THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

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

IQZAN

IQZAN HOLDING BERHAD
(Registration No.: 200201008458 (576121-A))
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS IN RELATION TO

PROPOSED DISPOSAL BY IQZAN HOLDING BERHAD OF 6,320,970 ORDINARY SHARES, REPRESENTING 51.39% EQUITY INTEREST IN ITS WHOLLY-OWNED SUBSIDIARY, ZOOMIC TECHNOLOGY (M) SDN. BHD. (“ZOOMIC”) TO SETTLE THE AMOUNT OWING TO DIGITAL MIRACLES SDN. BHD. (“DIGITAL MIRACLES”) AND MILLION SAINT CONSULTANCY SDN. BHD. (“MILLION SAINT”) IN THE FOLLOWING MANNER:

(I) 2,106,990 ORDINARY SHARES IN ZOOMIC, REPRESENTING 17.13% EQUITY INTEREST IN ZOOMIC, TO DIGITAL MIRACLES FOR A DISPOSAL CONSIDERATION OF RM1.20 MILLION; AND

(II) 4,213,980 ORDINARY SHARES IN ZOOMIC, REPRESENTING 34.26% EQUITY INTEREST IN ZOOMIC, TO MILLION SAINT FOR A DISPOSAL CONSIDERATION OF RM2.40 MILLION

(“PROPOSED DISPOSAL”)

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Adviser

sierac
corporate advisers

SIERAC CORPORATE ADVISERS SDN. BHD.
(Registration No.: 200001013247 (515853-A))

The Extraordinary General Meeting of Iqzan Holding Berhad (“**EGM**”) will be held at Pinnacle 3 (Level M1), The Vertical, Connexion Conference & Event Centre, Bangsar South City, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur on Friday, 5 July 2024, at 11:00 a.m., or at any adjournment thereof, together with the accompanying form of proxy are enclosed herein.

You are encouraged to participate, speak and vote at the EGM. A member entitled to attend, participate, speak and vote (collectively, “**participate**”) at the EGM is entitled to appoint a proxy or proxies to participate and vote on his/her behalf. In such event, the completed and signed form of proxy must be lodged at the office of the share registrar of the Company at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur. The lodging of the form of proxy shall not preclude you from attending, participating, speaking and voting in person at the EGM should you subsequently wish to do so.

Last day, date and time for lodging the form of proxy	:	Wednesday, 3 July 2024 at 11:00 a.m.
Day, date and time of the EGM	:	Friday, 5 July 2024 at 11:00 a.m.

This Circular is dated 13 June 2024

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

Act	:	Companies Act 2016
Addendums	:	Collectively, Digital Miracles Addendum and Million Saint Addendum
AFS	:	Audited financial statements
Board	:	Board of directors of the Company
Bursa Securities	:	Bursa Malaysia Securities Berhad (Registration No.: 200301033577 (635998-W))
Buyback Rights	:	The option to buy back the Sale Shares from the Purchasers pursuant to the CSSAs
Circular	:	This circular to Shareholders dated 13 June 2024 in relation to the Proposed Disposal
CSSAs	:	Collectively, Digital Miracles CSSA and Million Saint CSSA, the Addendums and the Supplemental Agreements
Digital Miracles	:	Digital Miracles Sdn. Bhd. (Registration No.: 201801014726 (1276742-T))
Digital Miracles Addendum	:	Addendum entered into between Iqzan and Digital Miracles on 23 November 2023 for the Proposed Disposal to amend, vary and clarify on certain terms of Digital Miracles CSSA
Digital Miracles CSSA	:	Conditional share sales and repurchase agreement entered into between Iqzan and Digital Miracles on 4 August 2023 for the Proposed Disposal
Digital Miracles Supplemental Agreement	:	Supplemental agreement entered into between Iqzan and Digital Miracles on 16 January 2024 for the Proposed Disposal
Directors	:	The directors of the Company and shall have the meaning given in Section 2(1) of the Act, Section 2(1) of the Capital Markets and Services Act, 2007 and Paragraph 10.02(c)(i) and (ii) of the Listing Requirements
EGM	:	Extraordinary general meeting
EOT	:	Extension of time
EPS	:	Earnings per Share
Extended Buyback Period	:	The extended period for the Buyback Rights from 3 February 2024 to 2 August 2024 under Digital Miracles CSSA and from 6 February 2024 to 5 August 2024 under Million Saint CSSA pursuant to the Supplemental Agreements
Forced Sale Value	:	The estimated price of Zoomic when it is sold within a short period of time
FTSB	:	FoundPac Technologies Sdn. Bhd. (Registration No.: 201101011807 (939942-M))

FYE	:	Financial year ended/ending, as the case may be
Initial Buyback Period	:	The period whereby Iqzan was granted the Buyback Rights to repurchase the Sale Shares from Digital Miracles and Million Saint which had expired on 3 February 2024 and 6 February 2024 respectively
Iqzan or Company	:	Iqzan Holding Berhad (Registration No.: 200201008458 (576121-A))
Iqzan Group or Group	:	Collectively, Iqzan and its subsidiaries
LAT	:	Loss after tax
Listing Requirements	:	Main Market Listing Requirements of Bursa Securities
LPD	:	31 May 2024, being the latest practicable date prior to the date of this Circular
LPS	:	Loss per Share
Malacca Securities	:	Malacca Securities Sdn. Bhd. (Registration No.: 197301002760 (16121-H))
Million Saint	:	Million Saint Consultancy Sdn. Bhd. (Registration No.: 201601002227 (1173153-A))
Million Saint Addendum	:	Addendum entered into between Iqzan and Million Saint on 23 November 2023 for the Proposed Disposal to amend, vary and clarify on certain terms of Million Saint CSSA
Million Saint CSSA	:	Conditional share sales and repurchase agreement entered into between Iqzan and Million Saint on 7 August 2023 for the Proposed Disposal
Million Saint Supplemental Agreement	:	Supplemental agreement entered into between Iqzan and Million Saint on 16 January 2024 for the Proposed Disposal
NA	:	Net assets
PAT	:	Profit after tax
PBT	:	Profit before tax
PN17	:	Practice Note 17 of the Listing Requirements
Principal Adviser	:	A person who is permitted to carry on the regulated activity of advising corporate finance under the CMSA
Property	:	Two (2) adjoining lots of leasehold (for 60-year term expiring on 9 September 2051) industrial land identified as Lot 12370 (PN 5891) and Lot 12371 (PN 5867), both within Mukim 12, District of Barat Daya, State of Pulau Pinang, measuring a total land area of approximately 90,040 square feet (8,365 square metres) with a double-storey detached factory-cum-office erected thereon bearing postal address Plot No. 12 and 13, Hilir Sungai Keluang 3, Bayan Lepas Free Industrial Zone Phase 4, 11900 Bayan Lepas, Pulau Pinang

Property Disposal	:	Disposal of the Property by Zoomic to FTSB, which was first announced to Bursa Securities on 2 December 2022 and the transaction was completed on 15 November 2023
Property Supplemental Agreement	:	Supplemental agreement to the SPA dated 23 August 2023 entered into between Zoomic and FTSB for the Property Disposal
Proposed Disposal	:	Proposed disposal by Iqzan of 6,320,970 ordinary shares, representing 51.39% equity interest in Zoomic to settle the amount owing to Digital Miracles and Million Saint
Purchasers	:	Collectively, Digital Miracles and Million Saint
RM and sen	:	Ringgit Malaysia and sen respectively
Sale Shares	:	A total of 6,320,970 ordinary shares in Zoomic, representing 51.39% equity interest in Zoomic to be sold by Iqzan to the Purchasers
SCA or Adviser	:	Sierac Corporate Advisers Sdn. Bhd. (Registration No. 200001013247 (515853-A))
Shares	:	Ordinary shares in the Company
Shareholders	:	Shareholders of the Company
SPA	:	Conditional sale and purchase agreement entered into between Zoomic and FTSB on 2 December 2022 in relation to the Property Disposal
Supplemental Agreements	:	Collectively, Digital Miracles Supplemental Agreement and Million Saint Supplemental Agreement
Zoomic	:	Zoomic Technology (M) Sdn. Bhd. (Registration No. 199201003210 (234714-U))
Zoomic Disposal Consideration	:	A total disposal consideration of RM3,600,000 for the 51.39% equity interest in Zoomic

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Reference to persons shall include corporations, unless otherwise specified. All references to "you" in this Circular are to the Shareholders.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to a time of day in this Circular shall be a reference to Malaysian time, unless otherwise stated. Any discrepancies in the tables between amounts stated and the totals in this Circular are due to rounding.

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

THIS EXECUTIVE SUMMARY HIGHLIGHTS THE SALIENT INFORMATION OF THE PROPOSED DISPOSAL. YOU ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR WITHOUT RELYING SOLELY ON THIS EXECUTIVE SUMMARY IN FORMING A DECISION ON THE PROPOSED DISPOSAL BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED DISPOSAL TO BE TABLED AT THE FORTHCOMING EGM.

Key information	**Description**	**Reference to this Circular**
Summary of the Proposed Disposal	The Proposed Disposal entails the disposal by the Company of 6,320,970 ordinary shares, representing 51.39% equity interest in Zoomic to settle the amount owing to Digital Miracles and Million Saint in the following manner: (i) 2,106,990 ordinary shares in Zoomic, representing 17.13% equity interest in Zoomic to Digital Miracles for a disposal consideration of RM1.20 million; and (ii) 4,213,980 ordinary shares in Zoomic, representing 34.26% equity interest in Zoomic to Million Saint for a disposal consideration of RM2.40 million.	Section 1 and 2
Basis of and justification for arriving at the Zoomic Disposal Consideration	The Zoomic Disposal Consideration was arrived at on a willing buyer willing seller basis, after taking into consideration, amongst others, the following: (i) the Forced Sale Value which is derived based on the NA of Zoomic as at 30 April 2023, after taking into consideration a discount of 30%; and (ii) the rationale of the Proposed Disposal as set out in Section 3 of this Circular.	Section 2.4
Rationale for the Proposed Disposal	In view of the Company's financial position and the urgency to settle the outstanding debts due and owing to Digital Miracles and Million Saint, the Board is of the view that the Proposed Disposal is the most suitable avenue in settling the debts to avoid any legal action which may be taken by Digital Miracles and Million Saint against the Company. The Proposed Disposal will reduce the financial burden of the Company as the Proposed Disposal is meant to contra and set-off the amount due and owing by Iqzan to Digital Miracles and Million Saint.	Section 3
Risk factors	The Proposed Disposal is subject to the following risk factors: (i) non-completion of the Proposed Disposal; and (ii) delays in implementation of the regularisation plan.	Section 4

Key information	Description	Reference to this Circular
Approvals required and conditionality	The Proposed Disposal is subject to approvals being obtained from the following: (i) the Shareholders at the forthcoming EGM; and (ii) any other relevant regulatory authorities and/or parties, if required. The Proposed Disposal is not conditional upon any other corporate exercise undertaken or to be undertaken by the Company.	Section 6
Interest of Directors, major Shareholders and/or persons connected with them	None of the Directors, major Shareholders and/or persons connected with them have any interest, whether direct or indirect, in the Proposed Disposal.	Section 7
Directors' statement and recommendation	The Board, having considered all aspects of the Proposed Disposal, including but not limited to the rationale and benefits of the Proposed Disposal, the salient terms of the CSSAs, the basis of and justification for arriving at the Zoomic Disposal Consideration as well as effects of the Proposed Disposal is of the opinion that the Proposed Disposal is in the best interest of the Company. Accordingly, the Board recommends that you vote in favour of the resolution pertaining to the Proposed Disposal to be tabled at the forthcoming EGM.	Section 8

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IQZAN

IQZAN HOLDING BERHAD
(Registration No.: 200201008458 (576121-A))
(Incorporated in Malaysia)

Registered office:
Level 13, Menara 1 Sentrum
201, Jalan Tun Sambanthan
Brickfields
50470 Kuala Lumpur
W.P. Kuala Lumpur

13 June 2024

BOARD OF DIRECTORS
Kunamony A/P S.Kandiah *(Independent Non-Executive Chairperson)*
Norman Bin Zainuddin *(Executive Director)*
Cheah Ban Seng *(Executive Director)*
Chua Yeong Lin *(Independent Non-Executive Director)*
Koh Yat Loong *(Independent Non-Executive Director)*
Dato' Ong Chek Chai *(Non-Independent Non-Executive Director)*

To: Shareholders

Dear Sir,

PROPOSED DISPOSAL

1. INTRODUCTION

On 6 November 2019, the Company was classified as a PN17 Company as the Company triggered the prescribed criteria pursuant to Paragraph 2.1(d) of PN17, whereby the auditors had expressed a disclaimer opinion in the AFS of the Company for the FYE 30 June 2019.

On 12 April 2022, Malacca Securities was appointed as the Principal Adviser for the Company's regularisation plan.

On 8 August 2023, the Board announced that the Company had on 4 August 2023 and 7 August 2023 entered into the Digital Miracles CSSA and Million Saint CSSA respectively for the Proposed Disposal.

On 10 August 2023, the Board announced the additional information in response to queries raised by Bursa Securities in relation to the Proposed Disposal.

On 18 September 2023, Malacca Securities announced that it has terminated its services as the Principal Adviser of Iqzan in relation to the Company's regularisation plan.

On 23 November 2023, the Company entered into the Addendums to amend, vary and clarify on certain terms of the CSSAs. In particular, the Company and the Purchasers have agreed that the CSSAs are conditional upon Shareholders' approval. The highest percentage ratio applicable to the Proposed Disposal pursuant to paragraph 10.02(g) of the Listing Requirements is approximately 48.51%. Hence, the Company is required to seek Shareholders' approval for the Proposed Disposal pursuant to Paragraph 10.07(1) of the Listing Requirements.

On 8 December 2023, Bursa Securities had granted the Company a further EOT until 8 June 2024 to submit a regularisation plan to the relevant authorities for approval subject to the appointment of a Principal Adviser on or before 8 January 2024.

On 4 January 2024, Malacca Securities was appointed as the Principal Adviser for the regularisation plan of Iqzan.

On 16 January 2024, before the expiry of the Initial Buyback Period, the Company entered into the Supplemental Agreements for the Extended Buyback Period.

For information purposes, the Buyback Rights is deemed confidential as the entire CSSAs was subject to the confidentiality clause. Nevertheless, for the purposes of good corporate governance, the Board has made subsequent announcements in relation to the status of the Proposed Disposal as well as the salient terms of the CSSAs on 22 February 2024, 28 February 2024 and 1 March 2024.

On 29 May 2024, the Company submitted an application for further EOT of approximately six (6) months until 8 December 2024 to submit its regularisation plan to Bursa Securities. As at the date of this Circular, the Company is in the midst of formulating the regularisation plan.

For avoidance of doubt, the Proposed Disposal is not part of the regularisation plan of the Company to address the PN17 status.

Further details of the Proposed Disposal are set out in the ensuing sections of this Circular.

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

YOU ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR AND THE APPENDICES CONTAINED HEREIN BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED DISPOSAL TO BE TABLED AT THE FORTHCOMING EGM.

2. DETAILS OF THE PROPOSED DISPOSAL

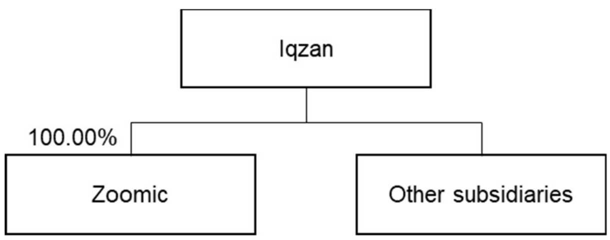
The Proposed Disposal entails the disposal by the Company of 6,320,970 ordinary shares, representing 51.39% equity interest in Zoomic to settle the amount owing to Digital Miracles and Million Saint in the following manner:

(i) 2,106,990 ordinary shares in Zoomic, representing 17.13% equity interest in Zoomic to Digital Miracles for a disposal consideration of RM1.20 million; and

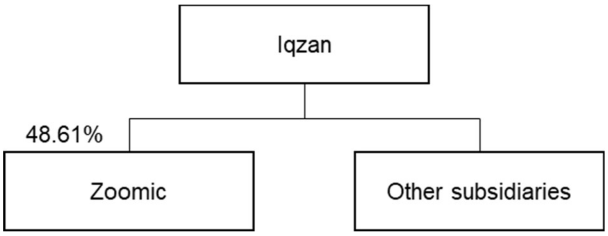
(ii) 4,213,980 ordinary shares in Zoomic, representing 34.26% equity interest in Zoomic to Million Saint for a disposal consideration of RM2.40 million.

The Group structure before and after the Proposed Disposal are illustrated as follows:

<u>Before the transfer of Sale Shares</u>



<u>After the transfer of Sale Shares (upon relinquishing its Buyback Rights)</u>



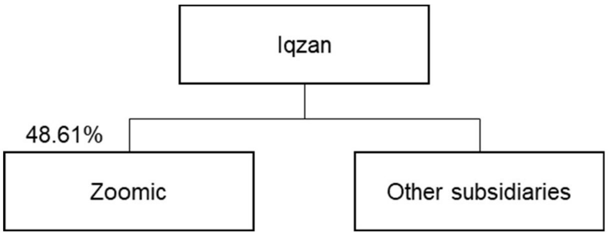
Pursuant to the execution of the CSSAs, the Company had transferred the Sale Shares as collateral to the Purchasers on 15 August 2023. The Sale Shares are held in trust for and on behalf of the Company subject to the terms and conditions of the CSSAs.

For clarification purposes, it was the intention of Iqzan to secure the Purchasers to make payment on behalf of Iqzan to its creditors amounting to RM3.6 million, which are non-trade nature, particularly for infrastructure and electrical panel installation as well as purchase of molded press pallet machine ("**Payment On Behalf**"). In addition, it was the mutual understanding between Iqzan and the Purchasers for the Payment On Behalf to be made before entering into the CSSAs.

Pursuant to the CSSAs, Iqzan was granted the Buyback Rights to repurchase the Sale Shares from the Purchasers. Upon exercise of the Buyback Rights, the Purchasers shall re-transfer back the Sale Shares to Iqzan.

On 21 November 2023, the Board, after taking into consideration the financial position of Iqzan, had decided to relinquish the Buyback Rights, subject to the Shareholders' approval. Therefore, Iqzan will not repay the Purchasers in cash and the Sale Shares will not be re-transferred back to the Company upon obtaining Shareholders' approval for the Proposed Disposal.

<u>After the completion of the Proposed Disposal</u>



As at the LPD, the Proposed Disposal is deemed not completed pending the following:

(i) Shareholders' approval for the Proposed Disposal to be obtained at the forthcoming EGM; and

(ii) issuance of completion notice by Iqzan to the Purchasers after Shareholders' approval is obtained.

2.1 Information on Digital Miracles

Digital Miracles was incorporated on 16 April 2018 as a private limited company in Malaysia under the Act. Digital Miracles is principally engaged in the business of general trading, import and export of building material, machinery, information technology products, household products and telecommunication products. As at the LPD, the issued share capital of Digital Miracles is RM1,000,000 comprising 1,000,000 ordinary shares. Mr. Neoh Kah Kheng is the sole director and shareholder of Digital Miracles.

2.2 Information on Million Saint

Million Saint was incorporated on 19 January 2016 as a private limited company in Malaysia under the Companies Act 1965 and is deemed registered under the Act. Million Saint is principally engaged in the business of wholesale of variety of goods, property consultant as well as information technology and technical consultancy. As at the LPD, the issued share capital of Million Saint is RM5,000,000 comprising 5,000,000 ordinary shares. Mr. Chong Yit Hin is the sole director and shareholder of Million Saint.

2.3 Salient terms of the CSSAs, the Addendums and the Supplemental Agreements

On 8 August 2023, the Board announced that the Company had on 4 August 2023 and 7 August 2023 entered into the Digital Miracles CSSA and Million Saint CSSA for the Proposed Disposal. The terms of the Buyback Rights and the salient terms of the CSSAs were not announced due to the confidentiality clause contained in the Digital Miracles CSSA and Million Saint CSSA.

For information purposes, the Buyback Rights is deemed confidential as the entire CSSAs was subject to the confidentiality clause. Nevertheless, for the purposes of good corporate governance, the Company has made subsequent announcements as follows:

(i) on 23 November 2023, the Company entered into the Addendums to amend, vary and clarify on certain terms of the CSSAs. In particular, the Company and the Purchasers have agreed that the CSSAs are conditional upon Shareholders' approval;

(ii) on 16 January 2024, before the expiry of the Initial Buyback Period, the Company entered into the Supplemental Agreements for the Extended Buyback Period;

(iii) on 22 February 2024, the Board announced the salient terms of the Addendums and Supplemental Agreements. For information purposes, the Addendums and the Supplemental Agreements were not announced when they were entered into by Iqzan and the Purchasers as the Board was of the opinion that the Addendums and the Supplemental Agreements were a continuity of the CSSAs, as the Addendums were entered for the purpose of amending, varying and clarifying on certain terms of the CSSAs whereas the Supplemental Agreements were entered for the purpose of extending the Initial Buyback Period. Save for the Shareholders' approval for the Proposed Disposal, there is no other material change to the CSSAs; and

(iv) the Board had on 28 February 2024 announced further details on the Buyback Rights and salient terms of the CSSAs.

Please refer to Appendix III of this Circular for the salient terms of the CSSAs.

2.4 Basis of and justification for arriving at the Zoomic Disposal Consideration

The Zoomic Disposal Consideration was arrived at on a willing-buyer willing-seller basis after taking into consideration, amongst others, the following:

(i) the Forced Sale Value which is derived based on the NA of Zoomic as at 30 April 2023, after taking into consideration a discount of 30%; and

(ii) the rationale of the Proposed Disposal as set out in Section 3 of this Circular.

The Forced Sale Value and the Zoomic Disposal Consideration are derived as follows:

	RM'000
Unaudited NA of Zoomic as at 30 April 2023 (1)	10,009
Discount of 30% (2)	(3,003)
Forced Sale Value	**7,006**
Zoomic Disposal Consideration (51.39% equity interest)	**3,600**

Notes:

(1) *The unaudited NA of Zoomic as at 30 April 2023 was used as the basis to derive the Forced Sale Value due to the significant change to financial position of Zoomic as compared to the audited NA of Zoomic as at 31 March 2023 as follows:*

   (a) *increase of other payables, particularly, the amount owing to the Purchasers of RM3.60 million; and*

   (b) *increase in provision of contingent liabilities amounting to approximately RM14.37 million.*

(2) *The discount of 30% to the NA of Zoomic as at 30 April 2023 was arrived at after taking into consideration the discount for lack of marketability which is commonly applied to private companies.*

The Forced Sale Value is used as the basis for the Zoomic Disposal Consideration due to the urgency to settle the outstanding debts due and owing by Iqzan to the Purchasers.

As at 31 July 2023, being the end-month immediately preceding the execution of the Digital Miracle CSSA and Million Saint CSSA, the total amount due and owing by Iqzan to the Purchasers is RM3.60 million. The amount due to the Purchasers by Iqzan arose from the Payment On Behalf. No interest is charged on the total amount due and owing by Iqzan to the Purchasers of RM3.60 million.

The Company and the Purchasers had mutually agreed to settle the said outstanding amount due to the Purchasers with the provisional sale and transfer of a total 51.39% equity interest in Zoomic to the Purchasers, subject to the Shareholders' approval.

2.5 Mode of settlement for the Zoomic Disposal Consideration

The Zoomic Disposal Consideration is to be settled entirely via contra and set-off of the amount of RM3.60 million due and owing by Iqzan to the Purchasers.

2.6 Date and original costs of investment

The original date and cost of investment by Iqzan in 51.39% equity interest in Zoomic are set out below:

Date of investment	Cost of investment (RM)
24 April 2014	8,427,960

2.7 Expected loss arising from the Proposed Disposal

The Proposed Disposal is expected to result in a proforma loss on disposal to the Group, details of which are set out below:

	RM'000
Zoomic Disposal Consideration	3,600
Add: fair value of 48.61%, being the residual interest in Zoomic (1)	5,289
	8,889
Less: NA upon acquisition of Zoomic on 24 April 2014	(19,774)
Loss on Proposed Disposal	**(10,885)**

Note:

(1) The fair value of 48.61%, being the residual interest in Zoomic is derived as follows:

As at 15 August 2023, being the date the Sale Shares were transferred to the Purchasers as collateral	***RM'000***
Share capital	*12,300*
Revaluation reserve	*6,237*
Accumulated losses	*(7,657)*
	10,881
Fair value of 48.61%, being the residual interest in Zoomic	***5,289***

2.8 Utilisation of proceeds

There will be no proceeds raised from the Proposed Disposal as Zoomic Disposal Consideration will be used to contra and set-off the amount due and owing by Iqzan to the Purchasers.

2.9 Liabilities to be assumed

The Company will assume the liabilities of Zoomic which remain with the Company in proportion to the Company's shareholding of 48.61% in Zoomic upon completion of the Proposed Disposal. There is no guarantee given by the Group to the Purchasers pursuant to the Proposed Disposal.

3. RATIONALE FOR THE PROPOSED DISPOSAL

Million Saint and Digital Miracles had, vide their letters of demand dated 24 July 2023 and 25 July 2023, requested Zoomic to settle the outstanding amount of RM2.40 million and RM1.20 million respectively within 7 days from the date of their respective letters of demand (i.e. 31 July 2023 and 1 August 2023 respectively) to avoid legal suit against the Company.

In view of the Company's financial position and the urgency to settle the outstanding debts due and owing to Digital Miracles and Million Saint, the Board is of the view that the Proposed Disposal is the most suitable avenue in settling the debts to avoid any legal action which may be taken by Digital Miracles and Million Saint against the Company.

The cash and bank balances and fixed deposit of the Group as at 31 March 2023 and 31 March 2024 are set out below:

	Audited As at 31 March 2023 RM'000	**Unaudited As at 31 March 2024 RM'000**
Fixed deposit with licensed bank	709	-
Cash and bank balances	427	470
	1,136	**470**

Given the cash and bank balances and fixed deposit of the Group set out above, the Proposed Disposal will reduce the financial burden of the Company as the Proposed Disposal is meant to contra and set-off the amount due and owing by Iqzan to Digital Miracles and Million Saint. On 21 November 2023, the Board, after taking into consideration the financial position of Iqzan, had decided to relinquish the Buyback Rights, subject to the Shareholders' approval.

The rationale for the Proposed Disposal is because Zoomic has entered into the SPA for the Property Disposal on 2 December 2022 and thus, there would be immediate cash to be generated from the Property Disposal. Further, the Purchasers had agreed to the settlement of debts by receiving 51.39% equity interest in Zoomic after taking into consideration that Zoomic is the entity owing such amount to the Purchasers and the Forced Sale Value as set out in Section 2.4 of this Circular.

For avoidance of doubt, Zoomic and FTSB entered into SPA on 2 December 2022 for Property Disposal whilst the Digital Miracles CSSA and Million Saint CSSA were entered into on 4 August

2023 and 7 August 2023 respectively, before the completion of Property Disposal. The Property Disposal was completed on 15 November 2023. Before the completion of the Property Disposal, Zoomic still owned the Property.

The Board is of the view that the mode of settlement is in the best interest of the Company given the current financial position of the Company.

4. RISK FACTORS

4.1. Non-completion of the Proposed Disposal

The completion of the Proposed Disposal is subject to the Shareholders' approval for the Proposed Disposal being obtained. In the event that the Shareholders' approval is not obtained within the prescribed timeframe, the Proposed Disposal may be delayed or terminated and all the potential benefits arising therefrom may not materialise.

While there is no assurance that the Shareholders' approval can be obtained, the Company endeavour to ensure that all the conditions precedent for the Proposed Disposal, insofar as they are within the control of the Company, will be fulfilled or waived (as the case may be) within the stipulated timeframe for completion of the Proposed Disposal in a timely manner.

4.2. Delays in implementation of the regularisation plan

For avoidance of doubt, the Proposed Disposal does not form part of the regularisation plan and it serves as an interim measure to address the Group's current financial position. Notwithstanding that, should the completion of the Proposed Disposal be delayed, it may lead to delayed submission of the regularisation plan.

On 29 May 2024, the Company had submitted an application for further EOT of approximately six (6) months until 8 December 2024 to submit its regularisation plan to Bursa Securities. As at the date of this Circular, the Company is in the midst of formulating the regularisation plan.

Further, in the event the requisite approvals required for the proposed regularisation plan are not obtained or the Company fails to implement the proposed regularisation plan thereafter within the allowable timeframe, there is a risk that the Company will continue to be classified under PN17, the trading of the Shares may be suspended and/or Iqzan may be removed from the Official List of Bursa Securities.

5. EFFECTS OF THE PROPOSED DISPOSAL

5.1. Share capital and substantial Shareholders' shareholdings

The Proposed Disposal will not have any effect on the issued share capital and substantial Shareholders' shareholding in the Company as the Proposed Disposal does not involve the issuance of any new Shares.

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5.2. NA, NA per Share and gearing

The proforma effects of the Proposed Disposal on the NA, NA per Share and gearing of the Group based on the audited consolidated financial statements as at 31 March 2023 are as follows:

	Audited as at 31 March 2023 RM'000	(1) After subsequent event RM'000	After the Proposed Disposal RM'000
Share capital	82,535	82,535	82,535
Redeemable convertible preference shares	11,321	11,321	11,321
Revaluation reserves	3,932	3,932	3,932
Accumulated losses	(67,507)	(2) (68,462)	(4) (79,457)
Shareholders' equity/NA	30,281	29,326	18,331
Non-controlling interest	4,481	4,481	4,481
Total equity	**34,762**	**33,807**	**22,812**
No. of shares in issue ('000)	221,840	221,840	221,840
NA per share (RM)	0.14	0.13	0.08
Total borrowings (RM'000)	5,251	5,251	5,251
Other payables	36,951	(3) 22,291	(5) 18,691
Gearing (times) (6)	0.17	0.18	0.29

Notes:

(1) After taking into consideration the Property Disposal completed on 15 November 2023.

(2) After taking into consideration the share of loss on Property Disposal of RM1.97 million to the extent of the Company's shareholding remained in Zoomic amounting to RM0.96 million.

(3) After taking into consideration the repayment of other payables of RM14.66 million subsequent to the Property Disposal.

(4) After taking into consideration the effects of the expected loss arising from the Proposed Disposal of approximately RM10.89 million as detailed in Section 2.7 of this Circular and the estimated expenses pertaining to the Proposed Disposal of approximately RM0.11 million.

(5) After taking into consideration the contra and set-off of RM3.6 million debts with the Purchasers pursuant to the Proposed Disposal.

(6) Computed by dividing the total borrowings of the Group by the Shareholders' equity/NA.

5.3. Earnings and EPS

Save for the expected loss arising from the Proposed Disposal as detailed in Section 2.7 of this Circular, the Proposed Disposal is not expected to have any other material effect on the earnings of the Company for the FYE 31 March 2024.

For illustrative purposes only, the proforma effects of the Proposed Disposal on the earnings and EPS of the Group based on the audited consolidated statement of profit and loss and other comprehensive income of the Group for the FYE 31 March 2023 are as follows:

	Audited as at 31 March 2023	After the Proposed Disposal
PAT/(LAT) attributable to the owners of the Company (RM'000)	776	(1) (10,109)
Total number of the Shares in issue	211,840,144	211,840,144
EPS/LPS (sen) (2)	0.34	(4.77)

Notes:

(1) After taking into consideration the expected loss arising from the Proposed Disposal as detailed in Section 2.7 of this Circular.

(2) Computed by dividing PAT/(LAT) attributable to the owners of the Company by the total number of the Shares in issue.

5.4. Convertible securities

As at the LPD, the Company does not have any outstanding convertible securities.

6. APPROVALS REQUIRED AND CONDITIONALITY

The Proposed Disposal is subject to approvals being obtained from the following:

(i) the Shareholders at the forthcoming EGM; and

(ii) any other relevant regulatory authorities and/or parties, if required.

The Proposed Disposal is not conditional upon any other corporate exercise undertaken or to be undertaken by the Company.

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

None of the Directors, major Shareholders and/or persons connected with them have any interest, whether direct or indirect, in the Proposed Disposal.

8. DIRECTORS' STATEMENT AND RECOMMENDATION

The Board, having considered all aspects of the Proposed Disposal, including but not limited to the rationale and benefits of the Proposed Disposal, the salient terms of the CSSAs, the basis of and justification for arriving at the Zoomic Disposal Consideration as well as effects of the Proposed Disposal is of the opinion that the Proposed Disposal is in the best interest of the Company.

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

9. HIGHEST PERCENTAGE RATIO

The highest percentage ratio applicable to the Proposed Disposal pursuant to paragraph 10.02(g) of the Listing Requirements is approximately 48.51%, computed based on 51.39% of the NA of Zoomic as at 31 March 2023 of RM14.69 million over equity attributable to owners of the Company as at 31 March 2023 of RM30.28 million.

Accordingly, the Company issues this Circular to seek Shareholders' approval for the Proposed Disposal pursuant to Paragraph 10.07(1) of the Listing Requirements and to uphold good corporate governance, ensure unwavering integrity and clear transparency.

10. CORPORATE EXERCISES ANNOUNCED BUT PENDING COMPLETION

Bursa Securities had granted the Company four (4) EOTs from 1 December 2021 to 30 June 2023 to submit the regularisation plan to the regulatory authorities vide its letter dated 24 November 2021, 3 June 2022, 9 February 2023 and 12 May 2023. On 20 June 2023, the Company submitted an application for a further EOT of six (6) months until 29 December 2023 to submit the regularisation plan to the relevant regulatory authorities. The EOT application was rejected by Bursa Securities, vide its letter dated 7 September 2023.

On 8 December 2023, Bursa Securities, after due consideration of all facts and circumstances of the Company's appeal against de-listing under Paragraph 8.04 of the Listing Requirements, had decided to allow the appeal and grant the Company a further EOT until 8 June 2024 to submit the regularisation plan to the relevant authorities for approval.

On 29 May 2024, the Company had submitted an application for further EOT of approximately six (6) months until 8 December 2024 to submit its regularisation plan to Bursa Securities. As at the date of this Circular, the Company is in the midst of formulating the regularisation plan.

As at the LPD, save for the Proposed Disposal and as disclosed below, there is no other corporate exercise which has been announced but has yet to be completed:

(i) On 30 April 2024, the Board announced that Cal-Test Laboratory Sdn Bhd ("**Cal-Test**"), a wholly-owned subsidiary of Iqzan, had on 30 April 2024 entered into a conditional share sale agreement with Kacon Asset Group Sdn Bhd for the acquisition of 2,590,070 ordinary shares, representing 70% equity interest in Kacon Construction Sdn Bhd, for a total consideration of RM1.0 million to be satisfied via the issuance of 5,000 redeemable convertible preference shares ("**RCPS**") by Cal-Test at an issue price of RM200 each RCPS.

Cal-Test is in the midst of fulfilling the conditions precedent as set out in the conditional share sale agreement. The transaction is expected to be completed in June 2024.

(ii) On 16 May 2024, the Board announced that Nexus Applause Sdn Bhd ("**Nexus**"), a wholly-owned subsidiary of Iqzan, had on 16 May 2024 entered into a share sale agreement with Heng Huat Industries Holdings Sdn Bhd for the acquisition of 2,508,690 ordinary shares, representing 51% equity interest in HK Kitaran Sdn Bhd, for a total consideration of approximately RM6.12 million as set out in the share sale agreement.

Nexus is in the midst of fulfilling the conditions precedent as set out in the share sale agreement. The transaction is expected to be completed in May 2025.

11. ESTIMATED TIMEFRAME FOR COMPLETION

Barring any unforeseen circumstances and subject to all relevant approvals being obtained, the Proposed Disposal is expected to be completed by third quarter of 2024. The tentative timetable in relation to the Proposed Disposal is as follows:

Date/Month	Event(s)
5 July 2024	• EGM to approve the Proposed Disposal
Mid July 2024	• Fulfilment of all conditions precedent of the CSSAs for the Proposed Disposal • Completion of the Proposed Disposal

12. EGM

The forthcoming EGM of the Company will be held at Pinnacle 3 (Level M1), The Vertical, Connexion Conference & Event Centre, Bangsar South City, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur on Friday, 5 July 2024 at 11:00 a.m., or at any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modification, the resolution to give effect to the Proposed Disposal.

If you are unable to attend and vote in person at the EGM and wish to appoint a proxy or proxies, you must complete the relevant form of proxy in accordance with the instructions stated therein and deposit it as soon as possible and in any event so as to arrive at the office of the share registrar situated at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 5049s0 Kuala Lumpur, not less than forty-eight (48) hours before the time set for holding the EGM or any adjournment thereof.

The lodging of the form of proxy shall not preclude you from participating, speaking and voting in person at the EGM should you subsequently decide to do so and in such an event, your form of proxy shall be deemed to have been revoked.

13. FURTHER INFORMATION

You are advised to refer to the appendices enclosed in this Circular for further information.

Yours faithfully,
For and on behalf of the Board of
IQZAN HOLDING BERHAD

Norman Bin Zainuddin
Executive Director

1. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors have seen and approved this Circular, and they collectively and individually accept full responsibility for the accuracy of the information contained in this Circular. The Directors confirm, after making all reasonable enquiries, that to the best of their knowledge and belief, there are no false or misleading statements, or other facts which, if omitted, would make a statement in this Circular false or misleading.

2. CONSENT

SCA, being the Adviser for the Proposed Disposal, has given and has not subsequently withdrawn its written consent to the inclusion in this Circular of its name and all references thereto in the form and context in which they appear in this Circular.

3. CONFLICT OF INTEREST

SCA has confirmed that it is not aware of any conflict of interest which exists or is likely to exist in its capacity as the Adviser for the Proposed Disposal.

4. MATERIAL LITIGATION, CLAIMS AND ARBITRATION

Save as disclosed below, as at the LPD, the Group is not involved in any material litigations, claims and/or arbitration, either as plaintiff or defendant, and the Board is not aware of any proceedings, pending or threatened, against the Group or any facts which are likely to give rise to any proceedings which may materially and adversely affect the business of financial position of the Group.

(i) Harta Packaging Industries (Perak) Sdn. Bhd. vs Iqzan

Harta Packaging Industries (Perak) Sdn. Bhd. (the plaintiff) had earlier obtained a consent judgment on 20 December 2018 which ordered Ire-Tex (Malaysia) Sdn. Bhd. ("**Ire-Tex (M)**") to pay the plaintiff RM1,637,981.77 as full and final settlement due to the failure of Ire-Tex (M) to pay the plaintiff for the supply of goods and products to Ire-Tex (M). Ire-Tex (M) was wound up on 30 September 2019.

The plaintiff then filed a writ against Iqzan (being the alleged corporate guarantor) at the High Court on 12 July 2022 for the sum of RM1,637,981.77 with interest at 5% per annum from the date of the writ of summons until full settlement. Iqzan was alleged to have provided the plaintiff with a corporate guarantee dated 30 April 2016. The High Court gave judgment in favour of the plaintiff for the sum of RM1,637,981.77 plus interest and cost of RM5,000.00 ("**Judgment Sum**").

Iqzan had on 18 May 2023 filed a notice of appeal against the High Court's decision.

On 25 May 2023, the plaintiff commenced garnishee proceedings against Iqzan in respect of the Judgment Sum. The plaintiff obtained a show cause order on 1 June 2023 from the High Court and Iqzan applied for stay of the garnishee proceedings pending the decision of the appeal at the Court of Appeal. The Company's application for stay of execution was subsequently dismissed by the High Court with costs.

On 5 September 2023, a garnishee order absolute was granted by the High Court which ordered the garnishees, namely CIMB Bank Berhad and Public Bank Berhad to pay the amount garnished to the plaintiff.

The Court has fixed 7 August 2024 as the date of hearing for the stay application and security for cost. The next case management date for the appeal is fixed on 8 August 2024.

(ii) Orix Credit Malaysia Sdn. Bhd. vs Iqzan

Orix Credit Malaysia Sdn. Bhd. (the plaintiff) ("**Orix**") filed a claim at the Sessions Court on 12 May 2020 against Iqzan on its capacity as the guarantor for Ire-Tex (M) for, amongst others, an amount of RM235,070.23 being outstanding payment for lease of machinery defaulted by Ire-Tex (M).

Iqzan was allegedly a corporate guarantor of Ire-Tex (M) pursuant to a corporate guarantee dated 10 May 2016 issued by Iqzan in relation to a hire purchase agreement dated 10 May 2016 entered into between Orix and Ire-Tex (M) for the hire purchase of a unit of used die-cutting machine.

Iqzan filed its defence on 6 July 2020 stating, among others, that Iqzan never issued the alleged corporate guarantee. Orix filed an application to strike out Iqzan's defence on 6 September 2020 which the court dismissed the application on 6 January 2021. Orix then filed an appeal against the Sessions Court's decision in dismissing its striking out application on 12 January 2021. On 29 December 2021, the High Court allowed appeal sought by Orix.

Pursuant to judgment recorded on 18 January 2023, Iqzan was ordered to pay RM235,070.23 to Orix, with an interest rate of 5% from the date of judgement until full and final settlement.

Pursuant to the order, Orix filed for demand to pay the full sum and Iqzan received notice pursuant to Section 466 of the Act ("**Section 466 Notice**") dated 12 December 2023.

Based on the Iqzan's solicitors' view, the summary judgment granted to Orix is defective and as at LPD Iqzan is awaiting for the clarification from the Sessions Court.

On 22 April 2024, Orix (as petitioner) filed a winding up petition at the High Court of Kuala Lumpur against Iqzan (as respondent). Iqzan's solicitors have sent a proposal to settle the judgment sum to Orix's solicitors and is currently awaiting Orix's reply. The matter is fixed for case management on 24 June 2024.

(iii) Federal Packages Sdn. Bhd. vs Iqzan

Federal Packages Sdn. Bhd. (the plaintiff) filed a suit against Iqzan at the High Court on 27 February 2020 to claim for, amongst others, RM1,169,176.00 being the outstanding payment for the purchase of packaging material supplied by the plaintiff to Ire-Tex (M) and Iqzan was allegedly the corporate guarantor of Ire-Tex (M).

Iqzan filed its defence on 27 May 2020 stating, among others, that Iqzan never issued the alleged corporate guarantee to the plaintiff. The plaintiff filed an application for summary judgment against Iqzan on 17 July 2020 which the High Court dismissed on 11 February 2021. The plaintiff filed an appeal against the High Court's decision on 5 March 2021. On 6 December 2021, the Court of Appeal granted Iqzan a conditional leave to defend provided that Iqzan deposits RM1,169,176.00 to the plaintiff's solicitors' client's account. Failing which, a judgment will be entered against Iqzan at the High Court.

Iqzan's solicitors had advised that Iqzan has not deposited RM1,169,176.00 to the plaintiff's solicitors' client's account. The plaintiff's solicitors served a Section 466 Notice to Iqzan on 7 April 2022 requesting payment of RM1,477,270.81 being the amount due as at 31 March 2022, failing which Iqzan shall be deemed as unable to pay the debts and action shall be instituted for the winding up of Iqzan. On 18 May 2022, the plaintiff's solicitors informed via its letter that the plaintiff was not agreeable to the proposed settlement as stated in Iqzan's letter dated 11 May 2022. However, the plaintiff is agreeable to withhold the winding up proceedings against Iqzan if Iqzan acknowledges owing the judgment sum of RM1,169,176.00 as at 27 March 2017 together with interest accruing at the rate of 5% per annum on the sum of RM1,169,176.00 from 28 March 2017 to the date of full settlement to the plaintiff ("**Outstanding Sum**") and undertakes to pay the

Outstanding Sum, failing which the plaintiff is at liberty to proceed with the winding up proceedings against Iqzan without further notice.

As at the LPD, the Company confirmed that no winding up petition has been filed by the plaintiff.

(iv) Letters on the default on facility granted by Public Bank Berhad ("PBB")

PBB through its solicitors, issued the following letters in connection with the breach of terms and conditions governing the facility granted by PBB to Ire-Tex (M): -

i. letter dated 8 November 2022 to Ire-Tex (M) (as borrower) informing that the winding up of Ire-Tex (M) amounted to an event of default under the security documents governing the overdraft facility granted by PBB and the facility was recalled with effect from 8 November 2022;

ii. letter dated 8 November 2022 to Iqzan (as corporate guarantor) demanding payment of RM937,895.48 together with interests within 7 days from the date of the letter, failing which PBB shall be at liberty to commence legal action against Iqzan; and

iii. letter dated 8 November 2022 to Ire-Tex Packaging Sdn. Bhd. (as chargor), demanding payment of RM937,895.48 together with interests within 7 days from the date of the letter, failing which PBB shall be at liberty to commence legal action against Ire-Tex Packaging Sdn Bhd.

On 17 January 2024, Iqzan issued a facility restructuring proposal to PBB for the bank's consideration. PBB had via its letter dated 9 February 2024 decided to reject Iqzan's facility restructuring proposal. PBB and Iqzan are still in the midst of negotiating for settlement proposal.

As at the LPD, no legal action has been initiated by PBB against the Company and/or Ire-Tex Packaging Sdn. Bhd. in respect of the above.

(v) Pentax Medical (Penang) Sdn. Bhd. ("Pentax") vs Zoomic

Pentax as a tenant and plaintiff has on 14 February 2024 commenced a legal action against Zoomic, being the previous landowner and as a defendant for the Property, for unlawful termination of the tenancy agreement dated 19 March 2021 ("**Tenancy Agreement**") entered between the parties unilaterally.

The tenancy is valid for a fixed period of 1 February 2021 to 31 January 2024 with the rental of RM137,000 per month with an option for renewal for another period of 1 year and subsequently another 1 year subject to 3-month's written notice of renewal be served to Zoomic by the plaintiff prior to the expiry period of the tenancy.

Zoomic vide its letter dated 5 December 2022 provided a 5 months' written notice of termination to Pentax and additional 1 month to vacate the Property to facilitate the disposal of the Property.

Pentax is now claiming from Zoomic the following, inter alia:

i. declaration that the Tenancy Agreement was terminated unlawfully;
ii. general damages as ascertained by the court;
iii. special damages in the sum of RM14,535,848.59 million;
iv. to refund the extra monthly rental paid for month October which were paid on 16 October 2023 until 31 October 2023 in the sum of RM70,709.68;
v. to pay the rental of unexpired terms in the sum of RM481,709.68 under the Tenancy Agreement;
vi. full refund of the deposit paid in the sum of RM411,000.00 under the Tenancy Agreement;

vii. exemplary damages;
viii. legal costs and expenses;
ix. 5% interest rate on the judgement sum until full settlement by the defendant; and
x. any other relief as may be deemed fit by the court.

Zoomic has on 6 March 2024 filed a statement of defence and counter claim against Pentax in respect of the alleged claims made by Pentax.

During the case management held on 2 May 2024, the court ordered the entire proceedings (including the counter claim) to be transferred and continued at the Sessions Court of Georgetown, subject to the Sessions Court's jurisdiction to hear the matter.

5. MATERIAL COMMITMENT

As at the LPD, there is no material commitment incurred or known to be incurred by the Group which may have a material impact on the financial position of the Group.

6. CONTINGENT LIABILITIES

As at the LPD, there is no contingent liability incurred or known to be incurred by the Group which, upon becoming enforceable, may have a material impact on the financial position of the Group.

7. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at Level 13, Menara 1 Sentrum, 201, Jalan Tun Sambanthan, Brickfields, 50470, Kuala Lumpur during normal business hours from 9.00 a.m. to 6.00 p.m. from Monday to Friday (excluding public holidays) for the period commencing from the date of this Circular up to and including the date of the forthcoming EGM:

(i) the constitution of the Company;

(ii) the constitution of Zoomic;

(iii) the audited consolidated financial statements of Iqzan for the past 2 financial years up to FYE 31 March 2023 and the latest unaudited consolidated financial statements of Iqzan for the FYE 31 March 2024;

(iv) the audited financial statements of Zoomic for the FYE 31 March 2023;

(v) the CSSAs, Addendums and Supplemental Agreements in relation to the Proposed Disposal;

(vi) the SPA and Property Supplemental Agreement in relation to the Property Disposal;

(vii) the letter of consent and declaration of conflict of interest referred to in Section 2 and 3 of this Appendix; and

(viii) the relevant cause papers in respect of the material litigation referred to in Section 4 of this Appendix.

1. HISTORY AND BUSINESS

Zoomic was incorporated on 24 February 1992 as a private limited company in Malaysia under the Companies Act, 1965 and is deemed registered under the Act. Zoomic is principally an investment holding company.

The revenue of Zoomic was principally derived from the rental of the Property. The monthly rental for the Property was RM137,000. The Property comprises a double-storey detached factory-cum-office block, a guard house as well as a refuse storage and is meant for industrial use only.

On 2 December 2022, Zoomic and FTSB entered into the SPA in relation to the Property Disposal. To facilitate the Property Disposal, Zoomic had on 5 December 2022 issued a termination notice to the tenant to terminate its tenancy agreement.

For information purposes only, the Property Disposal had been completed on 15 November 2023. Iqzan held only 48.61% equity interest in Zoomic at that material time and the balance of shares were held by the Purchasers. The Purchasers who held 51.39% equity interest had proceeded to complete the Property Disposal as the Sale Shares had been transferred to the Purchasers as collateral for the Purchasers for purpose of the Payment On Behalf.

The chronological event of the Property Disposal from the first announcement dated 2 December 2022 up to the completion of the Property Disposal are as follows:

Date	Event
2 December 2022	Zoomic entered into the SPA with FTSB for the Property Disposal whereby Iqzan was required to seek for its shareholders' approval pursuant to clause 4.2 of the SPA.
31 May 2023	The Board announced that Zoomic and FTSB had mutually agreed to the extension of the conditional period of the SPA for ninety (90) days from 2 June 2023 to 30 August 2023 for Zoomic to fulfil the conditions precedent pursuant to clause 4.2 of the SPA. Therefore, the extended conditional period for the SPA shall expire on 30 August 2023.
8 August 2023	The Board announced that it had entered into the CSSAs with Digital Miracles and Million Saint on 4 August 2023 and 7 August 2023 respectively for the Proposed Disposal of 51.39% shares of Zoomic.
15 August 2023	The Sale Shares were transferred to Digital Miracles and Million Saint and Digital Miracles and Million Saint was admitted as shareholders of Zoomic. Thereby, Zoomic ceased to be a subsidiary of Iqzan on even date. Hence, the Property Disposal did not require the approval of the shareholders of Iqzan in view Iqzan is now only holding 49% of the issued paid up capital of Zoomic.
23 August 2023	Zoomic and FTSB entered into a Property Supplemental Agreement to delete clause 4.2(a)(ii) of the SPA and to further amend, add and vary certain terms and conditions of the SPA in the manner and on the conditions set out in the Property Supplemental Agreement. The Property Supplemental Agreement was not announced as the Board was of the opinion that the Property Supplemental Agreement was merely a continuity of the SPA. Please refer to Section 1.1 of Appendix II of this Circular for further information.
30 August 2023	FTSB further granted an extension of the conditional period of the SPA for sixty (60) days from 31 August 2023 to 29 October 2023 for Zoomic to fulfil the conditions precedent pursuant to clause 4.2 of the SPA.

Date	Event
16 October 2023	FTSB settled the balance purchase price of the Property, marking completion of the Property Disposal.
15 November 2023	Zoomic handed over vacant possession of the Property to FTSB.

Notwithstanding that the Proposed Disposal of Zoomic has not been completed, Iqzan had no capacity to call for general meeting for the Property Disposal as the Purchasers who are the registered owners of the Sale Shares at the material times, reserved their right to call for such meeting.

After the completion of the Property Disposal up to and including the LPD, Zoomic does not have any property held for rental purposes.

1.1. Variation and addition of the terms and conditions pursuant to the Property Supplemental Agreement

The variation and addition of the terms and conditions of the SPA are summarised as follows:

Section in the SPA	Existing salient terms of the SPA	Variation / addition as set out in the Property Supplemental Agreement
Recital 1.9	*"The Vendor is a wholly-owned subsidiary of Iqzan Holding Berhad (Registration No. 200201008458 (576121-A)), a public company listed on the Main Board of Bursa Malaysia Securities Berhad (hereinafter referred to as "the Vendor's Holding Company")."*	Pursuant to the Property Disposal, Zoomic and FTSB mutually agree to delete the following Recital 1.9 of the SPA entirely pursuant to the disposal of 51.39% equity interest in Zoomic to the Purchaser, which subsequent to the disposal, Zoomic ceased to be subsidiary of Iqzan.
4.2(a)(ii)	*"the Vendor at its own cost and expense, obtaining the approval of the shareholders of the Vendor's Holding Company (to be obtained at an extraordinary shareholders' meeting to be convened) for the disposal of the Property by the Vendor to the Purchaser in accordance with the terms of the Agreement ("Shareholders' Approval");"*	To delete section 4.2(a)(ii) from the SPA entirely in view Zoomic ceased to be subsidiary of Iqzan.
4.3(b)(iii)	*"If all Conditions except for the Relevant Authority's Consent have been satisfied within the Conditional Period (and the Vendor has duly provided all the necessary documentary proof to the Purchaser as evidence thereof), and the Vendor requests the consent fee payable for the Relevant Authority's Consent ("Consent Fee") to be deducted from the Deposit, the Deposit Sum together with interests accrued thereon (subject to the deduction of the Stakeholder Fee) shall be dealt with as follows:* *1) the sum equivalent to the Consent Fee (in banker's cheque made in favour of the relevant authority) shall be released to the Vendor's*	To delete the existing Section 4.3 (b) (iii) of the Agreement entirely and to replace with the following new Section 4.3 (b) (iii): *"If all Conditions, except for the Relevant Authority's Consent, have been satisfied within the Conditional Period (and the Vendor has duly provided all the necessary documentary proof to the Purchaser as evidence thereof), and the Vendor requests the following sums to be deducted from the Deposit Sum whereupon the Stakeholder shall be irrevocably authorised by both the Vendor and the Purchaser to deal with the Deposit Sum together with interests accrued thereon (subject to*

Section in the SPA	Existing salient terms of the SPA	Variation / addition as set out in the Property Supplemental Agreement
	Solicitors within five (5) Business Days from the Stakeholder's receipt of the Vendor's Solicitors' written request for the consent fee payable for the Relevant Authority's Consent and the confirmation of the amount thereof and the Vendor's Solicitors shall within three (3) Business Days of receipt of the banker's cheque as aforesaid, pay the Consent Fee to procure the Relevant Authority's Consent and thereafter, forward the receipt issued by the relevant authorities for the Consent Fee to the Purchaser's Solicitors; *2) a sum of Ringgit Malaysia Seven Hundred And Sixty Five Thousand (RM765,000.00) equivalent to three per cent (3%) shall be retained as RPGT Retention Sum;* *3) after deducting the Consent Fee and the RPGT Retention Sum as aforesaid, the remaining balance of the Deposit Sum together with interests accrued thereon (subject to the deduction of the Stakeholder Fee) shall be released to the Vendor's Solicitors within five (5) Business Days from the Unconditional Date."*	*the deduction of the Stakeholder Fee) as follows:* *1) deduct the requisite amount of the consent fees payable to the Penang Development Corporation and the Penang State Authority ("Consent Fee") and the necessary fees, and disbursements payable to the Purchaser's Solicitors for attending to the submission of the Consent Fee and the requisite consent application form to the land office for the Penang State Authority's consent and collection of the Relevant Authority's Consent letters from PDC and the land office upon the request and on behalf of the Vendor provided the Purchaser's Solicitors shall issue an invoice to the Vendor and subsequently forward to the Vendor, the copies of the receipts from PDC and the Penang State Authority for the Consent Fee paid;* *2) deduct the requisite amount to pay all assessment rates arrears due up to the year second half of 2023 and all penalties imposed thereon (if any);* *3) deduct and retain Ringgit Malaysia Seven Hundred And Sixty Five Thousand (RM765,000.00) equivalent to three per cent (3%) of the Purchase Price as RPGT Retention Sum; and* *4) (after the deduction of the Stakeholder Fee and all the abovesaid sums) thereafter, release the balance of the Deposit Sum together with interests accrued thereon to the Vendor's Solicitors together with a statement of account within five (5) Business Days from the Purchaser's Solicitors' receipt of the last Relevant Authority's Consent from the land office.*
4.3(d)	*"The Purchaser shall pay the Balance Purchase Price to the Vendor's Solicitors as stakeholders within the Completion Period (whose receipt shall be a good and sufficient*	To delete the existing Section 4.3 (d) of the SPA entirely and to replace with the following new Section 4.3 (d): *"The Purchaser shall pay the Balance Purchase Price to complete the sale*

Section in the SPA	Existing salient terms of the SPA	Variation / addition as set out in the Property Supplemental Agreement
	discharge to the Purchaser's payment obligation herein)."	*and purchase of the Property within the Completion Period as provided in Section 4.3 (e) below (and the recipients' receipt shall be a good and sufficient discharge to the Purchaser's payment obligation herein)."*
4.3(e)	*"The Vendor hereby irrevocably authorises and instructs the Vendor's Solicitors to utilise whole or part of the Balance Purchase Price paid in the following manner and priority:-* *(i) to pay the Redemption Sum to the Vendor's Financier to redeem the Property and to secure a discharge of the Existing Charge of the Property from the Vendor's Financier;* *(ii) to retain a sufficient sum to pay for any outgoings in respect of the Property payable by the Vendor pursuant to the terms of the Agreement;* *(iii) to release the balance of the Balance Purchase Price to the Vendor provided that:* *(1) the Vendor has delivered vacant possession of the Property to the Purchaser.* *(2) the Conditions of Sale in Section 4.11 hereof have been fully complied with;* *(3) the Transfer has been presented and accepted for registration with the relevant land office no later than five (5) Business Days after the receipt by the Purchaser's Solicitors of the original issue document of title to the Property, the duly executed, valid and registrable discharge of charge in respect of the Existing Charge together with the requisite registration fees for the discharge of charge and all relevant documents necessary to effect the registration of the Transfer and the discharge of the Existing Charge; and* *(4) all outgoings of the Property to be borne by the Vendor pursuant to the terms hereof have been fully settled."*	To delete the existing Section 4.3 (e) of the SPA entirely and to replace with the following new Section 4.3 (e): *"The Purchaser shall settle the Balance Purchase Price in the following manner:* *(i) pay the Redemption Sum to the Vendor's Financier to redeem the Property and inform the Vendor's Solicitors of the same, whereupon the Vendor's Solicitors shall procure the execution and stamping of the Discharge of Charge (Form 16N) of the Existing Charge of the Property and deliver to the Purchaser's Solicitors, the original issue document of title together with the duly executed, stamped, valid and registrable Discharge of Charge (Form 16N) and the duplicate charge of the Existing Charge, and all relevant documents necessary to effect the registration of the said Discharge of Charge within 14 days after the Redemption Sum has been paid;* *(ii) pay the sum of Ringgit Malaysia Six Hundred and Fifty Thousand (RM650,000.00) ("Final Retention Sum") to be retained and held by the Purchaser's Solicitors who shall release the Final Retention Sum to the Vendor's Solicitors after the successful registration of Transfer in favour of the Purchaser (i.e. PgLAND online system showing the status of registration as "Perserahan Pindah Milik Tanah telah didaftar"); and* *(iii) pay the remaining balance of the Balance Purchase Price to the Vendor provided that:* *(1) the Purchaser's Solicitors have received the original issue document of title to the Property, the duplicate Charge,*

Section in the SPA	Existing salient terms of the SPA	Variation / addition as set out in the Property Supplemental Agreement
		the duly executed, stamped, valid and registrable Discharge of Charge (Form 16N) in respect of the Existing Charge together with the requisite registration fees for the discharge of charge and all relevant documents necessary to effect the registration of the Transfer and the discharge of the Existing Charge; *(2) the Vendor has delivered vacant possession of the Property to the Purchaser;* *(3) the Conditions of Sale in Section 4.11 hereof have been fully complied with; and* *(4) all outgoings of the Property to be borne by the Vendor pursuant to the terms hereof have been fully settled."*

1.2. Utilisation of proceeds arose from the Property Disposal

The total gross proceeds of RM25.5 million arose from the Property Disposal were utilised in the following manner:

Utilisation	Amount RM'000	%
Repayment of loan to CIMB Bank Berhad due by Ire-Tex (M). CIMB claimed the said loan from Iqzan on the Guarantee and Indemnity Agreement executed on 11 March 2015 ("**Guarantee Agreement**") (1)	14,660	57.5
Real property gains tax	765	3.0
Advance to Iqzan for working capital	7,270	28.5
Incidental expenses incurred for the Property Disposal	2,800	11.0
	25,495	**100.0**

Note:

(1) Ire-Tex (M) was disposed of by Iqzan on 26 April 2019 and was subsequently wound up by creditors on 30 September 2019. In 2020, CIMB Bank Berhad called on the Guarantee Agreement and claimed for redemption sum of the Property of RM14.66 million from Iqzan.

2. SHARE CAPITAL

As at the LPD, the issued share capital of Zoomic is RM12,300,000 comprising 12,300,000 ordinary shares.

Zoomic does not have any convertible securities as at the LPD.

3. DIRECTORS

As at the LPD, the directors of Zoomic are Dato' Ong Chek Chai and Encik Norman bin Zainuddin. None of the directors of Zoomic has any direct or indirect shareholdings in Zoomic.

4. SHAREHOLDERS

As at the LPD, the shareholders of Zoomic are as follows:

Name	Country of incorporation	Direct		Indirect	
		No. of Zoomic shares	%	No. of Zoomic shares	%
Iqzan	Malaysia	5,979,030	48.61	-	-
Digital Miracles	Malaysia	2,106,990	17.13	-	-
Million Saint	Malaysia	4,213,980	34.26	-	-

5. SUBSIDIARY AND ASSOCIATED COMPANIES

As at the LPD, Zoomic does not have any subsidiary or any associate company.

6. SUMMARY AND COMMENTARIES OF FINANCIAL INFORMATION

A summary of the audited financial information of Zoomic for the past 3 financial years up to the FYE 31 March 2023 and the unaudited financial information of Zoomic for the FYE 31 March 2024 are set out below:

	Audited FYE 31 March 2021 RM'000	Audited FYE 31 March 2022 RM'000	Audited FYE 31 March 2023 RM'000	Unaudited FYE 31 March 2024 RM'000
Revenue	1,644	1,644	1,644	959
PBT/(LBT)	4,114	1,308	3,661	(19,203)
PAT/(LAT)	4,445	757	3,363	(19,968)
NA	24,459	25,216	28,579	8,611
Share capital	12,300	12,300	12,300	12,300
Total borrowings (1)	-	-	-	
No. of Zoomic shares in issue	12,300	12,300	12,300	12,300
Earnings/(Loss) per Zoomic share	0.36	0.06	0.27	(1.62)
NA per Zoomic share	1.99	2.05	2.32	0.70
Current ratio	1.51	2.12	3.35	10.52
Gearing (1)	-	-	-	-

Note:

(1) Zoomic did not have any borrowings as at the 31 March 2021, 31 March 2022, 31 March 2023 and 31 March 2024.

<u>Unaudited FYE 31 March 2024 vs Audited FYE 31 March 2023</u>

For the unaudited FYE 31 March 2024, the revenue decreased to RM0.96 million as compared to RM1.64 million for the FYE 31 March 2023, representing a decrease of RM0.68 million or 41.5% due to the termination of tenancy with Pentax. Zoomic became loss making for the FYE 31 March 2024, mainly due to the impairment loss on investment property of RM3.83 million and provision of contingent liabilities of RM14.37 million arising from the financial guarantee secured by the Property pledged to CIMB Bank Berhad. For information, the contingent liabilities have been reversed subsequent to the settlement of loan with CIMB Bank Berhad.

The current ratio of Zoomic increased to 10.52 times as at 31 March 2024 as compared to 3.35 times as at 31 March 2023. As at 31 March 2024, Zoomic did not have any borrowings.

Audited FYE 31 March 2023 vs Audited FYE 31 March 2022

For the FYE 31 March 2023, the revenue of Zoomic remained at RM1.64 million as compared to the revenue of the preceding year. This is due to the rental income from Zoomic's tenant, which is consistent over the contract period. The PAT of Zoomic increased by RM2.61 million or 344.3% to RM3.36 million as compared to the PAT of the preceding year of RM0.76 million. The PAT of RM3.36 million for the FYE 31 March 2023 was mainly contributed by the fair value gain on the revaluation on its investment properties of RM2.10 million and reversal of impairment loss on other receivables of RM0.24 million.

The current ratio of Zoomic improved to 2.32 times as at 31 March 2023 as compared to 2.12 times as at 31 March 2022. As at 31 March 2023, Zoomic did not have any borrowings.

Audited FYE 31 March 2022 vs Audited FYE 31 March 2021

For the FYE 31 March 2022, the revenue of Zoomic remained at RM1.64 million as compared to the revenue of the preceding year. This is due to the rental income from Zoomic's tenant, which is consistent over the contract period. The PAT of Zoomic decreased by RM3.69 million or 83.0% to RM0.76 million as compared to the PAT of the preceding year of RM4.45 million. The PAT of RM4.45 million for the FYE 31 March 2021 was mainly contributed by the fair value gain on the revaluation on its investment properties of RM2.90 million and tax credit of RM0.33 million.

The current ratio of Zoomic improved to 2.12 times as at 31 March 2022 as compared to 1.51 times as at 31 March 2021. As at 31 March 2022, Zoomic did not have any borrowings.

7. MATERIAL COMMITMENTS

As at the LPD, there is no material commitment incurred or known to be incurred by Zoomic which may have a material impact on Zoomic.

8. CONTINGENT LIABILITIES

As at the LPD, there is no contingent liabilities which, upon enforceable, may have a material impact on the financial position of Zoomic.

For information, the contingent liabilities of RM14.37 million pursuant to the financial guarantee extended by Iqzan to Ire-Tex (M) during FYE 31 March 2024 was subsequently reversed following the settlement of loan with CIMB Bank Berhad.

9. MATERIAL CONTRACTS

Save for the CSSAs in relation to the Proposed Disposal and the SPA in relation to the Property Disposal, Zoomic has not entered into any material contract (not being a contract entered into in the ordinary course of business) within 2 years immediately preceding the date of this Circular.

10. MATERIAL LITIGATION, CLAIMS AND ARBITRATION

Save as disclosed in Appendix I, Section 4(v) of this Circular, as at the LPD, Zoomic is not involved in any material litigations, claims and/or arbitration, either as plaintiff or defendant, and the Board is not aware of any proceedings, pending or threatened, against Zoomic or any facts which are likely to give rise to any proceedings which may materially and adversely affect the business of financial position of Zoomic.

1. Salient terms of the Digital Miracles CSSA and Million Saint CSSA

Terms	Digital Miracles CSSA	Million Saint CSSA
Sale and repurchase of shares	Iqzan agrees to sell and Digital Miracles agrees to purchase 17.13% of the Sale Shares for a total consideration of RM1,200,000.	Iqzan agrees to sell and Million Saint agrees to purchase 34.26% of the Sale Shares for a total consideration of RM2,400,000.
Transfer and management of shares	Iqzan shall transfer the agreed percentage of the Sale Shares to Digital Miracles within 14 days from the execution of the Digital Miracles CSSA. The Sale Shares will be held in a separate account by a custodian agreed upon by both parties.	Iqzan shall transfer the agreed percentage of the Sale Shares to Million Saint within 14 days from the execution of the Million Saint CSSA. The Sale Shares will be held in a separate account by a custodian agreed upon by both parties.
Shareholder rights	Digital Miracles will have full shareholder rights in accordance with their shareholding during the term of the Digital Miracles CSSA and shall transfer the Sale Shares to Iqzan upon Iqzan exercising its buyback rights.	Million Saint will have full shareholder rights in accordance with their shareholding during the term of the Million Saint CSSA and shall transfer the Sale Shares to Iqzan upon Iqzan exercising its buyback rights.
Conditionality and effectiveness	The Digital Miracles CSSA is conditional and will be fully effective upon Iqzan's issuance of a Completion notice and relinquishment of buyback rights.	The Million Saint CSSA is conditional and will be fully effective upon Iqzan's issuance of a Completion notice and relinquishment of buyback rights.
Debt settlement(1)	Digital Miracles shall settle a proportionate part of the Iqzan's debts as directed, as part of the Iqzan's debts settlement affairs.	Million Saint shall settle a proportionate part of the Iqzan's debts as directed, as part of the Iqzan's debts settlement affairs.
Buyback and sell back rights	Iqzan is granted a buyback right, and Digital Miracles a sell back right, both redeemable and expiring on 3 February 2024.	Iqzan is granted a buyback right, and Million Saint a sell back right, both redeemable and expiring on 6 February 2024.
Handling fees	The buyback right includes an 18% handling fee payable within a 6-month period.	The buyback right includes an 18% handling fee payable within a 6-month period.
Default events and margin maintenance	Specific events(2) constituting a default and the obligation for margin maintenance(3) to preserve the loan-to-value ratio(4) are outlined.	Specific events(1) constituting a default and the obligation for margin maintenance(2) to preserve the loan-to-value ratio(3) are outlined.
Right to use	Digital Miracles shall have the right as a shareholder during the term of the Digital Miracles CSSA, including the right to receive dividends or other distributions.	Million Saint shall have the right as a shareholder during the term of the Million Saint CSSA, including the right to receive dividends or other distributions.

Terms	Digital Miracles CSSA	Million Saint CSSA
Rehypothecation	Digital Miracles may have the right to rehypothecate their proportion of the Sale Shares, subject to limitations and conditions as agreed by the parties.	Million Saint may have the right to rehypothecate their proportion of the Sale Shares, subject to limitations and conditions as agreed by the parties.
Governing law and jurisdiction	Laws of Malaysia. Any disputes to be resolved via arbitration in Malaysia.	Laws of Malaysia. Any disputes to be resolved via arbitration in Malaysia.
Confidentiality	The parties undertake to maintain the confidentiality of the details of the transaction.	The parties undertake to maintain the confidentiality of the details of the transaction.

Notes:

(1) For information purposes only, the Payment On Behalf for Iqzan's creditor are non-trade nature, particularly for infrastructure and electrical panel installation as well as purchase of molded press pallet machine.
(2) The specific event refers to in the event Shareholders' approval is not obtained and Iqzan does not exercise its Buyback Rights before the buyback period as agreed by Iqzan and the Purchasers.
(3) Margin maintenance being the minimum amount Zoomic must maintain, which is the Zoomic Disposal Consideration, as the amount owed to Purchasers is RM3.6 million and the value of 51.39% of Zoomic must not fall below RM3.6 million.
(4) Loan-to-value ratio of 1 time, as the amount owed to Purchasers is RM3.6 million and the value of 51.39% of Zoomic must not fall below RM3.6 million.

2. Salient terms of the Addendums

Terms	Digital Miracles Addendum	Million Saint Addendum
Security and ownership of the shares	a. Sale Shares transfer in the name of Digital Miracles or any custodian (if appointed), such person holds the Sale Shares in trust and shall be form as part of the collateral or as pledged (as the case maybe) which such Sale Shares shall be re-transfer back upon Iqzan's instruction that has exercised the option to buyback such Sale Shares. b. Digital Miracles or any custodian (if appointed) agrees that such Sale Shares transferred into its name will hold such Sales Shares in trust (despite the name is registered in its name) and the beneficial owner of the Sale Shares shall during the Digital Miracles CSSA, be the seller, until or unless Iqzan's relinquish its buyback right or redeem its Sale Shares within the Extended Buyback Period.	a. Sale Shares transfer in the name of Million Saint or any custodian (if appointed), such person holds the Sale Shares in trust and shall be form as part of the collateral or as pledged (as the case maybe) which such Sale Shares shall be re-transfer back upon Iqzan's instruction that has exercised the option to buyback such Sale Shares. b. Million Saint or any custodian (if appointed) agrees that such Sale Shares transferred into its name will hold such Sales Shares in trust (despite the name is registered in its name) and the beneficial owner of the Sale Shares shall during the Million Saint CSSA, be the seller, until or unless Iqzan's relinquish its buyback right or redeem its Sale Shares within the Extended Buyback Period.

Terms	Digital Miracles Addendum	Million Saint Addendum
Vesting of Sale Shares	The Sale Shares shall only be deemed fully vested on Digital Miracles or in the case of custodian (if appointed) to be transferred to Digital Miracles, upon Iqzan's relinquish its buyback right or fails to exercise its option to buyback/redeem such Sale Shares within the Extended Buyback Period. The vesting date of the Sale Shares on Digital Miracles shall be on the date Iqzan declare that it does not wish to buyback or redeem such Sale Shares, as the case maybe. On such vesting date, the said Sale Shares will be deemed fully vested on/transfer to Digital Miracles and thereupon Iqzan shall waive its rights and have no claims, demands, or interest (including commencing any legal action) of whatsoever towards the Sale Sales.	The Sale Shares shall only be deemed fully vested on Million Saint or in the case of custodian (if appointed) to be transferred to Million Saint, upon Iqzan's relinquish its buyback right or fails to exercise its option to buyback/redeem such Sale Shares within the Extended Buyback Period. The vesting date of the Sale Shares on Million Saint shall be on the date Iqzan declare that it does not wish to buyback or redeem such Sale Shares, as the case maybe. On such vesting date, the said Sale Shares will be deemed fully vested on/transfer to Million Saint and thereupon Iqzan shall waive its rights and have no claims, demands, or interest (including commencing any legal action) of whatsoever towards the Sale Sales.
Completion	The date when the Sale Shares is re-transfer back to Iqzan under the circumstances where Iqzan exercises its buyback rights or in the case where the Sale Shares are vested to Digital Miracles where Iqzan relinquish its buyback rights. The completion notice shall be served by Iqzan to Digital Miracles immediately.	The date when the Sale Shares is re-transfer back to Iqzan under the circumstances where Iqzan exercises its buyback rights or in the case where the Sale Shares are vested to Million Saint where Iqzan relinquish its buyback rights. The completion notice shall be served by Iqzan to Digital Miracles immediately.
Conditionality and effectiveness [(1)]	Iqzan and Digital Miracles hereby agree that Digital Miracles CSSA is conditional upon all the relevant approvals (if any) from shareholders or authorities being obtained to allow the disposal of the Sale Shares to Digital Miracles. Iqzan and Digital Miracles also mutually agree that the word "fully effective upon Seller's issuance of a Completion notice" refers to the effective date of the actual ownership of the Sale Shares and vesting right upon Digital Miracles when Iqzan relinquish its buyback rights or fails to exercise its buyback rights.	Iqzan and Million Saint hereby agree that Million Saint CSSA is conditional upon all the relevant approvals (if any) from shareholders or authorities being obtained to allow the disposal of the Sale Shares to Million Saint. Iqzan and Million Saint also mutually agree that the word "fully effective upon Seller's issuance of a Completion notice" refers to the effective date of the actual ownership of the Sale Shares and vesting right upon Million Saint when Iqzan relinquish its buyback rights or fails to exercise its buyback rights.

Terms	Digital Miracles Addendum	Million Saint Addendum
Buyback and sell back rights	Iqzan is granted a buyback right and Digital Miracles a sell back right, both redeemable and expiring on 2 August 2024 pursuant to the Digital Miracles Supplemental Agreement. Iqzan and Digital Miracles further agree that the buyback price by Iqzan from Digital Miracles shall be the same as the consideration price paid by Digital Miracles for the Sale Shares.	Iqzan is granted a buyback right and Million Saint a sell back right, both redeemable and expiring on 5 August 2024 pursuant to the Million Saint Supplemental Agreement. Iqzan and Million Saint further agree that the buyback price by Iqzan from Million Saint shall be the same as the consideration price paid by Million Saint for the Sale Shares.
Handling fees	The Buyback Right includes an 18% handling fee (calculated on the consideration price paid for the Sale Shares) which Is payable within a 6-month period from the date of the completion notice served by Iqzan to Digital Miracles. The sell back rights' handling fee is proportionate to the holding period until full redemption payment is received by Digital Miracles.	The Buyback Right includes an 18% handling fee (calculated on the consideration price paid for the Sale Shares) which Is payable within a 6-month period from the date of the completion notice served by Iqzan to Million Saint. The sell back rights' handling fee is proportionate to the holding period until full redemption payment is received by Million Saint.
Rehypothecation	Digital Miracles may have the right to rehypothecate Sale Shares after the expiry date of Iqzan to exercise its Buyback Rights, subject to limitations and conditions(2) as agreed by the parties.	Million Saint may have the right to rehypothecate Sale Shares after the expiry date of Iqzan to exercise its Buyback Rights, subject to limitations and conditions as agreed by the parties.

Notes:

(1) As at the LPD, the Proposed Disposal is deemed not completed pending the following:

(a) Shareholders' approval for the Proposed Disposal to be obtained; and

(b) issuance of completion notice by Iqzan to the Purchasers after Shareholders' approval is obtained.

Barring any unforeseen circumstances and subject to all relevant approvals being obtained, the Proposed Disposal is expected to be completed by second quarter of 2024.

(2) There is no limitation and conditions imposed in relation to the rehypothecation as at the LPD.

3. Salient terms of the Supplemental Agreements

Terms	Digital Miracles Supplemental Agreement	Million Saint Supplemental Agreement
Extension of time	Digital Miracles and Iqzan hereby irrevocable agree to extend the expiring date of the exercise of the buyback right/option granted to Iqzan for another period of 6 months from 3 February 2024 which is to expire on 2 August 2024.	Million Saint and Iqzan hereby irrevocable agree to extend the expiring date of the exercise of the buyback right/option granted to Iqzan for another period of 6 months from 6 Februarsy 2024 which is to expire on 5 August 2024.

AUDITOR'S COPY

ZOOMIC TECHNOLOGY (M) SDN. BHD.

[Company No.: 199201003210 (234714-U)]
(Incorporate in Malaysia)

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

ZOOMIC TECHNOLOGY (M) SDN BHD
Registration No.: 199201003210 (234714-U)
(Incorporated in Malaysia)

CORPORATE INFORMATION

Director	:	Dato' Ong Chek Chai Norman Bin Zainuddin
Company secretaries	:	Ng Sally [MAICSA 7060343 (SSM PC No. 202008002702)] Goh Xin Yee [LS 0010359 (SSM PC No. 202008000375)]
Registered office	:	10th Floor, Menara Hap Seng No. 1 & 3, Jalan P. Ramlee 50250 Kuala Lumpur
Principal business address	:	Plot 49 & 63, Lorong Perusahaan 2B Kulim Industrial Estate 09000 Kulim, Kedah
Auditors	:	CHENGCO PLT 201806002622 (LLP0017004-LCA) & AF0886 No. 8-2, 10-1 & 10-2, Jalan 2/114 Kuchai Business Centre Off Jalan Klang Lama 58200 Kuala Lumpur

ZOOMIC TECHNOLOGY (M) SDN BHD
Registration No.: 199201003210 (234714-U)
(Incorporated in Malaysia)

CONTENTS **PAGES**

ZOOMIC TECHNOLOGY (M) SDN BHD
Registration No.: 199201003210 (234714-U)
(Incorporated in Malaysia)

DIRECTORS' REPORT

For the financial year ended 31 March 2023

The directors have pleasure in submitting their report together with the audited financial statements of the Company for the financial year ended 31 March 2023.

Principal activities

The principal activity of the Company is an investment holding company. There has been no significant change in the nature of this activity during the financial year.

Results

	RM
Net profit for the financial year	3,362,967

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

Dividends

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

Reserves and provisions

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

Issue of shares and debentures

The Company did not issue any new shares or debentures during the financial year.

Options granted over unissued shares

No options have been granted by the Company to any parties during the financial year to take up any unissued shares of the Company.

No shares have been issued during the financial year by virtue of the exercise of any option to take up unissued shares of the Company. At the end of the financial year, there were no unissued shares of the Company under options.

ZOOMIC TECHNOLOGY (M) SDN BHD
Registration No.: 199201003210 (234714-U)
(Incorporated in Malaysia)

Directors

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

Dato' Ong Chek Chai
Norman Bin Zainuddin

Directors' interests

According to the Register of Directors' shareholdings required to be kept under Section 59 of the Companies Act, 2016, none of the Directors who held office at the end of the financial year had any interests in the Company and its related corporations during the financial year.

Directors' benefits

Since the end of the previous financial year, no director of the Company has received nor become entitled to receive any benefit by reason of a contract made by the Company 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.

Neither during, nor at the end of the financial year, did there subsist any arrangement to which the Company was a party whereby the directors might 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 of the Company have received any remunerations from the Company during the financial year.

Other statutory information

Before the financial statements of the Company were prepared, the directors took reasonable steps:

(a) to ascertain that proper 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 no known bad debts need to be written off and that adequate allowance had been made for doubtful debts; and

(b) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the values of current assets as shown in the accounting records of the Company had been written down to an amount which the current assets might be expected so to realise.

ZOOMIC TECHNOLOGY (M) SDN BHD
Registration No.: 199201003210 (234714-U)
(Incorporated in Malaysia)

Other statutory information (cont'd)

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

(a) which would require the writing off of bad debts or render the amount of the allowance for doubtful debts in the financial statements of the Company inadequate to any substantial extent; or

(b) which would render the values attributed to the current assets in the financial statements of the Company misleading; or

(c) which have arisen and 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 which 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 which has arisen since the end of the financial year which secures the liabilities of any other person; or

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

No contingent or other liability has become enforceable, or is likely to become enforceable within the year of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Company to meet 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 year and the date of this report which is likely to affect substantially the results of the operations of the Company for the financial year in which this report is made.

Indemnities to directors, officers or auditors

There was no indemnity given to or insurance effected for any director, officer or auditors of the Company during the financial year.

Auditors' remuneration

The auditors' remuneration of the Company is amounted to RM10,000 (2022:RM9,000) during the financial year.

Holding Company

The Directors regard Iqzan Holding Berhad, a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad, as the holding company.

3

ZOOMIC TECHNOLOGY (M) SDN BHD
Registration No.: 199201003210 (234714-U)
(Incorporated in Malaysia)

Auditors

The auditors, CHENGCO PLT, have expressed their willingness to continue in office.

Signed on behalf of the board of director in accordance with a resolution of the directors,

....
Dato' Ong Chek Chai
Director

....
Norman Bin Zainuddin
Director

Kuala Lumpur
Date: 24 July 2023

ZOOMIC TECHNOLOGY (M) SDN BHD
Registration No.: 199201003210 (234714-U)
(Incorporated in Malaysia)

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

We, Dato' Ong Chek Chai and Norman Bin Zainuddin, being the directors of Zoomic Technology (M) Sdn. Bhd., do hereby state that in our opinion, the financial statements set out on pages 10 to 42 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 the results of its financial performance and cash flows of the Company for the financial year then ended.

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

Dato' Ong Chek Chai Director	**Norman Bin Zainuddin** Director

Kuala Lumpur
Date: 24 July 2023

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

I, Norman Bin Zainuddin, being the director primarily responsible for the financial management of Zoomic Technology (M) Sdn. Bhd., do solemnly and sincerely declare that the financial statements of the Company as set out on pages 10 to 42, are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared at)
Puchong in the State of Selangor Darul Ehsan)
on this 24 July 2023)

Norman Bin Zainuddin
Director

Before me,

PESURUHJAYA SUMPAH
No. PJS: B437
SAMUEL JOHN
A/L PONNIAH
No.Sijil Amalan Peguam: BC/S/1039
Tempoh Lantikan: 01-01-2022-31-12-2024
MALAYSIA

RAMA SAMUEL & ASSOCIATES
No. 23B, 1st Floor,
Jalan TK 1/11A, Taman Kinrara
47180 Puchong, Selangor

5

CHENGCO
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ZOOMIC TECHNOLOGY (M) SDN BHD

Registration No.: 199201003210 (234714-U)
(Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Zoomic Technology (M) 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 year then ended 31 March 2023, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 10 to 42.

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 year then ended on that date in accordance with Malaysian Financial Reporting Standard, 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ZOOMIC TECHNOLOGY (M) SDN BHD

Registration No.: 199201003210 (234714-U)
(Incorporated in Malaysia)

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

Information Other than the Financial Statements and Auditors' Report Thereon (Cont'd)

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

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standard, 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 directors.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ZOOMIC TECHNOLOGY (M) SDN BHD

Registration No.: 199201003210 (234714-U)
(Incorporated in Malaysia)

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

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

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: (cont'd)

- 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 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ZOOMIC TECHNOLOGY (M) SDN BHD
Registration No.: 199201003210 (234714-U)
(Incorporated in Malaysia)

Other Matters

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

CHENGCO PLT
201806002622
(LLP0017004-LCA) & AF0886
Chartered Accountants

CHANG JIA LER
03656/04/2024 J
Chartered Accountant

Kuala Lumpur
Date: 24 July 2023

ZOOMIC TECHNOLOGY (M) SDN BHD
Registration No.: 199201003210 (234714-U)
(Incorporated in Malaysia)

STATEMENT OF FINANCIAL POSITION
As at 31 March 2023

	Notes	31.3.2023 RM	31.3.2022 RM Restated	1.4.2021 RM Restated
ASSETS				
Non-current assets				
Properties, plant and equipment	4	148,833	186,833	-
Investment properties	5	25,500,000	23,400,000	23,400,000
		25,648,833	23,586,833	23,400,000
Current assets				
Other receivables, deposit and prepayments	6	335,335	9,904	10,569
Amount due from holding company	7	2,266,229	1,910,754	1,625,518
Amount due from related companies	8	2,514,882	1,845,628	1,476,238
Cash and cash equivalents	9	8,194	8,967	8,276
		5,124,640	3,775,253	3,120,601
TOTAL ASSETS		30,773,473	27,362,086	26,520,601
EQUITY AND LIABILITIES				
EQUITY				
Share capital	10	12,300,000	12,300,000	12,300,000
Retained earnings		16,279,057	12,916,090	12,159,024
TOTAL EQUITY		28,579,057	25,216,090	24,459,024
LIABILITIES				
Non-current liability				
Deferred tax liabilities	11	666,141	368,468	-
Current liabilities				
Other payables, accruals and deposit received	12	1,077,013	1,204,854	1,349,223
Amount due to related companies	8	214,339	241,923	524,963
Current tax liabilities		236,923	330,751	187,391
		1,528,275	1,777,528	2,061,577
TOTAL LIABILITIES		2,194,416	2,145,996	2,061,577
TOTAL EQUITY AND LIABILITIES		30,773,473	27,362,086	26,520,601

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

ZOOMIC TECHNOLOGY (M) SDN BHD
Registration No.: 199201003210 (234714-U)
(Incorporated in Malaysia)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the financial year ended 31 March 2023

	Notes	2023 RM	2022 RM
Revenue	13	1,644,000	1,644,000
Cost of sales		-	-
Gross profit		1,644,000	1,644,000
Other operating income	14	2,425,000	4,226
General and administration expenses		(408,360)	(340,292)
Profit before tax	15	3,660,640	1,307,934
Income tax expense	16	(297,673)	(550,868)
Net profit for the financial year, representing total comprehensive income for the financial year		3,362,967	757,066

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

ZOOMIC TECHNOLOGY (M) SDN BHD
Registration No.: 199201003210 (234714-U)
(Incorporated in Malaysia)

STATEMENT OF CHANGES IN EQUITY
For the financial year ended 31 March 2023

	Share Capital RM	Revaluation reserve RM	Retained earnings RM	Total RM
At 1 April 2021				
- As reported	12,300,000	6,236,987	5,922,037	24,459,024
- Prior year adjustment (Note 22)	-	(6,236,987)	6,236,987	-
As restated	12,300,000	-	12,159,024	24,459,024
Net profit for the financial year, representing total comprehensive income for the financial year	-		757,066	757,066
At 31 March 2022	12,300,000	-	12,916,090	25,216,090
Net profit for the financial year, representing total comprehensive income for the financial year	-	-	3,362,967	3,362,967
At 31 March 2023	12,300,000	-	16,279,057	28,579,057

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

ZOOMIC TECHNOLOGY (M) SDN BHD
Registration No.: 199201003210 (234714-U)
(Incorporated in Malaysia)

STATEMENT OF CASH FLOWS
For the financial year ended 31 March 2023

	Notes	2023 RM	2022 RM
Cash flows from operating activities			
Profit before tax		3,660,640	1,307,934
Adjustment for:			
Depreciation of property, plant and equipment		38,000	3,167
Fair value gain on investment properties		(2,100,000)	-
Reversal of impairment loss		(235,000)	-
Operating profit before working capital changes		1,363,640	1,311,101
Changes in:			
Increase in other receivables, deposit and prepayment		(90,431)	665
Decrease in other payables, accruals and deposits received		(127,841)	(144,369)
Cash generated from operations		1,145,368	1,167,397
Tax paid		(93,828)	(39,040)
Net cash generated from operating activities		1,051,540	1,128,357
Cash flows from financing activities			
Advance to holding company		(355,475)	(285,236)
Advance to related companies		(669,254)	(369,390)
Repayment to related companies		(27,584)	(283,040)
Net cash used in financing activities		(1,052,313)	(937,666)
Cash flows from investing activity			
Acquisition of property, plant and equipment		-	(190,000)
Net cash used in investing activity		-	(190,000)
Net (decrease)/increase in cash and cash equivalents		(773)	691
Cash and cash equivalents at beginning of financial year		8,967	8,276
Cash and cash equivalents at end of financial year	9	8,194	8,967

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

ZOOMIC TECHNOLOGY (M) SDN BHD
Registration No.: 199201003210 (234714-U)
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2023

1. General information

The Company is a private limited company, incorporated and domiciled in Malaysia. The registered office of the Company is located at 10th Floor, Menara Hap Seng, No. 1 & 3, Jalan P. Ramlee, 50250 Kuala Lumpur.

The principal activity of the Company is an investment holding company. There have been no significant changes in the nature of these activities of the Company.

The principal place of business of the Company is located at Plot 49 & 63, Lorong Perusahaan 2B, Kulim Industrial Estate, 09000 Kulim, Kedah.

The holding company is Iqzan Holding Berhad, a public limited liability company, incorporated and domiciled in Malaysia and is listed on the MAIN Market of Bursa Malaysia Securities Berhad.

The financial statements were authorised for issue by the board of directors in accordance with a resolution of the directors on 24 July 2023.

2. Significant accounting policies

2.1 Basis of preparation

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

2.2 Basis of measurement

The financial statements, which are expressed in Ringgit Malaysia (''RM''), have been prepared under the historical cost basis except as disclosed in the accounting policies below.

2.3 Adoption of new and amended standards

The Company has adopted the following MFRS and Interpretations (collectively referred to as "MFRSs'), issued by the Malaysian Accounting Standards Board ("MASB") and effective for the financial periods beginning on or after 1 January 2022;

- Amendments to MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2018-2020 Cycle)
- Amendments to MFRS 3, Reference to the Conceptual Framework, (Business Combinations)
- Amendments to MFRS 9, Financial Instruments (Annual Improvements to MFRS Standards 2018-2020 Cycle)
- MFRS 116, Property, Plant and Equipment – Proceeds Before Intended Use
- Amendments to MFRS 137, Onerous Contracts – Cost of Fulfilling a Contract
- Amendments to MFRS 141, Agriculture (Annual Improvements to MFRS Standards 2018-2020 Cycle)

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

ZOOMIC TECHNOLOGY (M) SDN BHD
Registration No.: 199201003210 (234714-U)
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2023

2. Significant accounting policies (cont'd)

2.4 Standards issued but not yet effective

The Company has not adopted the following standards that have been issued as of the reporting date but are not yet effective:

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

- MFRS 17, Insurance Contracts
- Amendments to MFRS 17, Insurance Contracts
- Amendments to MFRS 108, Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates
- Amendments to MFRS 101, Presentation of Financial Statements – Disclosures of Accounting Estimates
- Amendments to MFRS 112, Income Tax – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2024

- Amendments to MFRS 16, Lease Liability in a Sale and Leaseback
- Amendments to MFRS 101, Non-current Liabilities with Covenants
- Amendments to MFRS 107 and MFRS 7, Supplier Finance Arrangements

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

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

2.5 Current versus non-current classification

Assets and liabilities in the statement of financial position are presented based on current/non-current classification.

An asset is current when it is:

(i) Expected to be realised or intended to be sold or consumed in the normal operating cycle;
(ii) Held primarily for the purpose of trading;
(iii) Expected to be realised within twelve months after the reporting periods; or
(iv) Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

ZOOMIC TECHNOLOGY (M) SDN BHD
Registration No.: 199201003210 (234714-U)
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2023

2. Significant accounting policies (cont'd)

A liability is current when:

(i) It is expected to be settled in the normal operating cycle;
(ii) It is held primarily for the purpose of trading;
(iii) It is due to be settled within twelve months after the reporting periods; or
(iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other assets and liabilities are classified as non-current.

2.6 Property, plant and equipment

Operating tangible assets that are used for more than one accounting period in the production and supply of goods and services, for administrative purpose or for rental to others are recognised as property, plant and equipment when the Company obtains control of the asset. The assets, including major spares, stand-by equipment and servicing equipment, are classified into appropriate classes based on the nature. Any subsequent replacement of a significant component in an existing asset is capitalised as a new component in the asset and the old component is derecognised.

All property, plant and equipment are initially measured at cost. For a purchased asset, cost comprises purchases price plus all directly attributable costs incurred in bringing the asset to its present location and condition for management's intended use.

All property, plant and equipment are subsequently measured at cost less accumulated depreciation and accumulated impairment losses All property, plant and equipment are depreciated by allocating the depreciable amount over the remaining useful life. The depreciation methods used and useful lives of the respective classes of property, plant and equipment are as follows:

	Method	Useful life
Factory equipment	Straight-line	5

At the end of each reporting period, the residual values, useful lives and depreciation methods for the property, plant and equipment are reviewed for reasonableness. Any change in estimate of an item is adjusted prospectively over its remaining useful life, commencing in the current financial year.

The carrying amounts of items of property, plant and equipment are derecognised on disposal or when no future economic benefits are expected from their use or disposal. Any gain or loss arising from the derecognition of items of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amounts of the item, is recognised in profit or loss. Neither the sale proceeds nor any gain on disposal is classified as revenue.

ZOOMIC TECHNOLOGY (M) SDN BHD
Registration No.: 199201003210 (234714-U)
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2023

2. Significant accounting policies (cont'd)

2.7 Investment properties

Investment properties, including right of use assets held by lessee are properties held either to earn rental income or for capital appreciation or for both. An investment property is recorded at cost on initial recognition. Cost of an investment property comprises purchase price plus all directly attributable costs incurred to bring the property to its present location and condition intended for use as an investment property. Cost of a self-constructed investment property comprises all direct and indirect construction costs but exclude internal profits.

Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date. Gain or losses arising from changes in fair values of investment properties are included in profit or loss in the period which they arise, including the corresponding tax effect. Fair values are determined based on valuation performed by professional independent valuer.

2.8 Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss, except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount.

The increase to its recoverable amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. 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.

ZOOMIC TECHNOLOGY (M) SDN BHD
Registration No.: 199201003210 (234714-U)
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2023

2. Significant accounting policies (cont'd)

2.9 Financial instruments

(a) *Initial recognition and 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 measure 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 transition 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.

(b) *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 reporting period following the change of the business model.

For purpose of subsequent measurement financial assets are classified in four categories:

- Amortised cost
- Fair value through other comprehensive income – debt investments
- Fair value through other comprehensive income – equity investments
- Fair value through profit or loss

The Company does not have any financial assets classified other than amortised cost.

(i) 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 impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or s. Any gain or loss on derecognition is recognised in profit or loss.

ZOOMIC TECHNOLOGY (M) SDN BHD
Registration No.: 199201003210 (234714-U)
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2023

2. Significant accounting policies (cont'd)

2.9 Financial instruments (cont'd)

(b) Financial instrument categories and subsequent measurement

Financial assets (cont'd)

(ii) Amortised cost

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) Fair value through other comprehensive income

(a) Debt investments

Fair value through other comprehensive income category comprises debt investment where it is held within a business model whose objective is achieve by both collecting contractual cash flows and selling the debt investment, and its contractual term 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 at 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. 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.

(b) Equity investments

This category comprises investment in equity that is not held for trading, and the Company irrevocably elect 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.

(iii) 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.

2. Significant accounting policies (cont'd)

2.9 Financial instruments (cont'd)

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

Financial assets (cont'd)

(iii) Fair value through other comprehensive income (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 follow:

- Amortised cost
- Fair value through profit or loss

The Company does not have any financial liabilities classified other than amortised cost.

(i) 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 (EIR).

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

(ii) 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.

ZOOMIC TECHNOLOGY (M) SDN BHD
Registration No.: 199201003210 (234714-U)
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2023

2. Significant accounting policies (cont'd)

2.9 Financial instruments (cont'd)

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

(ii) Fair value through profit or loss (cont'd)

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:

(i) if doing so so eliminates or significantly reduces an accounting mismatch that would otherwise arise;
(ii) a group of financial liabilities or assets and financial liabilities is managed and its performance is evaluated on a fair values 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
(iii) 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.

(c) Regular way purchase or sale of financial assets

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

Trade date accounting refer to:

(i) the derecognition of an asset to be received and the liability to pay for it on the trade date, and
(ii) 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 refer to:

(i) the recognition on an asset on the day it is received by the Company, and
(ii) 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 an 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.

ZOOMIC TECHNOLOGY (M) SDN BHD
Registration No.: 199201003210 (234714-U)
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2023

2. Significant accounting policies (cont'd)

2.9 Financial instruments (cont'd)

(d) Derecognition

A financial asset or part of it is derecognised when, and only when, the contractual rights to the cash flows from the financial asset expire or 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 and loss.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharge, 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, 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 to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

(e) Offsetting

Financial assets and financial liabilities are offset and the net amount is presented in the statement of financial position when, and only when, the Company 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.

2.10 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, which are subject to a insignificant risk of change in value.

2.11 Impairment of financial assets

(a) Financial assets

The Company recognises loss allowances for expected credit losses on financial assets measure at amortised cost. Expected credit losses are a probability-weighted estimate of credit losses.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for cash and bank balance. Loss allowance for trade receivables is 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 losses, 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.

ZOOMIC TECHNOLOGY (M) SDN BHD
Registration No.: 199201003210 (234714-U)
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2023

2. Significant accounting policies (cont'd)

2.11 Impairment of financial assets (cont'd)

(a) 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 an asset, while 12 months expected losses are the portion of expected credit losses that result from default events that are possible within 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 experiences.

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.

At each reporting date, the Company assesses whether financial assets carried at amortised 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 extend 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 generated sufficient cash flows to repay the amounts subject to 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.

(b) Other assets

The carrying amount of other assets (except for inventories and deferred tax assets) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the assets 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.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating units. The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units that are expected to benefit from the synergies of the combination.

ZOOMIC TECHNOLOGY (M) SDN BHD
Registration No.: 199201003210 (234714-U)
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2023

2. Significant accounting policies (cont'd)

2.11 Impairment of financial assets (cont'd)

(b) Other assets (cont'd)

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

2.12 Share capital

Ordinary shares are recorded at nominal value and proceeds received in excess, if any, of the nominal value of shares issued are accounted for as share premium. Both ordinary shares and share premium are classified as equity. Cost incurred directly attributable to the issuance of shares is accounted for as a deduction from share premium, if any, otherwise it is charged to profit or loss.

2.13 Provisions

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

Provisions are reviewed at the end of each reporting period 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. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Any reimbursement that the Company can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision. The expense relating to any provision is presented in the statements of profit or loss and other comprehensive income net of any reimbursement.

2. Significant accounting policies (cont'd)

2.14 Revenue recognition

The Company satisfies a performance obligation and recognise revenue over time if the Company's performance:

(i) Does not create an asset with an alternative use to the Company and have an enforceable right to payment for performance completed to-date; or
(ii) Creates or enhances an asset that the customer controls as the asset is created or enhanced; or
(iii) Provides benefits that the customer simultaneously receives and consumes as the Company perform.

For performance obligations where any one of the above conditions is not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

When the Company satisfies a performance obligation by delivering the promised goods or services, it creates a contract based asset on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognised, this gives rise to a contract liability.

Revenue is measured at the fair value of consideration received or receivable. The following describes the performance obligations in contracts with customers:

(a) Rental income

The rental income is primarily from the leasing of investment properties and recognised on an accrual basis.

2.15 Taxes

(a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date, in the countries where the Company operates and generates taxable income.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

ZOOMIC TECHNOLOGY (M) SDN BHD
Registration No.: 199201003210 (234714-U)
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2023

2. Significant accounting policies (cont'd)

2.15 Taxes (cont'd)

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

(i) Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

(ii) In respect of taxable temporary differences associated with investments in associates, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

(i) Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

(ii) In respect of deductible temporary differences associated with investments in associates, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on 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 and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

2. Significant accounting policies (cont'd)

2.16 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date except for fair value of shared-based payment. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to by the Company.

The fair value of an asset or a liability is measure using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset 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.

Valuation techniques that are appropriate in the circumstances and for which sufficient data are available, are used to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

LEVEL 1: Quoted (unadjusted) market prices in active market for identical assets or liabilities.

LEVEL 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

LEVEL 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Policies and procedures are determined by directors for both recurring fair value measurement and for non-recurring measurement.

ZOOMIC TECHNOLOGY (M) SDN BHD
Registration No.: 199201003210 (234714-U)
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2023

2. Significant accounting policies (cont'd)

2.16 Fair value measurement (cont'd)

External valuers are involved for valuation of significant assets and significant liabilities. Involvement of external valuers is decided by directors. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The directors decide, after discussions with the external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the senior management analyses the movement in the values of assets and liabilities which are required to be re-measured or re-assessed according to the accounting policies of the Company. For this analysis, the senior management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The senior management, in conjunction with the external valuers, also compares the changes in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, classes of assets and liabilities are determined based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.17 Related parties

A related party is defined as follows:

(a) A person or a close member of that person's family is related to the Company if that person:

- has control or joint control over the Company; or
- has significant influence over the Company; or
- is a member of the key management personnel of the Company or of a parent of the Company.

ZOOMIC TECHNOLOGY (M) SDN BHD
Registration No.: 199201003210 (234714-U)
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2023

2. Significant accounting policies (cont'd)

2.17 Related parties (cont'd)

(b) An entity is related to the Company if any of the following conditions applies:

- The entity and the Company are members of the same Company (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a Company of which the other entity is a member).
- Both entities are joint ventures of the same third party.
- One entity is a joint venture of the third entity and the other entity is an associate of the third entity.
- The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company.
- The entity is controlled or joint-controlled by a person identified in (a) above.
- The entity or any member of a Company of which it is a part, provides key management personnel services to the Company or to the parent of the Company.

3. Significant accounting judgements and estimates

The preparation of the financial statements requires the directors to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

Accounting judgements and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3.1 Judgement and assumption applied

These are no significant areas of critical judgement in applying accounting policies that have significant effect on the amounts recognised in the financial statements.

ZOOMIC TECHNOLOGY (M) SDN BHD
Registration No.: 199201003210 (234714-U)
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2023

3. Significant accounting judgements and estimates (cont'd)

3.2 Key sources of estimation uncertainty

The measurement of some assets and liabilities requires directors to use estimates based on various observable inputs and other assumptions. The areas or items that are subject to significant estimation uncertainties of the Company are in measuring:

(a) Measurement of income taxes

Significant judgement is required in determining the Company's provision for current and deferred taxes because the ultimate tax liability for the Company is uncertain. When the final outcome of the taxes payable is determined with the tax authorities, the amount might be different from the initial estimates of the taxes payable. Such differences may impact the current and deferred taxes in the financial period when such determination is made. The Company will adjust for the differences as over- or under- provision of current or deferred taxes in the current financial period in which those differences arise.

(b) Useful lives of property, plant and equipment

The Company regularly reviews the estimated useful lives of property, plant and equipment based on factors such as business plan and strategies, expected level of usage and future technological developments. Future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned above. A reduction in the estimated useful lives of property, plant and equipment would increase the recorded depreciation and decrease the value of property, plant and equipment. The carrying amount at the reporting date for the property, plant and equipment is disclosed in Notes 4.

ZOOMIC TECHNOLOGY (M) SDN BHD
Registration No.: 199201003210 (234714-U)
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2023

4. Property, plant and equipment

	Factory Equipment RM
Cost	
At 1 April 2021	-
Additions	190,000
At 31 March 2022, 1 April 2022 and 31 March 2023	190,000
Accumulated depreciation	
At 1 April 2021	-
Charge for the financial year	3,167
At 31 March 2022 and 1 April 2022	3,167
Charge for the financial year	38,000
At 31 March 2022	41,167
Net carrying amount	
At 1 April 2021	-
At 31 March 2022	186,833
At 31 March 2023	148,833

5. Investment properties

	Short-term leasehold lands RM	Factory buildings RM	Total RM
Valuation			
At 1 April 2021, 31 March 2022 and 1 April 2022	11,400,000	12,000,000	23,400,000
Change in fair value recognised in statement of comprehensive income	2,100,000	-	2,100,000
At 31 March 2023	13,500,000	12,000,000	25,500,000

Investment properties comprise short-term leasehold lands and factory buildings that are leased to a third party. The leases contain an initial non-cancellable period of three years. Subsequent renewals are negotiated with the lessee and on one year renewal period.

ZOOMIC TECHNOLOGY (M) SDN BHD
Registration No.: 199201003210 (234714-U)
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2023

5. Investment properties (cont'd)

The investment properties were revalued on 22 February 2022 based on valuation performed by an independent professional valuer with experience valuing land and buildings of similar nature. The fair values are within level 3 of the fair value hierarchy as the fair value measurement is indirectly observable. The fair values have been derived using the sales comparison approach. Sales prices of comparable land and buildings in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot of comparable properties.

The investment properties of the Company have been pledged to secure banking facilities granted to the related company, amounting to RM25,500,000 (31.3.2022: RM23,400,000 and 1.4.2021: RM23,400,000).

The above short-term leasehold land has an unexpired lease term of less than 50 years, expiring on 9 September 2051.

The following are recognised in profit or loss:

	31.3.2023 RM	31.3.2022 RM
Lease income	1,644,000	1,644,000
Direct operating expenses	(326,406)	(35,310)
	1,317,594	1,608,690

The operating lease payments to be received are as follows:

	31.3.2023 RM	31.3.2022 RM
Less than one year	1,644,000	1,644,000
Between one and five years	-	1,370,000
Total undiscounted lease payments	1,644,000	3,014,000

6. Other receivables, deposit and prepayments

	31.3.2023 RM	31.3.2022 RM	1.4.2021 RM
Other receivables	325,000	235,000	235,000
Deposit	6,000	6,000	5,000
Prepayments	4,335	3,904	5,569
	335,335	244,904	245,569
Less: Allowance for impairment loss	-	(235,000)	(235,000)
	335,335	9,904	10,569

ZOOMIC TECHNOLOGY (M) SDN BHD
Registration No.: 199201003210 (234714-U)
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2023

6. Other receivables, deposit and prepayments

The reconciliation of the allowance for impairment losses of other receivable are as follows:

	Credit impaired RM
At 1 April 2021, 31 March 2022 and 1 April 2022	235,000
Reversal of impairment loss	(235,000)
At 31 March 2023	-

7. Amount due from holding company

Amount due from holding company is non-trade in nature, unsecured, interest free and recoverable on demand.

8. Amount due from/(to) related companies

	31.3.2023 RM	31.3.2022 RM	1.4.2021 RM
Amount due from related companies	2,649,400	1,980,146	1,610,756
Less: Accumulated impairment loss	(134,518)	(134,518)	(134,518)
	2,514,882	1,845,628	1,476,238
Amount due to related companies	(214,339)	(241,923)	(524,963)

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The reconciliation of the allowance for impairment losses of amount due from/(to) related companies are as follows:

	Credit impaired RM
At 1 April 2021, 31 March 2022, 1 April 2022 and 31 March 2023	134,518

Amount due from/(to) related companies are non-trade in nature, unsecured, interest free and recoverable/(repayable) on demand.

ZOOMIC TECHNOLOGY (M) SDN BHD
Registration No.: 199201003210 (234714-U)
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2023

9. Cash and cash equivalent

	31.3.2023 RM	31.3.2022 RM	1.4.2021 RM
Cash in bank	4,519	3,549	8,276
Cash on hand	3,675	5,418	-
	8,194	8,967	8,276

10. Share capital

	Number of ordinary shares		
	31.3.2023 Unit	31.3.2022 Unit	1.4.2021 Unit
Issued and fully paid ordinary shares	12,300,000	12,300,000	12,300,000

	Amount		
	31.3.2023 RM	31.3.2022 RM	1.4.2021 RM
Issued and fully paid ordinary shares	12,300,000	12,300,000	12,300,000

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions.

11. Deferred tax liabilities

	31.3.2023 RM	31.3.2022 RM	1.4.2021 RM
At beginning of the year	368,468	-	-
Recognised in profit or loss (Note 17)	297,673	368,468	-
At the end of the year	666,141	368,468	-

The components of deferred tax liabilities during the financial year are as follows:

	31.3.2023 RM	31.3.2022 RM	1.4.2021 RM
Unutilised business losses	(3,407,012)	(4,263,138)	(2,140,475)
Unutilised capital allowance	-	-	-
Property, plant and equipment	10,225,180	9,840,912	-
	6,818,168	5,577,774	(2,140,475)

ZOOMIC TECHNOLOGY (M) SDN BHD
Registration No.: 199201003210 (234714-U)
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2023

11. Deferred tax liabilities (cont'd)

Unutilised tax losses arising from the year of assessment 2021 can be carried forward for a period of 10 years for set off against future taxable profits. However, unutilised tax losses which arose up to the year of assessment 2021 to be utilised up to the year of assessment 2028.

12. Other payables, accruals and deposits received

	31.3.2023 RM	31.3.2022 RM	1.4.2021 RM
Other payables	397,015	473,856	75,225
Accruals	18,000	17,000	60,000
Deposit received	661,998	713,998	1,213,998
	1,077,013	1,204,854	1,349,223

13. Revenue

	2023 RM	2022 RM
Rental income	1,644,000	1,644,000

14. Other operating income

	2023 RM	2022 RM
Other income	90,000	1
Reversal of impairment loss on other investment	235,000	-
Fair value gain on revaluation	2,100,000	-
Scrap sales	-	4,225
	2,425,000	4,226

ZOOMIC TECHNOLOGY (M) SDN BHD
Registration No.: 199201003210 (234714-U)
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2023

15. Profit before tax

	2023 RM	2022 RM
Profit before tax is derived after charging:		
Auditor remuneration	10,000	9,000
Depreciation of property, plant and equipment	38,000	3,167

16. Income tax expense

(a) *Major components of income tax expense*

	2023 RM	2022 RM
Current income tax		
Current financial year	-	182,400
Deferred tax (Note 13)		
Current financial year	297,673	136,756
Under provision in prior year	-	231,712
	297,673	368,468
	297,673	550,868

(b) *Relationship between income tax expense and accounting profit.*

Reconciliation between tax expense and the product of accounting profit multiplied by the statutory tax rate is as follows:

	2023 RM	2022 RM
Profit before tax	3,660,640	1,307,934
Income tax calculated at tax rate of 24%	878,554	313,904
Tax effects of:		
- expenses not deductible for tax purposes	1,119	-
- income not subject to tax	(582,000)	5,252
- under provision of income tax in prior years	-	231,712
	297,673	550,868

ZOOMIC TECHNOLOGY (M) SDN BHD
Registration No.: 199201003210 (234714-U)
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2023

18. Categories of financial instruments

The table below provides an analysis of financial instruments categorised as follows:

(a) Amortised cost ("AC")

	31.3.2023 RM	31.3.2022 RM	1.4.2021 RM
Financial assets			
Measured at amortised cost			
Other receivables and deposit	331,000	6,000	5,000
Amount due from holding company	2,266,229	1,910,754	1,625,518
Amount due from related companies	2,514,882	1,845,628	1,476,238
Cash and cash equivalents	8,194	8,967	8,276
	5,120,305	3,771,349	3,115,032
Financial liabilities			
Measured at amortised cost			
Other payables, accruals and deposit received	1,077,013	1,204,854	1,349,223
Amount due to related companies	214,339	241,923	524,963
	1,291,352	1,446,777	1,874,186

19. Financial risk management

The Company have exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk

(a) 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 obligation. The Company's exposure to credit risk arises principally from the individual characteristics of each customer and advances from holding company and related companies. There are no significant changes as compared to prior periods.

Other receivables and other financial assets

For other financial assets (including cash and cash equivalents), the Company minimise credit risk by dealing exclusively with high credit rating counterparties. At the reporting date, the Company's maximum exposure to credit risk arising from other financial assets is represented by the carrying amount of each class of financial assets recognised in the combined statements offinancial position.

ZOOMIC TECHNOLOGY (M) SDN BHD
Registration No.: 199201003210 (234714-U)
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2023

19. Financial risk management (cont'd)

(a) Credit risk (cont'd)

The Company considers 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 Company compares 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. Especially the following indicators are incorporated:

- internal credit rating
- external credit rating (as far as available)
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change lo the debtor's ability to meet its obligations
- actual or expected significant changes in the operating results of the borrower
- significant increases in credit risk on other financial instruments of the same borrower
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements
- significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers in the Company and changes in the operating results of the borrower

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

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 90 days past due in making a contractual payment.

Some intercompany loans between related entities are repayable on demand. For loans that are repayable on demand, expected credit losses are assessed based on the assumption that repayment of the loan is demanded at the reporting date. If the borrower does not have sufficient highly liquid resources when the loan is demanded, the Company will consider the expected manner of recovery and recovery period of the intercompany loan.

Refer to Note 2.11(a) for the Company's other accounting policies for impairment of financial assets.

<u>Cash and cash equivalents</u>

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

These banks and financial institutions have low credit risks. In addition, some of the bank balances are insured by government agencies. Consequently, the Company are of the view that the loss allowance is not material and hence, it is not provided for.

ZOOMIC TECHNOLOGY (M) SDN BHD
Registration No.: 199201003210 (234714-U)
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2023

19. Financial risk management (cont'd)

Financial guarantees

The Company provides unsecured financial guarantees to licensed banks for banking facilities granted to certain subsidiary companies. The Company monitors on an ongoing basis the results of the subsidiary companies and repayments made by the subsidiary companies.

The Company's maximum exposure in this respect is RM25,5000,000 (31.3.2022: RM23,400,000 and 1.4.2021: RM23,400,000), representing the outstanding banking facilities to the related company as at the end of the reporting period. There was no indication that any subsidiary companies would default on repayment as at the end of the reporting period.

The financial guarantees are provided as credit enhancements to the related company's secured loans.

The Company assumes that there is a significant increase in credit risk when a related company's financial position deteriorates significantly. The Company considers a financial guarantee to be credit impaired when:

- The related company is unlikely to repay its credit obligation to the bank in full; or
- The related company is continuously loss making and is having a deficit shareholders' fund.

The Company determines the probability of default of the guarantee loans individually using internal information available.

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The exposure of the Company to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

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

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

ZOOMIC TECHNOLOGY (M) SDN BHD
Registration No.: 199201003210 (234714-U)
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2023

19. Financial risk management (cont'd)

(b) Liquidity risk (cont'd)

Analysis of financial liabilities by remaining contractual maturity obligations

The table below summarises the maturity profile of the Company's financial liabilities at the statement of financial position based on contractual undiscounted repayment obligation: -

	Carrying amount	Contractual cash flows	Less than 1 year
31.3.2023	**RM**	**RM**	**RM**
Financial liabilities			
Other payables and accrual	1,077,013	1,077,013	1,077,013
Amount due to related company	214,339	214,339	214,339
	1,291,352	1,291,352	1,291,352
31.3.2022			
Financial liabilities			
Other payables and accrual	1,204,854	1,204,854	1,204,854
Amount due to related company	241,923	241,923	241,923
	1,446,777	1,446,777	1,446,777
1.4.2021			
Financial liabilities			
Other payables and accrual	1,349,223	1,349,223	1,349,223
Amount due to related company	524,963	524,963	524,963
	1,446,777	1,446,777	1,446,777

20. Fair values of assets and liabilities

The Company does not account for any fixed rate financial assets and financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

Fair value of financial instruments that are carried at fair value:

(a) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are not reasonable approximate fair value.

(b) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximate fair value.

ZOOMIC TECHNOLOGY (M) SDN BHD
Registration No.: 199201003210 (234714-U)
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2023

20. Fair values of assets and liabilities (cont'd)

Trade and other receivables, cash and cash equivalents, trade and other payables, the carrying amount of these financial assets and liabilities are reasonable approximation of fair value, either due to their short-term nature of that they are floating rate instruments that are re-priced at market interest rates on or near the end of the reporting period.

It is not practical to determine the fair value of lease liabilities which are at fixed rate due to lack of market information of comparable instruments with similar characteristic and risk profile.

The following table provides the fair value measurement hierarchy of the Group's and the Company's financial instruments.

	31.3.2023 RM	31.3.2022 RM	1.4.2021 RM
Level 3			
Investment properties	25,500,000	23,400,000	23,400,000

Policy on transfer between levels

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

There was no transfer between the fair value measurement hierarchy.

(i) Level 1 - Quoted shares (unadjusted) in active markets for identical assets and liabilities
(ii) Level 2 - Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
(iii) Level 3 - Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

21. Reconciliation of liabilities arising from financing activities

The table below show the details changes in the liabilities of the Company arising from financing activities, including both cash and non-cash changes.

	Amount due to related companies RM
At 1 April 2021	524,963
Financing cash flows (i)	(283,040)
At 31 March 2022 and 1 April 2022	241,923
Financing cash flows (i)	(27,584)
At 31 March 2023	214,339

(i) The financing cash flows represent payment of advance from related company in the statement of cash flows.

ZOOMIC TECHNOLOGY (M) SDN BHD
Registration No.: 199201003210 (234714-U)
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2023

22. Prior-year adjustments and comparative figures

(a) Adjustment to revaluation reserves

Revaluation reserves as of 31 March 2021 has been restated to retained earnings as a result of recognition as investment properties using the fair value model.

The following are changes in comparative figures due to changes in prior-year adjustment and reclassification:

	As previously stated	Prior-year adjustments	As restated
Statement of financial position as of 1 April 2021			
Equity			
Revaluation reserves (a)	6,236,987	(6,236,987)	-
Retained earnings (a)	5,922,037	6,236,987	12,159,024
Statement of financial position as of 1 April 2022			
Equity			
Revaluation reserves (a)	6,236,987	(6,236,987)	-
Retained earnings (a)	6,679,103	6,236,987	12,916,090

IQZAN

IQZAN HOLDING BERHAD
(Registration No. 200201008458 (576121-A))
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting of Iqzan Holding Berhad ("Iqzan" or the "Company") will be held at Pinnacle 3 (Level M1), The Vertical, Connexion Conference & Event Centre, Bangsar South City, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur on Friday, 5 July 2024 at 11:00 a.m. ("EGM" or "Meeting") or at any adjournment thereof for the purpose of considering and, if thought fit, passing the following resolution with or without modifications:-

ORDINARY RESOLUTION

PROPOSED DISPOSAL BY IQZAN HOLDING BERHAD OF 6,320,970 ORDINARY SHARES, REPRESENTING 51.39% EQUITY INTEREST IN ITS WHOLLY-OWNED SUBSIDIARY, ZOOMIC TECHNOLOGY (M) SDN. BHD. ("ZOOMIC") TO SETTLE THE AMOUNT OWING TO DIGITAL MIRACLES SDN. BHD. ("DIGITAL MIRACLES") AND MILLION SAINT CONSULTANCY SDN. BHD. ("MILLION SAINT") IN THE FOLLOWING MANNER:

(I) 2,106,990 ORDINARY SHARES IN ZOOMIC, REPRESENTING 17.13% EQUITY INTEREST IN ZOOMIC, TO DIGITAL MIRACLES FOR A DISPOSAL CONSIDERATION OF RM1.20 MILLION; AND

(II) 4,213,980 ORDINARY SHARES IN ZOOMIC, REPRESENTING 34.26% EQUITY INTEREST IN ZOOMIC, TO MILLION SAINT FOR A DISPOSAL CONSIDERATION OF RM2.40 MILLION

"THAT subject to the necessary approval of the relevant authorities and parties (if required) being obtained, approval be and is hereby given to Iqzan to dispose of 2,106,990 ordinary shares in Zoomic and 4,213,980 ordinary shares in Zoomic, representing a total of 51.39% equity interest or 6,320,970 ordinary shares in Zoomic, for a total disposal consideration of RM3,600,000.00 to Digital Miracles Sdn. Bhd. and Million Saint Consultancy Sdn. Bhd. respectively, upon such terms and conditions as mutually agreed between Digital Miracles Sdn. Bhd., Million Saint Consultancy Sdn. Bhd. and the Company and as per the details disclosed in the Circular to the shareholders of the Company ("Shareholders") dated 13 June 2024 ("Circular") ("Proposed Disposal").

THAT the Board of Directors ("Board") be and are hereby authorised to utilise the proceeds, if any, to be derived from the Proposed Disposal for such purposes as set out in the Circular and the Board be and is hereby authorised with full power to vary the manner and/or purpose of the utilisation of such proceeds from the Proposed Disposal, if required, in the manner as the Board may deem fit, necessary and/or expedient, subject (where required) to the approval of the relevant authorities and in the best interest of the Company.

THAT authority be and is hereby given to the Company to affix the Common Seal of the Company onto all the relevant documents which are required to be executed under seal in accordance with the provision of the Company's Constitution.

AND THAT the Board be and is hereby empowered and authorised to do all acts, deeds and things and to execute, sign, deliver and cause to be delivered for and on behalf of the Company all such documents and/or arrangements as may be necessary to give effect and complete the Proposed Disposal and with full power to assent to any conditions, modifications, variations and/or amendments in any manner as may be required by the relevant authorities or as the Board may deem fit, necessary or expedient or appropriate in the best interest of the Company and to take such steps as they may deem necessary or expedient in order to implement, finalise, and to give full effect to the Proposed Disposal and to complete the Proposed Disposal."

By Order of the Board
IQZAN HOLDING BERHAD

NG SALLY (SSM PC No. 202008002702 & MAICSA 7060343)
GOH XIN YEE (SSM PC No. 202008000375 & MAICSA 7077870)
Company Secretaries
Kuala Lumpur
13 June 2024

Notes:

1) A member of the Company entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him. A proxy may, but need not, be a member of the Company. A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the member to speak at the Meeting.

2) A member, including an Authorised Nominee and an Exempt Authorised Nominee which holds securities in the Company for an Omnibus Account, may appoint one or more proxies to attend on the same occasion. Where a member appoints two [2] or more proxies, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies. The appointment shall not be valid unless he specifies the proportions of his holdings to be represented by each proxy.

3) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("Omnibus Account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds. Each appointment of a proxy by an exempt authorised nominee shall be by a separate instrument of a proxy which shall specify the proportion of shareholding to be represented by each proxy.

4) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised. The Directors may, but shall not be bound to require evidence of the authority of any such attorney or officer. An instrument appointing a proxy to vote at a meeting shall be deemed to include the power to demand a poll on behalf of the appointor.

5) The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority, shall be deposited at the office of the Share Registrar of the Company at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, not less than 48 hours before the time appointed for holding the Meeting or adjourned meeting at which the person named in the instrument proposes to vote or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid. PROVIDED ALWAYS that the Company may by written notice waive the prior lodgment of the above instrument appointing a proxy and the power of attorney or other authority.

6) The Date of Record of Depositors for the purpose of determining members' entitlement to attend, vote and speak at the Meeting is 28 June 2024.

IQZAN HOLDING BERHAD
[Registration No. 200201008458 (576121-A)]
(Incorporated in Malaysia)

PROXY FORM

Number Of Shares Held	
CDS Account No.	

* I/We ....
of ……
…………..being a Member/Members of Iqzan Holding Berhad [Registration No. 200201008458 (576121-A)], hereby appoint ……………………………….......of ……….……………….………….......………….…………. or failing him, ..……….……….……………of…..………...……………..…………………….……..………..……or failing him, the CHAIRMAN OF THE MEETING as *my/our proxy to vote for *me/us and on *my/our behalf at the Extraordinary General Meeting ("EGM" or "Meeting") of the Company to be held at Pinnacle 3 (Level M1), The Vertical, Connexion Conference & Event Centre, Bangsar South City, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur on Friday, 5 July 2024, at 11:00 a.m. or at any adjournment thereof and to vote as indicated below :-

Ordinary Resolution	**For**	**Against**
Proposed Disposal		

Please indicate with an "X" in the space provided above on how you wish to cast your vote. In the absence of specific directions, your Proxy may vote or abstain at his/her discretion.

** Strike out whichever is not desired. (Unless otherwise instructed the proxy may vote as he thinks fit).*

The proportions of our shareholding to be represented by my/our proxies (if more than 1 proxy) are as follows: -

First proxy %
Second proxy %

100%
========

Dated this............. day of ………................ 2024

…………………………………….................
Signature / Common Seal of member

Notes:

1) A member of the Company entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him. A proxy may, but need not, be a member of the Company. A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the member to speak at the Meeting.
2) A member, including an Authorised Nominee and an Exempt Authorised Nominee which holds securities in the Company for an Omnibus Account, may appoint one or more proxies to attend on the same occasion. Where a member appoints two [2] or more proxies, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies. The appointment shall not be valid unless he specifies the proportions of his holdings to be represented by each proxy.
3) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("Omnibus Account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds. Each appointment of a proxy by an exempt authorised nominee shall be by a separate instrument of a proxy which shall specify the proportion of shareholding to be represented by each proxy.
4) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised. The Directors may, but shall not be bound to require evidence of the authority of any such attorney or officer. An instrument appointing a proxy to vote at a meeting shall be deemed to include the power to demand a poll on behalf of the appointor.
5) The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority, shall be deposited at the office of the Share Registrar of the Company at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, not less than 48 hours before the time appointed for holding the Meeting or adjourned meeting at which the person named in the instrument proposes to vote or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid. PROVIDED ALWAYS that the Company may by written notice waive the prior lodgement of the above instrument appointing a proxy and the power of attorney or other authority.
6) The Date of Record of Depositors for the purpose of determining members' entitlement to attend, vote and speak at the Meeting is 28 June 2024.

Please fold here to seal

AFFIX
STAMP

The Board of Directors
IQZAN HOLDING BERHAD
[Registration No. 200201008458 (576121-A)]

C/O SECURITIES SERVICES (HOLDINGS) SDN. BHD.
[Registration No. 197701005827 (36869-T)]
LEVEL 7, MENARA MILENIUM, JALAN DAMANLELA
PUSAT BANDAR DAMANSARA, DAMANSARA HEIGHTS
50490 KUALA LUMPUR

Please fold here to seal