)

Term loans of subsidiaries bear profit rate ranging from 4.46% to 5.51% (31.12.2021: 5.51%) per annum and are repayable by 59 to 180 monthly instalments over seven to fifteen years and is secured and supported as follows:
(i) Charge over properties of a subsidiary (Note 5, 6 and 7);
(ii) Guarantee from a director of the Company;
(iii) Corporate guarantee of the Company; and
(iv) Charge over cash deposit – debt service reserve account (Note 14).

(b) Bank overdrafts

The bank overdrafts bear interest at 7.76% (31.12.2021: 6.51% to 7.90%) per annum. The bank overdrafts are secured by way of:
(i) Charge over properties of a subsidiary (Note 5, 6 and 7);
(ii) Guarantee from a director of the Company;
(iii) Corporate guarantee of the Company;
(iv) Charge over cash deposit – debt service reserve account (Note 14);
(v) Fixed deposits placed with licensed banks (Note 14);
(vi) Half yearly sinking fund of RM25,000 to be placed until the bank overdraft of RM495,000 is fully secured; and
(vii) Corporate guarantee by the former ultimate holding company.

(c) Hire purchase payables

The hire purchase payables bear effective interest ranging from 4.52% to 6.39% (31.12.2021: 4.64% to 7.16%) per annum and are secured against computer equipment and motor vehicles as disclosed in Note 5.

19. LEASE LIABILITIES

	Group	
	30.6.2023 RM'000	31.12.2021 RM'000
Non-current		
Lease liabilities	15,979	130,185
Current		
Lease liabilities	5,007	14,272
	20,986	144,457

The incremental borrowing rate applied to lease liabilities was 7.80% to 8.80% (31.12.2021: 7.80% to 8.80%).

CONSOLIDATED FINANCIAL STATEMENTS

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19. LEASE LIABILITIES (CONTINUED)

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

	Group	
	30.6.2023 RM'000	31.12.2021 RM'000
Future minimum lease payments	26,158	193,861
Less: Future interest charges	(5,172)	(49,404)
Total present value of minimum lease payables	20,986	144,457
Current liabilities		
Payable within one year		
Future minimum lease payments	6,551	23,194
Less: Future interest charges	(1,544)	(8,923)
Present value of minimum lease payments	5,007	14,271
Non-current liabilities		
Payable more than 1 year but not more than 5 years		
Future minimum lease payments	14,539	80,175
Less: Future interest charges	(2,800)	(25,729)
Present value of minimum lease payments	11,739	54,446
Payable more than 5 years		
Future minimum lease payments	5,068	90,492
Less: Future interest charges	(828)	(14,752)
Present value of minimum lease payments	4,240	75,740
Total present value of minimum lease payables	20,986	144,457

CONSOLIDATED FINANCIAL STATEMENTS

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20. TRADE AND OTHER PAYABLES

	Group		Company	
	30.6.2023 RM'000	31.12.2021 RM'000	30.6.2023 RM'000	31.12.2021 RM'000
Trade				
Trade payables	778	543	-	-
Non-trade				
Other payables	7,363	15,394	94	-
Accruals	6,855	9,462	14	90
SST payables	235	44	-	-
Deposits received	1,216	4,482	-	-
Amounts due to subsidiaries	-	-	206,012	201,907
Amounts due to former holding company	-	2,766	-	1,613
Amounts due to former related companies	-	3,517	-	887
	15,669	35,665	206,120	204,497
	16,447	36,208	206,120	204,497

(a) The foreign currency exposure profiles on trade payables are as follows:

	Group	
	30.6.2023 RM'000	31.12.2021 RM'000
Ringgit Malaysia	774	537
British Pound Sterling	-	2
Omani Rial	4	4
	778	543

(b) In previous financial year, included in other payables of the Group are:

(i) an amount of RM1,188,271 due to contractor for the renovation of new campus;

(ii) an amount of RM87,068 in respect of rental of premises; and

(iii) an amount of RM348,518 which is due to a foundation in which a director of the Company is the founder and director.

(c) Included in deposits received are amounts of RM Nil (31.12.2021: RM3,000,000) received from purchasers of properties of the Group.

(d) Amount due to subsidiaries are non-trade in nature, unsecured, interest free and repayable on demand which includes an amount of RM169,200,678 (31.12.2021: RM169,200,678) arising from acquisition of certain subsidiaries in the previous financial years.

(e) Amounts due to former holding company is non-trade in nature, unsecured, interest free and repayable on demand.

20. TRADE AND OTHER PAYABLES (CONTINUED)

(f) Amounts due to former related companies

		Group		Company	
	Note	30.6.2023 RM'000	31.12.2021 RM'000	30.6.2023 RM'000	31.12.2021 RM'000
Interest bearing	(i)	-	887	-	887
Non-interest bearing	(ii)	-	2,630	-	-
		-	3,517	-	887

Former related companies refer to subsidiaries of former ultimate holding company.

(i) In previous financial year, this amount is non-trade in nature, unsecured, bears interest at rate of 5.00% per annum and repayable on demand.

(ii) These amounts are non-trade in nature, unsecured, interest free and repayable on demand.

21. CONTRACT LIABILITIES

	Group	
	30.6.2023 RM'000	31.12.2021 RM'000
Deferred income	20,711	18,816
Advances received from students	16,626	11,110
	37,337	29,926

Significant changes in contract balances:

	Group	
	30.6.2023 RM'000	31.12.2021 RM'000
Contract liabilities		
Revenue recognised that was included in contract liabilities at the beginning of the financial period/year	(29,926)	(29,691)
Increase due to billings/cash received in advance not recognised as revenue at the end of the financial period/year	37,337	29,926

CONSOLIDATED FINANCIAL STATEMENTS

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22. REVENUE

	Group	
	1.1.2022 to 30.6.2023 RM'000	Financial year ended 31.12.2021 RM'000
Revenue from contract with customers:		
Course fees	157,288	92,146
Royalty fees	7,906	4,823
Resource fees	1,208	1,443
Training fees	5,372	1,067
Other miscellaneous charges	10,011	7,020
	181,785	106,499
Revenue from other sources:		
Hostel rental	2,884	1,417
	184,669	107,916

(a) Disaggregation of revenue

The Group reports the following major segments: universities, colleges and international school in accordance with MFRS 8 *Operating Segments*. For the purpose of disclosure for disaggregation of revenue, it disaggregates revenue into primary geographical markets and timing of revenue recognition (i.e. services transferred at a point in time or over time).

	Universities RM'000	Colleges RM'000	International school RM'000	Others RM'000	Total RM'000
Group					
Primary geographical markets:					
1.1.2022 to 30.6.2023					
Cyberjaya	132,751	467	-	5,560	138,778
Johor Bahru	13,848	-	-	-	13,848
Kuching	-	12,039	-	-	12,039
Kota Kinabalu	-	16,976	-	-	16,976
Ipoh	-	-	144	-	144
	146,599	29,482	144	5,560	181,785
Timing of revenue recognition:					
At a point in time	8,977	1,034	-	5,372	15,383
Over time	137,622	28,448	144	188	166,402
	146,599	29,482	144	5,560	181,785

22. REVENUE (CONTINUED)

(a) Disaggregation of revenue (Continued)

The Group reports the following major segments: universities, colleges and international school in accordance with MFRS 8 *Operating Segments*. For the purpose of disclosure for disaggregation of revenue, it disaggregates revenue into primary geographical markets and timing of revenue recognition (i.e. services transferred at a point in time or over time) (Continued).

	Universities RM'000	Colleges RM'000	International school RM'000	Others RM'000	Total RM'000
Group					
Primary geographical markets:					
Financial year ended 31.12.2021					
Cyberjaya	73,976	103	-	1,268	75,347
Johor Bahru	16,930	-	-	-	16,930
Kuching	-	4,702	-	-	4,702
Kota Kinabalu	-	7,596	-	-	7,596
Ipoh	-	-	1,924	-	1,924
	90,906	12,401	1,924	1,268	106,499
Timing of revenue recognition:					
At a point in time	5,780	561	679	1,067	8,087
Over time	85,126	11,840	1,245	201	98,412
	90,906	12,401	1,924	1,268	106,499

(b) The Group applies the practical expedient in paragraph 121(a) of MFRS 15 and do not disclose information about remaining performance obligations that have original expected durations of one year or less.

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23. OPERATING PROFIT/(LOSS)

Operating profit/(loss) has been arrived at:

	Group		Company	
	1.1.2022 to 30.6.2023 RM'000	Financial year ended 31.12.2021 RM'000	1.1.2022 to 30.6.2023 RM'000	Financial year ended 31.12.2021 RM'000
After charging:				
Amortisation of intangible assets	765	599	-	-
Amortisation of contract costs	9,074	3,288	-	-
Auditors' remuneration				
- statutory audit				
- current year	394	347	95	90
- prior year	-	(17)	-	-
- other services	6	6	6	6
Depreciation of:				
- property and equipment	11,067	6,917	-	-
- right-of-use assets	19,610	12,842	-	-
Executive directors				
- fees	-	8	-	8
- salaries, allowances and others	2,826	2,321	-	-
- contributions to Employees Provident Fund	340	202	-	-
Non-executive directors				
- fees	374	385	255	223
- allowances	432	33	38	30
- contributions to Employees Provident Fund	43	-	-	-
Impairment loss on:				
- trade receivables	3,957	4,139	-	-
- other receivables	197	234	-	-
- investment in subsidiaries	-	-	81,527	72,950
Bad debts written off:				
- trade receivables	1,886	-	-	-
- other receivables	425	-	-	-
Personnel expenses (including other key management personnel):				
- wages, salaries and others	75,140	40,141	-	-
- contributions to Employees Provident Fund	6,087	3,821	-	-
Expenses relating to short-term lease:				
- premises	3,423	756	-	-
Expenses relating to low value assets:				
- equipment	7	8	-	-
- motor vehicle	13	-	-	-
Loss on disposal of:				
- a subsidiary	-	-	1,377	-
- non-current assets held for sale	289	-	-	-

CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

23. OPERATING PROFIT/(LOSS) (CONTINUED)

Operating profit/(loss) has been arrived at (Continued):

	Group		Company	
	1.1.2022 to 30.6.2023 RM'000	Financial year ended 31.12.2021 RM'000	1.1.2022 to 30.6.2023 RM'000	Financial year ended 31.12.2021 RM'000
And crediting:				
Interest income	29	76	1	1
Gain on modification and termination of lease	13,457	127	-	-
Rent concession income	126	123	-	-
Gain on disposal of:				
- property and equipment	-	#	-	-
- a subsidiary	1,368	50	-	-
Reversal of impairment loss on:				
- property and equipment	2,393	-	-	-
- trade receivables	288	-	-	-
- other receivables	819	-	-	-
- amounts due from subsidiaries	-	-	-	1,437
- non-current assets held for sale	-	131	-	-
Gain/(Loss) on foreign exchange:				
- realised	-	(7)	-	-
- unrealised	23	9	-	-
Waiver of debt	543	-	-	-
Rental income from properties	2,022	944	-	-

The gain on disposal of property and equipment is RM1.

24. FINANCE COSTS

	Group		Company	
	1.1.2022 to 30.6.2023 RM'000	Financial year ended 31.12.2021 RM'000	1.1.2022 to 30.6.2023 RM'000	Financial year ended 31.12.2021 RM'000
Interest expense:				
- advances from a related company	-	115	-	115
- term loan	5,499	972	-	-
- lease liabilities	10,944	10,201	-	-
- hire purchase payables	30	29	-	
- bank overdrafts	227	554	-	-
	16,700	11,871	-	115

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

25. INCOME TAX EXPENSE

	Group		Company	
	1.1.2022 to 30.6.2023 RM'000	Financial year ended 31.12.2021 RM'000	1.1.2022 to 30.6.2023 RM'000	Financial year ended 31.12.2021 RM'000
Current tax				
- current period	1,191	37	-	-
- prior years	166	5	-	-
	1,357	42	-	-
Deferred tax (Note 11)				
- current period	1,210	424	-	-
- prior years	(171)	(66)	-	-
	1,039	358	-	-
Total tax expense recognised in profit or loss	2,396	400	-	-
Deferred tax related to other comprehensive income (Note 11):				
Revaluation of property and equipment	3,335	-	-	-
Total tax expense recognised in other comprehensive income	3,335	-	-	-

Domestic income tax is calculated at the Malaysian statutory income tax rate of 24% of the estimated assessable profit for the financial period.

25. INCOME TAX EXPENSE (CONTINUED)

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

	Group		Company	
	1.1.2022 to 30.6.2023 RM'000	Financial year ended 31.12.2021 RM'000	1.1.2022 to 30.6.2023 RM'000	Financial year ended 31.12.2021 RM'000
Profit/(Loss) before tax	11,355	3,902	(83,862)	(72,098)
Taxation at the applicable tax rate of 24%	2,725	936	(20,127)	(17,304)
Tax effects arising from:				
- non-deductible expenses	3,450	1,431	20,127	17,304
- non-taxable income	(1,411)	(178)	-	-
- tax exempt income	-	(1,460)	-	-
- utilisation of unrecognised deferred tax assets	(2,788)	(528)	-	-
- under provision of current income tax in prior year	166	5	-	-
- over provision of deferred tax in prior year	(171)	(66)	-	-
- origination of deferred tax assets not recognised in the financial statements	425	260	-	-
Income tax expense recognised in profit or loss	2,396	400	-	-

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

26. EARNINGS PER ORDINARY SHARE

The calculation of basic earnings per ordinary share for the financial period ended 30 June 2023 was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding, calculated as follows:

	Group	
	1.1.2022 to 30.6.2023 RM'000	**Financial year ended 31.12.2021 RM'000**
Profit attributable to owners of the Company	9,036	3,502

	30.6.2023 '000	**31.12.2021 '000**
Weighted average number of ordinary shares:		
Number of ordinary shares in issue as of 1 January	1,306,629	1,239,906
Effect of issuance of ordinary shares pursuant to private placements	160,713	66,723
Weighted average number of ordinary shares in issue at 30 June/31 December	1,467,342	1,306,629

	1.1.2022 to 30.6.2023 Sen	**Financial year ended 31.12.2021 Sen**
Basic earnings per ordinary share	0.62	0.27

Diluted earnings per share

The diluted earnings per share of the Company for the financial period/year ended 30 June 2023 and 31 December 2021 is equal to the basic earnings per share of the Company as there are no potential dilutive ordinary shares in issue.

27. CORPORATE GUARANTEE

	Company	
	1.1.2022 to 30.6.2023 RM'000	**Financial year ended 31.12.2021 RM'000**
Corporate guarantee for credit facility granted to subsidiaries		
- CUCMS Education Sdn. Bhd.	17,390	17,390
- UOC Sdn. Bhd.	141,000	-
	158,390	17,390

28. RELATED PARTIES

(a) Identity of related parties

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

Related parties of the Group include:

(i) Holding company;
(ii) Subsidiaries;
(iii) Other subsidiaries of the holding company ("related companies");
(iv) Entities in which directors have substantial financial interests; and
(v) Key management personnel, comprise persons (including directors) having the authority and responsibility for planning, directing and controlling the activities directly or indirectly.

(b) Significant related party transactions and balances

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

	Group		Company	
	1.1.2022 to 30.6.2023 RM'000	Financial year ended 31.12.2021 RM'000	1.1.2022 to 30.6.2023 RM'000	Financial year ended 31.12.2021 RM'000
Transactions with:				
Related companies				
Interest expenses paid/payable	-	115	-	115
Rental of premises paid/payable	19,524	12,144	-	-
IT expenses paid/payable	1,079	1,080	-	-
Disposal of motor vehicle to a key management personnel	-	#	-	-
Rental of premises received/receivable	(3)	-	-	-

The sales proceeds for the disposal of motor vehicle is RM1.

Significant outstanding balances with related parties at the end of the reporting period are as disclosed in Notes 13 and 20.

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

28. RELATED PARTIES (CONTINUED)

(c) Compensation of key management personnel

The details of key management personnel compensation during the financial period are as follows:

	Group		Company	
	1.1.2022 to 30.6.2023 RM'000	Financial year ended 31.12.2021 RM'000	1.1.2022 to 30.6.2023 RM'000	Financial year ended 31.12.2021 RM'000
Directors of the Company				
- fees	255	231	255	231
- salaries, allowances and others	2,154	1,652	38	30
- contribution to Employees' Provident Fund	254	120	-	-
	2,663	2,003	293	261
Directors of subsidiaries				
- fees	119	162	-	-
- salaries, allowances and others	1,104	702	-	-
- contribution to Employees' Provident Fund	129	82	-	-
	1,352	946	-	-
	4,015	2,949	293	261
Other key management personnel				
- salaries, allowances and others	2,324	1,270	-	-
- contribution to Employees' Provident Fund	258	84	-	-
	2,582	1,354	-	-

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

29. OPERATING SEGMENTS

The Group has four reportable segments, as described below, which are the Group's strategic business units.

For each of the strategic business unit the Group Managing Director (the chief operating decision maker) reviews internal management reports on a regular basis. Information regarding the results of each reportable segment are included below. The internal management reports reviewed by the Group Managing Director are prepared based on profit or loss of type of institutions and not based on services.

Operating results of the reportable segments are independently evaluated for performance measurement and resource allocation decisions. Segment performance is evaluated based on operating profit or loss which is similar to the accounting profit or loss as included in the internal management reports reviewed by the Group Managing Director.

Segment revenue and expenses are the operating revenue and expenses reported in the Group's statement of comprehensive income that are directly attributable to a reportable segment and the relevant portion of such revenue and expenses that can be allocated on a reasonable basis to the reportable segment. The internal management reports reviewed by the Group Managing Director do not include segment assets and liabilities.

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

29. OPERATING SEGMENTS (CONTINUED)

Group	Universities RM'000	Colleges RM'000	International school RM'000	Corporate/ Others RM'000	Elimination of inter segment transactions RM'000	Total RM'000
1.1.2022 to 30.6.2023						
Revenue						
External revenue	148,082	30,882	144	5,561	-	184,669
Inter-segment revenue *	-	-	-	16,294	(16,294)	-
	148,082	30,882	144	21,855	(16,294)	184,669
Results						
Profit/(Loss) before tax	5,983	235	(29)	5,166	-	11,355
Income tax expense	(2,152)	(117)	-	(127)	-	(2,396)
Profit/(Loss) for the financial period	3,831	118	(29)	5,039	-	8,959

29. **OPERATING SEGMENTS (CONTINUED)**

Group (Continued)	Universities RM'000	Colleges RM'000	International school RM'000	Corporate/ Others RM'000	Elimination of inter segment transactions RM'000	Total RM'000
1.1.2022 to 30.6.2023						
Included in the measure of segment profit/(loss) are:						
Impairment loss on:						
- trade receivables	(1,874)	(1,866)	-	(217)	-	(3,957)
- other receivables	(197)	-	-	-	-	(197)
- investment in subsidiaries	-	-	-	81,527	(81,527)	-
Reversal of impairment loss on:						
- property and equipment	2,393	-	-	-	-	2,393
- trade receivables	-	285	-	3	-	288
- other receivables	819	-	-	-	-	819
Bad debts written off:						
- trade receivables	(1,162)	(689)	(35)	-	-	(1,886)
- other receivables	(405)	(20)	-	-	-	(425)
Interest expense	(15,003)	(1,668)	-	(29)	-	(16,700)
Amortisation of intangible assets	(757)	-	-	(8)	-	(765)
Amortisation of contract costs	(7,039)	(2,035)	-	-	-	(9,074)
Depreciation of:					-	
- property and equipment	(10,550)	(307)	(4)	(206)	-	(11,067)
- right-of-use assets	(14,585)	(5,025)	-	-	-	(19,610)
Loss on disposal of non-current assets held for sale	(289)	-	-	-	-	(289)

29. OPERATING SEGMENTS (CONTINUED)

Group (Continued)	Universities RM'000	Colleges RM'000	International school RM'000	Corporate/ Others RM'000	Elimination of inter segment transactions RM'000	Total RM'000
1.1.2022 to 30.6.2023						
Included in the measure of segment profit/(loss) are (Continued):						
Interest income	19	-	-	10	-	29
Gain on disposal of a subsidiary	-	-	-	1,368	-	1,368
Gain on modification and termination of lease	12,474	983	-	-	-	13,457
Rent concession income	94	32	-	-	-	126
Gain on foreign exchange:						
- unrealised	-	-	-	23	-	23
Waiver of debt	-	-	-	543	-	543
Financial year ended 31.12.2021						
Revenue						
External revenue	91,463	13,261	1,924	1,268	-	107,916
Inter-segment revenue *	-	-	-	8,034	(8,034)	-
	91,463	13,261	1,924	9,302	(8,034)	107,916
Results						
Profit/(Loss) before tax	4,416	(342)	1	(173)	-	3,902
Tax (expense)/credit	(380)	(35)	-	15	-	(400)
Profit/(Loss) for the financial year	4,036	(377)	1	(158)	-	3,502

29. **OPERATING SEGMENTS (CONTINUED)**

Group (Continued)	**Universities RM'000**	**Colleges RM'000**	**International school RM'000**	**Corporate/ Others RM'000**	**Elimination of inter segment transactions RM'000**	**Total RM'000**
Financial year ended 31.12.2021						
Included in the measure of segment profit/(loss) are:						
Impairment loss of:						
- trade receivables	(3,569)	(529)	(41)	-	-	(4,139)
- other receivables	(234)	-	-	-	-	(234)
Reversal of impairment loss on:						
- non-current assets held for sale	-	131	-	-	-	131
Interest expense	(10,615)	(1,103)	-	(153)	-	(11,871)
Amortisation of intangible assets	(233)	-	-	(366)	-	(599)
Amortisation of contract costs	(2,423)	(865)	-	-	-	(3,288)
Depreciation of:						
- property and equipment	(6,644)	(92)	(33)	(148)	-	(6,917)
- right-of-use assets	(10,697)	(2,142)	-	(3)	-	(12,842)
Interest income	66	-	-	10	-	76
Gain on disposal of:						
- property and equipment	#	-	-	-	-	#
- a subsidiary	-	-	-	50	-	50
Gain on modification and termination of lease	118	9	-	-	-	127
Gain/(Loss) on foreign exchange:						
- realised	-	-	-	(7)	-	(7)
- unrealised	-	-	-	9	-	9
Rent concession income	-	123	-	-	-	123

* Inter-segment revenue is eliminated on consolidation.
# Represents RM1.

CONSOLIDATED FINANCIAL STATEMENTS

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30. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

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

Group	Amortised cost RM'000	Total RM'000
30.6.2023		
Financial assets		
Trade and other receivables @	28,177	28,177
Cash and bank balances	10,421	10,421
	38,598	38,598
Financial liabilities		
Trade and other payables *	16,212	16,212
Borrowings	156,904	156,904
	173,116	173,116
31.12.2021		
Financial assets		
Trade and other receivables @	41,806	41,806
Cash and bank balances	16,947	16,947
	58,753	58,753
Financial liabilities		
Trade and other payables *	36,164	36,164
Borrowings	17,955	17,955
	54,119	54,119

CONSOLIDATED FINANCIAL STATEMENTS
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30. FINANCIAL INSTRUMENTS (CONTINUED)

(a) Categories of financial instruments (Continued)

The following table analyses the financial instruments in the statements of financial position by the classes of financial instruments to which they are assigned as follows (Continued):

Company	**Amortised cost RM'000**	**Total RM'000**
30.6.2023		
Financial assets		
Trade and other receivables @	29,595	29,595
Cash and bank balances	5	5
	29,600	29,600
Financial liability		
Trade and other payables	206,120	206,120
31.12.2021		
Financial assets		
Trade and other receivables	5,892	5,892
Cash and bank balances	42	42
	5,934	5,934
Financial liability		
Trade and other payables	204,497	204,497

@ *Exclude prepayments.*
* *Exclude SST payables.*

(b) Fair values

The carrying amounts of cash and bank balances, trade and other receivables, trade and other payables and short-term borrowings are reasonable approximation of fair value due to the relatively short-term nature of these financial instruments.

In respect of the long-term borrowings with variable interest rates, the carrying amounts approximate fair values as they are repriced to market interest rates for liabilities with similar risk profiles.

There has been no transfer between Level 1 and Level 2 during the financial period (31.12.2021: no transfer in either directions).

As the financial assets and financial liabilities of the Group and of the Company are reasonable approximation of fair value, the fair value hierarchy is not presented.

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

31. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's financial risk management objective seeks to ensure that adequate financial resources are available for the development of the Group's business whilst managing its financial risks. The Board reviews and adopts policies for managing the financial risks and the Group's policy is not to engage in speculative transactions. Financial risk management is carried out through review of management programmes, internal control system, insurance programmes and adherence to the Group's financial risk management policies.

The main areas of financial risks faced by the Group are as follows:

(a) Credit risk

Credit risk is the risk of a financial loss to the Group if an educational sponsor, student or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from students under Perbadanan Tabung Pendidikan Tinggi Nasional ("PTPTN"), Majlis Amanah Rakyat ("MARA"), other educational sponsors and self-sponsored students.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Evaluations of students are performed by PTPTN or other educational sponsors before financing are offered to the students.

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables is represented by the carrying amounts in the statements of financial position. The carrying amount of trade receivables are not secured by any collateral or support by any other credit enhancements. Any receivables due from students who have quit, terminated, rejected and withdrawn from their courses are deemed to have higher credit risk and are monitored individually.

Credit risk concentration profile

The Group determines the credit risk concentration of its trade receivables by institutional type on an ongoing basis. The credit risk concentration profile of the Group's trade receivables at the reporting date are as follows:

Trade receivables

	30.06.2023		31.12.2021	
	RM'000	%	RM'000	%
Group				
Universities	12,725	83%	12,613	69%
Colleges	2,296	15%	5,338	29%
International school	-	0%	79	0%
Others	375	2%	380	2%
	15,396	100%	18,410	100%

The Group applies the simplified approach to providing for expected credit losses prescribed by MFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on days past due. The expected credit losses also incorporate forward looking information.

31. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

The main areas of financial risks faced by the Group are as follows (Continued):

(a) **Credit risk (Continued)**

Trade receivables (Continued)

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

Group	ECL Rate	Gross carrying amount RM'000	ECL allowance RM'000	Net balance RM'000
30.6.2023				
Current (not past due)	0%	346	-	346
1 to 30 days past due	5% - 41%	2,423	(333)	2,090
> 30 days past due	8% - 47%	5,320	(490)	4,830
> 60 days past due	3% - 34%	3,798	(172)	3,626
> 90 days past due	1% - 64%	2,042	(494)	1,548
> 120 days past due	25% - 100%	7,091	(4,135)	2,956
Credit impaired:				
- individually impaired	100%	45,309	(45,309)	-
		66,329	(50,933)	15,396
31.12.2021				
Current (not past due)	0%	94	-	94
1 to 30 days past due	1% - 4%	1,289	(26)	1,263
> 30 days past due	1% - 7%	2,055	(28)	2,027
> 60 days past due	1% - 9%	3,351	(65)	3,286
> 90 days past due	1% - 27%	4,262	(233)	4,029
> 120 days past due	8% - 100%	11,726	(4,015)	7,711
Credit impaired:				
- individually impaired	100%	44,476	(44,476)	-
		67,253	(48,843)	18,410

The reconciliations of loss allowance for trade receivables as at 30 June 2023 are disclosed in Note 13.

Other receivables and other financial assets

For other receivables and other financial assets (including deposits placed with licensed banks, cash and bank balances and related company balances), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties. At the reporting date, the Group's and the Company's maximum exposure to credit risk arising from other receivables and other financial assets is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

CONSOLIDATED FINANCIAL STATEMENTS

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31. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

The main areas of financial risks faced by the Group are as follows (Continued):

(a) Credit risk (Continued)

Other receivables and other financial assets (Continued)

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

The Company provides advances to subsidiaries. The Company monitors the results of the subsidiaries in determining the recoverability of intercompany balances. The advances to subsidiaries are repayable on demand. For such advances, expected credit losses are assessed based on the assumption that repayment of the advances is demanded at the reporting date. If the subsidiaries do not have sufficient liquid reserves when the loan is demanded, the Company will consider the expected manner of recovery and recovery period of the advances.

Refer to Note 3(i)(i) for the Group's and the Company's other accounting policies for impairment of financial assets.

Other than the credit-impaired other receivables, the Group and the Company consider the other financial assets as at 30 June 2023 to have low credit risk and the expected credit loss is negligible. The reconciliations of loss allowance for other receivables as at 30 June 2023 are disclosed in Note 13.

Financial guarantees contracts

The Company is exposed to credit risk in relation to financial guarantees given to financiers in respect of loans granted to a subsidiary. The Company monitors the results of the subsidiary and their repayment on an ongoing basis. The maximum exposure to credit risk amounting to RM158,390,000 (31.12.2021: RM17,390,000) representing the maximum amount the Company could pay if the guarantee is called on as disclosed in Note 27. Generally, the Company considers the financial guarantee to have a low credit risk. As at the reporting date, there was no loss allowance for expected credit losses as determined by the Company for the financial guarantee.

The financial guarantees have not been recognised since the fair value on initial recognition was not material as the guarantee is provided as credit enhancement to the subsidiary's secured borrowing.

(b) Liquidity risk

Liquidity risk is the risk that the Group and the Company will not be able to meet their financial obligations as they fall due. The Group's and the Company's exposure to liquidity risk arises principally from its various payables and borrowings.

31. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

The main areas of financial risks faced by the Group are as follows (Continued):

(b) Liquidity risk (Continued)

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

As at 30 June 2023, the Group's current liabilities exceeded its current assets by RM22,728,000 and the Group had short-term borrowings of RM11,311,000.

The Group has prepared a cash flow forecast to support the management of liquidity risk that the Group will have sufficient financial resources for a period of at least 12 months from the end of the financial period. Significant assumptions and judgements are used in the preparation of the cash flow forecast.

<u>*Maturity analysis*</u>

The maturity profile of the Group's and the Company's financial liabilities based on contractual undiscounted cash flows at the reporting date are as follows:

	Carrying amount RM'000	Contractual cash flow RM'000	On demand or within 1 year RM'000	2 to 5 years RM'000	More than 5 years RM'000
Group					
30.6.2023					
Financial liabilities					
Term loan (Islamic)	153,273	240,377	21,466	73,929	144,982
Bank overdrafts	3,018	3,018	3,018	-	-
Lease liabilities	20,986	26,158	6,551	14,539	5,068
Hire purchase payables	613	725	130	445	150
Trade and other payables *	16,212	16,212	16,212	-	-
	194,102	286,490	47,377	88,913	150,200
31.12.2021					
Financial liabilities					
Term loan (Islamic)	17,390	20,513	2,134	17,007	1,372
Bank overdrafts	62	62	62	-	-
Lease liabilities	144,457	193,861	23,194	80,175	90,492
Hire purchase payables	503	542	166	365	11
Trade and other payables *	36,164	36,164	36,164	-	-
	198,576	251,142	61,720	97,547	91,875

* *Exclude SST payables.*

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31. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

The main areas of financial risks faced by the Group are as follows (Continued):

(b) Liquidity risk (Continued)

Maturity analysis (Continued)

The maturity profile of the Group's and the Company's financial liabilities based on contractual undiscounted cash flows at the reporting date are as follows (Continued):

	Carrying amount RM'000	Contractual cash flow RM'000	On demand or within 1 year RM'000	2 to 5 years RM'000	More than 5 years RM'000
Company					
30.6.2023					
Financial liabilities					
Trade and other payables	206,120	206,120	206,120	-	-
31.12.2021					
Financial liabilities					
Trade and other payables	204,497	204,497	204,497	-	-

The Company's financial liabilities including financial guarantee liability of RM158,390,000 (31.12.2021: RM17,390,000) at the reporting date either mature within one year or are repayable on demand.

(c) Foreign currency risk

Foreign currency risk is the risk of the fluctuation in fair value or future cash flows of a financial instrument as a result of changes in foreign exchange rates.

The Group is exposed to foreign currency risk on sales and purchases that are denominated in a currency other than Ringgit Malaysia. The currencies giving rise to this risk are primarily Omani Rial and British Pound Sterling. In the management of foreign currency risk, the Group does not hedge these exposures by purchasing forward currency contracts.

31. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(c) Foreign currency risk (Continued)

	Group Functional currency Ringgit Malaysia RM'000	Total RM'000
At 30 June 2023		
Financial assets and liabilities not held in functional currency:		
Trade receivables		
Omani Rial	343	343
Trade payables		
Omani Rial	(4)	(4)
Total		
Omani Rial	339	339
At 31 December 2021		
Financial assets and liabilities not held in functional currency:		
Trade receivables		
Omani Rial	34	34
Trade payables		
British Pound Sterling	(2)	(2)
Omani Rial	(4)	(4)
	(6)	(6)
Total		
British Pound Sterling	(2)	(2)
Omani Rial	30	30
	28	28

Sensitivity analysis for foreign currency risk

The exposure to foreign currency risk of the Group is insignificant and hence, sensitivity analysis is not presented.

(d) Interest rate risk

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

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

31. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(d) Interest rate risk (Continued)

Sensitivity analysis for interest rate risk

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant on the Group's and the Company's total equity and profit/(loss) for the financial period.

	Change in basis point	Effect on profit/(loss) for the financial period/year (Increase/ (Decrease)) RM'000	Effect on equity (Increase/ (Decrease)) RM'000
Group:			
30 June 2023	+ 50	(596)	(596)
	- 50	596	596
31 December 2021	+ 50	(134)	(134)
	- 50	134	134
Company:			
30 June 2023	+ 50	-	-
	- 50	-	-
31 December 2021	+ 50	(3)	(3)
	- 50	3	3

32. COMPARATIVE FIGURES

(a) The Group and the Company changed their financial year end from 31 December to 30 June during the financial period. As such, the comparatives for statements of comprehensive income, changes in equity and cash flows as well as the comparatives in the notes to financial statements relating to those statements for the period from 1 January 2021 to 31 December 2021 are not comparable to the current period from 1 January 2022 to 30 June 2023.

CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

32. COMPARATIVE FIGURES (CONTINUED)

(b) In the previous financial year, motor vehicles under hire purchase arrangement and the related hire purchase payables were classified in right-of-use assets and lease liabilities respectively.

During the financial period, the nature of the hire purchase arrangement was re-assessed and the motor vehicles were classified as property and equipment and borrowings respectively.

The comparative figures have been reclassified to conform with the current period's presentation. The reclassifications have no effect on the profit, cash flows and earnings per share of the Group for the current financial period and previous financial years.

The above reclassifications do not have material effect on the statement of financial position of the Group and of the Company as at 1 January 2021, and accordingly, the statement was not presented.

33. CAPITAL MANAGEMENT

The Group's and the Company's objectives when managing capital are to maintain a strong capital base and safeguard the Group's and the Company's ability to continue as going concerns, so as to maintain investors, creditors and market confidence and to sustain future development of the business. The directors monitor and are determined to maintain an optimal debt-to-equity ratio that complies with debt covenants and regulatory requirements, if any. There were no changes in the Group's and the Company's approach to capital management during the financial period.

The debt-to-equity ratios as at 30 June 2023 and as at 31 December 2021 were as follows:

	Group		Company	
	30.6.2023 RM'000	**31.12.2021 RM'000**	**30.6.2023 RM'000**	**31.12.2021 RM'000**
Total borrowings (Note 18)	156,904	17,955	-	-
Less: Cash and bank balances (Note 14)	(10,421)	(16,947)	(5)	(42)
Net debt	146,483	1,008	(5)	(42)
Total equity attibutable to the owners of the Company	247,541	202,619	164,946	223,808
Capital and net debts	394,024	203,627	164,941	223,766
Gearing ratio	0.372	0.005	#	#

\# Not meaningful.

The Group does not have any externally imposed capital requirement other than a debt service coverage ratio of a subsidiary effective in year 2021 in respect of term loan facility as disclosed in Note 18.

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

34. SIGNIFICANT EVENTS DURING AND SUBSEQUENT TO THE END OF THE FINANCIAL PERIOD

Other than as disclosed elsewhere in the financial statements, the significant events during and subsequent to the end of the financial period are as follows:

(a) On 10 June 2022, UOC Sdn. Bhd. ("UOC"), a wholly-owned subsidiary of the Company, had entered into a sale and purchase agreement ("SPA") with Persada Mewah Sdn. Bhd. ("PMSB") for the proposed acquisition of land and buildings located in Bandar Cyberjaya, District of Sepang, Selangor Darul Ehsan for a total purchase consideration of RM180 million.

On 31 October 2022, UOC completed the acquisition of the land and buildings for an aggregate purchase consideration of RM180 million. Such purchase consideration consists of retention sum of RM5.4 million, differential sum of RM9.6 million, cash consideration of RM140 million financed via term loan and consideration shares of RM25 million.

(b) On 25 November 2022, the Company issued 357,142,857 new ordinary shares of the Company at RM0.07 per consideration share, to PMSB as part of the purchase consideration of the acquisition of land and building located in Cyberjaya.

(c) On 21 July 2023, Asiamet (M) Sdn. Bhd. ("AMSB"), an indirect subsidiary of the Company held through Asiamet Education Group Sdn. Bhd., had entered into a sale and purchase of business agreement with Austin Legacy Education Sdn. Bhd. for the disposal of the business of the provision of higher education courses as duly approved by Ministry of Higher Education of Malaysia ("MoHE") by the university known as Asia Metropolitian University ("AMU") operated and carried on by AMSB at AMU's Johor campus and branch campus at Cyberjaya which is duly registered under the Private Higher Educational Institutions ("PHEI") Act 1996 pursuant to the PHEI license issued by MoHE to AMSB to establish and operate the PHEI in Malaysia ("Business"), property, assets and rights of the Business for a total purchase consideration of RM15 million.

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

CYBERJAYA EDUCATION GROUP BERHAD
(Formerly known as Minda Global Berhad)
(Incorporated in Malaysia)

STATEMENT BY DIRECTORS
(Pursuant to Section 251(2) of the Companies Act 2016)

We, **GENERAL TAN SRI DATO' SERI MOHD SHAHROM BIN DATO' HJ NORDIN (RTD.)** and **TAN SRI DATO' DR. PALANIAPPAN A/L RAMANATHAN CHETTIAR**, being two of the directors of Cyberjaya Education Group Berhad (formerly known as Minda Global Berhad), do hereby state that in the opinion of the directors, the accompanying financial statements set out on pages 67 to 167 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2023 and of their financial performance and cash flows for the financial period then ended.

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

……………………………………......................
GENERAL TAN SRI DATO' SERI MOHD SHAHROM BIN DATO' HJ NORDIN (RTD.)
Director

……………………………………......................
TAN SRI DATO' DR. PALANIAPPAN A/L RAMANATHAN CHETTIAR
Director

Date: 20 October 2023

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

CYBERJAYA EDUCATION GROUP BERHAD
(Formerly known as Minda Global Berhad)
(Incorporated in Malaysia)

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

I, **LEONG TUCK YEE**, being the officer primarily responsible for the financial management of Cyberjaya Education Group Berhad (formerly known as Minda Global Berhad), do solemnly and sincerely declare that to the best of my knowledge and belief, the accompanying financial statements set out on pages 67 to 167 are correct, and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act 1960.

…………………………………………
LEONG TUCK YEE
(MIA Membership No.: 14147)

Subscribed and solemnly declared by the abovenamed at Putrajaya in the Federal Territory on 20 October 2023.

Before me,

…………………………………………
MOHD AIMI ZAINI BIN MOHD AZHAR (W720)
Commissioner for Oaths

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CYBERJAYA EDUCATION GROUP BERHAD
(Formerly known as Minda Global Berhad)
(Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Cyberjaya Education Group Berhad (formerly known as Minda Global Berhad), which comprise the statements of financial position as at 30 June 2023, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for the financial period then ended, and notes to the financial statements, including significant accounting policies, as set out on pages 67 to 167.

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 June 2023, and of their financial performance and their cash flows for the financial period then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

Key Audit Matters

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

Group

Property and equipment and right-of-use assets (Note 4(i), Note 5 and Note 6 to the financial statements)

As at 30 June 2023, the properties that are classified as property and equipment and right-of-use of assets amounted to RM224,007,000 and RM8,000,000 respectively. These properties are carried at revalued amount, being the fair value of the property, less accumulated depreciation and any accumulated impairment loss.

The Group estimated the fair value of the properties based on the market valuation performed by an external independent valuer. We focused on this area because the valuation requires significant judgement in determining the appropriate valuation methods and the key inputs used in the valuation process.

Our response:

Our audit procedures included, among others:

- evaluating the competency, capabilities and objectivity of the external valuer which includes consideration of their qualifications and experience;
- understanding the scope and purpose of the valuation by reading the terms of engagement to assess whether any matters that might have affected their objectivity or limited the scope of their work;
- reading the valuation reports for the properties and discussed with external valuer on the valuation approach and the significant judgements they made, including the selection of comparable properties and adjustments for differences in key attributes made to the transacted value of comparable properties.

Goodwill (Note 4(ii) and Note 8 to the financial statements)
Other intangible assets (Note 4(ii) and Note 9 to the financial statements)

The Group has significant balance of goodwill and education license arising from UOC Sdn. Bhd. (“UOC”). The goodwill and education licences are tested for impairment annually. We focused on this area because this assessment requires significant judgement by the directors on the discount rate applied in the recoverable amount calculation and assumptions supporting the underlying cash flows projection.

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

Key Audit Matters (Continued)

Group (Continued)

Goodwill (Note 4(ii) and Note 8 to the financial statements) (Continued)
Other intangible assets (Note 4(ii) and Note 9 to the financial statements) (Continued)

Our response:

Our audit procedures included, among others:

- discussing the appropriateness of the valuation methodology adopted by the Company;
- comparing the actual results with previous budget to assess the performance of the business;
- discussing the basis adopted by directors in relation to key assumptions of the projections;
- testing the mathematical accuracy of the impairment assessment; and
- performing a sensitivity analysis around key assumptions that are expected to be more sensitive to the recoverable amount.

Trade receivables (Note 4(iii) and Note 13 to the financial statements)

The Group has significant trade receivables as at 30 June 2023 which include certain amounts which are long outstanding. We focused on this area because the Group made significant judgements over assumptions about risk of default and expected loss rate. In making the assumptions, the Group selected inputs to the impairment calculation, based on the Group's past history, existing market conditions and forward looking information at the end of the reporting period.

Our response:

Our audit procedures included, among others:

- understanding of the calculation of provision matrix and significant credit exposures which were significantly overdue or deemed to be in default through analysis of ageing reports;
- testing the mathematical calculation of expected credit loss as at the end of the reporting period; and
- reviewing receipts subsequent to the end of the financial period.

Funding requirements and net current liabilities (Note 4(v) and Note 31(b) to the financial statements)

As at 30 June 2023, the Group's current liabilities exceeded its current assets by RM22,728,000 and the Group had short-term borrowings of RM11,311,000. We focused on this area due to significant judgement made by the directors on assumptions relating to future revenue and operating costs.

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

Key Audit Matters (Continued)

Group (Continued)

Funding requirements and net current liabilities (Note 4(v) and Note 31(b) to the financial statements) (Continued)

Our response:

Our audit procedures included, among others:

- assessing the cash flow forecast over the next 12 months;
- discussing the basis adopted by directors in relation to key assumptions;
- testing the mathematical calculation of cash flow forecast calculation; and
- performing stress tests for a range of reasonably possible scenarios.

Company

Investment in subsidiaries (Note 4(iv) and Note 10 to the financial statements)

The Company has significant balances of investment in subsidiaries. At the end of the financial period, the Company determined whether there is any indication of impairment in investment in subsidiaries. The Company made an impairment assessment on these investments by estimating the recoverable amount from the subsidiaries.

We focused on this area because the assessment of the recoverable amount involved significant judgement. The recoverable amounts from the subsidiaries were determined based on value-in-use which include the discount rate applied in the recoverable amount calculation and the assumption supporting the underlying cash flow projections which include future revenue and operating costs.

Our response:

Our audit procedures included, among others,

- discussing the appropriateness of the valuation methodology adopted by the Company;
- comparing the actual results with previous budget to assess the performance of the business;
- discussing the basis adopted by directors in relation to key assumptions of the projections; and
- testing the mathematical accuracy of the impairment assessment.

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

Information Other than the Financial Statements and Auditors' Report Thereon (Continued)

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

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

Responsibilities of the Directors for the Financial Statements

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

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

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

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.

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

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

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

- 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.
- 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 financial period 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 Matters

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

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

Jason Wong Yew Ming
No. 03668/06/2024 J
Chartered Accountant

Kuala Lumpur

Date: 20 October 2023

LIST OF PROPERTIES

No.	Name of Registered Owner / Beneficial Owner: Lot. No./ Postal address	Description / Existing Use	Land area/ Built-up area (sq ft)	Freehold / Leasehold	Approximate Age of Building	Date of Acquisition	Net book value as at 30 June 2023 (RM'000)
1	Asiamet (M) Sdn Bhd / Asiamet (M) Sdn Bhd Pajakan Negeri Nos 89530 and 89531, Lot Nos 181679 and 181680, both in the Mukim of Hulu Kinta and District of Kinta, Perak Postal Address No. 26 and 28, Lebuh Perusahaan Klebang 1, IGB International Industrial Park, KM 8, Jalan Tunku Abdul Rahman, Tasek, 30010 Ipoh, Perak	A 4-storey main building, two 4-storey classroom blocks, two 2-storey laboratory buildings, a single storey shop, a single storey multi-purpose hall, a 3-storey auditorium block, a 4-storey hostel, a surau and a guard house/ campus/ main hall / hostel	301,949 / 211,340	Leasehold for 99 years expiring on 17 October 2089	15 years	14-Feb-07	Refer to page 122
2	Asiamet (M) Sdn Bhd / Asiamet (M) Sdn Bhd Town Lease Nos. 017546048, 017546057, 017546066, 017546075, 017546084, 017546093, 017546100, 017546119, 017546128, 017546137, 017546146, 017546155, 017546164 & 017546173, Likas in the District of Kota Kinabalu Postal Address Lots 41 - 54, Block E & F, Lorong Juta 5, Plaza Juta, Jalan Tuaran Likas, 88400 Kota Kinabalu, Sabah	2 blocks of 5-storey building / rented	20,984 / 104,920	Leasehold for 99 years expiring on 31 December 2092	9 years	20-Dec-09	32,008
3	UOC Sdn Bhd / UOC Sdn Bhd Geran 340365, Lot 120232, Bandar Cyberjaya, District of Sepang, Selangor Darul Ehsan Postal Address University of Cyberjaya, Persiaran Bestari, Cyber 11, 63000, Cyberjaya, Selangor Darul Ehsan	A parcel of commercial land and the buildings together with the renovation which are used as a private university campus.	174,461 / 862,850	Freehold	5 years	10 May 2023	200,000

STATEMENT ON DIRECTORS' RESPONSIBILITY

STATEMENT OF DIRECTORS' RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The Board is committed to ensure the reliability of the Company's financial statements. The Board strives to ensure that annual financial statements give a true and fair view of the state of affairs, and of the results of the operations of the Company for the financial period ended 30 June 2023. As required by the Companies Act 2016 and the MMLR of Bursa Securities, the financial statements have been prepared in accordance with applicable approved accounting standards in Malaysia.

In preparing the financial statements, the Board has applied appropriate accounting policies on a consistent basis and made judgements and estimates that are reasonable and prudent. The financial statements had been prepared on a going concern basis.

The Board is responsible for ensuring that proper accounting records are kept which disclose with reasonable accuracy the financial position of the Group and of the Company.

The Board is also responsible for taking such reasonable steps to safeguard the assets of the Group and to prevent and detect fraud and other such irregularities.

ANALYSIS OF SHAREHOLDINGS

as at 02 October 2023

Issued Paid-Up Capital	:	RM413,129,121.99
Total Number of Issued Shares	:	1,679,048,647
Class of Shares	:	Ordinary Shares
Voting Rights	:	One (1) vote per ordinary share

ANALYSIS BY SIZE OF SHAREHOLDINGS

Size of Holdings	No. of Holders	%	No. of Shares	%
Less than 100	40	0.55	712	0.00
100 – 1,000	797	11.02	511,757	0.03
1,001 - 10,000	2,836	39.20	17,021,989	1.01
10,001- 100,000	2,920	40.37	113,440,288	6.76
100,001 – 83,952,432 (*)	640	8.85	571,486,179	34.04
83,952,432 and above (**)	1	0.01	976,587,722	58.16
Total	7,234	100.00	1,679,048,647	100.00

Remark :
** Less than 5% of Issued Shares*
***5% and Above of Issued Shares*

DIRECTORS' SHAREHOLDINGS AS PER REGISTER OF DIRECTORS' SHAREHOLDINGS

Name	Shareholdings			
	Direct	%	Indirect	%
General Tan Sri Dato' Seri Mohd Shahrom Bin Dato' Hj Nordin (Rtd.)	-	-	-	-
Tan Sri Dato' Dr. Palaniappan A/L Ramanathan Chettiar	-	-	976,587,722[*1]	58.16
Tan Sri Datuk (Dr.) Rafiah Binti Salim	-	-	-	-
Tan Sri Datuk Wira Dr. Mohd Shukor Bin Mahfar	-	-	-	-
Dato' Tan Choon Hwa @ Esther Tan Choon Hwa	-	-	-	-
Maha Ramanathan Palan	-	-	-	-

Note :
**1 Deemed interested by virtue of his shareholdings in Special Flagship Holdings Sdn Bhd pursuant to Section 8 of the Companies Act 2016.*

ANALYSIS OF SHAREHOLDINGS

(Continued)

SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS AS PER REGISTER OF SUBSTANTIAL SHAREHOLDERS

Name	Shareholdings			
	Direct	%	Indirect	%
Special Flagship Holdings Sdn Bhd	976,587,722	58.16	-	-
Tan Sri Dato' Dr. Palaniappan A/L Ramanathan Chettiar	-	-	976,587,722[*1]	58.16

Notes :
**1 Deemed interested by virtue of his shareholdings in Special Flagship Holdings Sdn Bhd pursuant to Section 8 of the Companies Act 2016.*

LIST OF TOP 30 SHAREHOLDERS

No.	Name	No. of Shares Held	%
1.	Special Flagship Holdings Sdn Bhd	976,587,722	58.16
2.	Persada Mewah Sdn Bhd	72,820,657	4.34
3.	Highdeal Capital Sdn Bhd	57,000,000	3.39
4.	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad Exempt an for AHAM Asset Management Berhad (TSTAC/CLNTT)	21,500,000	1.28
5.	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Doh Tee Leong (E-TAI/STW)	18,919,500	1.13
6.	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Lim Khek Keng (E-TAI)	15,990,500	0.95
7.	Perumal A/L Manimaran	12,800,000	0.76
8.	Dimensi Aurora Sdn Bhd	11,923,200	0.71
9.	Sim Heok Hoo	11,599,000	0.69
10.	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Lay Peng (E-TAI)	10,500,000	0.63
11.	Hee Jia Loong	10,147,400	0.60
12.	CGS-CIMB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Kalaiyarasi A/P R Veerappan (MY3132)		0.58
13.	Manickam Animuthu	9,000,700	0.54
14.	Meenambal A/P Vijayakumar	8,800,000	0.52
15.	V Assuntamani A/P R Veerappan	8,250,000	0.49
16.	Sim Heok Hoo	8,205,000	0.49

ANALYSIS OF SHAREHOLDINGS

(Continued)

No.	Name	No. of Shares Held	%
17.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Dayatahan Sdn Bhd	6,000,000	0.36
18.	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Sim Leong Yew (E-SS2)	5,003,000	0.30
19.	Teoh Boon Chai	4,788,000	0.28
20.	Azra Bin Kamarudin	4,680,800	0.28
21.	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Lim Chet Yew (E-TAI)	4,500,000	0.27
22.	RHB Capital Nominees (Tempatan) Sdn Bhd Doh Tee Leong	4,500,000	0.27
23.	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Lee Aik Kheow (E-TAI)	4,300,000	0.26
24.	See Rong Zhi	4,200,000	0.25
25.	HSBC Nominees (Asing) Sdn Bhd Exempt an for Credit Suisse (SG BR-TST-ASING)	3,500,000	0.21
26.	Loi Tek Eiu	3,500,000	0.21
27.	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Lim Khek Chong (E-TAI)	3,500,000	0.21
28.	Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Lam Chee Meng	3,393,000	0.20
29.	TA Nominees (Asing) Sdn Bhd Pledged Securities Account for Manickam Animuthu	3,100,000	0.18
30.	SJ SEC Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Hee Jia Loong (SMT)	3,016,000	0.18
TOTAL		1,321,824,479	78.72

NOTICE OF SIXTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Sixth Annual General Meeting of Cyberjaya Education Group Berhad (formerly known as Minda Global Berhad) ("the Company") will be held at Grand Hall, Level 4, Academic Block, University of Cyberjaya Campus, Persiaran Bestari, Cyber 11, 63000 Cyberjaya, Selangor Darul Ehsan on Tuesday, 5 December 2023 at 11:00 a.m. for the following purposes:-

AGENDA

ORDINARY BUSINESS

1.	To receive the Audited Financial Statements for the financial period ended 30 June 2023 together with the Reports of the Directors and Auditors thereon.	[Please refer to Explanatory Note A]
2.	To approve the payment of Directors' fees and meeting allowances payable to the Non-Executive Directors from 6 December 2023 until the conclusion of the next Annual General Meeting of the Company.	**Ordinary Resolution 1** [Please refer to Explanatory Note B]
3.	To re-elect the following Directors who are retiring in accordance with Clause 103 of the Company's Constitution: -	
	(i) General Tan Sri Dato' Seri Mohd Shahrom Bin Dato' Hj Nordin (Rtd.)	**Ordinary Resolution 2**
	(ii) Tan Sri Dato' Dr. Palaniappan A/L Ramanathan Chettiar	**Ordinary Resolution 3** [Please refer to Explanatory Note C]
4.	To re-appoint Messrs Baker Tilly Monteiro Heng PLT as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration.	**Ordinary Resolution 4**

SPECIAL BUSINESS

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

NOTICE OF SIXTH ANNUAL GENERAL MEETING

(Continued)

5. **Authority to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016**

Ordinary Resolution 5
[Please refer to Explanatory Note D]

"THAT pursuant to Section 75 and Section 76 of the Companies Act 2016 and subject always to the Constitution of the Company, the Main Market Listing Requirements and the approvals of the relevant governmental and/or regulatory authorities, if applicable, the Directors be and are hereby given full authority to allot and issue shares in the Company, at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares issued pursuant to this resolution in any one financial year does not exceed 10% of the total number of issued shares (excluding treasury shares, if any) of the Company for the time being **AND THAT** the Directors be and are hereby given full authority to obtain approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad **AND THAT** such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company or at the expiry of the period within which the next Annual General Meeting is required to be held in accordance with the provisions of the Companies Act 2016, whichever is the earlier.

THAT pursuant to Section 85(1) of the Companies Act 2016 read together with Clause 64 of the Company's Constitution, approval be and is hereby given to waive the statutory pre-emptive rights conferred upon the existing shareholders of the Company to be offered new shares of the Company which rank equally to the existing shares of the Company **AND THAT** the Board of Directors is exempted from the obligation to offer such new shares first to the existing shareholders of the Company in respect of the allotment and issuance of new shares pursuant to Section 75 and Section 76 of the Companies Act 2016."

6. To transact any other business of which due notice shall have be given in accordance with the Company's Constitution and the Companies Act 2016.

By Order of the Board

WONG YOUN KIM
(MAICSA 7018778)
SSM PC No. 201908000410
Company Secretary

Kuala Lumpur
Date: 31 October 2023

NOTICE OF SIXTH ANNUAL GENERAL MEETING

(Continued)

NOTES:

1. A member of the Company shall be entitled to be present and vote at the meeting is entitled to appoint a proxy/proxies, to attend and vote instead of him. A proxy may but need not be a member of the Company and there is no restriction as to the qualification of the proxy. A proxy appointed to attend and vote in a meeting of the Company shall have the same rights as the member to speak at the meeting.

2. A member of the Company shall be entitled to appoint more than one (1) proxy to attend and vote at the same meeting. Where a member appoints more than one (1) proxy, the appointments shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy. If the appointer is a corporation, the Form of Proxy must be executed under its Common Seal or under the hand of its officer or attorney duly authorised.

3. Where a member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), as defined under the Securities Industry (Central Depositories) Act, 1991, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

4. The instrument appointing a proxy and the power of attorney or authority, if any, under which it is signed or notarially certified copy of that power or authority shall be deposited at the registered office of the Company at Acclime Corporate Services Sdn Bhd, Level 5, Tower 8, Avenue 5, Horizon 2, Bangsar South City, 59200 Kuala Lumpur not less than 24 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote.

5. General Meeting Record of Depositors
   For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting the Bursa Malaysia Depository Sdn Bhd in accordance with Clause 78 of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act 1991, to issue a General Meeting Record of Depositors as at 27 November 2023. Only a depositor whose name appears on the Record of Depositors as at 27 November 2023 shall be entitled to attend this meeting or appoint proxy/proxies to attend and/or vote in his stead.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use ad disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

NOTICE OF SIXTH ANNUAL GENERAL MEETING

(Continued)

EXPLANATORY NOTES

Note A - Audited Financial Statements

The Audited Financial Statements are for discussion only as the approval of the shareholders is not required pursuant to Section 340(1)(a) of the Act. Hence, this Agenda item is not put forward for voting by the shareholders of the Company.

Note B – Directors' Remuneration

Section 230 (1) of the Companies Act 2016 provides, amongst others, that the fees of the Directors and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting. Pursuant to Paragraph 7.24 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the fees of Directors and any benefits payable to Directors shall be subject to annual shareholders' approval at a general meeting.

The Nomination and Remuneration Committee ("NRC") of the Company has conducted a review of the current Directors' fees and meeting allowances. The Board of Directors of the Company has approved the NRC's proposal for the revision of Directors' Fees and meeting allowances and wishes to seek shareholders' approval for the proposed increase in Directors' fees and meeting allowances payable to Non-Executive Directors for the period from 6 December 2023 until the conclusion of the next Annual General Meeting of the Company in 2024 based on the fee structure below:-

		Current		New proposal	
		Directors' Fees (per Director) RM	Meeting Allowances (per Meeting) RM	Directors' Fees (per Director) RM	Meeting Allowances (per Meeting) RM
Board of Directors	Chairman	60,000 per annum	1,000	75,000 per annum	1,200
	Member	48,000 per annum	500	60,000 per annum	800
Audit and Risk Management Committee	Chairman	-	1,000	-	1,200
	Member	-	500	-	800
Nomination and Remuneration Committee	Chairman	-	1,000	-	1,200
	Member	-	500	-	800

NOTICE OF SIXTH ANNUAL GENERAL MEETING

(Continued)

Note C – Re-election of Directors

The profile of the Directors who are standing for re-election under item 3 of this Agenda are set out in the Directors' Profile of the Annual Report 2023.

The Nomination and Remuneration Committee ("NRC") has considered the performance and contribution of each of the retiring Directors seeking for re-election. The NRC carried out the necessary assessment on the aforesaid Directors and concluded that they possess the required character, experience, integrity, competence and time commitment to effectively and diligently discharge their duties and responsibilities as Directors. Based on the recommendation of the NRC, the Board is satisfied with the performance and contributions of the following Directors and supports the re-election based on the justifications stated below:

<u>Ordinary Resolution 2 – Re-election of General Tan Sri Dato' Seri Mohd Shahrom Bin Dato' Hj. Nordin (Rtd.) as Independent Non-Executive Chairman</u>

General Tan Sri Dato' Seri Mohd Shahrom Bin Dato' Hj. Nordin (Rtd.) fulfils the requirements of independence set out in the Main Market Listing Requirements of Bursa Securities. He always demonstrates the values and principles associated with independence when deliberating on matters. He has shown high commitment and devoted sufficient time and effort and attended all Board meetings for informed and balanced decision making. He exercised his due care and carried out his professional duties proficiently.

<u>Ordinary Resolution 3 – Re-election of Tan Sri Dato' Dr. Palaniappan A/L Ramanathan Chettiar as Non-Independent Non-Executive Director</u>

Tan Sri Dato' Dr. Palaniappan A/L Ramanathan Chettiar ("Tan Sri Dato' Dr. Palan") possesses the requisite education, experience and competency to make a significant contribution to the Board. Based on his entrepreneurial leadership coupled with his many years of extensive experience, Tan Sri Dato' Dr. Palan has provided valuable inputs and perspectives on the business and constructive feedback to the Company in developing the Group's business strategy, steering the Group forward during his tenure as a Non-Independent Non-Executive Director. He exercised his due care and carried out his professional duties proficiently.

NOTICE OF SIXTH ANNUAL GENERAL MEETING

(Continued)

Note D – Authority to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016

Ordinary Resolution 5 is proposed for the purpose of renewing the general mandate for issuance of shares by the Company under Section 75 and Section 76 of the Companies Act 2016. If passed, it will give the Directors of the Company authority to issue shares up to an amount not exceeding 10% of the total number of issued shares (excluding treasury shares, if any) of the Company at any time in their absolute discretion without the need to convene a general meeting. The authorisation, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the next AGM of the Company. The general mandate, if granted, will provide flexibility to the Company 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). The Board is of the opinion that the 10% general mandate is in the best interest of the Company and its shareholders.

The Company has not issued new shares pursuant to the Section 75 and Section 76 of the Companies Act 2016 under the general mandate sought at the 5th AGM held on 28 June 2022, which will lapse upon the conclusion of the forthcoming 6th AGM to be held on 5 December 2023.

Pursuant to Section 85(1) of the Companies Act 2016 read together with Clause 64 of the Company's Constitution, the shareholders of the Company have pre-emptive rights to be offered any new shares in the Company which rank equally to the existing issued shares of the Company. In order for the Board to issue any new shares, such pre-emptive rights must be waived. By you voting in favour of the proposed Ordinary Resolution 5, you will be waiving your statutory pre-emptive rights and the proposed Ordinary Resolution 5, if passed, will exclude your statutory pre-emptive rights to be offered any new shares to be allotted and issued by the Company pursuant to Section 75 and Section 76 of the Companies Act 2016, which will result in a dilution to your shareholdings in the Company.

NOTICE OF SIXTH ANNUAL GENERAL MEETING

(Continued)

STATEMENT ACCOMPANYING NOTICE OF SIXTH ANNUAL GENERAL MEETING

(Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

1. **Details of individuals who are standing for election (excluding directors standing for re-election) as Directors**

   There are no individuals who are standing for election as Directors at the Sixth Annual General Meeting of the Company.

2. **Statement relating to general mandate for issue of securities in accordance with Paragraph 6.03(3) of the Main Market Listing Requirements of Bursa Securities**

   Details of the general mandate to issue securities pursuant to Sections 75 and 76 of the Companies Act 2016 are set out in the Explanatory Note D of this Notice.

PROXY FORM

CYBERJAYA EDUCATION GROUP BERHAD
(formerly known as Minda Global Berhad)
Registration No. 201601039044 (1209985-V)
(Incorporated in Malaysia)

I/We ....
(FULL NAME IN BLOCK LETTERS)

of ....
(FULL ADDRESS)

....
being a member/members of CYBERJAYA EDUCATION GROUP BERHAD (formerly known as Minda Global Berhad) hereby appoint the following person(s) or failing him/her, the Chairman of the Meeting as my/our proxy/proxies to vote for me/us on my/our behalf, at the Sixth Annual General Meeting of the Company to be held at Grand Hall, Level 4, Academic Block, University of Cyberjaya Campus, Persiaran Bestari, Cyber 11, 63000 Cyberjaya, Selangor Darul Ehsan on Tuesday, 5 December 2023 at 11:00 a.m. and at any adjournment thereof:-

	Name of Proxy, NRIC/Passport No. & Address	No. of Share to be represented by Proxy
1.	Name : NRIC/Passport No. : Address :	
2.	Name : NRIC/Passport No. : Address :	

NO.	RESOLUTION		FOR	AGAINST
1.	To approve the payment of Directors' fees and meeting allowances payable to the Non-Executive Directors from 6 December 2023 until the conclusion of the next Annual General Meeting of the Company.	Ordinary Resolution 1		
2.	Re-election of General Tan Sri Dato' Seri Mohd Shahrom Bin Dato' Hj Nordin (Rtd.).	Ordinary Resolution 2		
3.	Re-election of Tan Sri Dato' Dr Palaniappan A/L Ramanathan Chettiar.	Ordinary Resolution 3		
4.	Re-appointment of Messrs Baker Tilly Monteiro Heng PLT as Auditors.	Ordinary Resolution 4		
5.	Authority to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016.	Ordinary Resolution 5		

Please indicate with an "X" in the appropriate boxes on how you wish your vote to be cast on the Resolutions specified in the Notice of Meeting. Unless voting instructions are indicated in the space above, the proxy will vote as he/she thinks fit.

Number of Shares	
CDS A/C No.	

....
Date Signature / Common Seal of Shareholder

Notes

1. *A member of the Company shall be entitled to be present and vote at the meeting is entitled to appoint a proxy/proxies, to attend and vote instead of him. A proxy may but need not be a member of the Company and there is no restriction as to the qualification of the proxy. A proxy appointed to attend and vote in a meeting of the Company shall have the same rights as the member to speak at the meeting.*
2. *A member of the Company shall be entitled to appoint more than one (1) proxy to attend and vote at the same meeting. Where a member appoints more than one (1) proxy, the appointments shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy. If the appointer is a corporation, the Form of Proxy must be executed under its Common Seal or under the hand of its officer or attorney duly authorised.*
3. *Where a member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), as defined under the Securities Industry (Central Depositories) Act, 1991, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.*
4. *The instrument appointing a proxy and the power of attorney or authority, if any, under which it is signed or notarially certified copy of that power or authority shall be deposited at the registered office of the Company at Acclime Corporate Services Sdn Bhd, Level 5, Tower 8, Avenue 5, Horizon 2, Bangsar South City, 59200 Kuala Lumpur not less than 24 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote.*
5. ***General Meeting Record of Depositors***
   For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting the Bursa Malaysia Depository Sdn Bhd in accordance with Clause 78 of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act 1991, to issue a General Meeting Record of Depositors as at 27 November 2023. Only a depositor whose name appears on the Record of Depositors as at 27 November 2023 shall be entitled to attend this meeting or appoint proxy/proxies to attend and/or vote in his stead.

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The Company Secretary
CYBERJAYA EDUCATION GROUP BERHAD
(formerly known as Minda Global Berhad)
Registration No. 201601039044 (1209985-V)

c/o Acclime Corporate Services Sdn Bhd
Level 5, Tower 8, Avenue 5, Horizon 2,
Bangsar South City, 59200 Kuala Lumpur, Malaysia

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CORPORATE INFORMATION

As at 20 October 2023

BOARD OF DIRECTORS

General Tan Sri Dato' Seri Mohd Shahrom Bin Dato' Hj. Nordin (Rtd.)
(Independent Non-Executive Chairman)

Maha Ramanathan Palan
(Group Managing Director)

Tan Sri Datuk (Dr.) Rafiah Binti Salim
(Senior Independent Non-Executive Director)

Tan Sri Datuk Wira Dr. Mohd Shukor Bin Mahfar
(Independent Non-Executive Director)

Dato' Tan Choon Hwa @ Esther Tan Choon Hwa
(Independent Non-Executive Director)

Tan Sri Dato' Dr. Palaniappan A/L Ramanathan Chettiar
(Non-Independent Non-Executive Director)

AUDIT AND RISK MANAGEMENT COMMITTEE

Tan Sri Datuk Wira Dr. Mohd Shukor Bin Mahfar
(Chairman)

Dato' Tan Choon Hwa @ Esther Tan Choon Hwa
(Member)

Tan Sri Datuk (Dr.) Rafiah Binti Salim
(Member)

NOMINATION AND REMUNERATION COMMITTEE

Tan Sri Datuk (Dr.) Rafiah Binti Salim
(Chairman)

Tan Sri Datuk Wira Dr. Mohd Shukor Bin Mahfar
(Member)

Dato' Tan Choon Hwa @ Esther Tan Choon Hwa
(Member)

COMPANY SECRETARY

Wong Youn Kim
(MAICSA 7018778)
(SSM PC No. 201908000410)
Acclime Corporate Services Sdn Bhd
Level 5, Tower 8,
Avenue 5, Horizon 2,
Bangsar South City,
59200 Kuala Lumpur.
Tel No.: (603)-2280 6388
Fax No.: (603)-2280 6399

AUDITORS

Baker Tilly Monteiro Heng PLT 201906000600
(LLP0019411- LCA) & AF 0117
Baker Tilly Tower
Level 10, Tower 1, Avenue 5
Bangsar South City
59200 Kuala Lumpur
Tel No.: (603)-2297 1000
Fax No.: (603)-2282 9980

SHARE REGISTRAR

BoardRoom Share Registrars Sdn Bhd
11th Floor, Menara Symphony
No. 5, Jalan Professor Khoo Kay Kim
Seksyen 13,
46200 Petaling Jaya Selangor Darul Ehsan
Tel No.: (603)-7890 4700
Fax No.: (603)-7890 4670
Email : bsr.helpdesk@boardroomlimited.com

REGISTERED OFFICE

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

HEAD OFFICE

Level 8, Tower Block, UOC Campus,
Persiaran Bestari, Cyber 11,
63000 Cyberjaya,
Selangor Darul Ehsan
Tel No.: (603)-8800 5295

SOLICITOR

Messrs Aaron Sankar & Co
Suite K.2.13, Level 2, Block K,
Solaris Mont Kiara, Jalan Solaris,
50480 Kuala Lumpur
Tel No.: (603)-6413 3800

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad

Stock Name: CYBERE
Stock Code: 5166
Website:
https://cyberjaya.education/

CORPORATE OFFICE
Level 8, Tower Block, University of Cyberjaya Campus
Persiaran Bestari, Cyber 11
63000 Cyberjaya,Selangor Darul Ehsan, Malaysia

Tel : +60 (3) 8800 5290

Email : contact@cyberjaya.edu.my