Registration No. 202201005786 (1451483-D)

**NURE DIGITAL SDN. BHD.**
(Incorporated in Malaysia)

REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2023

Registration No. 202201005786 (1451483-D)

**NURE DIGITAL SDN. BHD.**
(Incorporated in Malaysia)

## TABLE OF CONTENTS



## CORPORATE INFORMATION

| | | |
|---|---|---|
| Directors | : | Harish Laxminarayan Shenoy<br>Nilesh Gupta<br>Awalludin Bin Nasir |
| Secretary | : | Tai Yuen Ling (LS 0008513) |
| Registered office | : | 12th Floor, Menara Symphony,<br>No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13,<br>46200 Petaling Jaya,<br>Selangor. |
| Principal place of business | : | Suite 2B-23-1, Level 23, Block 2B,<br>Plaza Sentral, Jalan Stesen Sentral 5, Kuala Lumpur Sentral,<br>50470 Kuala Lumpur. |

**NURE DIGITAL SDN. BHD.**
(Incorporated in Malaysia)

## DIRECTORS' REPORT
## FOR THE FINANCIAL PERIOD FROM 17 FEBRUARY 2022 (DATE OF INCORPORATION) TO 31 MARCH 2023

The directors hereby submit their report together with the audited financial statements of the Company for the financial period from 17 February 2022 (date of incorporation) to 31 March 2023.

### PRINCIPAL ACTIVITY

The Company has not commenced business operation since its incorporation.

### FINANCIAL RESULTS

| | RM |
|---|---|
| Loss for the financial period attributable to the owners of the Company | (6,000) |

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

### RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial period except as disclosed in the financial statements.

### DIVIDENDS

No dividends have been declared or paid since the date of incorporation. The directors do not recommend the payment of any dividend in respect of the current financial period.

### ISSUE OF SHARES AND DEBENTURES

At date of incorporation, the Company had subscribed 1 subscriber's ordinary shares at RM1 per ordinary share for a total cash consideration of RM1.

During the financial period, the Company issued RM829,225 new ordinary shares at RM1 per ordinary share for a consideration otherwise than in cash of RM829,225 as part consideration for purchase of asset.

There was no issuance of debentures during the financial period.

### OPTIONS GRANTED OVER UNISSUED SHARES

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

## OPTIONS GRANTED OVER UNISSUED SHARES (CONT'D)

No shares were issued by virtue of the exercise of any option to take up unissued shares of the Company during the financial period. As at the end of the financial period, there were no unissued shares of the Company under options.

## DIRECTORS

The directors who held office during and since the end of the financial period are:

Harish Laxminarayan Shenoy (First director)
Nilesh Gupta (First director)
Colin Song Chee Keong (First director, resigned on 28.09.2022)
Awalludin Bin Nasir (Appointed on 28.09.2022)

## DIRECTORS' INTERESTS

According to the register of directors' shareholdings, all the directors holding office at the end of the financial period had no interest in the shares of the Company during the financial period.

## DIRECTORS' BENEFITS

Since the date of incorporation, no director has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the directors as shown in the financial statements or the fixed salary of a full time employee of the Company) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest, other than certain directors who have significant financial interests in companies which traded with the Company in the ordinary course of business.

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

## DIRECTORS' REMUNERATION

None of the directors or past directors had received any remunerations from the Company during the financial period.

None of the directors or past directors had received any benefits otherwise than in cash from the Company during the financial period.

No payments had been paid to or payable to any third party in respect of the services provided by the directors or past directors to the Company during the financial period.

## AUDITORS

The auditors, Messrs **CH HENG & CO**, have indicated their willingness to accept re-appointment.

Total amount paid to or receivable by the auditors as remuneration for their services as auditors of the Company was as follow:

| | RM |
|---|---|
| Statutory audit | 6,000 |

## INDEMNIFYING DIRECTORS, OFFICERS OR AUDITORS

During and since the end of the financial period, no indemnities have been given to or insurance effected for, any person who is or has been the director, officer or auditor of the Company.

## HOLDING COMPANY

The directors regard 3i Infotech Asia Pacific Pte. Ltd., a company incorporated in Singapore, and 3i Infotech Limited, a company incorporated in India, as the immediate and ultimate holding companies, respectively.

## OTHER STATUTORY INFORMATION

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

(a) all known bad debts have been written off and adequate provision made for doubtful debts, and

(b) any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realise.

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

(a) that would render the amount written off for bad debts or the amount of the provision for doubtful debts in the Company inadequate to any substantial extent, or

(b) that would render the value attributed to the current assets in the financial statements of the Company misleading, or

(c) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Company misleading or inappropriate, or

(d) not otherwise dealt with in this report or the financial statements that would render any amount stated in the financial statements of the Company misleading.

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

(a) any charge on the assets of the Company that has arisen since the end of the financial period and which secures the liabilities of any other person, or

(b) any contingent liability in respect of the Company that has arisen since the end of the financial period.

Registration No. 202201005786 (1451483-D)

**NURE DIGITAL SDN. BHD.**
(Incorporated in Malaysia)

**OTHER STATUTORY INFORMATION (CONT'D)**

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

In the opinion of the directors, 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 Company for the financial period.

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

**HARISH LAXMINARAYAN SHENOY**
Director

**NILESH GUPTA**
Director

Bangalore, Karnataka, India
Dated: 26 JUL 2023

Registration No. 202201005786 (1451483-D)

**NURE DIGITAL SDN. BHD.**
(Incorporated in Malaysia)

**STATEMENT BY DIRECTORS**
**Pursuant to Section 251(2) of the Companies Act, 2016**

In the opinion of the directors, the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia so as to give a true and fair view of the financial position of the Company as at 31 March 2023 and of its 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,

| | |
|---|---|
| **HARISH LAXMINARAYAN SHENOY** | **NILESH GUPTA** |
| Director | Director |

Mumbai, Maharashtra, India
Dated: 26 July 2023

**STATUTORY DECLARATION**
**Pursuant to Section 251(1)(b) of the Companies Act, 2016**

I, **HARISH LAXMINARAYAN SHENOY (Passport no. N5067797)**, the director primarily responsible for the financial management of **NURE DIGITAL SDN. BHD.**, do solemnly and sincerely declare that the accompanying financial statements are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Notaries Act, 1952/Oaths Act, 1969.

Subscribed and solemnly declared by the above named at Mumbai in the state of Maharashtra, Republic of India on 26 July 2023.

**HARISH LAXMINARAYAN SHENOY**

Before me,

NOTARY
HEMANT JANGAM
MUMBAI
MAHARASHTRA
Regn. No. 4762
Expiry Date
20-10-2027
GOVERNMENT OF INDIA

BEFORE ME
HEMANT JANGAM
NOTARY. GOVT. OF INDIA
MUMBAI. MAHARASHTRA
26 JUL 2023

CH HENG & CO
CHARTERED ACCOUNTANTS
(AF002283)

No. 7-1, Jalan Bestari 6C, Bandar Bestari,
42000 Pelabuhan Klang, Selangor D.E.

T : +603-3081 5899
E : audit@chhengco.my
W: chhengco.my

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF**
**NURE DIGITAL SDN. BHD.** (Registration No. 202201005786 (1451483-D))
(Incorporated in Malaysia)

## Report on the Audit of the Financial Statements

### *Opinion*

We have audited the financial statements of **NURE DIGITAL SDN. BHD.**, which comprise the statement of financial position as at 31 March 2023, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the financial period then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 9 to 28.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 March 2023, and of its financial performance and its 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 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.

### *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 Directors' Report but does not include the financial statements of the Company and our auditors' report thereon.

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

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

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

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF**
**NURE DIGITAL SDN. BHD.** (Registration No. 202201005786 (1451483-D))
(Incorporated in Malaysia)

**Report on the Audit of the Financial Statements (Cont'd)**

***Responsibilities of the Directors for the Financial Statements***

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

In preparing the financial statements of the Company, the directors are responsible for assessing the 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 Company or to cease operations, or have no realistic alternative but to do so.

***Auditors' Responsibilities for the Audit of the Financial Statements***

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

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

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

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

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

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF**
**NURE DIGITAL SDN. BHD.** (Registration No. 202201005786 (1451483-D))
(Incorporated in Malaysia)

**Report on the Audit of the Financial Statements (Cont'd)**

- Conclude on the appropriateness of 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 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 Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

**Other Matters**

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

CH Heng & Co

**CH HENG & CO**
AF002283
Chartered Accountants

Klang, Selangor
Dated: 26 July 2023

Heng CH

**HENG CHENG HUAI**
03363/04/2024 J
Chartered Accountant

**NURE DIGITAL SDN. BHD.**
(Incorporated in Malaysia)

**STATEMENT OF FINANCIAL POSITION**
**AS AT 31 MARCH 2023**

| | Note | 2023 RM |
|---|---|---|
| **Asset** | | |
| **Non-current asset** | | |
| Equipment | 4 | 1,376,786 |
| **Total asset** | | 1,376,786 |
| | | |
| **Equity and liability** | | |
| **Equity** | | |
| Share capital | 5 | 829,226 |
| Accumulated loss | | (6,000) |
| **Total equity** | | 823,226 |
| | | |
| **Liability** | | |
| **Current liability** | | |
| Other payables | 6 | 553,560 |
| **Total liability** | | 553,560 |
| **Total equity and liability** | | 1,376,786 |

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

**NURE DIGITAL SDN. BHD.**
(Incorporated in Malaysia)

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**
**FOR THE FINANCIAL PERIOD FROM 17 FEBRUARY 2022 (DATE OF INCORPORATION) TO 31 MARCH 2023**

| | Note | Financial period from 17.2.2022 to 31.3.2023 RM |
|---|---|---|
| Administrative expense | | (6,000) |
| Loss before tax | 7 | (6,000) |
| | | |
| Tax expense | 8 | - |
| Loss and total comprehensive loss for the financial period | | (6,000) |

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

Registration No. 202201005786 (1451483-D)

**NURE DIGITAL SDN. BHD.**
(Incorporated in Malaysia)

**STATEMENT OF CHANGES IN EQUITY**
**FOR THE FINANCIAL PERIOD FROM 17 FEBRUARY 2022 (DATE OF INCORPORATION) TO 31 MARCH 2023**

| | Note | Share capital RM | Accumulated losses RM | Total RM |
|---|---|---|---|---|
| As at 17 February 2022 (date of incorporation) | | 1 | - | 1 |
| Issue of ordinary shares | 5 | 829,225 | - | 829,225 |
| Loss and total comprehensive loss for the financial period | | - | (6,000) | (6,000) |
| As at 31 March 2023 | | 829,226 | (6,000) | 823,226 |

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

**NURE DIGITAL SDN. BHD.**
(Incorporated in Malaysia)

**STATEMENT OF CASH FLOWS**
**FOR THE FINANCIAL PERIOD FROM 17 FEBRUARY 2022 (DATE OF INCORPORATION) TO 31 MARCH 2023**

| | Note | Financial period from 17.2.2022 to 31.3.2023 RM |
|---|---|---|
| **Cash flows from operating activities** | | |
| Loss before tax | | (6,000) |
| | | |
| Change in other payables | | 553,560 |
| **Net cash from operating activities** | | 547,560 |
| | | |
| **Cash flows from investing activity** | | |
| Acquisition of equipment | 4 | (1,376,786) |
| **Net cash used in investing activity** | | (1,376,786) |
| | | |
| **Cash flows from financing activities** | | |
| Proceeds from subscriber's ordinary shares | 5 | 1 |
| Proceeds from issue of ordinary shares | 5 | 829,225 |
| **Net cash from financing activities** | | 829,226 |
| | | |
| **Net increase in cash and cash equivalents** | | - |
| **Cash and cash equivalents as at 31 March 2023** | | - |

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

**NOTES TO THE FINANCIAL STATEMENTS**
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023**

## 1. GENERAL INFORMATION

Nure Digital Sdn. Bhd. is a private limited liability company, incorporated and domiciled in Malaysia.

The registered office of the Company is located at 12th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor.

The principal place of business of the Company is located at Suite 2B-23-1, Level 23, Block 2B Plaza Sentral, Jalan Stesen Sentral 5, Kuala Lumpur Sentral, 50470 Kuala Lumpur.

The Company has not commenced business operation since its incorporation.

The directors regard 3i Infotech Asia Pacific Pte. Ltd., a company incorporated in Singapore, and 3i Infotech Limited, a company incorporated in India, as the immediate and ultimate holding companies, respectively.

These financial statements were authorised for issue by the Board of Directors on 26 July 2023.

## 2. BASIS OF PREPARATION

### 2.1 Statement of compliance

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

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

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

- MFRS 17, *Insurance Contracts and amendments* to MFRS 17
- Amendments to MFRS 101, *Presentation of Financial Statements – Classification of Liabilities as Current or Non-current*
- Amendments to MFRS 101, *Presentation of Financial Statements – Disclosure of Accounting Policies*
- Amendments to MFRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates*
- Amendments to MFRS 112, *Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction*
- Amendments to disclosure accompanying MFRS 112, *Income Taxes – International Tax Reform – Pillar Two Model Rules*

<u>MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2024</u>

- Amendments to MFRS 16, *Leases – Lease Liability in a Sale and Leaseback*
- Amendments to MFRS 101, *Presentation of Financial Statements – Non-current Liabilities with Covenants*
- Amendments to MFRS 107, *Statement of Cash Flows* and MFRS 7, *Financial Instruments: Disclosures – Supplier Finance Arrangements*

## 2. BASIS OF PREPARATION (CONT'D)

### 2.1 Statement of compliance (cont'd)

<u>MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2025</u>

- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*

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

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

The Company plans to apply the abovementioned accounting standards, interpretations and amendments:

- from the annual period beginning on 1 April 2023 for those amendments that are effective for annual periods beginning on or after 1 January 2023.
- from the annual period beginning on 1 April 2024 for those amendments that are effective for annual periods beginning on or after 1 January 2024.
- from the annual period beginning on 1 April 2025 for the amendment that is effective for annual periods beginning on or after 1 January 2025.

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

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

### 2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis other than as disclosed in note 3.

### 2.3 Functional and presentation currency

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency. All financial information is presented in RM, unless otherwise stated.

### 2.4 Use of estimates and judgements

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

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

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

## 2. BASIS OF PREPARATION (CONT'D)

### 2.5 Comparative figures

No comparative figures are presented as these are the Company's first set of financial statements.

## 3. SIGNIFICANT ACCOUNTING POLICIES

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

### 3.1 Financial instruments

**Recognition and initial measurement**

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

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

An embedded derivative is recognised separately from the host contract where the host contract is not a financial asset, and accounted for separately if, and only if, the derivative is not closely related to the economic characteristics and risks of the host contract and the host contract is not measured at fair value through profit or loss. The host contract, in the event an embedded derivative is recognised separately, is accounted for in accordance with policy applicable to the nature of the host contract.

**Financial instrument categories and subsequent measurement**

***Financial assets***

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

*(a) Amortised cost*

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

## 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 3.1 Financial instruments (cont'd)

**Financial instrument categories and subsequent measurement (cont'd)**

***Financial assets (cont'd)***

*(a) Amortised cost (cont'd)*

Interest income is recognised by applying effective interest rate to the gross carrying amount except for credit impaired financial assets where the effective interest rate is applied to the amortised cost.

*(b) Fair value through other comprehensive income*

*(i) Debt investments*

Fair value through other comprehensive income category comprises debt investment where it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the debt investment, and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The debt investment is not designated as fair value through profit or loss. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

Interest income is recognised by applying effective interest rate to the gross carrying amount except for credit impaired financial assets where the effective interest rate is applied to the amortised cost.

*(ii) Equity investments*

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

*(c) Fair value through profit or loss*

All financial assets not measured at amortised cost or fair value through other comprehensive income as described above are measured at fair value through profit or loss. This includes derivative financial assets (except for a derivative that is a designated and effective hedging instrument). On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at fair value through other comprehensive income as at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

## 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 3.1 Financial instruments (cont'd)

**Financial instrument categories and subsequent measurement (cont'd)**

***Financial assets (cont'd)***

*(c) Fair value through profit or loss (cont'd)*

Financial assets categorised as fair value through profit or loss are subsequently measured at their fair value. Net gains or losses, including any interest or dividend income, are recognised in the profit or loss.

All financial assets, except for those measured at fair value through profit or loss and equity investments measured at fair value through other comprehensive income, are subject to impairment assessment.

***Financial liabilities***

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

*(a) Fair value through profit or loss*

Fair value through profit or loss category comprises financial liabilities that are derivatives (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument), contingent consideration in a business combination and financial liabilities that are specifically designated into this category upon initial recognition.

On initial recognition, the Company may irrevocably designate a financial liability that otherwise meets the requirements to be measured at amortised cost as at fair value through profit or loss:

(a) if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise;
(b) a group of financial liabilities or assets and financial liabilities is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the group is provided internally on that basis to the Company's key management personnel; or
(c) if a contract contains one or more embedded derivatives and the host is not a financial asset in the scope of MFRS 9, where the embedded derivative significantly modifies the cash flows and separation is not prohibited.

Financial liabilities categorised as fair value through profit or loss are subsequently measured at their fair value with gains or losses, including any interest expense are recognised in the profit or loss.

For financial liabilities where it is designated as fair value through profit or loss upon initial recognition, the Company recognises the amount of change in fair value of the financial liability that is attributable to change in credit risk in the other comprehensive income and remaining amount of the change in fair value in the profit or loss, unless the treatment of the effects of changes in the liability's credit risk would create or enlarge an accounting mismatch.

## 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 3.1 Financial instruments (cont'd)

**Financial instrument categories and subsequent measurement (cont'd)**

***Financial liabilities (cont'd)***

*(b) Amortised cost*

Other financial liabilities not categorised as fair value through profit or loss are subsequently measured at amortised cost using the effective interest method.

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

**Regular way purchase or sale of financial assets**

A regular way purchase or sale of financial assets is recognised and derecognised, as applicable, using trade date or settlement date accounting in the current financial year.

Trade date accounting refers to:
(a) the recognition of an asset to be received and the liability to pay for it on the trade date; and
(b) derecognition of an asset that is sold, recognition of any gain or loss on disposal and the recognition of a receivable from the buyer for payment on the trade date.

Settlement date accounting refers to:
(a) the recognition of an asset on the day it is received by the Company; and
(b) derecognition of an asset and recognition of any gain or loss on disposal on the day that is delivered by the Company.

Any change in the fair value of the asset to be received during the period between the trade date and the settlement date is accounted in the same way as it accounts for the acquired asset.

Generally, the Company applies settlement date accounting unless otherwise stated for the specific class of asset.

**Derecognition**

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

## 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 3.1 Financial instruments (cont'd)

**Derecognition (cont'd)**

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

**Offsetting**

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and liability simultaneously.

### 3.2 Property, plant and equipment

**Recognition and measurement**

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

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

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

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

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

## 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 3.2 Property, plant and equipment (cont'd)

**Subsequent costs**

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

**Depreciation**

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

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

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

- Computer software and hardware 10 years

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

### 3.3 Impairment

**Financial assets**

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost, debt investments measured at fair value through other comprehensive income, contract assets and lease receivables. Expected credit losses are a probability-weighted estimate of credit losses.

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

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

## 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 3.3 Impairment (cont'd)

**Financial assets (cont'd)**

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

The Company estimates the expected credit losses on trade receivables using a provision matrix with reference to historical credit loss experience.

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

An impairment loss in respect of debt investments measured at fair value through other comprehensive income is recognised in profit or loss and the allowance account is recognised in other comprehensive income.

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at fair value through other comprehensive income are credit impaired. A financial asset is credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

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

**Other assets**

The carrying amounts of other assets (except for inventories, contract assets, lease receivables, deferred tax asset, assets arising from employee benefits, investment property measured at fair value 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, then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each period at the same time.

## 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 3.3 Impairment (cont'd)

**Other assets (cont'd)**

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units. Subject to an operating segment ceiling test, for the purpose of goodwill impairment testing, cash-generating units 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 cash-generating unit or a group of cash-generating units that are expected to benefit from the synergies of the combination.

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

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

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

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

### 3.4 Equity instruments

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

**Ordinary shares**

Ordinary shares are classified as equity.

## 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 3.5 Income tax

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

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

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

Where investment properties are carried at their fair value, the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying value at the reporting date unless the property is depreciable and is held with the objective to consume substantially all of the economic benefits embodied in the property over time, rather than through sale. In all other cases, the amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are not discounted.

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

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

Unutilised reinvestment allowance and investment tax allowance, being tax incentives that is not a tax base of an asset, is recognised as a deferred tax asset to the extent that it is probable that the future taxable profits will be available against which the unutilised tax incentive can be utilised.

### 3.6 Fair value measurements

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

## 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 3.6 Fair value measurements (cont'd)

For 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 Company uses observable market data as far as possible. Fair value is categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:
Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date.
Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3: unobservable inputs for the asset or liability.

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

## 4. EQUIPMENT

| | As at 17.2.2022 RM | Addition RM | Disposals RM | As at 31.3.2023 RM |
|---|---|---|---|---|
| **Cost** | | | | |
| Capital work in progress | - | 1,376,786 | - | 1,376,786 |

| | 2023 RM |
|---|---|
| **Carrying amount** | |
| Capital work in progress | 1,376,786 |

## 5. SHARE CAPITAL

| | 2023 Number of shares | 2023 RM |
|---|---|---|
| **Issued and fully paid** | | |
| **Ordinary shares with no par value** | | |
| At date of incorporation | 1 | 1 |
| Issued for consideration otherwise than in cash | 829,225 | 829,225 |
| As at 31 March 2023 | 829,226 | 829,226 |

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.

## 6. OTHER PAYABLES

| | 2023<br>RM |
|---|---|
| Other payable due to immediate holding company | 547,560 |
| Accrual | 6,000 |
| | 553,560 |

Other payable due to immediate holding company is unsecured, interest free and repayable on demand.

## 7. LOSS BEFORE TAX

Loss before tax is stated after charging:-

| | Financial period from 17.2.2022 to 31.3.2023<br>RM |
|---|---|
| Auditors' remuneration for audit services | 6,000 |

## 8. TAX EXPENSE

No provision for tax expense has been made as the Company had incurred operating loss and had no chargeable income under the Income Tax Act, 1967 during the financial period.

The numerical reconciliation of the relationship between tax expense and loss before tax is as follow:

| | Financial period from 17.2.2022 to 31.3.2023<br>RM |
|---|---|
| Loss before tax | (6,000) |
| Tax at Malaysian statutory tax rate of 24% | (1,440) |
| Tax effect of: | |
| Expenses not deductible for tax purposes | 1,440 |
| Tax expense | - |

Income tax is calculated at the Malaysian statutory tax rate of 24% on the chargeable income.

## 9. FINANCIAL INSTRUMENTS

**Categories of financial instruments**

The table below provides an analysis of financial instruments by category.

| | 2023<br>RM |
|---|---|
| **Financial liability at amortised cost** | |
| Other payables | 553,560 |

**Net gains and losses arising from financial instruments**

There were no gains or losses arising from financial instruments.

**Financial risk management**

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

- Credit risk
- Liquidity risk
- Market risk

**Credit risk**

Credit risk is the risk of a financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company does not have any receivables and cash and cash equivalents, and hence, has minimal exposure to credit risk at the end of the reporting period.

**Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's exposure to liquidity risk arises principally from its various payables.

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

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

Maturity analysis

| | Carrying amount<br>RM | Contractual interest rate/coupon/ discount rate | Contractual cash flows<br>RM | On demand or within 1 year<br>RM |
|---|---|---|---|---|
| **2023** | | | | |
| **Non-derivative financial liability** | | | | |
| Other payables | 553,560 | - | 553,560 | 553,560 |

## 9. FINANCIAL INSTRUMENTS (CONT'D)

**Market risk**

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

***Currency risk***

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

The Company does not have any transactions or balances denominated in foreign currencies and hence, is not exposed to foreign currency risk.

***Interest rate risk***

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

As the Company does not have any interest-bearing financial assets and financial liabilities, and hence, is not exposed to interest rate risk.

***Other price risk***

Equity price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in quoted equity investment prices.

The Company does not have any investments in quoted equity securities and hence, is not exposed to equity price risk.

**Fair value information**

The carrying amounts of short term payables reasonably approximate their fair values due to the relatively short term nature of these financial instruments.

## 10. CAPITAL MANAGEMENT

As the Company has no external borrowings at the end of the reporting period, the debt-to-equity ratio is not presented as it may not provide a meaningful indicator of the risk of borrowings.

## 11. RELATED PARTIES

**Identity of related parties**

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

## 11. RELATED PARTIES (CONT'D)

**Identity of related parties (cont'd)**

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

The Company has related party relationship with its holding companies, related companies and key management personnel.

**Significant related party transactions**

Related party transactions have been entered into in the normal course of business under negotiated terms. In addition to the related party balances disclosed elsewhere in the financial statements, the significant related party transaction of the Company was as follow:

| | Financial period from 17.2.2022 to 31.3.2023 RM |
|---|---|
| **Immediate holding company** | |
| Purchases of asset | 1,376,786 |

**Compensation of key management personnel**

None of the directors had received any compensation during the financial period.

Registration No. 202201005786 (1451483-D)

**NURE DIGITAL SDN. BHD.**
(Incorporated in Malaysia)

**DETAILED STATEMENT OF PROFIT OR LOSS**
**FOR THE FINANCIAL PERIOD FROM 17 FEBRUARY 2022 (DATE OF INCORPORATION) TO 31 MARCH 2023**

| | Financial period from 17.2.2022 to 31.3.2023 RM |
|---|---|
| **Administrative expense** | |
| Auditors' remuneration for audit services | (6,000) |
| | (6,000) |
| **Loss before tax** | (6,000) |

This statement is prepared for the purpose of the Management's use only and does not form part of the statutory audited financial statements.