



ANNUAL REPORT 2022

TRANSFORM TO THRIVE



OUR VISION

To be the **leading tech-driven shopper marketing experts** in Asia

OUR MISSION

We aspire to be the leader in the field of shopper marketing, sales and distribution by providing 360 solutions such as integrated digital and offline shopper solutions such as creative specialist, retail consultancy, data analytics, in-store advertising, retail marketing, field force management, promoters activation, on-ground activation and retail technology products and services. Having established shopper360 as a one-stop agency for shopper solutions, brands are able to speed up its sales penetration and distribution by leveraging our network and marketing expertise.

We aspire to attract the best talent that fits our culture of forward thinking, forward doing, collaboration whilst cultivating an environment that promotes integrity, and develops expertise.

To collaborate and be strategic with our business partners, retailers and customers (brand owners) in providing solutions to grow their businesses via sales and marketing efforts on the shopper marketing front.

To create memorable shopper experiences in the digital and physical retail world.

In summary, shopper360 aims to promote and advance our brand promise of helping companies (whether retailer or brand) to 'sell smarter'.



BE EXPERT

We're smart people. We know our products and services inside out; and are always ready to dish out information and advice on them.



COLLABORATIVE

Two heads are better than one. The best solutions come from working together with our clients, partners and colleagues.



FORWARD THINKING, FORWARD DOING

We're always one step ahead and challenging the status quo.



DO WHAT'S RIGHT

Always doing what is morally right for yourself and the company without any compromise in any situation.

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This annual report has been prepared by shopper360 Limited (the "Company") and its contents have been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the "Sponsor"), in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalyst.

This annual report has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this annual report, including the correctness of any of the statements or opinions made or reports contained in this annual report.

The contact person for the Sponsor is Ms Leong Huey Miin, Director, ZICO Capital Pte. Ltd. at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, telephone: (65) 6636 4201.

GROUP STRUCTURE

shopper360



100%

POSAD
MEDIA AD

Gazelle
ACTIVATION

TRISTAR
SYNERGY

shopper+
MALAYSIA

Jump
RETAIL

MARVEL
DISTRIBUTION

Retail
GALAXY

shopper+
SINGAPORE

shopper360
RECRUITMENT

(formerly known as Shoppercliq Sdn Bhd)

shopper+
MYANMAR

60%

avinity
analytics

40%

TROOPERS

21.5%

boostorder

10.18%

(Active Companies Only)

NON- AFFILIATED INVESTMENT COMPANIES



8%

LAPASAR
.COM

3.55%

CORPORATE INFORMATION

BOARD OF DIRECTORS

CHEW SUE ANN

Executive Chairman and Group Managing Director

JAMES LING WAN CHYE

Executive Director

HEW KOON CHAN

Lead Independent Director

RAJA SINGHAM A/L S.SUKUMARA SINGHAM

Independent Director

MARGARET AU-YONG

Independent Director

ZAFFARY BIN AB RASHID

Non-Independent and Non-Executive Director

AUDIT COMMITTEE

- Hew Koon Chan (Chairman)
- Margaret Au-yong
- Raja Singham A/L S.Sukumara Singham

NOMINATING COMMITTEE

- Raja Singham A/L S.Sukumara Singham (Chairman)
- Hew Koon Chan
- Zaffary Bin Ab Rashid

REMUNERATION COMMITTEE

- Margaret Au-Yong (Chairman)
- Hew Koon Chan
- Zaffary Bin Ab Rashid

COMPANY SECRETARY

- Chua Kern

COMPANY REGISTRATION NUMBER

201634929Z

PRINCIPAL PLACE OF BUSINESS

Malaysia
shopper360 Sdn Bhd
 505, 5th Floor, Block A Phileo Damansara 2, 15 Jalan 16/11, 46350 Petaling Jaya Selangor Darul Ehsan, Malaysia
 Tel: +603 7890 5050

Myanmar
shopperplus Myanmar Co. Ltd.
 No.14B, Shwe Kainnayee Housing, Nar Nat Taw Road, Kamarut Township, Yangon, Myanmar
 Tel: +959 7836 28367

Singapore
shopperplus Singapore Pte. Ltd.
 80 Changi Road, #05-21, Centropod, Singapore 419715
 Tel: +65 65134833

SHARE REGISTRAR

B.A.C.S Private Limited

77 Robinson Road, #06-03 Robinson 77, Singapore 068896

AUDITORS

Baker Tilly TFW LLP

600 North Bridge Road #05-01 Parkview Square, Singapore 188778
 Partner-in-charge: Foong Chooi Chin

Appointed since financial year ended 31 May 2020

PRINCIPAL BANKER

The Hong Kong and Shanghai Banking Corporation Limited, Singapore Branch

21 Collyer Quay, HSBC Building Level 1, Singapore 049320

SPONSOR

ZICO Capital Pte. Ltd.

77 Robinson Road, #06-03 Robinson 77, Singapore 068896

REGISTERED OFFICE

138 Robinson Road, #26-03 Oxley Tower, Singapore 068906
 Tel: +65 6236 9350
 Fax: +65 6532 9937
 Website: www.shopper360.com.my

CHAIRMAN'S STATEMENT



*I can do all things
through Christ who gives
me strength
~ **Philippians 4:13***

CHEW SUE ANN
Executive Chairman and
Group Managing Director

Dear Shareholders,

FY2022 was a challenging year for shopper360 as we navigated through another lockdown when the financial year began from June to September 2021 due to widespread COVID-19 infections in Malaysia. Both Singapore and Malaysia experienced a contraction in advertising spending in in-store and promoter sampling, and events came to a grinding halt. Consumer brands were not keen to hire promoters and they had to put their events and roadshows on hold. Our consumer electronics customers also had to freeze hiring as retail stores selling consumer electronics were not seen as essential services and were not allowed to open during the Movement Control Order 3.0. We saw a contraction in our manpower hiring and management services during the first half of FY2022 but experienced a positive turn in the second half when the economy re-opened. Consumer electronics brands once again started to request for more manpower to operate its retail stores.

Being a services company, we experienced a big shift in the employment market. Young people were starting their own businesses, delving into cryptocurrency trading, and moving to gig work such as Grab or AirAsia driving and deliveries. Many industries such as retail, food and beverage and hospitality faced a shortage of staff and shopper360 was no exception. Much attention was placed on building a strong talent pipeline, participation in university roadshows to hire fresh graduates and career fairs to enhance our employer brand.

During the past year, we continued to focus on digitalizing our business. We started a sales distribution company to help our customers increase distribution points and deepened our expertise and speed for digital contest execution through our own proprietary game engine - helping brands create cost effective digital contests that are not only fun for shoppers but impactful in terms of sales returns for the brands.

It has been a tough two years since the pandemic hit us all globally, but I am thankful we survived and that our core businesses continue to make a profit so that we can invest in new services for our customers

such as sales distribution (Marvel Distribution) and retail data, insights, and automation (Avinity Analytics). Our investee companies are enjoying good revenue growth and our capital deployment towards these start-ups, particularly Lapasar's B2B wholesale platform managed by Lapasar Sdn Bhd, has contributed positively to the 'total comprehensive income attributable to equity holders of the company'.

We look forward in the coming months to share and re-engage with existing and new customers on our evolving and innovative services so that we can help them drive recovery and growth in their own businesses.

I want to thank my senior management team, for navigating through this tough season with me, the board of directors for their guidance, and the hard work and support of the staff who worked tirelessly over many weekends and late nights to complete the work we do in every one of our businesses. I also want to thank our suppliers for partnering with us, and our customers and clients who continue to invest in our services. Thank you, shareholders for your understanding, patience, and support as we continue to transform and thrive for the future.

Finally, I want to give praise and thanks to God for His providence and grace to overcome the challenges in this past year.

SUE ANN CHEW
Executive Chairman

BOARD OF DIRECTORS

Chew Sue Ann ("**Ms Chew**") is our Executive Chairman and Group Managing Director and was appointed on 27 December 2016. She is the daughter of the founder of the Group, the late Mr. Raymond Chew. She is responsible for overseeing the overall business development and general management of the Group, and formulating the Group's strategic directions and expansion plans. Her involvement in the Group started with her appointment as a member of the board of directors of Pos Ad Sdn Bhd in 2004, and she later became the executive chairman of Pos Ad Sdn Bhd in December 2011.

In May 2009, Ms Chew was appointed to the board of directors of IACT College Malaysia. Two years after that, in 2011, she was appointed as its executive chairman until she relinquished her role on 30 November 2016. Her past experience outside the Group also includes her tenure with Temporal Brand Consulting Sdn Bhd and her role as a category assistant manager at Kraft Foods Singapore Pte Ltd (now known as Mondelez Singapore Pte Ltd).

Ms Chew graduated cum laude from BIOLA University with a Bachelor of Science in Business Administration in 2003.



CHEW SUE ANN
Executive Chairman and
Group Managing Director

James Ling Wan Chye ("**Mr Ling**") joined the Company on 8 January 2018 as the Director of Corporate Finance and Strategy. On 1 December 2021 he was appointed Executive Director of the Company.

Mr Ling brings his regional FMCG corporate experience on board the family-founded business. He has cross-functional experience and takes a collaborative approach in driving teams to achieve business strategy and goals of the Group.

Prior to joining the Group, Mr Ling spent almost fifteen years in Fonterra Co-operative Group Ltd across New Zealand, Singapore and Malaysia, holding various positions in its finance department at global, regional and local levels including as Finance Director of Fonterra Brands Malaysia. In addition to his financial experience, Mr Ling held roles in operations, marketing and sales in Singapore and Malaysia.

Mr Ling has also worked with PriceWaterhouseCoopers (New Zealand). Mr Ling graduated from the University of Auckland, New Zealand in 2000 with a Bachelor of Commerce (1st class honours), majoring in accounting and finance. He was a fellow member of the Chartered Accountants Australia and New Zealand (CAANZ).

He is the Chairman of a non-profit non-governmental organisation ("**NGO**"), Dignity For Children Foundation and Dignity Education Sdn Bhd.



JAMES LING WAN CHYE
Executive Director

Hew Koon Chan ("**Mr Hew**") is our Lead Independent Non-Executive Director and was appointed on 19 May 2017. He is the chairman of the Company's audit committee ("**AC**") and a member of the nominating committee ("**NC**") and remuneration committee ("**RC**").

Mr Hew began working as a process engineer in 1986 for Texas Instruments Singapore Pte Ltd. In 1988, he was employed as an investment analyst and rose through the ranks to become an investment director at Seavi Venture Services Pte Ltd which is affiliated with Advent International, a global private equity firm.

Mr Hew established Integer Capital Pte Ltd in 2004 which provides business consultancy to clients on mergers and acquisitions. He presently also sits on the board of directors of companies listed on the Singapore Exchange, namely Resources Global Development Limited and Oiltek International Limited.

Mr Hew graduated from the National University of Singapore in 1986 with a Bachelor of Engineering (Mechanical). In 1987, he graduated from the Singapore Institute of Management with a Graduate Diploma in Financial Management and also obtained his Certified Diploma in Accounting and Finance from the Chartered Association of Certified Accountants (UK).



HEW KOON CHAN
Lead Independent Director



MARGARET AU-YONG
Independent Director

Margaret Au-Yong ("**Ms Au-Yong**") is our Independent Director and was appointed on 19 May 2017. She is the chairman of the RC and a member of the NC.

She has over 31 years of experience in the media and marketing industry. She started her career at Sin Chew Jit Poh in 1975, she joined Union45 Sdn Bhd in 1983, and from 1991 to 1998, she was with Saatchi & Saatchi Pte Ltd, a renowned global communications and advertising agency.

In 1998, she was appointed managing director of CIA Medianetwork Malaysia Sdn Bhd ("**CIA**") and subsequently, after the acquisition of CIA's parent company by WPP Plc in 2003, MEC Global was formed, Ms Au-Yong was then the chief executive officer for 3 years.

In 2006, she was appointed as the head of media, marketing and facilities for Tune Group Sdn Bhd and also represents the group in the Malaysia Retail Chain Association.

Ms Au-Yong is a council member of both Malaysia National Publisher Association (MNPA) and Malaysian Media Specialist Association since 1990 and 1998 respectively. Between 2010 and 2012, she was the audit chairman and vice president of the Audit Bureau of Circulation, and from 2016 to 2018, she served as the president of the Malaysia Advertisers Association (MAA).

Ms Au-Yong graduated from the University of Malaya in 1973 with a Bachelor of Arts (Hons).



**RAJA SINGHAM A/L
S.SUKUMARA SINGHAM**
Independent Director

Raja Singham A/L S.Sukumara Singam ("**Mr Raja**") was appointed as Independent Director on 27 July 2022. He is also the chairman of the NC and a member of the AC.

Mr Raja is the co-founder and Managing Director of the BAC Education Group ("**BAC**"). He is also an educator, entrepreneur, and a founding member of a range of companies specialising in education, corporate training, advertising, publications, and IT development.

Most recently, Mr Raja received the National Outstanding Educationist Award in 2021 from the Private Education Co-operative of Malaysia and was also named Education Man of the Year by the Brand Laureate for his significant contribution to the Malaysian higher education sector. Under his leadership, BAC was awarded the ASEAN Business Awards Malaysia for Best in CSR for 6 consecutive years from 2016 to 2021 and the Malaysia Technology Award for Online Services (Education) in 2021 and 2022.

Mr Raja holds several key portfolios, including his appointment as Secretary to the ASEAN Business Advisory Council ("**ABAC**") and council member of ABAC Malaysia. He is also the lead mentor of the ASEAN Mentorship for Entrepreneurs Network (AMEN) in Malaysia under the ABAC. He was named a Circle Expert, by the Malaysian Government, for Transformasi National 2050 (TN50) on Work and Value Creation in 2017, and was appointed as an advisor for the drafting of the Malaysian Indian National Economic Plan which was launched in 2017.

He obtained a Bachelor of Laws (LLB) Honours from the University of Buckingham in 1989 and Certificate of Legal Practice (CLP) from Legal Professional Qualifying Board Malaysia in 1990.



ZAFFARY BIN AB RASHID
Non-independent
Non-executive Director

Zaffary Bin Ab Rashid ("**Mr Zaffary**") is our Non-Independent Non-Executive Director and was appointed on 19 May 2017. He is a member of the NC and RC of the Company.

Mr Zaffary is currently the executive director of investments and business at Koperasi Permodalan FELDA Malaysia Berhad. He is also a non-executive director of Gold Coin (M) Group Sdn Bhd, KPF Palm Oil Mill Sdn Bhd and an alternate director of Noweia Industries Sdn Bhd.

He graduated from the Southern New Hampshire University, USA (formally known as the New Hampshire College) in 1997 with a Bachelor of Science majoring in Economics and Finance.

SENIOR MANAGEMENT TEAM



ANGELINA OOI

Chief Executive Officer of Tristar Synergy Sdn Bhd and Gazelle Activation Sdn Bhd

Angelina Ooi ("**Angelina**") has been the Chief Executive Officer of Tristar Synergy Sdn Bhd ("**Tristar Synergy**") since September 2007. In 2022, she helmed a new portfolio by taking on Gazelle Activation Sdn Bhd. She started her career with ACA Pacific Technology (M) Sdn Bhd in 1991, and has accumulated twenty-six years of experience in sales, marketing and business development.

In April 1996, Angelina began her engagement with the then EPSON Trading (M) Sdn Bhd until August 2007. She later incorporated Tristar Synergy, and subsequently sold a minority interest in Tristar Synergy to shopper360 Malaysia in August 2015. Tristar Synergy was subsequently acquired by shopper360 Malaysia pursuant to a restructuring exercise in connection with the Company's listing on the Catalyst board of the SGX-ST. She is currently a non-executive director of Tristar Marketing Sdn Bhd and Global Color Services Sdn Bhd.

Angelina graduated with a diploma in business administration from The Association of Business Executives in 1992.

Ooi Chee Kee ("**CK**") joined our Group as the Chief Executive Officer of Jump Retail Sdn Bhd ("**Jump Retail**") in July 2018. With over nineteen years of experience in the FMCG industry under his belt, his role includes taking the lead in strategy management, operations, administration and business development of Jump Retail and Retail Galaxy Sdn Bhd.

CK first started out in Diethelm (M) Sdn Bhd (now known as DKSH Malaysia Sdn Bhd) back in 2001, and was the operation director of Jump Retail from 2008 to 2012, customer business manager for Nestlé from 2012 to 2016, regional distributor manager of Nestlé from 2016 to 2017, and went back to DKSH Malaysia Sdn Bhd as modern trade General Manager from 2017 before returning to our Group in July 2018.

CK graduated with an Advanced Certificate in Marketing from AMSET Business School in 1996.



OI CHEE KEE

Chief Executive Officer of Jump Retail Sdn Bhd and Retail Galaxy Sdn Bhd



MAY KIM HUI YEE
General Manager of Pos Ad Sdn Bhd and shopperplus Singapore

May Kim Hui Yee ("**May Kim**") has been a part of Pos Ad Sdn Bhd ("**Pos Ad**") for over fourteen years. For the last five years, she has worked as the Client Service and Marketing Director, responsible for the sales, marketing, and client servicing side of the business of Pos Ad and Gazelle Activation.

As shopper360 looks to expand, May Kim has progressed to General Manager of Gazelle Activation. She has worked for clients such as Heineken Malaysia and Goodyear. In 2020, she was appointed as General Manager for Pos Ad, overseeing the sales and marketing as well as the operations of Pos Ad.

In early 2021, she took on a new portfolio and now oversees shopperplus Singapore's overall business and operations for the region.

May Kim graduated from Anglia Ruskin University, UK in 1999 with a Bachelor of Business Administration (Corporate Administration) (Honours).

Lee Jun Ling ("**Jun Ling**") joined our Group under the Group Business Development function in May 2017. In 2019, she was appointed as General Manager of shopperplus Malaysia and is responsible for the business development and operations of shopperplus Malaysia and has a proven track record in achieving results.

From September 2013 to November 2015, Jun Ling was the chief financial officer and head of business delivery unit of Geometry Global Sdn Bhd. Prior to that, she was the commercial controller for Grey Worldwide Sdn Bhd and its group of companies in Malaysia from February 2005 to August 2013.

Jun Ling graduated with a Bachelor of Commerce from University of Melbourne and is a fellow of CPA Australia.



LEE JUN LING
General Manager of shopperplus Malaysia

Gary Siew Kok Yoong ("**Mr Siew**") joined the Company on 1 September 2022 as the Financial Controller.

He is responsible for the financial and accounting function of the Group, including internal controls and taxation. Prior to joining the Company, he was the Financial Controller of a Malaysian public listed company, namely Carlsberg Brewery Malaysia Berhad.

Mr Siew has more than 26 years' experience in finance and accounting and has held several key roles in various multinationals and listed companies across several industries, including fast-moving consumer goods ("**FMCG**"), oil and gas and finance shared services. Early in his career, he was an auditor with KPMG.

He is an Associate Member of The Chartered Institute of Management Accountants UK (CIMA)(ACMA), a Chartered Global Management Accountant (CGMA) from the Association of International Certified Professional Accountants and also a Chartered Accountant of The Malaysian Institute of Accountants (MIA).

Mr Siew holds a Master of Business Administration (Marketing) from Nottingham Trent University UK.



GARY SIEW KOK YOONG
Financial Controller

GROUP FINANCIAL HIGHLIGHTS

(A) KEY DATA OF OPERATING RESULTS

	FY2019 RM'000	FY2020 RM'000	FY2021 RM'000	FY2022 RM'000
Revenue	161,085	162,678	153,133	152,158
Profit before tax	7,773	7,043	10,069	7,515
Profit for the year	5,404	3,633	6,563	4,716
Profit attributable to equity holders of the Company	5,185	2,964	5,816	3,729

(B) FINANCIAL INDICATORS

Return on equity	10%	6%	10%	6%
Earnings per share ⁽¹⁾ (RM cents)	4.53	2.62	5.29	3.43

NOTE: ⁽¹⁾ Earnings per share is computed based on profit attributable to equity holders of the Company divided by the weighted average number of ordinary shares during the year (excluding treasury shares).

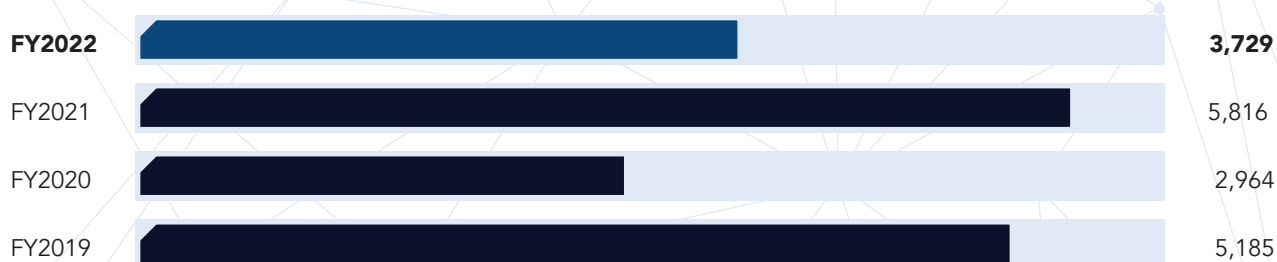
REVENUE

RM'000



PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

RM'000



REVIEW OF THE GROUP'S PERFORMANCE IN FY2022

shopper360 Limited (the **"Company"**, and together with its subsidiaries, the **"Group"**) was incorporated in the Republic of Singapore on 27 December 2016 and listed on Catalist on 30 June 2017. The Group is a well-established provider of shopper marketing services in the retail and consumer goods industries in Malaysia and have more than 30 years of experience in the in-store advertising industry. It offers a comprehensive range of marketing and advertising services that integrate along the entire shopper journey, through in-store experience to loyalty, retention and repeat purchase. The shopper marketing services provided by the Group can be categorized into three main segments, namely (i) Advertising and Marketing segment; (ii) Sales Execution and Distribution segment and (iii) Investment Holding and Others segment (Reportable segments for FY2021: (i) In-store Advertising and Digital Marketing; (ii) Field Force Management; (iii) Sampling Activities and Events Management; and (iv) Others).

REVENUE

Revenue decreased by 1% or RM0.9 million, from RM153.1 million in FY2021 to RM152.2 million in FY2022 due mainly to a decrease in revenue from the Advertising and Marketing segment of RM7.3 million and partially offset by an increase in revenue from the Sales Execution and Distribution segment of RM6.3 million.

Revenue from the Advertising and Marketing segment decreased by approximately RM7.3 million or 15% in FY2022, mainly attributable to a decline in business derived from the Malaysia market due to the Covid-19 pandemic lockdown and more cautious advertising expenditure by customers, which also includes the Singapore market. This is partially offset by revenue growth from the Myanmar market.

Revenue from the Sales Execution and Distribution segment increased by approximately RM6.3 million or 6% in FY2022, mainly due to new customers, and expansion of scope and coverage of existing customers.

COST OF SALES

Cost of sales increased by 2% or RM2.3 million, from RM115.0 million in FY2021 to RM117.3 million in FY2022.

GROSS PROFIT AND GROSS PROFIT MARGIN

Gross profit decreased by approximately RM3.2 million or 8%, from RM38.1 million in FY2021 to RM34.9 million in FY2022. Gross profit margin decreased slightly from 24.9% in FY2021 to 22.9% in FY2022 mainly due to an increase in revenue from the Sales Execution and Distribution segment, which has a lower gross profit margin and was offset by a decrease in the revenue from the Advertising and Marketing segment that contributed higher gross profit margin.

OTHER INCOME

Other income decreased by approximately RM43,000 or 5%, from approximately RM894,000 in FY2021 to approximately RM851,000 in FY2022. This is mainly due to a decrease in gain on unrealised foreign exchange and wage support from the Singapore government under the job support scheme, and partially offset by the hiring incentive and training programme from the Malaysian government.

ADMINISTRATIVE EXPENSES

Administrative expenses decreased by approximately RM1.0 million or 3%, from RM28.9 million in FY2021 to RM27.9 million in FY2022. The decrease was mainly attributable to the Group implementing tighter costs control measures, considering the difficult environment caused by the Covid-19 pandemic during FY2021, as the Group optimised overhead expenses either through reducing or delaying expenses including business development, staff hiring and other overhead expenses.

REVERSAL OF IMPAIRMENT LOSSES ON TRADE RECEIVABLES AND CONTRACT ASSETS

Net reversal of impairment of trade receivables and contract assets was approximately RM0.1 million in FY2022 (FY2021: Net reversal of impairment of RM0.2 million) mainly due to reversal of prior year impairment loss of approximately RM0.3 million on overdue trade receivables and contract assets, conforming with debtor repayments in FY2022, and partially offset by allowance of impairment of approximately RM0.1 million on an overdue trade receivable due to slower repayment and bad debts written off of approximately RM24,000.

FINANCE COST

Finance costs increased by RM28,000 or 24%, from approximately RM119,000 in FY2021 to approximately RM147,000 in FY2022, mainly due to an increase in interest expenses on trade facilities.

SHARE OF RESULT OF ASSOCIATED COMPANIES

Share of results of equity-accounted associate mainly relates to losses incurred by Instanture Holdings Sdn. Bhd. and its subsidiary, Boostorder Sdn. Bhd., which is 10.18% owned by the Company. Losses incurred increased from approximately RM40,000 in FY2021 to RM0.3 million in FY2022, due to the combination of lower revenue and higher salaries and wages.

PROFIT BEFORE TAX

As a result of the above, profit before tax decreased by approximately RM2.6 million or 25%, from RM10.1 million in FY2021 to RM7.5 million in FY2022.

TAX EXPENSE

Tax expense decreased by approximately RM0.7 million or 20%, from RM3.5 million in FY2021 to RM2.8 million in FY2022, mainly due to a decrease in income tax provision of RM0.7 million and deferred tax provision of approximately RM50,000.

REVIEW OF THE GROUP'S FINANCIAL POSITION**NON-CURRENT ASSETS**

The Group's non-current assets increased by RM6.5 million, from RM10.9 million as at 31 May 2021 to RM17.4 million as at 31 May 2022. The increase was mainly due to an increase in (i) property, plant and equipment of RM0.3 million, (ii) investment in associated companies of RM1.7 million, (iii) investment in joint venture of RM1.0 million, (iv) financial assets at fair value through profit or loss of RM1.0 million, (v) financial assets at fair value through other comprehensive income of RM2.8 million, and partially offset by decrease in right-of-use assets of RM0.4 million.

Property, plant and equipment increased by RM0.3 million, mainly due to additions in property, plant and equipment of RM1.3 million, partially offset by depreciation charge of RM1.0 million.

Investment in associated companies increased by RM1.7 million, mainly due to an investment in a new associated company, Troopers Innovation Sdn. Bhd. of RM2.0 million (which the Group completed the acquisition on 27 August 2021), and partially offset by the share of loss from associated companies of RM0.3 million.

Investment in joint venture of RM1.0 million as at 31 May 2022 relates to the investment in Avinity Analytics Pte. Ltd., a joint venture formed with Surge Ventures Sdn. Bhd., to provide data analytics, data science, machine learning and artificial intelligence to retail, e-commerce and marketing-related businesses and brands. The Group completed the acquisition on 19 January 2022.

Financial assets at fair value through profit or loss increased by RM1.0 million, due to an addition of investments in unquoted shares of PB Grocery Group Sdn. Bhd., which the Group placed for the remaining subscription share price.

Financial assets at fair value through other comprehensive income increased by RM2.8 million due to the fair value gain derived from the recent transacted price of the unquoted equity instruments.

Right-of-use assets decreased by RM0.4 million, mainly due to termination of leases of RM0.1 million and depreciation charge of RM1.7 million, partially offset by additions in right-of-use assets of RM1.4 million.

CURRENT ASSETS

The Group's current assets increased by RM4.3 million, from RM69.6 million as at 31 May 2021 to RM73.9 million as at 31 May 2022, mainly due to an increase in (i) inventories of RM0.5 million, (ii) trade and other receivables of RM3.6 million, (iii) contract assets of RM5.7 million, partially offset by a decrease in (i) financial assets at fair value through profit or loss of RM2.1 million, (ii) cash and cash equivalents of RM3.1 million and (iii) tax recoverable of RM0.3 million.

Inventories increased by RM0.5 million mainly due to an increase in trading goods, consisting of fast-moving consumer products of RM0.7 million under the operation of Marvel Distribution Sdn. Bhd. and partially offset by the inventories written off of RM0.2 million.

Trade and other receivables increased by RM3.6 million mainly due to slightly longer payment terms granted to trade debtors and delay in collection from trade debtors.

Contract assets increased by RM5.7 million mainly due to an increase in provision of revenue relating to unbilled services rendered.

Financials asset at fair value through profit or loss decreased by RM2.1 million due to withdrawal of short-term cash investments from financial institutions.

Tax recoverable decreased by RM0.3 million mainly due to refund of tax instalments overpaid in prior years.

Please refer to the section on review of the Group's cash flow statement for explanations on the decrease in cash and cash equivalents of the Group.

NON-CURRENT LIABILITIES

The Group's non-current liabilities increased by RM0.7 million, from RM1.1 million as at 31 May 2021 to RM1.8 million as at 31 May 2022, mainly due to an increase in deferred tax liabilities of RM0.8 million.

CURRENT LIABILITIES

The Group's current liabilities increased by RM6.5 million, from RM21.0 million as at 31 May 2021 to RM27.5 million as at 31 May 2022, due to an increase in (i) trade and other payables of RM1.4 million, (ii) contract liabilities of RM0.3 million, (iii) borrowings of RM5.0 million, and (iv) tax payable of RM0.3 million, and partially offset by a decrease in lease liabilities of RM0.6 million.

Trade and other payables increased by RM1.4 million mainly due to provision of bonuses in May 2022.

Contract liabilities increased by RM0.3 million mainly due to higher advance billings from the Group to its clients.

Borrowings was RM5.0 million as at 31 May 2022 as compared to nil as at 31 May 2021, and borrowings relate to the short term loan and revolving credit facility obtained by a subsidiary, Jump Retail Sdn Bhd.

Tax payable increased by RM0.3 million, mainly due to an increase in taxable profits generated by subsidiaries in FY2022.

Lease liabilities decreased by RM0.6 million mainly due to repayment of lease liabilities of RM1.8 million and partially offset by addition of lease liabilities of RM1.4 million (which mainly relates to motor vehicles under hire purchase facilities, and rental of office and warehouse).

EQUITY

The Group's equity increased by RM3.6 million or 6%, from RM58.4 million as at 31 May 2021 to RM62.0 million as at 31 May 2022, mainly due to an increase in (i) retained earnings of RM0.7 million, (ii) fair value reserve of RM2.2 million and (iii) non-controlling interest of RM0.9 million.

WORKING CAPITAL

The Group reported a positive net working capital of RM46.4 million as at 31 May 2022, as compared to RM48.5 million as at 31 May 2021.

REVIEW OF THE GROUP'S CASH FLOW STATEMENT

Net cash generated from operating activities in FY2022 was RM1.2 million, due to operating cash flow before changes in working capital of RM10.5 million, changes in working capital of RM7.1 million, and payment of income tax expense of RM2.2 million. Changes in working capital were due to (i) increase in inventories of RM0.7 million, (ii) increase in trade and other receivables and contract assets of RM8.1 million, (iii) increase in currency translation adjustments of RM0.2 million, and partially offset by an increase in trade and other payables and contract liabilities of RM1.9 million.

Net cash used in investing activities in FY2022 was RM4.2 million, mainly due to purchases of property, plant and equipment of RM1.4 million, addition of right-of-use assets of approximately RM34,000, advances and investment in associated company of RM1.0 million and RM2.0 million respectively, investment in joint venture of RM1.0 million, purchase of financial assets at fair value through profit or loss of RM1.0 million, partially offset by interest received from banks of RM0.2 million and redemption of financial assets at fair value through profit or loss of RM2.1 million.

Net cash used in financing activities of RM0.2 million in FY2022 mainly relates to repayment of lease liabilities of RM1.8 million, dividends paid of RM3.0 million, repayments to non-controlling interest of RM0.2 million, interest paid of RM0.1 million, partially offset by net proceeds from short term loan of RM5.0 million.

As a result of the above, net cash and cash equivalents decreased by RM3.2 million in FY2022.

FIELD FORCE MANAGEMENT



Jump Retail Sdn Bhd and Retail Galaxy Sdn Bhd has been in the field force business in Malaysia since 1994 and 2017 respectively.

We support brands in customizing merchandising plans, optimizing sales opportunities at a retail level, while maintaining world class in-store visibility.

Our dedicated reporting platform enables brands to make better and timely decisions, and is an informative tool that comes with real-time data analytics.

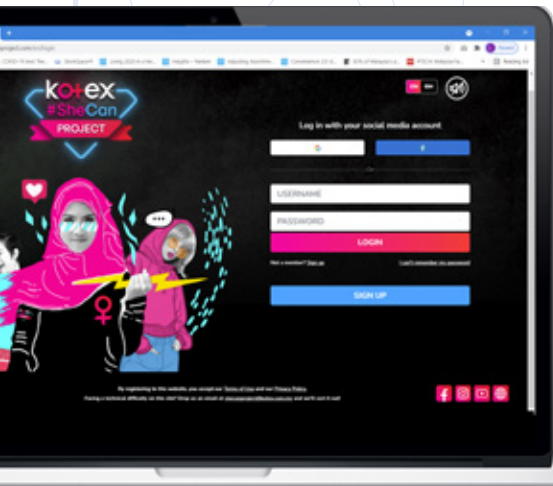
The services and support provided by our high performance team has been a key success factor for both internal and external stakeholders.

We aim to expand into East Malaysia and Singapore in the coming years.





CREATIVE



shopperplus help brands strategize, plan and execute integrated marketing plans with emphasis on shoppers; from consideration and planning stages to the point of purchase. We partner with retailers to understand and craft precise category and communication strategies, as well as best in class operations practices. We combine our insights in channel and shopper behavior and craft unique marketing strategies to help brands WIN WITH YOUR SHOPPER!

shopper+
MALAYSIA

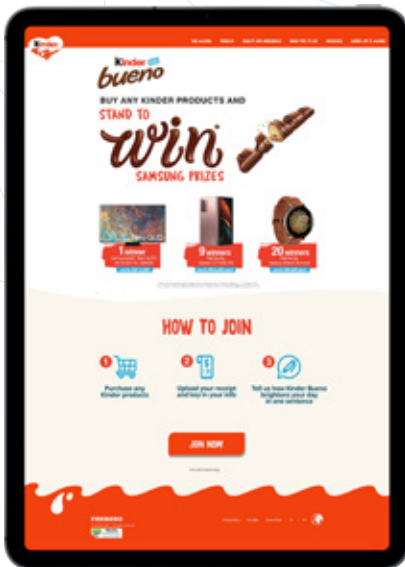
shopper+
SINGAPORE

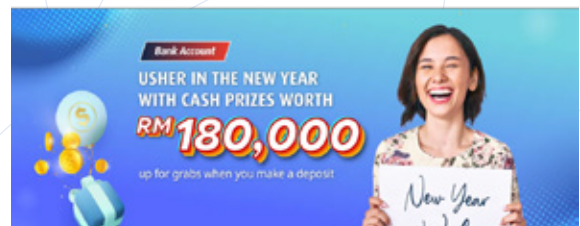
shopper+
MYANMAR



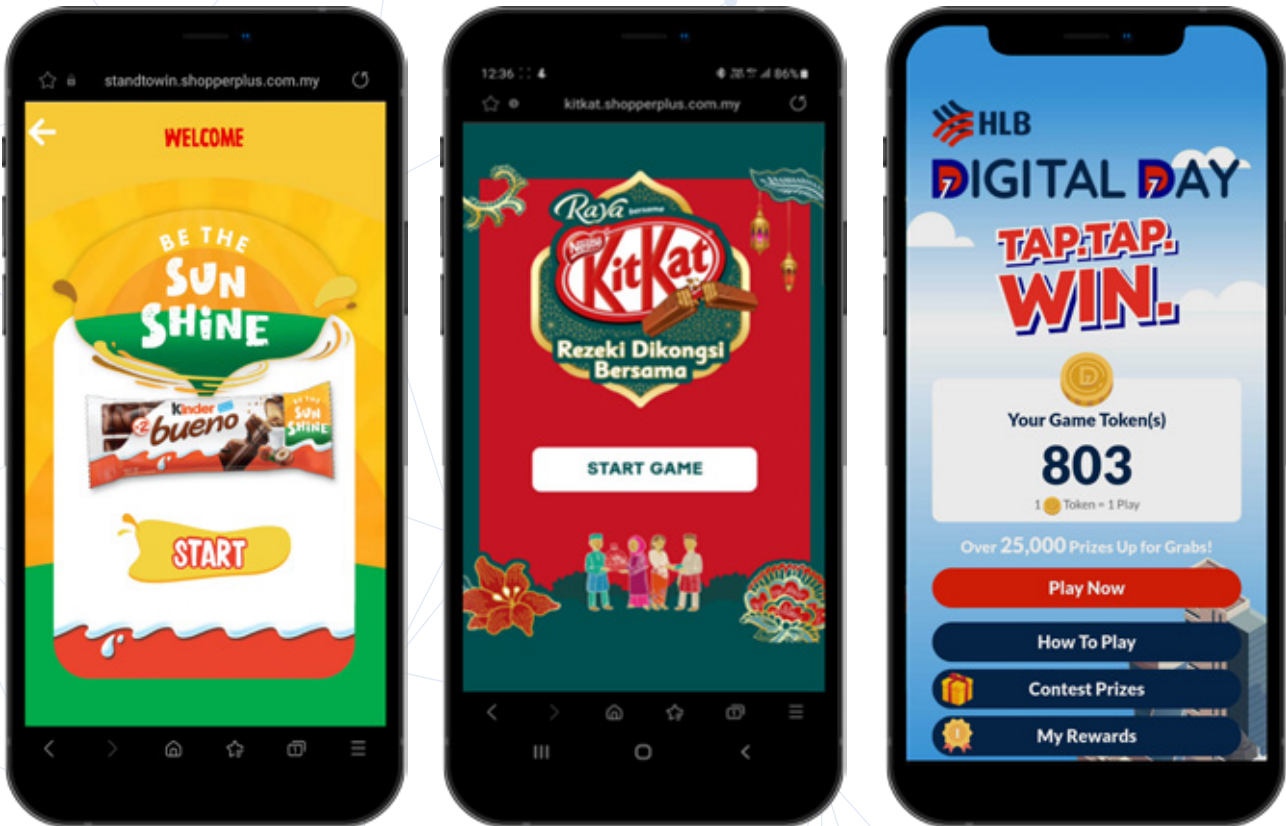
CONTEST MANAGEMENT AND FULFILLMENT

At shopperplus Sdn Bhd, we help our clients deliver and execute smart contest solutions in the most effective way. We develop campaign strategies based on target consumer insights and objectives, which includes type of contest, mechanics, channel, winner and prize matrix to increase submission and engagement.





DIGITAL ENGAGEMENT

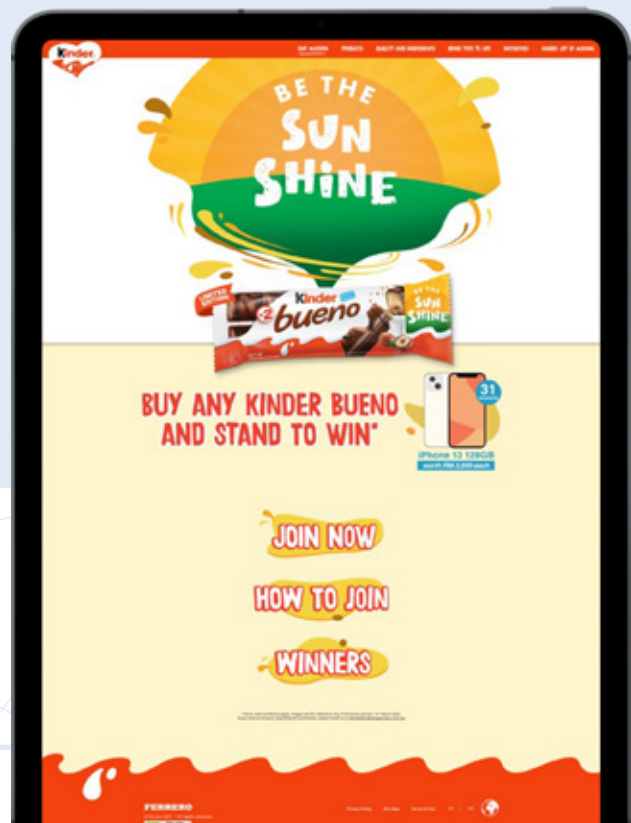


Gamification: shopperplus gaming platform is a game engine made available for customization of games for brand needs. Our game engine provides the architecture that clients and developers can use to run the game and enable them to focus on unique experiences of the game such as game level, character and game story, element textures and interactivity within the game.

Virtual Promoter: Our virtual promoter platform is built for engagement and interaction. Our platform is built with CRM capabilities, omnichannel promoter engagement with assisted ordering and merchant partner operations solutions.

Virtual Expo: Our platform is built with CRM capabilities, multi zone, brands and center stage omnichannel event/expo solutions to complement and expand the reach of our brand experience beyond offline channels.

shopper+
MALAYSIA



RETAIL SOLUTIONS



A win-win partnership that propels our PARTNER to be the unbeatable leader at best-in-class customer experience and future proofing against competitors. We work with our PARTNER as one team to design and implement the most effective and efficient retail strategy, ensuring our objectives are met on time and in full .

shoppert+
MALAYSIA



IN-STORE ADVERTISING

shopper360 Limited has been offering in-store advertising services for over 30 years, starting originally in Malaysia, through its subsidiary, Pos Ad, before opening up to new markets in Singapore (shopperplus Singapore) and Myanmar (shopperplus Myanmar).

Pos Ad constantly strives to create innovative ways for shoppers to engage with brands, reaching 70% of Malaysian shoppers across over 4000 key retail channels, hypermarkets, modern trade, and convenience stores within Malaysia.

shopperplus Singapore embraces Singapore's vibrant retail culture and trends to provide omnichannel media solutions that support 360 degree brand engagements, alongside a partner network of key retail channels and chains in Singapore.

shopperplus Myanmar is the definitive in-store media provider in Myanmar, with the largest modern trade and retail network – City Mart Holdings, guaranteeing its brand and products reach the ever-growing consumer market, with comprehensive in-store communication, merchandising and activation solutions.





ACTIVATION & EVENTS



Tristar Synergy Sdn Bhd, Gazelle Activation Sdn Bhd and shopperplus Myanmar Pte Ltd create immersive and engaging brand experiences through all kinds of events from on-ground to roving promoters, roadshows, product launches, in-store sampling, concourse events and more. With the ultimate aim to elicit positive and impactful brand experiential engagement for consumers.



Gazelle Activation Sdn Bhd continuously innovates and highlights latest digital technology such as Augmented Reality (AR) in our events. We conceptualize and execute creative ideation for videography and events.





DISTRIBUTOR

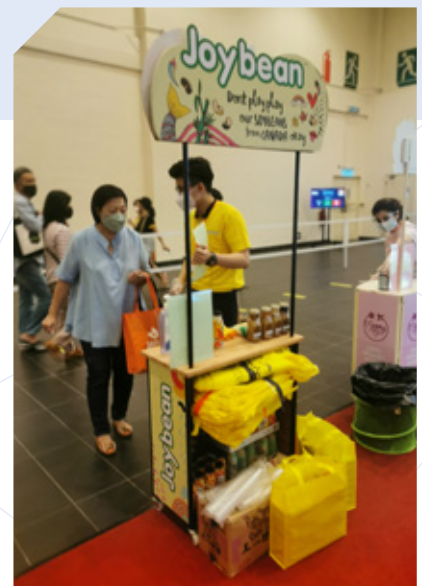


The marketing and distribution arm of shopper360 Limited, a seamless B2B tech driven experience connecting brand owners with retailers. Marvel Distribution Sdn Bhd delivers products directly to General Trade, Modern Trade, Convenience Stores and Petrol Mart while-on-the-move with our very own van sales team.



Growing from one warehouse in the central region to now three including the northern and southern regions of Malaysia, we are becoming a full fledge distributor for some local and international brands.





INVESTEES COMPANIES



Avinity Analytics Pte Ltd (“**Avinity Analytics**”) is a joint venture between shopper360 Limited and Surge Ventures Sdn Bhd, incorporated in Singapore on 19 January 2022. Avinity Analytics is a data solutions provider that focuses on retail and consumer brands in Southeast Asia. Its solutions include data analytics, data science, machine learning and artificial intelligence, with the main objective of enabling data-driven work processes for clients. This allows its clients to make better decisions and improve their operations and bottom line.

Through the discovery of hidden insights, automation of repetitive operation tasks and prediction of sales outputs for better planning, retailers and consumer brands are able to benefit from Avinity Analytics’ solutions in sales and marketing, inventory, and other operational functions.

Avinity Analytics is currently developing new data management, machine learning and artificial intelligence solutions to resolve the challenges faced by retailers and consumer brands. These are expected to be the core drivers for its growth in the Southeast Asia region in the coming years.

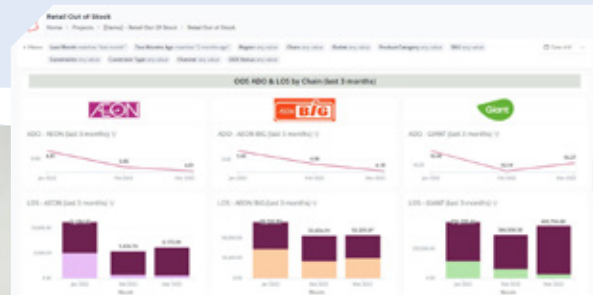
For more information, please visit www.avinityanalytics.com

Contact details:

E: hello@avityanalytics.com

M: +6016-6152149

Scan here for Avinity Analytics’ video introduction





Boostorder – Bringing Businesses to the Next Level via business-to-business (“**B2B**”) Sales and Cashflow Automation.

Established since 2017, Boostorder Sdn Bhd (“**Boostorder**”) has been serving more than 250 brands and distributors spanning across multiple industries, including FMCG, Apparel and Automotive, just to name a few.

The company of around 35 employees prides itself with its robust suite of products that provides an end-to-end solution for the B2B trade flow, from order to fulfilment.

Some of the products include:

- 24/7 B2B portal for customers to place orders, make payments, execute product returns, and view purchase history
- Sales and field force automation platform (suitable for field/tele/van sales, merchandisers and promoters)
- Warehouse mobility platform
- Route planning and driver application
- Real time interactive dashboards for full data visibility
- B2B payment, financing and auto-reconciliation solutions
- Seamless two-way integration with major ERPs and accounting systems

Boostorder has since successfully helped businesses digitally transform their operations and workflows, allowing them to

accelerate their growth by increasing overall revenue, reducing operating costs significantly, improving customer experience as well as improving business cash flow.

Throughout the years, Boostorder has also fostered close relationships with its partners, including software companies such as Microsoft and SAP, as well as financial institutions such as Boost Credit & UOB. Through collaborative efforts such as system integrations and events, this has greatly strengthened Boostorder’s suite of solutions and expanded its customer base.

Earlier in 2022, the holding company of Boostorder, Instanture Holdings Sdn Bhd had managed to raise a total of RM1.5 million for its pre-series A funding, backed by the chairman of a global leading agribusiness group.

Till today, Boostorder is constantly improving and innovating based on the current market needs and trends to stay relevant and competitive in the market. As the company looks forward to an even more exponential growth in the next few years, the team continues to hold firm to its values that have brought them to where they are so far – Customer Success, Continuous Improvement and Trust.

For more information, please visit www.boostorder.com





Lapasar Sdn Bhd ("**Lapasar**") is a Malaysian based online wholesaler in the FMCG space. The company started out as a B2B platform in 2018, connecting corporate buyers to a pool of suppliers. In mid-2020, Lapasar launched the second pillar of its company, a FMCG wholesale segment, which is the growth driver for the company today.

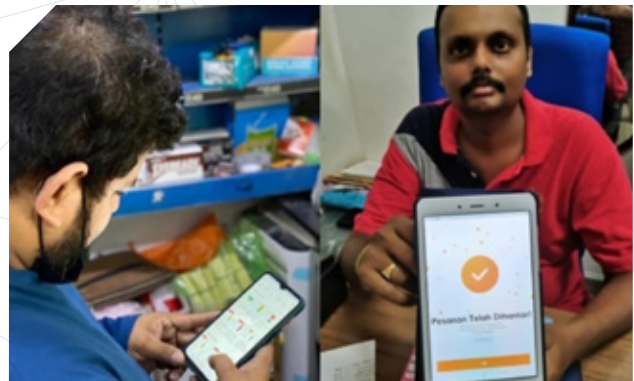
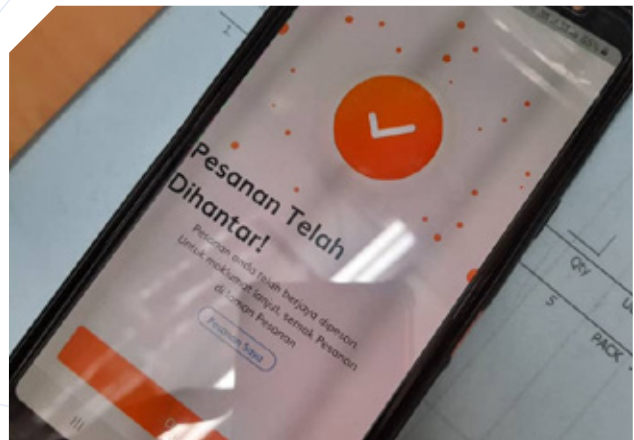
In the wholesale segment, Lapasar provides mom-and-pop stores and restaurants with a mobile app, namely Lapasar Borong, to order their supplies. Once an order is placed on the app, Lapasar offers free delivery to the customers within 24-72 hours. Examples of items sold are soft drinks, instant noodles, and creamers. Traditionally, mom-and-pop stores or restaurants would either place orders with a number of different distributors, as each distributor only carries 1 to 3 brands, or self-pickup items from physical wholesalers. Lapasar combines the convenience of delivery, while offering products across multiple brands, making it a convenient one-stop-centre for customers.

Since the launch of the wholesale segment in June 2020, Lapasar has grown to 1,500 customers in mid-2021, and to more than 4,200 customers in mid-2022. What started as a 5,000 square foot ("**sqft**") warehouse in Sungai Buloh, it has since grown to 3 warehouses across Perak, Johor Bahru and Shah Alam with a collective capacity of over 100,000 sqft.

In 2021, Lapasar successfully raised RM9 million in funding. They were also recently listed as one of the Leading 10 Emerging Giants in Malaysia in a report by KPMG and HSBC dated July 2022.

With a headcount of over 200 employees, Lapasar is committed to expand the company's reach and service to over 10,000 customers by the end of 2023.

For more information, please visit www.lapasar.com





Potboy Grocery Group Sdn Bhd (“Potboy”) is the first omni-channel grocer in Malaysia that aims to hold the torch in the digital transformation of a century-old FMCG industry. Initially starting off as an online grocery platform providing free delivery throughout Klang Valley and Seremban, Potboy has since expanded into brick-and-mortar stores in April 2021.

Setting its mission in pioneering a new revolution of online-merge-offline (“OMO”) in Malaysia, Potboy launched its first OMO concept store in April 2021. As at August 2022, PotboyMart has more than 70 operating stores nestled in various neighbourhoods within Klang Valley.

Staying true to its mission, PotboyMart commenced its first OMO shopping experience through their 11.11 Sale where all items in both its online and offline stores were sold at a 50% discount on the same day, on the condition that customers would have to shop at PotboyMart first before receiving a unique promo code to shop on its online store at a 50% discount. More than 50,000 customers had participated in the 11.11 Sale and Potboy’s website has shown a massive increase in its total number of registered users from this event alone.



PotboyMart has also established its branding as a friendly neighbourhood grocery store with two campaigns focused on spreading happiness in an affordable way to every household throughout the community during the gruelling pandemic period, such as through Ice Cream Day and Ramadan Kongsi Rezeki campaign where the company offers ice cream at a 50% discount on every 11th of the month and free items for people in need during Ramadan. Committed to its branding, PotboyMart has recently launched its Kad Roti campaign which will last till the end of 2022 that aims to lighten the financial burden faced by the community in light of price hikes starting in July 2022. This allows customers who bought Kad Roti at RM1 with a total purchase of RM100 to redeem free bread every day throughout the whole month.

From July 2021 to June 2022, a total of 2,516,709 offline customers had obtained first-hand OMO shopping experience in PotboyMart. Potboy sees a huge interest from its customers as seen from the growth in its website users, and has expectations for OMO shopping to become the norm in Malaysia and benefit more consumers in the future.

For more information, please visit www.potboy.com.my



TROOPERS

Troopers Innovation Sdn Bhd (“Troopers”), a digital human resource solutions platform for flexible work, founded in 2017 has grown to become one of Malaysia’s larger flexible job-matching platform. Founded by co-founders Joshua Tan and Kelvin Lee, Troopers aims to grant equitable access to flexible work for all Malaysians to work and earn in a legitimate, transparent, and accountable ecosystem. Since the launch of the Troopers app in April 2021, the app has garnered over 100,000 verified users and generated over RM12.5 million in income for gig workers, with more than 110,000 shifts transacted on the app.

Since the economy’s post-pandemic recovery, the hospitality and F&B industries have faced a hiring crisis. Troopers has been able to address the difficulties of clients such as TGIF, Pizza Hut, KLCC, Hilton Hotels, the Marriott Group of Hotels as well as a host of other brands by sourcing flexible workers via the Troopers app which encompasses services such as talent recruitment, selection, management, payroll and training to support their manpower needs as a crucial segment of their overall business operations. In addition, Troopers works with a range of esteemed brands across Malaysia such as Carsome, Foodpanda, Maybank, Atome, Shell, BEEP, FLASH, LOL Asia, Shiraz and many more to meet all their flexible manpower needs in terms of on-ground activations, offline marketing, merchandising, in-store promotion, logistics, warehousing, concerts and shared services.

As part of its ongoing commitment in building a flexible ecosystem that is accountable, reliable and of high quality, Troopers launched the Work, Earn & Win campaign to encourage and reward high performance, promote accountability and increase show up rates to provide its clients and hiring managers with a flexible workforce that they can truly rely upon. Talents on the Troopers platform were in return, rewarded with cash prizes, gifts and other app-based rewards such as preferential selection to high paying jobs as well as bonuses on earnings when they achieve ratings of 4 stars and above with consistent show up rates across a 3-month period. Users on Troopers’ app enjoyed these incentives and were able to work with a peace of mind as they were provided with insurance coverage of up to RM25,000 as part of the Troopers Protect Programme.



Troopers has also been recognised by its industry peers as part of the Vendors of The Year Awards 2021 where Troopers took home 5 Gold Awards for the following categories:

- Gold for Best Staffing Firm;
- Gold for Best New Recruitment Firm;
- Gold for Best Attendance Automation System;
- Gold for Best Payroll Outsourcing Partner; and
- Gold for Best Recruitment Portal.

For more information, please visit www.troopers.com.my



CALENDAR OF EVENTS

JUNE 2021 - MAY 2022



shopperplus Singapore team designed, produced and dressed up FairPrice outlets for the launch of 'Local Up with FairPrice' campaign. This campaign was launched by Desmond Tan, Minister of State for Home Affairs and Sustainability and the Environment Singapore.

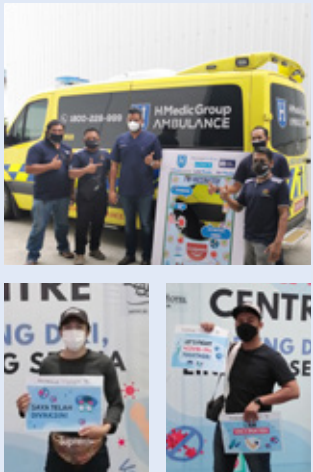


shopperplus Malaysia developed a proprietary gaming platform where game engines are made available for customization of games for brand needs. Our game engines provide the architecture that clients and developers can use to run the game and enable them to focus on unique experience of the game such as game level, character and game story, element texture and interactivity within the game. shopperplus gaming platform <https://carnival.shopperplus.com.my/login>



JUN

shopperplus Myanmar conducted an in-house 'Team Performance Improvement Training'. The objective of this training is to develop leadership skills for all managers, executives and supervisors to further strengthen and improve team performance.

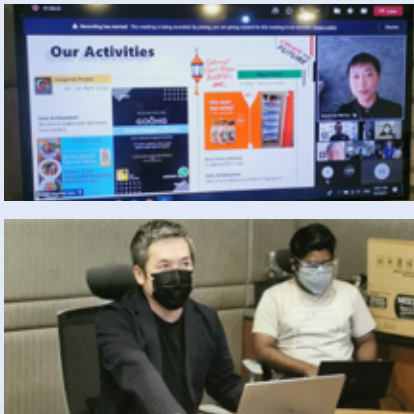


An exclusive Covid-19 vaccination program was organized for merchandisers, supervisors, field managers, operation managers, and the business development team from Klang Valley to expedite the vaccination process for our frontliners.



JUL

shopper360 participated in the 'Food Bank' drive amid the movement control order and donated some essentials such as full cream milk, herbal soup condiments and other items to a few non-profit organisation charity homes, namely Pertubuhan Kebajikan Warga Emas Kenang Budi Kuala Lumpur, Persatuan Kebajikan OKU Hati Berganda Selangor, Pertubuhan Kebajikan Kanak-Kanak Yatim Dan Cacat Perlindungan Selangor, Pertubuhan Kebajikan Orang Tua Cacat Dan Kurang Upaya Taman Connaught and Dignity for Children Foundation.



The Staff Quarterly Meeting for the fourth quarter (Q4) of FY2021 was held virtually in Malaysia, Singapore and Myanmar.



JUL

shopperplus Malaysia had their first breakthrough with a financial institution on digital gaming.

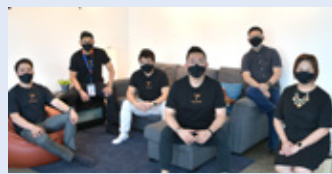
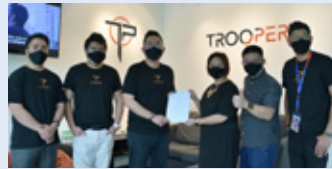
CALENDAR OF EVENTS

JUNE 2021 - MAY 2022

AUG

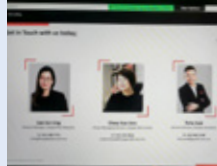
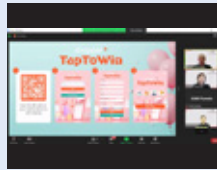


Together with Mondelez Malaysia, Tristar Synergy and shopperplus Malaysia collaborated in a CSR campaign, namely the #kitajagakita initiative, to reach out to help the B40 by distributing essential items to more than 700 households during the pandemic. Our team travelled within central and southern regions of Malaysia to collect items from donors and distribute them to the receivers.



shopper360 Ltd invested in gig economy, Troopers Innovation. Troopers is a digital manpower solutions company that specialises in part-time recruitment, human resource management and technology-enabled job matching for the gig economy. The signing ceremony was held at Troopers Innovation.

AUG

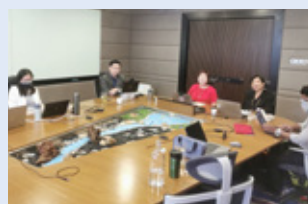
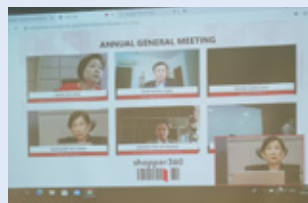


We held an online Virtual Marketing Event to share how brands have successfully pivoted during the pandemic through appealing digital contests, engaging virtual activation and augmented reality experiences. Based on real experience with our in-house speakers Tony Law, Account Director of Gazelle Activation and Lee Jun Ling, General Manager of shopperplus Malaysia, we have successfully engaged 60 participants from various brands.



shopperplus Myanmar has set up its 'Office Covid-19 Fighter Task Force', in view of Myanmar's Covid-19 crisis. An oxygen concentrator and oximeter was acquired to support employees who needed it. This came to good use when one of the staff who contracted Covid-19 suffered low oxygen levels.

SEP



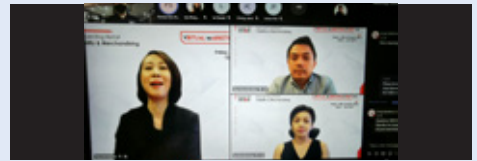
shopper360 Limited's Annual General Meeting (AGM) was held virtually on 28 September 2021.



The Company's Ipoh branch office moved into bigger premises to make way for the storage of Marvel Distribution's products.



We had a massive headquarter recycling day, with a whopping 3,800kg of recyclable waste disposed from Pos Ad, Jump Retail, Retail Galaxy and shopper360's storerooms.

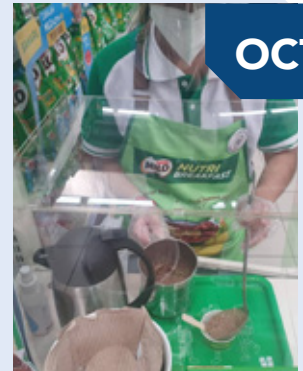


OCT

The Company held its Virtual Marketing Event 2.0 entitled 'Reinventing Retail Visibility & Merchandising' on how retail visibility and merchandising can help your brand grow, making it visible and available at all times. The sharing was based on real experience with our in-house experts, May Kim, the General Manager of Pos Ad Media and shopperplus Singapore, and Ray Yeow, the Business Management Director - Merchandising.

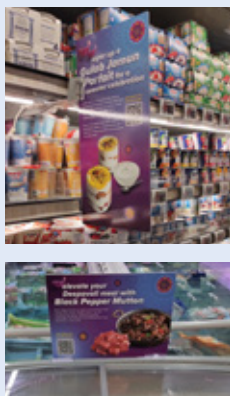


As Myanmar celebrated 'Thadingyut', also known as the Lighting Festival of Myanmar, our colleagues in shopperplus Myanmar held a small ceremony in the office. The team also prepared gifts and goodie bags for our loyal customers in conjunction with this festival.



OCT

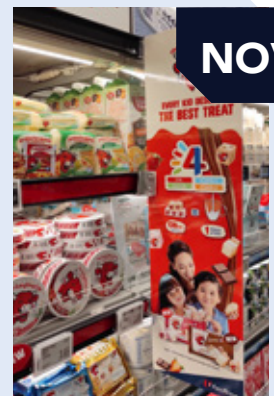
After two years of restrictions due to Covid-19, in-store activation for wet sampling is back in 3 chains, namely Giant, Aeon and Aeon Big. Additional hygiene and safety precautions were in place to ensure the safety of both our frontliners and consumers.



shopperplus Singapore dressed up FairPrice outlets for the Deepavali festivities, with interesting ideas for delicious festive meals.



Jump Retail and Retail Galaxy celebrated 'Merchandising Appreciation' online, where lucky draws and goodie bags were distributed through the team leaders and supervisors.



NOV

A new product category, namely 'Dairy Cheese' came on board shopperplus Singapore.

CALENDAR OF EVENTS

JUNE 2021 - MAY 2022

DEC



shopperplus Singapore created a Christmas festive ambience in FairPrice stores with Christmas decorated experiential standee, glass stickers and mini digital screens which showcased ideas for the seasonal feast.



shopperplus Myanmar worked together to buy, pack and distribute 330 gift packs of essential items to lower income families in Tou Chaung village and in conjunction with Christmas, the staff also bought gifts and treats for the children of Obed Home at their own expense. Thank you shopperplus Myanmar for bringing so much cheer to the children and community of Tou Chaung.

DEC



To weather the storm together, 'Tabung Bencana' was raised to help 72 employees who became victims of the devastating flood in the central and east coasts of Malaysia. We successfully raised RM44,000 which contributed to helping rebuild their lives and recover from the flood.



As part of our CSR efforts, Chew Sue Ann, the Executive Chairman and Group Managing Director of the Company and James Ling, the Executive Director of the Company participated in speaking to 47 students who have graduated from International General Certificate of Secondary Education at the Dignity for Children Foundation. A good 90 minutes was spent with them sharing life lessons and how we can bounce back from failures. We also shared attitudes to have to keep growing in our careers.

JAN



Marvel Distribution participated in Tastefully Food Expo from 14 to 16 January 2022 at Mid Valley Exhibition Hall, Kuala Lumpur, 4 core brands, Marry Mi, Starbucks (ready-to-drink), Sorbon and Finna Food. Marvel Distribution was one of the Platinum sponsors for this event.



Avinity Analytics Pte Ltd, a joint venture between shopper360 Limited and Surge Ventures Sdn Bhd was incorporated on 19 January 2022 to provide data solutions focusing on retail and consumer brands in Southeast Asia. Avinity Analytics' solutions will include data management, business intelligence, data automation and artificial intelligence, with the main objective of enabling data-driven work processes for clients.



The Front Office System (FOS) which was first developed in 2011 has been successfully upgraded with new features to meet the requirements of current business practice. FOS is instore media's productivity tool across three markets in Malaysia, Singapore and Myanmar to automate, simplify and ease the flow of work processes for sales, finance and operations.



The Staff Meeting for the third quarter (Q3) of FY2022 cum Chinese New Year celebration was held at the KL HQ office after two years of having the meetings virtually. A live streaming of the event was showcased to our colleagues from Singapore and Myanmar. We also had the traditional lion dance, 'choy san yeh' and firecrackers!



FEB



Tristar Synergy, Gazelle Activation and Marvel Distribution also had their Chinese New Year celebrations on their premises.



Tristar Synergy designed and produced 'Home of Purina' at the Pet Expo Malaysia in Mid Valley from 15 to 17 April 2022.



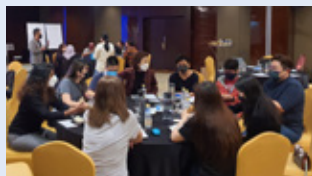
Marvel Distribution southern region officially moved into their new premises - a bigger and more structured warehouse for Marvel Distribution's range of products.



MAR



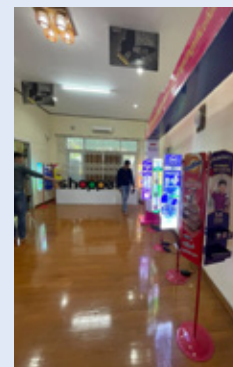
Pos Ad Media had a 2-day strategy meet to discuss areas moving forward, new structures and strategies for the next financial year.



Jump Retail and Retail Galaxy had a 2-day strategy meet to discuss areas moving forward, new structures and strategies for the next financial year.



Marvel Distribution had a 2-day strategy meet to discuss areas moving forward, new structures and strategies for the next financial year.



City Venture's connections visited shopperplus Myanmar's office on 24 March 2022. This included a sharing and learning session where all entities presented their company's profile to allow collaboration between entities to be done seamlessly. shopperplus Myanmar took the opportunity to display and showcase its advertising mediums during this session.



MAR



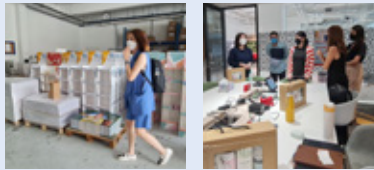
CALENDAR OF EVENTS

JUNE 2021 - MAY 2022

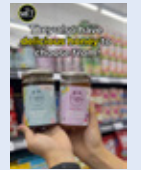
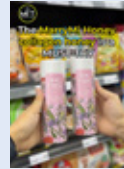
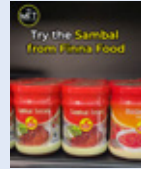
APR



The Senior Management team met together for strategy meet in Redang, to brainstorm on their 3-year corporate strategies moving forward.



As the borders opens for travel, the team from Malaysia went to Singapore for shopperplus Singapore's strategy meet. While in Singapore, they visited clients, production houses and carried out market surveys in the outlets.



We had our first project with Malaysia Food Travel, a collaboration between Potboy Grocer and Marry Mi, also featuring Marvel Distribution's range of products sold in Potboy Mart nationwide, such as Finna Food and Coffee Tree. <https://www.youtube.com/watch?v=ACnwR8uj5ns>

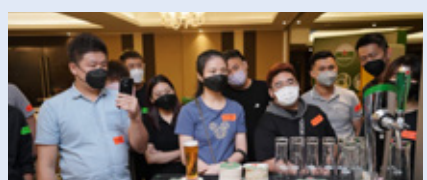
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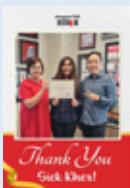
Tristar Synergy and Gazelle Activation had a 2-day strategy meet to discuss areas moving forward, new structures and strategies for the next financial year.



Gazelle Activation successfully organised Heineken Star Academy in 7 regions – Sabah, Sarawak, Melaka, Penang, Perak, Selangor and Kuala Lumpur. Each region would produce a regional winner who would run for championships in the Heineken Star Quality national grand showcase in Kuala Lumpur, in search for the best bartender (a.k.a. National Champion).



MAY



We had our Internship graduation ceremony for our interns who had successfully completed their service with shopper360.

shopper360
RECRUITMENT



We established a new business license for Agensi Pekerjaan S360 Recruitment Sdn. Bhd.

CORPORATE SOCIAL RESPONSIBILITY

FILLING UP 'FOOD BANKS'



Amid the Movement Control Order last year, there was an initiative all over Malaysia to aid communities who were suffering from food shortages, especially for the low-income group, who had to stop work due to the pandemic. Many 'Food Banks' were set up in housing areas, petrol stations and retail outlets, where communities came together to help contribute various necessities with some even providing cooked meals to help those in need to survive the challenging times.

At shopper360, we too did our part to personally make a visit and donate some essentials such as full cream milk, herbal soup condiments and other items to a few non-profit organisations, namely Pertubuhan Kebajikan Warga Emas Kenang Budi Kuala Lumpur, Persatuan Kebajikan OKU Hati Berganda Selangor, Pertubuhan Kebajikan Kanak-Kanak Yatim Dan Cacat Perlindungan Selangor, Pertubuhan Kebajikan Orang Tua Cacat Dan Kurang Upaya Taman Connaught and Dignity for Children Foundation.

SHOPPERPLUS MYANMAR VISIT TO TOU CHAUNG VILLAGE



As part of our goal to give back and positively impact different communities, shopperplus Myanmar ran a CSR program at Tou Chaung village in Hlaing Thar Yar township in Yangon Region on 4 December 2021.

The team, with a total of 32 staff members, participated in preparing packages for donation and 10 staff members were involved in the distribution of packages to the lower income families in the community.



A total of 330 packages were distributed to 330 households in Tou Chaung village. Each bag was filled with rice, cooking oil, soaps, toothbrushes, toothpaste, towels, snacks and other essential items.



On the distribution day, the church community and Tou Chaung village leaders arranged a small Christmas event. The children of Obed Home for Orphans were thrilled when the gifts and treats were distributed. What made it even more meaningful was that these gifts and treats were purchased at shopperplus Myanmar employees' own expense. Through activities such as these, the team developed a stronger team spirit among themselves and a sense of achievement through helping communities in need.

SPEAKING AT DIGNITY FOR CHILDREN FOUNDATION



As part of our CSR efforts, the Executive Chairman and Group Managing Director, Chew Sue Ann ("**Sue Ann**") and the Director of Corporate Finance and Strategy, James Ling Wan Chye ("**James**"), participated in speaking to 47 students who have graduated from International General Certificate of Secondary Education at Dignity for Children Foundation. 90 percent will go on to the workforce whilst 10 percent will continue to study at a university level. Sue Ann and James spent approximately 90 minutes with the students and shared life lessons about facing challenges and bouncing back from failures. They also shared their advice on the importance of having a can-do attitude and enthusiasm in pursuing career growth and progression.



STAFF ENGAGEMENT

TRAINING

Through training and consistent development, we continue to flourish, grow and prosper.



shopperplus Myanmar held its Team Performance Improvement Training that focused on cultivating leadership strength, talent and abilities among the managers and executives.



Constant product trainings are organized for merchandisers and van sales-men to improve their knowledge about the brand.



Jump Retail, Retail Galaxy, Marvel Distribution, Tristar Synergy and Gazelle Activation had their teambuilding event where several trainings were conducted.

Jump Retail, Retail Galaxy and Marvel Distribution conducted a workplace safety training aiming to improve the safety performance and reduce incidents in the workplace.

Meanwhile, Tristar Synergy and Gazelle Activation had brainstorming activities aiming to cultivate and encourage creative and high-order thinking.



NEW JOINER INDUCTION PROGRAMME

The Human Resources department organizes monthly induction programme for new joiners to facilitate the process of getting new employees acquainted with the business and culture, whilst important information on the company's policies are also being presented during the induction programme.



TEAMBUILDING ACTIVITIES

Several subsidiaries of shopper360 held teambuilding events, where the activities throughout the events taught them to grow and empower one another while creating a stronger bond and boosting employees morale.



STRATEGY MEETINGS



The Company's senior management and its subsidiaries held strategy meetings to plan and review their respective 3-year strategies. The teams comprise management, client services, operations and support functions such as finance, human resources, IT and administration.



PHYSICAL CONNECTIONS

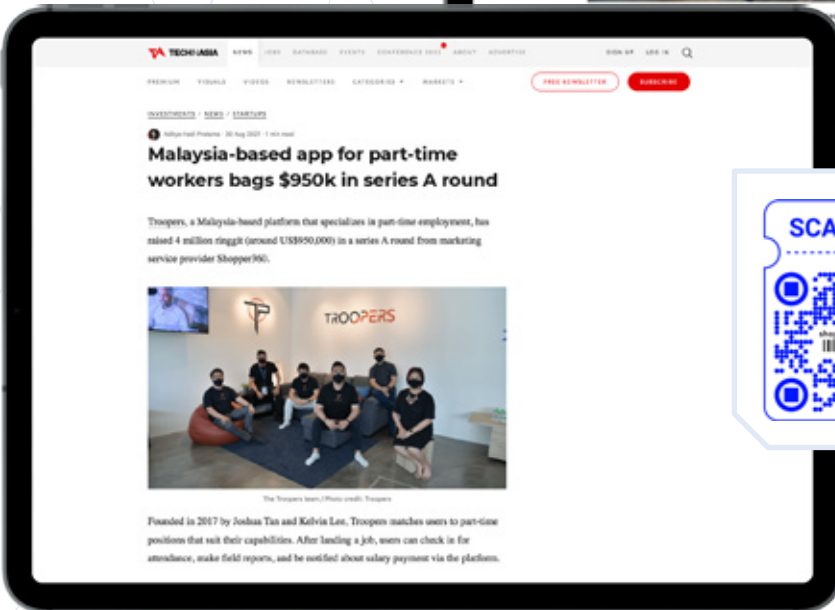
As the economy recovered and rebounded from the impact of Covid-19, international borders have re-opened, restrictions have relaxed, and our daily operations and lives has returned to 'business as usual'.

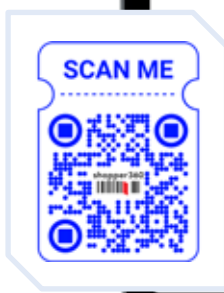
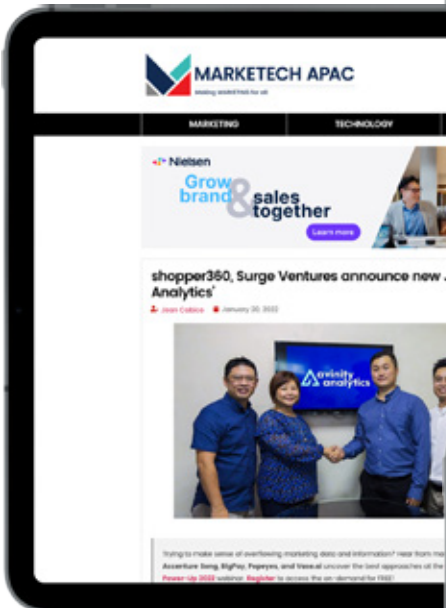
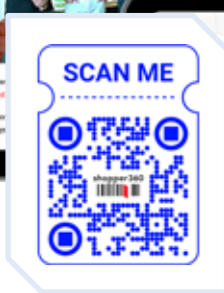
The Group has started to have more physical engagements with clients, retailers and board of directors, with more trainings, meetings, teambuilding activities, re-opening of office facilities and visitations to our regional offices nationwide.





MEDIA HIGHLIGHTS







SUSTAINABILITY REPORT

ABOUT THIS REPORT

We are pleased to present our Sustainability Report for the financial year ended 31 May 2022 (“**FY2022**”) which covers the company’s strategies, initiatives and performance in relation to Economic, Environmental, Social and Governance (“**EESG**”) issues. The scope of this report covers the sustainability performance and practices across our Group from 1 June 2021 to 31 May 2022, unless otherwise stated.

This report, produced in accordance with the Global Reporting Initiatives (“**GRI**”) Standards (Core Option), includes the primary components as set out in Rules 711A and 711B of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual Section B: Rules of Catalyst for sustainability reporting. The GRI Standards were selected as it is an internationally recognised and widely adopted reporting framework that provides guidance to report on sustainability matters.

The GRI content index and relevant references are disclosed on pages 70 to 71 of this report. The data and information provided have not been verified by an independent third party. We have relied on internal data monitoring and verification to ensure accuracy of data and information.

We welcome feedback from our stakeholders with regards to our sustainability efforts as this enables us to consistently improve our policies, systems and results. Please send your comments and suggestions to ir@shopper360.com.my.

BOARD STATEMENT ON SUSTAINABILITY

shopper360 Limited (the "**Company**", and together with its subsidiaries, "**shopper360**" or the "**Group**") is a well-established shopper marketing expert group in Malaysia, with over 30 years' experience in the industry. The Group provides comprehensive marketing and advertising solutions that integrates consumers' journey from digital brand awareness, retail and in store media, to events and active engagements.

The Group has always been committed to sustainability and fully supports the adoption of the SGX sustainability reporting guidelines. We firmly believe that building a sustainable business is vital to our continued success.

The last few years have been a seemingly endless series of incidents as the world continued to experience the direct and indirect impacts of the COVID-19 pandemic, including global supply chain disruptions, resource shortages, employment challenges, inflation and shifts in consumer behavior and focus. These events have underscored both the resilience and fragility of our global economic, environmental, and social systems.

FY2022 has been another year of both achievements and uncertainties as shopper360 navigated its way through a rapidly changing service sector, against these backdrop. The need for innovative solutions has never been more urgent. While there is no silver bullet, embracing technology can help to accelerate the changes that we require. Continuing from the previous year's efforts, digitalizing our business remains our priority moving forward.

This year, we continue to take important steps to improve our service offerings to customers.

We have set up a sales distribution company to help our customers increase distribution points. We have also deepened our expertise and speed for digital contest execution through our own proprietary game engine - helping brands create cost effective digital contests that are not only fun for shoppers

but impactful in terms of sales returns and exposure for the brands.

Digitalization trends such as migration to cloud computing, meetings and trainings being conducted virtually as well as services being fulfilled through online platforms continues to be important moving forward.

shopper360 is committed to protecting the health and well-being of our stakeholders and has taken actions to cushion the impacts of the pandemic. In a challenging year, it was more important than ever to help our local communities. We have implemented initiatives to make a positive social impact, working to protect and support communities where we operate. We have organized food bank drives and distributed essentials to non-profit organizations and reached out to more than 700 households of the Bottom 40% income group during the pandemic.

We continue to focus on health and safety across the Company. This includes distributing hygiene kits (face masks and sanitizers to our promoters and merchandisers) and organizing COVID-19 vaccination for our frontliners. Our Myanmar office also prepared oxygenators for rental and oximeters to support employees who required it. All of our offices in Malaysia were equipped with San Air natural air purifiers to ensure clean air for our staff.

The health, safety and well-being of our employees and their families has been and remains our utmost priority. In mid-December, our country, Malaysia, was faced with torrential downpours for prolonged periods and the resultant flood has affected many lives. To help our affected employees, we have raised RM44,000 to alleviate the cost of repairs to their homes as a result of the flood.

For our Group, sustainability is about the ability to position ourselves and emerge stronger from these impacts.

We continue to maintain oversight over our sustainability directions, strategies and initiatives during the financial year. Our EESG management, monitoring and performance at shopper360 is overseen by the Board, which works closely with the Company's senior management ("**Senior Management**") to define the impact of EESG issues on our business and our stakeholders including our employees, investors and the local communities in which we operate.

We identify material topics for reporting based on the significance of our EESG factors and the degree of influence where we see the most potential for creating maximum value for our shareholders and stakeholders. The materiality assessment was guided by inputs from our management and key representatives from business units as well as some external stakeholders.

Material topics are reviewed annually for their continued relevance according to current global and local trends. In our annual review to prioritise the material EESG matters that are most relevant to our operations, we have concluded that the same matters disclosed in FY2021 remain relevant to the Group in FY2022.

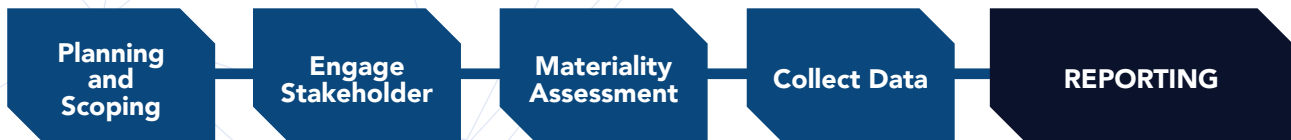
While we are satisfied with our progress so far, we recognize there is much more work to be done. And this cannot be achieved without collaboration with our consumers, retailers, communities and, most importantly, our people. We are working to embed more sustainability-focused approach into our strategy and across all facets of our business.

The Group will continue to make improvements to its sustainability efforts and work with its stakeholders towards promoting sustainability in its businesses.

APPROACH TO SUSTAINABILITY

ENGAGING OUR STAKEHOLDERS

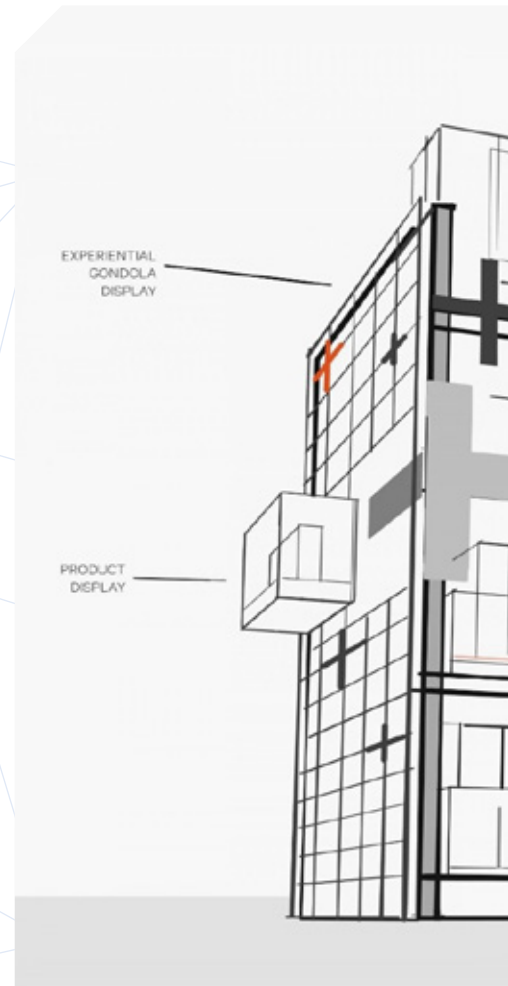
The Group adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders as part of its overall responsibility to secure the long term future of the Company. We believe that responding to rapidly changing stakeholder interests is crucial in sustaining its business growth and as such it is of utmost importance that we engage with our stakeholders to gain valuable insights and understand the issues that they are most concerned with.



We define our stakeholders as those impacted by our business activities, who have direct and indirect involvement and whose interest may have positive or negative consequences due to our business activities. The interests and requirements of key stakeholders are also taken into account when formulating corporate strategies. These key stakeholders include, but are not limited to suppliers, employees, investors and shareholders, customers, government and regulators. We adopt both formal and informal channels of communication to understand the needs of key stakeholders, and incorporate these into our corporate strategies to achieve mutually beneficial relationships. Through the above steps, we were able to gain an understanding of the sustainability issues that matter most to our key stakeholders. We then earmarked the material factors and assessed their materiality in the context of our business operations, with reference to the respective GRI standards.

The Group is committed in engaging all of our stakeholders as part of our continued sustainability endeavors. We view stakeholder engagement as a continual process and not a one-off event. The identification and management of material issues are carried out annually to ensure their relevance to our stakeholders.

Stakeholder engagement and responding to their feedback and needs are part and parcel of shopper360's way of doing business and ensuring long-term success. Their feedback and suggestions will help the Group to adjust its business strategy and operate in a transparent and accountable manner. The following table represents the stakeholder engagement methods which the Group adopts in our sustainability practices to meet the EESG requirements.



STAKEHOLDER	ENGAGEMENT PLATFORM	FREQUENCY OF ENGAGEMENT	KEY CONCERNS
 <p>Suppliers</p>	<ul style="list-style-type: none"> • Face-to-face or virtual (online) meetings and by phone¹ • Vendor Assessment 	<ul style="list-style-type: none"> • When needed • Annually 	<ul style="list-style-type: none"> • Recycled material options • Digitization to reduce paper trail • Product and service quality • Fair Pricing
 <p>Employees</p>	<ul style="list-style-type: none"> • Staff Appraisal • Training and development² 	<ul style="list-style-type: none"> • Annually • Occasionally 	<ul style="list-style-type: none"> • Salary Benchmarking Exercise • Employee capabilities and career development • Sense of belonging and recognition
 <p>Investors and Shareholders</p>	<ul style="list-style-type: none"> • Annual General Meeting/ Extraordinary General Meeting³ • Annual Report • Announcement 	<ul style="list-style-type: none"> • Annually or when needed • Annually • Half yearly (results announcements) or when needed (other announcements) 	<ul style="list-style-type: none"> • Sustainability and business continuity • Innovation • Transparency • Growth & Profitability • Cash & Dividends
 <p>Customers</p>	<ul style="list-style-type: none"> • Face-to-face or virtual (online) meetings, and by phone⁴ • Regular customers' feedbacks • Social Media • Exhibition⁵ 	<ul style="list-style-type: none"> • When needed • Daily • Daily • Occasionally 	<ul style="list-style-type: none"> • Quality of Service • Contracts Fulfilment
 <p>Government and Regulators</p>	<ul style="list-style-type: none"> • Annual Report • Announcement 	<ul style="list-style-type: none"> • Annually • Half yearly (results announcements) or when needed (other announcements) 	<ul style="list-style-type: none"> • Compliance with regulatory and industry standards and guidelines

Notes to the above:

- ¹ Emphasis was placed on virtual (online) meeting and via phone.
- ² Trainings were conducted online in order to meet safety distancing measures.
- ³ These general meetings were convened virtually in FY2022.
- ⁴ Emphasis was placed on virtual (online) meeting and via phone.
- ⁵ There were no exhibition held during FY2022.

MATERIALITY ASSESSMENT

Material topics are reviewed annually for their continued relevance according to current global and local trends. In our annual review to prioritise the material EESG matters that are most relevant to our operations, we have concluded that the same matters disclosed in FY2021 remain relevant to the Group in FY2022.



OUR MATERIAL TOPICS AND TARGETS

Applying the guidance from GRI, we have identified the following material topics from our previous disclosure. We have also set targets, while at the same time aiming to track our progress against them.

In our commitment to sustainable development, we measure our performance by laying out targets to track progress every year:

MATERIAL TOPIC	3 YEAR TARGET ⁽¹⁾	FY2021 ACHIEVEMENTS	FY2022 PROGRESS
 <p>Economic Performance</p>	Growth within business segments and external growth	Achieved	<p>shopperplus Malaysia Sdn Bhd developed a digital gaming platform to enable brands a fun way to engage shoppers and drive sales in a cost-efficient manner. The platform allows for brands to quickly deploy digital games without a lengthy planning process and high cost.</p> <p>The Company partnered with Surge Ventures Sdn Bhd (“Surge Ventures”) to form joint venture company Avinity Analytics to provide data analytics, data science, machine learning and artificial intelligence to retail, ecommerce, and marketing-related businesses and brands.</p>

MATERIAL TOPIC	PERPETUAL TARGETS	FY2021 ACHIEVEMENTS	FY2022 PROGRESS
 <p>Anti-Corruption</p>	Zero incidents of corruption	Achieved	Zero reported incidents of corruption in FY2022.
 <p>Environmental Compliance</p>	No incidence of non-compliance with environmental laws and regulations	Achieved	No incidence of non-compliance with environmental laws and regulations in FY2022.
 <p>Diversity and Equal Opportunity</p>	Continue to maintain diversity in our workforce	Achieved	In FY2022, female representation was approximately 33% of the workforce and the Board of Directors consisted of 6 directors, of which 3 were women.
 <p>Non-Discrimination</p>	Zero incidents of discrimination	Achieved	Zero reported incidents of discrimination in FY2022.
 <p>Training and Education</p>	Average 8-9 hours for permanent staff	Achieved	<p>In FY2022, our training hours averaged 3.15 hours for permanent staff. This is mainly due to:</p> <ul style="list-style-type: none"> the increased business activity when the economy began to open up after the Covid-19 lockdowns; Additional trainings for newly implemented Microsoft 365 in the previous year during Movement Control Order which has now tapered down; Refocusing our training needs by identifying relevant topics and more effective training programs; The need to lessen prolonged on-screen time due to potential hazards and effects; Insufficient staff capacity to support new trainings.
 <p>Socio-Economic Compliance</p>	Zero incidents of non-compliance with laws and regulations in the social and economic area	Achieved	Zero incidents of non-compliance with laws and regulations in the social and economic area for FY2022.
 <p>Customer Privacy</p>	Zero substantiated complaints concerning breaches of customer privacy and losses of customer data	Achieved	Zero substantiated complaints concerning breaches of customer privacy and losses of customer data in FY2022.

Note: ⁽¹⁾ The 3-year target commenced in FY2021

ECONOMIC PERFORMANCE

We are committed to achieving economic sustainability growth for our shareholders. We conduct our business in compliance with applicable laws and regulations and in accordance with high ethical business practices and good corporate governance.

As part of shopper360's journey to incorporate sustainable business practices in the long term, the Group is committed to a holistic approach to business management. Shopper360 believes that focusing on financial sustainability is critical. The Group's basic principle is that long-term profitability and shareholder value is ensured by taking into account the interests of stakeholders, such as shareholders, employees, suppliers and society as a whole.

(A) KEY DATA OF OPERATING RESULTS

	FY2019 RM'000	FY2020 RM'000	FY2021 RM'000	FY2022 RM'000
Revenue	161,085	162,678	153,133	152,158
Profit before tax	7,773	7,043	10,069	7,515
Profit for the year	5,404	3,633	6,563	4,716
Profit attributable to equity holders of the Company	5,185	2,964	5,816	3,729

(B) FINANCIAL INDICATORS

Return on equity	10%	6%	10%	6%
Earnings per share ⁽¹⁾ (RM cents)	4.53	2.62	5.29	3.43

NOTE: ⁽¹⁾ Earnings per share is computed based on profit attributable to equity holders of the Company divided by the weighted average number of ordinary shares during the year (excluding treasury shares).

Cash and Cash Equivalents	21,242	22,054	27,592	24,510
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It is our belief that to deliver value for all our stakeholders, particularly our shareholders, we have to focus on maintaining a strong financial position by carrying out our operations in a responsible manner and building resilience throughout our business operations for long-term sustainable growth.

DETAILED FINANCIAL RESULTS

For the detailed financial results of our Group, please refer to the following sections of the Annual Report:

- Group Financial Highlights, pages 10 to 13
- Financial Statements, pages 113 to 172

OPPORTUNITIES FOR INTERNAL AND EXTERNAL GROWTH VIA INNOVATION AND DIGITAL ENABLEMENT

Past events such as the pandemic and climate change has transformed how we think about our economies and our societies, and has highlighted the importance of organisational resilience. We believe that businesses can be a catalyst for positive change and create long-term value for society and stakeholders. The Group continues to reap the rewards of growth strategies identified during previous year's initiatives, capitalizing on technology and innovation capabilities with long-term sustainable approach in mind.

PROPRIETARY DIGITAL GAMING PLATFORM

Shopperplus Sdn Bhd ("**Shopperplus**") developed a digital contest platform to allow for quick turnaround and customization of games for brand needs. It also provides the architecture that clients and developers can use to run the game and enable them to focus on unique experiences of the game such as game level, character and game story, element textures and interactivity within the game.

Shopperplus develops campaign strategies based on target consumer insights and objectives, which includes type of contest, mechanics, channel, winner and prize matrix to increase submission and engagement.

JOINT VENTURE WITH AVINITY ANALYTICS

In January 2022, shopper360 has partnered with Surge Ventures to form a joint venture, Avinity Analytics to provide data analytics, data science, machine learning and artificial intelligence to retail, ecommerce, and marketing-related businesses and brands like Nestle.

Shopper360 intends to leverage on the global AI Software market, where it includes a wide array of applications such as natural language processing, robotic process automation, and machine learning. The joint venture is poised to enable shopper360 clients to adopt these capabilities in their day-to-day business operations in retail.

Retail analytics and predictive analysis will be the essence of this venture, helping FMCG Brands with accuracy in forecast and demand planning that will enable efficient stocks ordering.

ANTI-CORRUPTION

We remain steadfast in upholding our business ethics to the highest levels. The Group is committed to the values of transparency, integrity, impartiality and accountability in the conduct of its business and affairs.

Shopper360 has zero-tolerance for corruption. We take a strong stance against corrupt practices and strategies, and this value has been communicated to all of our employees, major suppliers and business partners. There were no fines or non-monetary sanctions for non-compliance with laws and regulations in FY2022.

The Group has established a whistle-blowing policy with the aim of providing a structured mechanism for employees and other stakeholders to report any concerns on any suspected or wrongful activities or wrongdoings. These refer to any potential violations or concerns relating to any laws, rules, regulations, acts, ethics, integrity and business conduct, including any violation or concerns relating to malpractice, illegal, immoral, embezzlement and fraudulent activities, which will affect the business and image of the Group. Please refer to page 87 to 88 for further details on the Group’s whistle-blowing policy.

In FY2022, there were no reported incidents of corruption.

ANTI-CORRUPTION

	FY2022	FY2021
Incidents of Corruption (GRI 205-3)	NIL	NIL

The Group will continue to target zero incidents of corruption in the Group in the current financial year ending 31 May 2023 (“**FY2023**”) and beyond. In fact, we will always ensure that there will be no incidents of corruption in the Group.



ENVIRONMENTAL COMPLIANCE

Our Group is dedicated to protect the environment through the integration of environmental conservation methods whenever possible, into our business operations. The Group remains steadfast in our commitment to sustainable development and seeks to operate in a way that minimizes environmental harm. Shopper360’s direct environmental impact is limited, but we always strive to avoid unnecessary footprint and to further reduce the impact on the environment.

In FY2022, there was no incidence of non-compliance with environmental laws and regulations and we endeavor to maintain this track record.

ENVIRONMENTAL COMPLIANCE

	FY2022	FY2021
Incidents of non-compliance with environmental laws and regulations (GRI 307-1)	NIL	NIL

Our Group will continue to target to maintain this track record of zero incidents of non-compliance with environmental laws and regulations in FY2023 and beyond.

REDUCE, REUSE AND RECYCLE

Environmental issues such as climate change continues to be on the forefront of global sustainability agenda. The Group realizes the importance of improving our sustainability performance in enhancing our competitiveness. We aim to make contributions to the environment, our business and the local communities by integrating a sustainability approach in our operations. In the Group’s day-to-day operations, we encourage our employees to practice the 3Rs – Reduce, Reuse and Recycle in the management of our resources. The 3Rs play a crucial role, not only in contributing to a more sustainable environment but also lowering our cost.



Corporate Office

- Display anti-littering, water and energy conservation, and other environmental messages at prominent locations in the office.
- Toilets have motion sensors installed to minimize electricity usage and turn off lights when not utilized.
- Recycling bins are available and waste items are separated and recycled.
- Utilisation of digital meeting formats where possible to minimize the need to travel.
- Implement online approvals utilizing Microsoft Teams thus removing the need to have hardcopy approvals since June 2021, which is an improved process from email approvals that was implemented in 2020 during the pandemic lockdowns.
- Our human resource management system have further been enhanced to extend online expense claims initially introduced in March 2020 to all staff including project contract staff since June 2021. During the year, the team continued to move processes such as employee on-boarding and recruitment processes from manual to non-paper online processes.

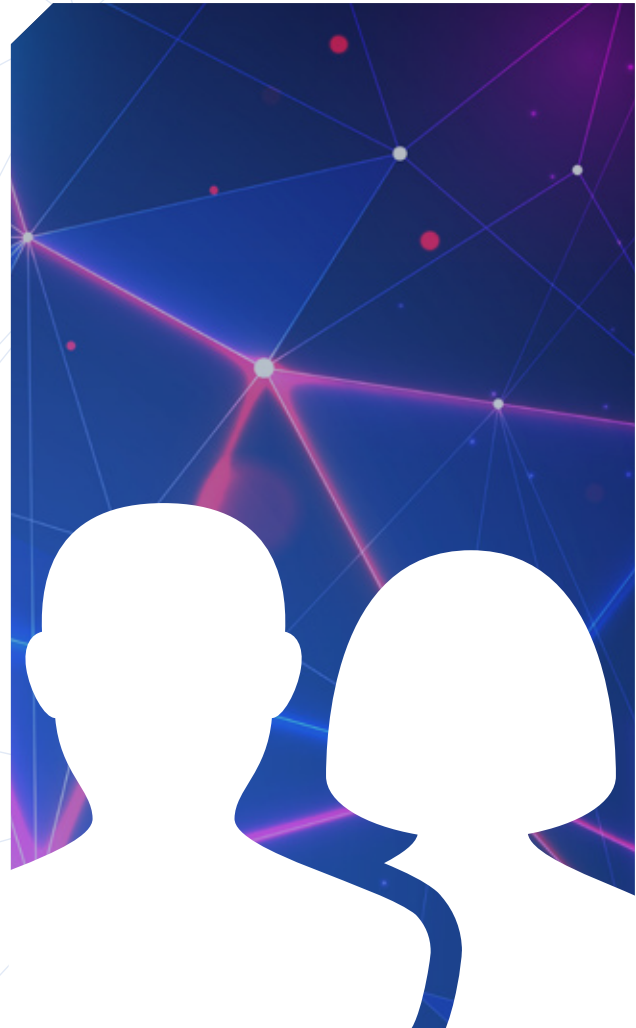
In October this year, we organized a headquarter recycling day. To this effect, have managed to collect 3,800kg of waste destined for recycling which might otherwise end up in a landfill.

Apart from the above, our employees are also encouraged to conserve energy through the switching-off of power for equipment that are not in use, and the switching-off of lights and air conditioning during lunch hours and when not in use. We continue to communicate and encourage our employees to minimize the use of paper and upgrade processes to digital methods whenever possible and this will be a continuous focus moving forward.

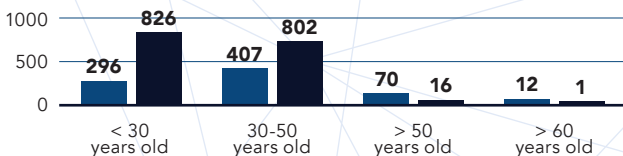
DIVERSITY AND EQUAL OPPORTUNITY

We aim to create a vibrant team as we strive to offer equal opportunities for recruitment, career progression and training within the Group. We recognise our employees are the drivers of our business and we believe in creating a respectful, rewarding and safe working environment for our people. Our work environment is aimed at providing a fair performance-based work culture that is diverse, inclusive and collaborative. We also encourage our employees to reach their fullest potential and provide them with a fulfilling and meaningful career. Every employee plays an essential role in the Group. Continuous open dialogue is the main platform used to engage our employees. Open dialogues are conducted informally to encourage employees to raise any issues to management. We believe that this provides a more interactive and direct channel for any form of feedback.

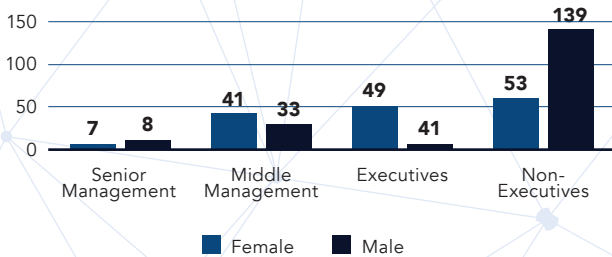
As at 31 May 2022, shopper360 employed 2,430 staff, comprising 371 permanent staff and 2,059 project staff. A total of 94% of our staff are based in Malaysia. Female employees accounted for approximately 32% of our total workforce. The Group's workforce age distribution and job description by gender are represented in the following charts below:



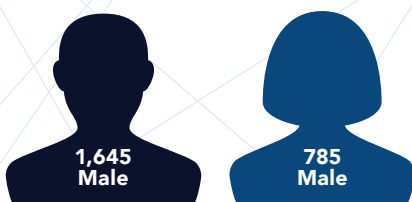
TOTAL WORKFORCE AGE DISTRIBUTION BY GENDER



PERMANENT EMPLOYEE GENDER DISTRIBUTION BY JOB DESIGNATION



Building and retaining talent are both critical in growing the Group as the continuous growth of the Group needs talented employees with different skill and experience. Having a diverse workforce with equal opportunity regardless of age, race and gender is one of the ways to build and retain talent. Our employees are not covered by collective bargaining agreements but are given the rights to exercise freedom of association. Our diversity is not just limited to our employees but also represented in our Board of Directors. Our Directors come from different backgrounds with diverse skill sets and experience which helps to expand the range of perspectives at the top and enables the Board to better advise the Group strategically.



The Board of Directors comprises 6 members, of which two are women. The number of independent directors comprises half of the Board. The profile of each of our Directors can be found on pages 6 to 7 of this report.

OCCUPATIONAL HEALTHY AND SAFETY



ZERO FATALITIES

We made it our priority to attract and retain the best talent, promote wellbeing and occupational health and safety with a goal of zero deaths and minimizing accidents and work-related ill health. To this end, we have implemented health and safety measures to help ensure employee safety in our offices.

There are no reported incidents of death or high consequence injuries in FY2022. We aim to maintain this rate in FY2023 and beyond.

OCCUPATIONAL HEALTH AND SAFETY

	FY2022	FY2021
Death Cases (GRI 403-9)	NIL	NIL
High Consequence Injuries (GRI 403-9)	NIL	NIL
Recordable Injuries (inside & outside of workplace) (GRI 403-9)	14	30
Recordable work-related ill health cases (GRI 403-10)	NIL	2

NON-DISCRIMINATION



The Group encourages freedom of expression and open communication. Work culture plays an important role in drawing the best out of employees and for them to develop a sense of belonging.

The Group has pledged to instill an inclusive and non-discriminatory culture that focuses on treating all employees fairly. We adopt a strong stance against discrimination on any biases and are committed to providing equal opportunities.

NON-DISCRIMINATION

	FY2022	FY2021
Incidents of discrimination and corrective actions taken (GRI 406-1)	NIL	NIL

Our Group will strive to maintain zero incidents of discrimination in FY2023 and beyond.

TRAINING AND EDUCATION



Shopper360 believes in nurturing its employees to raise the employees' learning and development capacity, yielding a capable and more agile workforce.

We encourage and aim to provide all employees with equal opportunities for training and upgrading. We acknowledge that learning and training is an important, continuous and life-long process so that employees are equipped with the competencies needed to meet current and future business needs. This includes workshops, seminars, conferences, in-house company training and on-the-job training. We believe that the personal growth of the employees would elevate our organisational performance and help in achieving long-term business growth and sustainability for the Group.

Shopper360 has been recognised as one of the best companies to work for by HR Asia in the past. As a Group, we are continuously striving to create a collaborative and fulfilling working environment for all of our employees. This can only be achieved with carefully designed innovative employee engagement and development programmes.

Staff training and the continuing development of the employees are essential for the success of our Group. In a rapid changing business environment, we will need to ensure that the training needs are optimised, and meet the purpose of upgrading the skillset of our workforce. We believe as the market evolves, so must the skill set of learning professionals. As such, we have continued to be adaptive to the employees' training requirements.

During the period of lockdown and post-effects of COVID-19, the ability to organise internal and external trainings has been uncertain and disrupted. Hence for FY2022, we continue to adopt targeted virtual learning such as webinar workshops (both internally and externally conducted) and self-learning platforms utilising technology to enable learning whenever possible even during work-from-home period. Leveraging technology and digital tools has been key to achieving successful employee engagement during the extended periods of remote working.

We continued to upskill our employees during this period as they acquired new knowledge through virtual learning programmes completed on e-learning platform and through videoconferencing. These virtual trainings have increased our staff's digital savviness and prepared them to be adaptable on multiple fronts, thus enabling shopper360 to be more resilient in the future. Some of these courses include:

- TCFD 101 Training Workshop
- Business Valuation for Financial Reporting
- How to Win with an integrated Comms Strategy – combine Marketing, Digital and PR
- Webinar Key Highlight on Employment (Amendment) Act 2021 Bill
- Emotional Intelligence In Practice

AVERAGE TRAINING HOURS

	FY2018	FY2019	FY2020	FY2021	FY2022
Average Training Hours Per Staff (Permanent)	9.00	8.85	9.89	13.61	3.15

Our training hours for FY2022 averaged 3.15 hours, significantly lower than the previous year. This is due to several factors such as:

- The increased business activity when the economy began to open up after the Covid-19 lockdowns;
- Additional trainings for newly implemented Microsoft 365 in the previous year during Movement Control Order which has now tapered down;
- Refocusing our training needs by identifying relevant topics and more effective training programs;
- The need to lessen prolonged on-screen time due to potential hazards and effects;
- Insufficient staff capacity to support new trainings.

While learning alternatives were explored and exploited to a certain extent, they could not replace the quality of face-to-face classes, in particular given the work-based learning and acquisition of practical skills. The Group believes virtual learning should be seen as a complement and extension of physical forms of learning. Moving forward, as the economy charts its way towards recovery, we would like to continue to target an achievement of an average of 8-9 hours for permanent staff in the long term.



SOCIO-ECONOMIC COMPLIANCE

We are mindful of the well-being of every community in which we operate in. The Group always emphasizes the importance of being aware of the social and cultural sensitivities of the local communities to all its employees.

The Group is proud to inform that it is in compliance, in all material aspects, with all social and economic rules and regulations and is not engaged in any anti-competitive practices.

SOCIOECONOMIC COMPLIANCE

	FY2022	FY2021
Incidents of non-compliance with laws and regulations in the social and economic area (GRI 419-1)	NIL	NIL

We did not identify any non-compliance with socioeconomic laws and regulations during the reporting period. Our Group will strive to maintain zero incidents of non-compliance with laws and regulations in the social and economic area in FY2023 and beyond.

GIVING BACK TO THE COMMUNITY

We aspire to be a good corporate citizen that people are glad to have in their community. As part of our broader commitment to the communities in which we operate, we make donations and partner with various community and non-profit organisations. Our community engagement activities via our Calendar of Events and Corporate Social Responsibility can be referred to at page 33-41 of this report.



CUSTOMER PRIVACY

In the digital age, businesses are susceptible to data theft and cyberattacks. Therefore, safeguarding our stakeholders’ data is of paramount importance to our Group and we are committed to maintain utmost privacy and security of their personal data. This includes recognising our responsibility to properly handle clients’ personal information. Our employees are also aware on keeping business-related information confidential.

The Group has not been the subject of any complaints concerning breaches of customer privacy or loss of customer data, nor any complaints relating to data protection.

In FY2022, we are pleased to inform that there were no cases of substantiated complaints received and no complaints received from outside parties and regulatory bodies about breaches of customer privacy



CUSTOMER PRIVACY

	FY2022	FY2021
Substantiated complaints concerning breaches of customer privacy and losses of customer data (GRI 418-1)	NIL	NIL

Our Group intends to maintain the record of zero incidents on breaches of customer data in FY2023 and beyond.

CORPORATE GOVERNANCE

The Board acknowledges the importance for the Group to adopt and continuously practise good corporate governance throughout the Group's operations to ensure accountability and transparency, as a fundamental part of discharging its responsibilities to protect and enhance shareholders' value and financial performance of the Group.

Please refer to the Corporate Governance Report set out on pages 72 to 105 for further details on the Group's corporate governance practices.

RISK MANAGEMENT

The Board acknowledges that it is responsible for reviewing the adequacy and effectiveness of the Group's risk management and internal control systems including financial, operational, compliance and information technology controls. The Board is committed to ensuring that the Group has an effective and practical enterprise risk management framework in place to safeguard shareholders' interests, and the sustainability of the Group as well as provide a basis to make informed decisions having regard to the risk exposure and risk appetite of the Group.

For detailed disclosure on our risk management activity, please refer to pages 86 to 88 for further details.

GRI STANDARDS CONTENT INDEX

GRI Standard	Disclosure	Reference/Description
GRI 101: Foundation		
GRI 102: General Disclosures		
1. Organizational profile		
Disclosure 102-1	Name of the organization	shopper360 Limited
Disclosure 102-2	Activities, brands, products, and services	https://shopper360.com.my/our-expertise/
Disclosure 102-3	Location of headquarters	Malaysia
Disclosure 102-4	Location of operations	Malaysia, Singapore, Myanmar
Disclosure 102-5	Ownership and legal form	Page 2
Disclosure 102-6	Markets served	Malaysia, Singapore, Myanmar
Disclosure 102-7	Scale of the organization	Page 2, 10 to 13
Disclosure 102-8	Information on employees and other workers	Page 62
Disclosure 102-9	Supply chain	Page 121 to 122
Disclosure 102-10	Significant changes to the organization and its supply chain	None
Disclosure 102-11	Precautionary Principle or approach	shopper360 supports the intent of this principle, but has not expressed a specific commitment
Disclosure 102-12	External initiatives	None
Disclosure 102-13	Membership of associations	None
2. Strategy		
Disclosure 102-14	Statement from senior decision-maker	Page 52 to 53
3. Ethics and integrity		
Disclosure 102-16	Values, principles, standards, and norms of behavior	Vision and Mission (before table of contents)
4. Governance		
Disclosure 102-18	Governance structure	Page 72 to 105
Disclosure 102-22	Composition of the highest governance body and its committees	Page 3, 6 to 9
5. Stakeholder engagement		
Disclosure 102-40	List of stakeholder groups	Page 54 to 55
Disclosure 102-41	Collective bargaining agreements	None
Disclosure 102-42	Identifying and selecting stakeholders	Page 54
Disclosure 102-43	Approach to stakeholder engagement	Page 54
Disclosure 102-44	Key topics and concerns raised	Page 55
6. Reporting practice		
Disclosure 102-45	Entities included in the consolidated financial statements	Page 2
Disclosure 102-46	Defining report content and topic Boundaries	Page 51
Disclosure 102-47	List of material topics	Page 56 to 57
Disclosure 102-48	Restatements of information	Not applicable
Disclosure 102-49	Changes in reporting	Not applicable
Disclosure 102-50	Reporting period	1 June 2021 to 31 May 2022
Disclosure 102-51	Date of most recent report	28 October 2021
Disclosure 102-52	Reporting cycle	Annually
Disclosure 102-53	Contact point for questions regarding the report	Page 51

GRI Standard	Disclosure	Reference/Description
	Disclosure 102-54	Claims of reporting in accordance with the GRI Standards
	Disclosure 102-55	GRI content index
	Disclosure 102-56	External assurance
MATERIAL TOPICS		
GRI 201: Economic Performance		
	Disclosure 201-1	Direct economic value generated and distributed
GRI 205: Anti-corruption		
	Disclosure 205-3	Confirmed incidents of corruption and actions taken
GRI 307: Environmental Compliance		
	Disclosure 307-1	Non-compliance with environmental laws and regulations
GRI 403: Occupational Health and Safety		
	Disclosure 403-9	The number and rate of fatalities as a result of work-related injury
		The number and rate of high-consequence work-related injuries (excluding fatalities);
		The number and rate of recordable work-related injuries;
	Disclosure 403-10	The number of cases of recordable work-related ill health;
GRI 404: Training and Education		
	Disclosure 404-1	Average hours of training per year per employee
	Disclosure 404-2	Programs for upgrading employee skills and transition assistance programs
GRI 405: Diversity and Equal Opportunity		
	Disclosure 405-1	Diversity of governance bodies and employees
GRI 406: Non-Discrimination		
	Disclosure 406-1	Incidents of discrimination and corrective actions taken
GRI 418: Customer Privacy		
	Disclosure 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data
GRI 419: Socioeconomic Compliance		
	Disclosure 419-1	Non-compliance with laws and regulations in the social and economic area

CORPORATE GOVERNANCE REPORT

The board of directors (the “**Board**” or “**Directors**”) of shopper360 Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) is committed to maintaining high standards of corporate governance and has always recognised the importance of good governance to enhance corporate performance, accountability, shareholders’ value and protection of stakeholders’ interests, as well as financial performance of the Group.

This report sets out the Group’s corporate governance structures and practices in place during the financial year ended 31 May 2022 (“**FY2022**”), with specific references made to the principles and provisions of the Code of Corporate Governance 2018 (the “**Code**”) issued on 6 August 2018, pursuant to Rule 710 of the SGX-ST Listing Manual Section B: Rules of Catalist (“**Catalist Rules**”). The Board confirms that, for FY2022, the Group has complied with the principles of the Code, and the provisions of the Code (except where otherwise explained). In areas where the Company’s practices vary from any provisions of the Code, the Company has stated herein the provision of the Code from which it has varied, and appropriate explanations are provided for the variation, and how the practices the Company had adopted are consistent with the intent of the relevant principle of the Code. The Board will continue to assess the needs of the Company and implement appropriate practices accordingly.

(A) BOARD MATTERS

Board’s Conduct of its Affairs

Principle 1: *The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.*

Provision 1.1

The Company is headed by an effective Board to lead and control its operations and affairs. The principal function of the Board is the overall management and corporate governance of the Group including establishing strategic objectives and providing entrepreneurial leadership. The Board’s key responsibilities include charting and reviewing the Group’s overall business strategy, supervising the Management as well as reviewing the Group’s financial performance and managerial performance while considering sustainability issues as part of its strategic formulation.

In addition, the Board has an obligation to the shareholders of the Company (the “**Shareholders**”) and other stakeholders of the Company to safeguard their interests and the Company’s assets by establishing a framework of prudent and effective controls which enables risk to be assessed and managed, setting the Company’s values and standards (including ethical standards), and ensuring that obligations to Shareholders and other stakeholders are understood and being met, as well as identifying the key stakeholder groups and recognising that their perceptions affect the Company’s reputation.

All Directors, expected to exercise due diligence and independent judgment, are obliged to act in good faith and objectively in the best interests of the Company and hold the management of the Company (the “**Management**”) accountable for performance. The Board puts in place a code of conduct and ethics, sets appropriate tone-from-the-top and desired organizational culture, and ensures proper accountability within the Company. Directors facing conflicts of interest are required to recuse themselves from discussions and decisions involving the issues of conflict.

Provision 1.2

Directors understand the Company's businesses as well as their directorship duties (including their roles as Executive, Non-Executive and Independent Directors). The Company does not have a formal training programme for Directors but all new Directors will undergo an orientation in order to be provided with background information about the Group's history, strategic direction and industry-specific knowledge. The Directors will also have the opportunity to visit the Group's operational facilities and meet with the Management to gain a better understanding of the Group's business operations. Directors are provided with opportunities to develop and maintain their skills and knowledge at the Company's expense. The Company will also arrange for first-time Directors to attend relevant training on the roles and responsibilities of a director of a listed issuer as prescribed by the SGX-ST under Practice Note 4D of the Catalist Rules, and, if necessary, in areas such as accounting, legal and industry specific knowledge as appropriate. The training of Directors will be arranged and funded by the Company. Upon appointment, the newly appointed Directors will be provided a formal letter setting out their duties and obligations. Directors with multiple board representations ensure that sufficient time and attention are given to the affairs of the Company. Please refer to Provision 4.5 in this report for further information.

All Directors are provided with regular updates on developments in financial reporting and governance standards, as well as changes in the relevant laws and regulations to enable them to make well-informed decisions and to ensure that the Directors are competent in carrying out their expected roles and responsibilities. News releases issued by the SGX-ST and the Accounting and Corporate Regulatory Authority ("ACRA") which are relevant to the Group and/or Directors are circulated to the Board.

In FY2022, the Directors have attended the following courses:

(a) Chew Sue Ann

Date	Name of course attended
14 September 2021	Executive & Director Remuneration, by Singapore Institute of Directors

(b) Hew Koon Chan

Date	Name of course attended
27 October 2021	TFCD-101: Getting started with climate-related financial reporting
2 November 2021	TFCD-102: Building experience in climate-related financial reporting
7 April 2022	Business Future Series: Cyber Security for Directors

(c) Wong Chin Chin

Date	Name of course attended
3 June 2021	Awareness Briefing Anti-Profitteering, by Deloitte Malaysia
6 – 10 September 2021	Virtual Conference on Corporate and Commercial Law, by Bar Council Malaysia

(d) James Ling Wan Chye

Date	Name of course attended
14 September 2021	Executive & Director Remuneration, by Singapore Institute of Directors
7 – 8 September 2021	Raising Defenses: Section 17A MACC, by Asia Business School (Malaysia)
28 October 2021	TCFD 101: Getting started with climate-related financial reporting

Provision 1.3

The Board decides on matters that requires its approval and clearly communicates this to the Management in writing. Matters that require the approval of the Board include, but are not limited to, the following:

- (a) matters that involve a conflict of interest of a controlling Shareholder or a Director or persons connected to such Shareholder or Director;
- (b) approval of announcements to be released via the Singapore Exchange Network ("**SGXNet**"), including half-yearly and full year financial results announcements;
- (c) approval of operating budgets, annual and interim reports, financial statements, Directors' statements and annual reports;
- (d) share issuance, interim dividends and other returns to Shareholders;
- (e) appointment/cessation, and remuneration packages of the Directors and key management executives;
- (f) any matters relating to the Company's general meetings, Board and Board Committees (as defined below); and
- (g) approval of material investment and divestment proposals, acquisitions and disposals, and funding requirements.

Provision 1.4

The Board has, without abdicating its responsibilities, delegated certain matters to three (3) main sub-committees, namely the Audit Committee ("**AC**"), the Nominating Committee ("**NC**") and the Remuneration Committee ("**RC**") (collectively, the "**Board Committees**"), which operate under clearly defined written terms of reference setting out their compositions, authorities and duties, including reporting back to the Board. The Board Committees play an important role in ensuring good corporate governance in the Company and within the Group. The terms of reference of the Board Committees are reviewed on a regular basis to ensure their continued relevance. The respective Chairmen of the Board Committees report the outcome of the Board Committee meetings to the Board. The Board acknowledges that while these various Board Committees have the authority to examine particular issues and report back to the Board with their decisions and recommendations, the ultimate responsibility on all matters lies with the Board. The names of the respective members, terms of reference and a summary of activities of each Board Committee are set out in this report.

Provision 1.5

The schedule of all Board and Board Committee meetings as well as the annual general meeting of the Company ("**AGM**") for the next calendar year is planned well in advance. The Board will meet at least twice a year and whenever warranted by particular circumstances. Ad-hoc and/or non-scheduled Board meetings may be convened to deliberate on urgent substantial matters. In addition to these meetings, corporate events and actions requiring the Board's approval may be discussed over the telephone, followed by Directors' resolutions in writing being passed. Regulation 101(A) of the Company's Constitution (the "**Constitution**") allows a Board meeting to be conducted by way of tele-conference and video conference.

Two (2) Board meetings were held in respect of FY2022 to review and discuss, amongst others, the financial performance of the Group in FY2022 and the unaudited half-yearly and full year financial results announcements of the Group for FY2022. Directors attend and actively participate in Board and Board Committee meetings. The attendance of the Directors at the meetings of the Board and the Board Committees in respect of FY2022 is as follows:

	Board		AC		NC		RC	
	No. of meeting		No. of meeting		No. of meeting		No. of meeting	
Name of Director	Held	Attended	Held	Attended	Held	Attended	Held	Attended
Ms Chew Sue Ann	2	2	2	2*	1	1*	1	1*
Mr Zaffary Bin Ab Rashid	2	2	2	2*	1	1	1	1
Mr Hew Koon Chan	2	2	2	2	1	1	1	1
Ms Margaret Au-Yong	2	2	2	2	1	1*	1	1
Mr James Ling Wan Chye ⁽¹⁾	2	2	2	2*	1	1*	1	1*
Ms Wong Chin Chin ⁽²⁾	2	1	2	1	1	-	1	-
Mr Raja Singham A/L S.Sukumara Singham ("Mr Raja Singham") ⁽³⁾	2	1	2	1	1	1	1	1*

*By invitation

(1) Appointed as Director on 1 December 2021.

(2) Served as Director with effect from 19 May 2017 to 25 July 2022, and resigned as Director with effect from 26 July 2022.

(3) Appointed as Director with effect from 27 July 2022.

Provision 1.6

Management provides Directors with complete, adequate and timely information prior to meetings and on an on-going basis to enable them to make informed decisions and discharge their duties and responsibilities. Detailed Board and Board Committee papers are prepared and circulated to the Directors before each Board and Board Committee meeting. The Board and Board Committee papers include sufficient information on financial, budget, business and corporate issues (where applicable) to enable the Directors to be properly briefed on issues to be considered at the Board and Board Committee meetings. However, sensitive matters may be tabled at the meeting itself or discussed without any papers being distributed. Key personnel who can provide additional insight into the matters at hand would be present at the relevant time during the Board and Board Committee meetings.

The Board receives half-yearly financial results, annual budgets and explanation on material forecasts variances to enable them to oversee the Group's operational and financial performance as well as risks faced by the Group. Directors are also informed on a regular basis as and when there are any significant developments or events relating to the Group's business operations. All Directors have unrestricted access to the Company's records and information. The Directors may also liaise with the Management as and when required to seek additional information.

Provision 1.7

All Directors have separate and independent access to the Management and the Company Secretary, who is responsible for ensuring that Board procedures are followed and that applicable rules and regulations are complied with, and, where necessary, external advisers at the Company's expense. The Company Secretary and/or his representatives attend all the Board and Board Committees meetings. The appointment and removal of the Company Secretary is decided by the Board as a whole. Should the Directors, whether as a group or individually, need independent professional advice, the Company will appoint such professional adviser to render the appropriate professional advice. The cost of such professional advice will be borne by the Company.

Board Composition and Guidance

Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

Provision 2.1

The independence of each Director is reviewed by the NC, based on the guidelines as provided in the Code and its Practice Guidance as well as Rule 406(3)(d) of the Catalist Rules, and any other salient factors. The independence of each Director is assessed and will be reviewed at least annually by the NC. In its review, the NC considers all nature of relationships and circumstances that could influence the judgement and decisions of the Directors before tabling its findings and recommendations to the Board for approval. There is no policy to prohibit or require Independent Directors to hold shares in the Company. The NC has reviewed, determined and confirmed the independence of each Director for FY2022.

For FY2022, the Independent Directors (namely Hew Koon Chan, Wong Chin Chin and Margaret Au-Yong) have confirmed that they and their immediate family members do not have any relationship with the Company or any of its related corporations, its substantial Shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Directors' independent business judgment in the best interests of the Company, and do not fall under any of the circumstances pursuant to Rule 406(3)(d) of the Catalist Rules. The Independent Directors were not in situation that could, or reasonably be perceived to, compromise their independence of thought and decision. The Board, based on the review conducted by the NC, has determined that the said Directors are independent for FY2022.

As at the date of this report, none of the Independent Directors has served on the Board beyond nine (9) years from the date of his or her first appointment.

Provisions 2.2 and 2.3

As at 31 May 2022 and the date of this report, the Board comprises six (6) directors, including three (3) of whom are Non-Executive and Independent Directors and one (1) Non-Executive and Non-Independent Director. The Board currently has three (3) independent directors and do not form a majority of the Board. However, half of the Board consists of Independent Directors and the Independent Directors also make up the full Audit Committee and majority of the Nominating and Remuneration Committees. There are adequate safeguards and measures to ensure that the decision making process of the Board is independent and based on collective decisions without any individuals or groups of individuals dominating the decision making process.

The Board also has a Lead Independent Director who is available to shareholders of the Company, and will provide leadership in situations where the Executive Chairman and Group Managing Director ("**Group MD**") may be conflicted.

Additionally, in the event of an equality of votes at the Board meeting, the Executive Chairman and Group MD, Ms Chew Sue Ann, has undertaken to not exercise the casting vote. Taking into account the above, the Board is of the view that the Company complies with Principle 2 of the Code.

Provision 2.4

As at the date of this report, the compositions of the Board and Board Committees are as follows:

Name of Director	Designation	Board Committee Membership		
		Audit Committee	Nominating Committee	Remuneration Committee
Ms Chew Sue Ann	Executive Chairman and Group MD	–	–	–
Mr James Ling Wan Chye	Executive Director	–	–	–
Mr Hew Koon Chan	Lead Independent Director	Chairman	Member	Member
Ms Margaret Au-Yong	Independent Director	Member	–	Chairman
Mr Raja Singham	Independent Director	Member	Chairman	–
Mr Zaffary Bin Ab Rashid	Non-Independent and Non-Executive Director	–	Member	Member

The Board members collectively possess the necessary core competencies such as accounting, finance, investment, business and management experience, corporate governance, industry knowledge and strategic planning experience for the effective functioning of the Board and an informed decision-making process. This is to ensure that there is effective representation for Shareholders and issues of strategy, performance and resources are fully discussed and examined to take into account long-term interests of Shareholders, employees, customers, suppliers, other stakeholders and the industry in which the Group conducts its business.

Although all the Directors have equal responsibility for the performance of the Group, the role of the Independent Directors is particularly important in ensuring that the strategies proposed by the Management are fully discussed and rigorously examined and take into account the long-term interests of not only the Shareholders, but also of the employees and reviewing the performance of the Management in achieving agreed goals and objectives. The NC considers the Independent Directors to be of sufficient calibre and number and their views to be of sufficient weight such that no individual or small group of individuals dominates the Board's decision-making process.

The Board comprises two (2) female directors and four (4) male directors. The NC will review the size and composition of the Board and the Board Committees to ensure that the Board and the Board Committees are of an appropriate size, and comprise persons who as a group provides the appropriate balance and mix of skills, knowledge, expertise and experience, and other aspects of diversity such as gender and age, so as to avoid group think and foster constructive debate and to enable the Management to benefit from a diverse perspective of issues that are brought before the Board and the Board Committees. The Board conducts a review to assess if the existing attributes and core competencies of the Board are complementary and contributes to the efficacy of the Board. The Company is in the midst of formalising its Board diversity policy for promoting diversity on the Board.

Provisions 2.5

In FY2022, the Non-Executive Directors (including Independent Directors) constructively challenge and help develop both the Group's short-term and long-term business strategies. Management's progress and performance in implementing such agreed business strategies are monitored by the Non-Executive Directors and Executive Directors, as a full board. In FY2022, the Non-Executive and Non-Independent Director together with the Independent Directors, led by the Lead Independent Director, communicate among themselves without the presence of Management as and when the need arose. Where appropriate, the Lead Independent Director provides feedback to the Board and/or Chairman as appropriate. Similarly, the Lead Independent Director acts as the focal point for contact between the Executive Director and the Management with the Independent Directors.

Chairman, Executive Director and Chief Executive Officer

Principle 3: *There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.*

Provision 3.1

Ms Chew Sue Ann currently assumes the roles of both the Chairman and Group MD of the Company. The Group believes that a single leadership structure will facilitate the decision-making process in relation to business opportunities and operational matters. The Board is of the opinion that it is not necessary to separate the two (2) roles after taking into consideration the size and capabilities of the Board, and the size and operations of the Group.

Provision 3.2

The Chairman and Group MD is the most senior executive in the Company and bears executive responsibility for the Company's business, as well as the responsibility for the workings of the Board. The Chairman and Group MD ensures that Board meetings are held when necessary and sets the Board meeting agenda in consultation with the Directors. The Chairman and Group MD reviews Board papers before they are presented to the Board and ensures that Board members are provided with complete, adequate and timely information. As a general rule, Board papers are sent to Directors in advance in order for Directors to be adequately prepared for the meeting. Directors who are unable to attend any of the Board or Board Committees meetings can discuss the matters in the meeting agendas with the Chairman and Group MD, or the respective Chairmen of the Board Committees, prior to the Board and Board Committees meetings. The Chairman and Group MD also ensures that the management staff who have prepared the papers, or who can provide additional insight into the matters to be discussed, are invited to present the papers at the relevant time during the Board meetings. The Chairman and Group MD promotes active engagement and an open dialogue amongst the Directors as well as between the Board and the Management. She also encourages constructive relations within the Board and between the Board and Management. At annual general meetings ("AGMs") and other shareholders' meetings, the Chairman and Group MD ensures constructive dialogue between Shareholders, the Board and the Management. The Chairman and Group MD takes a leading role in the Company's drive to achieve and maintain a high standard of corporate governance with the full support of the Directors, the Management, the Company's sponsor ("**Sponsor**") and the Company Secretary.

Provision 3.3

As the Chairman and the Group MD is the same person, the Board has appointed Mr Hew Koon Chan as the Lead Independent Director. Mr Hew Koon Chan is available to Shareholders where they have concerns and in circumstances where contact through the normal channels of communication with the Chairman and Group MD or the Management has failed to resolve their concerns or for which such contact is inappropriate or inadequate.

Board Membership

Principle 4: The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

Provision 4.1

The Board established the NC with written terms of reference which clearly set out its duties and responsibilities which include, amongst others:

- recommending to the Board relevant matters relating to (i) the review of board succession plans for the Directors, CEO and key management personnel, which the Group MD will review and propose to the NC on a yearly basis; (ii) the review of training and professional development programs for the Directors; and (iii) the appointment and re-appointment of the Directors;
- determining on an annual basis the independence of Directors;
- assessing the effectiveness of the Board as a whole and the contribution by each Director to the effectiveness of the Board;
- reviewing regularly the Board structure, size and composition having regard to the scope and nature of the operations, the requirements of the business, the diversity of skills, experience, gender and knowledge of the Company and the core competencies of the Directors as a group; and
- recommending Directors who are retiring by rotation to be put forward for re-election.

Provision 4.2

As at the date of this report, the NC comprises three (3) members, two (2) of whom, including the NC Chairman are Independent. The Lead Independent Director is also a member of the NC. The NC comprises the following members:

Mr Raja Singham (NC Chairman and Independent Director)

Mr Hew Koon Chan (Lead Independent Director)

Mr Zaffary Bin Ab Rashid (Non-Independent and Non-Executive Director)

Provision 4.3

In its search, nomination and selection process for new Directors, the NC will identify the key attributes that an incoming Director should have, based on a matrix of the attributes of the existing Board members and the requirements of the Group. After endorsement by the Board of the key attributes, the NC will tap into the resources of the Directors' personal contacts and recommendations of potential candidates, and go through a short-listing process. If candidates identified through this process are not suitable, executive recruitment agencies will be appointed to assist the NC in the search process. Interviews will be set up with potential candidates for NC members to assess them before a decision is reached.

In its deliberations on the re-election and re-appointment of existing Directors, the NC takes into consideration the relevant Director's competency, commitment, contribution and performance (including, if applicable, his/her contribution and performance as a Director). The assessment parameters include attendance record, preparedness, intensity of participation and candour at meetings of the Board and Board Committees as well as the quality of input and contributions. The Chairman of the Board will give feedback to the NC on the appointment of new Directors or retirement or resignation of existing Directors, following the outcome of an annual performance evaluation of individual Directors, and the NC will take into consideration his/her views in this regard. In the NC's deliberations on the re-election and re-appointment of existing Directors, the NC will also consider other important factors such as composition of and succession plans for the Board.

The Company's Constitution provides that one-third of the Board, or the number nearest to one-third, is to retire by rotation at every AGM. In addition, the Company's Constitution also provides that new Directors appointed during the year, either to fill a vacancy or as an addition to the Board, are required to submit themselves for re-election at the next AGM of the Company. Mr James Ling Wan Chye and Mr Raja Singham will be retiring pursuant to Regulation 116 of the Company's Constitution, and will be offering themselves for re-election at the forthcoming AGM.

In addition, Rule 720(4) of the Catalist Rules also provides that all Directors must submit themselves for re-nomination and re-appointment at least once every three (3) years. The NC has recommended, and the Board has agreed that at the forthcoming AGM, Ms Chew Sue Ann and Ms Margaret Au-Yong, will be retiring via rotation pursuant to Regulation 112 of the Company's Constitution. Both Directors have offered themselves for re-election.

Please refer to the section entitled "Additional Information on Directors Nominated for Re-election – Appendix 7F to the Catalist Rules" of this report for the information as set out in Appendix 7F to the Catalist Rules relating to Ms Chew Sue Ann, Ms Margaret Au-Yong, Mr James Ling Wan Chye and Mr Raja Singham. Each member of the NC is required to abstain from voting, approving or making a recommendation on any resolutions of the NC in which he/she has a conflict of interest in the subject matter under consideration.

Provision 4.4

The NC determines the independence of Directors annually in accordance with the definition of independence as set out in the Code and its Practice Guidance, as well as Rule 406(3)(d) of the Catalist Rules, and any other salient factors. None of the Independent Directors or their immediate family members has any relationship with the Company, its related corporations, its substantial Shareholders or its officers, that may affect their independence. The NC has reviewed and determined that the Independent Directors (namely Mr Hew Koon Chan, Ms Margaret Au-Yong, and Ms Wong Chin Chin) are independent for FY2022.

Provision 4.5

The NC will determine annually whether each Director with multiple board representations and principal commitments outside of the Group is able to and has been adequately carrying out his/her duties as a Director. The Board and the NC will also take into consideration each Director's track record on past and current boards, if any, to assess whether there are any information that may cast doubt on the Director's qualification and ability to act as a Director of the Company. The NC will also take into account the attendance of the Directors at Board or Board Committee meetings, results of the assessment of the effectiveness of the Board as a whole, the Board Committees, and the respective Directors' actual conduct on the Board and the Board Committees, in making its determination. To ensure the effectiveness of the Board as a whole and that the Directors are able to give sufficient time and attention to the affairs of the Company and adequately carried out their duties as directors of the Company, the NC has considered and decided that the Directors will hold no more than six (6) listed directorships at any point in time.

Other than the key information regarding the Directors set out below, information pertaining to the Directors' interests in shares, options and other convertible securities are set out in the "Directors' Statement" section of this Annual Report, and information in relation to the background and principal commitments of the Directors are set out in the "Board of Directors" section of this Annual Report.

Name of Director	Board appointment	Date of first appointment	Date of last re-election	Directorship or Chairmanship both present and held over the preceding three (3) years in other listed companies
Ms Chew Sue Ann	Executive	27 December 2016	26 September 2019 (To be re-elected at the forthcoming AGM)	<u>Present Directorship or Chairmanship</u> None <u>Past Directorship or Chairmanship</u> None
Mr James Ling Wan Chye	Executive	1 December 2021	-	<u>Present Directorship or Chairmanship</u> None <u>Past Directorship or Chairmanship</u> None
Mr Hew Koon Chan	Non-Executive and Independent	19 May 2017	28 September 2021	<u>Present Directorship or Chairmanship</u> 1. Resources Global Development Limited 2. Oiltek International Limited <u>Past Directorship or Chairmanship</u> 1. Nordic Group Ltd 2. Far East Group Ltd 3. DeClout Limited 4. ecoWise Holdings Limited
Ms Margaret Au-Yong	Non-Executive and Independent	19 May 2017	29 September 2020 (To be re-elected at the forthcoming AGM)	<u>Present Directorship or Chairmanship</u> None <u>Past Directorship or Chairmanship</u> None

Name of Director	Board appointment	Date of first appointment	Date of last re-election	Directorship or Chairmanship both present and held over the preceding three (3) years in other listed companies
Mr Raja Singham	Non-Executive and Independent	27 July 2022	-	<u>Present Directorship or Chairmanship</u> None <u>Past Directorship or Chairmanship</u> None
Mr Zaffary Bin Ab Rashid	Non-Executive and Non-Independent	19 May 2017	28 September 2021	<u>Present Directorship or Chairmanship</u> None <u>Past Directorship or Chairmanship</u> None

It was noted that Mr Raja Singham has directorships in non-listed companies and other principal commitments. Please refer to the section entitled "Additional Information on Directors Nominated for Re-election – Appendix 7F to the Catalyst Rules" of this report for the information as set out in Appendix 7F to the Catalyst Rules relating to Mr Raja Singham.

As announced by the Company on 1 August 2022, the NC (save for Mr Raja Singham who has recused himself from the discussions) is of the view that Mr Raja Singham has the ability to devote sufficient time and resources as an independent director of shopper360, taking into consideration the following:

- (a) Out of the 40 companies in which Mr Raja Singham holds directorships, 37 companies are part of the BAC Education Group ecosystem. 11 of these 37 companies are investment holding or dormant companies, and the remaining 26 companies has its own head and team of staff to run the day-to-day operations. Mr Raja Singham's role as Managing Director at the BAC Education Group is primarily to provide an overarching strategy to grow the group and where necessary, to give his input on business development. Mr Raja Singham's roles in the remaining 3 companies (namely, Malaysian Ceylonese National Community Centre Berhad, FAC3 Entertainment Sdn Bhd and ABAC Malaysia Chapter Sdn Bhd) are solely advisory and not on full-time basis;
- (b) Shopper360 holds around 3 official meetings a year (half year results, full year results and AGM) and they are confirmed and blocked well in advance. As such, Mr Raja Singham should be able to work around his other commitments. The NC (save for Mr Raja Singham) believes that Mr Raja Singham's entrepreneurship experience, industry and business connections, would add to a different dimension to board discussions; and
- (c) Mr Raja Singham is fully aware of his duties and has confirmed that he is able to devote sufficient time and attention to the matters of the Company in respect of his role as an independent director of the Company.

Board Performance

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

Provisions 5.1 and 5.2

The NC has implemented a self-assessment process that requires each Director to assess the performance and effectiveness of the Board as a whole and the Board Committees, and for assessing the contribution by the Chairman and each individual Director to the effectiveness of the Board, for each financial year. The self-assessment process will take into consideration, amongst others, board structure, corporate strategy and planning, risk management and internal control, performance measurement and compensation, succession planning, financial reporting, conduct of meetings and communication with Shareholders.

Although the Board's performance evaluation will not include a benchmark index of its industry peers, the Board assesses its effectiveness holistically through the completion of a questionnaire by each individual Director which includes questions covering the above-mentioned areas of assessment.

The NC collates and reviews the responses and results of the questionnaire and discusses collectively with other Board members to address or recommend any areas for improvement and follow-up actions.

The review of the effectiveness of the Board as a whole, its Board Committees and the contribution of the Chairman and each Director has been undertaken collectively by the Board for FY2022 without the engagement of an external facilitator.

For FY2022, the Board is satisfied that each Director has allocated sufficient time and attention to the affairs of the Company and is of the view that the effectiveness of the Board as a whole and of each of the Board Committees, as well as the contribution of each Director to the effectiveness of the Board and the Board Committees has been satisfactory.

(B) REMUNERATION MATTERS Procedures for Developing Remuneration Policies

Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

Provision 6.1

The terms of reference set out clearly the principal responsibilities of the RC which include, amongst others:

- reviewing and recommending to the Board for endorsements, a comprehensive remuneration policy framework and guidelines for remuneration of the Directors and key management personnel;
- reviewing and recommending to the Board for endorsement the specific remuneration packages for each of the Directors and key management personnel;
- reviewing and approving the design of all share option plans, performance share plans and/or other equity-based plans;
- reviewing the remuneration of employees related to the Directors and/or substantial shareholders of the Company to ensure that their remuneration packages are in line with the Company's staff remuneration guidelines and commensurate with their respective job scopes and level of responsibilities;
- in the case of service contracts, reviewing the Company's obligations arising in the event of termination of the executive Directors' or key management personnel's contracts of service, to ensure that such service contracts contain fair and reasonable termination clauses which are not overly generous, with a view to being fair and avoiding the reward of poor performance; and
- approving the performance targets for assessing the performance of each of the key management personnel and recommending the performance targets as well as employee specific remuneration packages for each of such key management personnel, for the endorsement of the Board.

Provision 6.2

The RC comprises three (3) members. All members of the RC are Non-Executive Directors, the majority of whom, including the RC Chairman are independent. The members of the RC are:

Ms Margaret Au-Yong	(RC Chairman and Independent Director)
Mr Zaffary Bin Ab Rashid	(Non-Executive and Non-Independent Director)
Mr Hew Koon Chan	(Lead Independent Director)

Provision 6.3

The RC reviews and recommends to the Board the remuneration packages or policies for the Executive Directors and the key management personnel based on the performance of the Group, the individual Director and the key management personnel. No Director individually decides or is involved in the determination of his or her own remuneration. The RC's recommendations are submitted for endorsement by the Board.

The RC will also review the Company's obligations under the service agreement entered into with the Executive Directors and key management personnel that would arise in the event of termination of these service agreements. This is to ensure that such service agreements contain fair and reasonable termination clauses which are not overly generous. The RC aims to be fair and avoid rewarding poor performance.

An annual review of the compensation will be carried out by the RC to ensure that the remuneration of the Executive Directors and key management personnel commensurate with their performance and that of the Group, giving due regard to the financial and commercial health and business needs of the Group. The performance of the Executive Directors (together with other key management personnel) is reviewed periodically by the RC and the Board. In structuring the compensation framework, the RC also takes into account the risk policies of the Group, the need for the compensation to be symmetric with the risk outcomes and the time horizon of risks.

Provision 6.4

The recommendations of the RC will be submitted to the Board for approval. The RC will be provided with access to expert professional advice on remuneration matters as and when necessary. The expense of such services shall be borne by the Company. There was no engagement of remuneration consultant to conduct salary benchmarking in respect of FY2022. At the end of FY2022, the Company has engaged a remuneration consultant to conduct a salary benchmarking exercise to be used for salary adjustments in respect of FY2023.

Level and Mix of Remuneration

Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

Provisions 7.1, 7.2 and 7.3

The RC will take into account the industry norms, the Group's performance, as well as the contribution and performance of each Director when determining remuneration packages.

The remuneration for Executive Directors and certain key management personnel comprise a fixed and variable component. The variable component is performance-related and is linked to the Group's performance, as well as the performance of each individual Executive Director and key management personnel. Performance-related remuneration is aligned with the interests of Shareholders and other stakeholders and promotes the long-term success of the Company. The Executive Directors does not receive any Directors' fees.

The Company has adopted a performance share plan known as the shopper360 Performance Share Plan ("**PSP**"). Executive and Non-Executive Directors and key management personnel are eligible to participate in the PSP in accordance with the rules for the PSP. The Non-Executive Directors (including the Non-Executive and Non-Independent Director) receive Directors' fees appropriate to the level of their contributions, taking into account factors such as effort and time spent, responsibilities of the Directors and the need to pay competitive fees to attract, retain and motivate the Directors. The Independent Directors are not over-compensated to the extent that their independence may be compromised. The Directors' fees are endorsed by the RC and recommended by the Board for Shareholders' approval at the AGM of the Company. Directors' fees of S\$72,980 for FY2022 had been approved by Shareholders at the last AGM held on 28 September 2021. Directors' fees of S\$72,980 for the financial year ending 31 May 2023 have been recommended by the Board and will be subjected to the approval of Shareholders at the forthcoming AGM of the Company.

Currently, there are no contractual provisions to allow the Company to reclaim incentive components of remuneration from the Executive Directors and key management personnel in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Company. Each of the Executive Directors owes a fiduciary duty to the Company. The Company should be able to avail itself of remedies against the Executive Director in the event of such breach of fiduciary duties. The RC would review such contractual provision as and when necessary and would put forward to the Board for consideration and approval.

The RC is of the view that the current remuneration structure for the Directors and key management personnel are appropriate to attract, retain and motivate the Directors to provide good stewardship of the Company and key management personnel to successfully manage the Company for the long term.

Disclosure on Remuneration

Principle 8: The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

Provisions 8.1

The compensation packages for employees including the Executive Directors and key management personnel comprised a fixed component (base salary), a variable component (cash-based annual bonus) and benefits-in-kind, where applicable, taking into account amongst other factors, the individual's performance, the performance of the Group and industry practices.

An annual review of the compensation is carried out by the RC to ensure that the remuneration of the Executive Directors and key management personnel commensurate with their performance and that of the Company, giving due regard to the financial and commercial health and business needs of the Group. The performance of the Executive Directors of the Company and together with other key management personnel is reviewed periodically by the RC and the Board. In structuring the compensation framework, the RC also takes into account the risk policies of the Group, as well as the need for the compensation to be symmetric with the risk outcomes. The Company extended its service agreement with the Chairman and Group MD, Ms Chew Sue Ann, by a further period of three (3) years with effect from 1 June 2020. For further information on the remuneration of our Chairman and Group MD, please refer to the section entitled "Service Agreement" in the Company's offer document dated 21 June 2017 ("**Offer Document**").

The remuneration paid to or accrued to each individual Director for FY2022 is as follows:

Name	Salary ⁽¹⁾	Variable Bonus	Directors' Fee	Share Options	Benefits -In-Kind	Total
	%	%	%	%	%	%
Above S\$250,000 but not more than S\$500,000						
Chew Sue Ann	80	18	0	0	2	100
James Ling Wan Chye ⁽²⁾	90	10	0	0	0	100
Below S\$50,000						
Hew Koon Chan	0	0	100	0	0	100
Zaffary Bin Ab Rashid	0	0	100	0	0	100
Wong Chin Chin	0	0	100	0	0	100
Margaret Au-Yong	0	0	100	0	0	100

Notes:

⁽¹⁾ Amount inclusive of contribution to employees provident funds.

⁽²⁾ Mr James Ling Wan Chye, the Director of Corporate Finance and Strategy, is the spouse of Ms Chew Sue Ann, Executive Chairman and Group MD.

For FY2022, the remuneration paid to or accrued for the top five (5) key management personnel (who are not Directors or the Group MD) is as follows:

Name of Key Management Personnel	Salary ⁽¹⁾	Bonus	Share Options	Benefits -In-Kind	Total
	%	%	%	%	%
Above S\$250,000 but not more than S\$500,000					
Ooi Chee Kee	89	10	0	1	100
Below S\$250,000					
Lee Jun Ling	94	5	0	1	100
Angelina Ooi	94	6	0	0	100
May Kim Hui Yee	94	5	0	1	100
Chow Siew Bee	94	5	0	1	100

Notes:

⁽¹⁾ Amount inclusive of contribution to employees provident funds.

The Company has not disclosed details of remuneration (amounts and breakdown) of its Directors as recommended by the Code, given the competitive business environment and possible negative impact on the Group's business interests and ability to retain and nurture the Group's talent pool. After taking into account the reasons for non-disclosure stated above, the Board is of the view that the current disclosure of the remuneration presented herein in this report is sufficient to provide Shareholders information on the Group's remuneration policies, as well as the level and mix of remuneration.

For FY2022, the aggregate total remuneration paid/payable to the aforesaid top five (5) key management personnel amounted to S\$0.87 million (equivalent to RM2.70 million, based on an exchange rate of RM3.1 to S\$1.00).

Provisions 8.2

Save for Ms Chew Sue Ann and Mr James Ling Wan Chye who are spouses, and daughter and son-in-law, respectively, of Ms Yap Phaik Kwai (the controlling shareholder of the Company), there are no other employees who are substantial shareholders of the Company, or are immediate family members of a Director, the Chairman and Group MD or a substantial shareholder of the Company whose remuneration exceed S\$100,000 for FY2022.

Provisions 8.3

Please refer to Principle 7 of this report for information on the PSP adopted by the Company. The PSP is administered by the RC. As at the date of this report, no awards have been granted under the PSP by the Company.

(C) ACCOUNTABILITY AND AUDIT

Risk Management and Internal Controls

Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

Provisions 9.1

The Board determines the nature and extent of the significant risks which the Board is willing to take in achieving its strategic objectives and value creation.

The Board acknowledges that it is responsible for establishing, maintaining and reviewing the adequacy and effectiveness of the Company's overall internal control framework. The Board also recognises that an adequate and effective internal control system will not preclude all errors and irregularities, as a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

As the Group does not have a risk management committee, the AC assumes the responsibility of the risk management function. The AC has reviewed, with the assistance of the internal auditors, and the external auditors, the adequacy and effectiveness of the Group's internal controls (including financial, operational, compliance and information technology controls) and risk management systems.

The Company has put in place risk management and internal control systems, including financial, operational, compliance and information technology controls, which are detailed in formal instructions, standard operating procedures and financial authority limits policies. The Board has determined the Group's levels of risk tolerance and risk policies, and oversees the Management in the design, implementation and monitoring of the risk management and internal control systems. The Board also monitors the Group's risks through the AC, internal auditors and external auditors.

The Group has an Enterprise Risk Management Framework in place to manage its exposure to risks that are associated with the conduct of its business. The Board will continue its risk assessment, which is an on-going process, with a view to improve the Group's internal control and risk management systems.

Provisions 9.2

For FY2022, the Board has received assurance from:

- (a) the Chairman and Group MD, and the Group Financial Controller ("**Group FC**") that the financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances; and
- (b) the Chairman and Group MD, and key management personnel that the Group's risk management systems and internal control systems (including financial, operational, compliance and information technology controls) are adequate and effective.

Based on the work performed by the internal auditors and external auditors, the review undertaken by the Management, the existing internal controls in place and the assurance from the Chairman and Group MD, and the Group FC, the Board, with the concurrence of the AC, is of the opinion that the Group's internal controls (including financial, operational, compliance and information technology controls) and risk management systems were adequate and effective for FY2022.

Audit Committee

Principle 10: The Board has an Audit Committee ("AC") which discharges its duties objectively.

Provisions 10.1

The terms of reference of the AC sets out its duties and responsibilities. Amongst others, the AC is responsible for:

- (a) assisting the Board in the discharge of its statutory responsibilities on financing and accounting matters;
- (b) reviewing significant financial reporting issues and judgements to ensure the integrity of the financial statements and any announcements relating to financial performance;
- (c) reviewing the periodic financial statements and results announcements before submission to the Board for approval, focusing in particular, on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, the going concern statement, compliance with financial reporting standards as well as compliance with the Catalist Rules and any other statutory/regulatory requirements;
- (d) reviewing the adequacy, effectiveness, scope and results of the external audit and its cost effectiveness, and the independence and objectivity of the external auditors;
- (e) reviewing the external auditor's audit plan and audit report, and the external auditor's evaluation of the system of internal accounting controls, their management letter and the Management's response;
- (f) reviewing and discussing with auditors any suspected fraud or irregularity or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group's operating results or financial position and the Management's response;
- (g) reviewing the key financial risk areas, the risk management structure and any oversight of the risk management process and activities to mitigate and manage risk at acceptable levels determined by the Board;
- (h) reviewing at least annually the adequacy and effectiveness of the internal controls (including financial, operational, compliance and information technology controls) and risk management systems, and discussing issues and concerns, if any, arising from the internal auditors;
- (i) reviewing the assurance from the Chairman and Group MD, and Group FC on the financial records and financial statements;
- (j) reviewing the scope and results of the internal audit procedures, and at least annually, the independence, adequacy and effectiveness of the Group's internal audit function, and whether the Group's internal audit function is adequately resourced and staffed with persons with the relevant qualifications and experience;
- (k) reviewing and approving transactions falling within the scope of Chapter 10 of the Catalist Rules (if any);
- (l) reviewing any interested person transactions and monitor the procedures established to regulate interested person transactions, and any deviations from the procedures will be subject to the AC's review and approval;
- (m) making recommendations to the Board on: (i) the proposals to Shareholders on the appointment, reappointment and removal of the external auditor; and (ii) the remuneration and terms of engagement of external auditors;
- (n) undertaking generally such other functions and duties as may be required by law or the Catalist Rules; and
- (o) reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on. The Company publicly discloses, and clearly communicates to employees, the existence of a whistle-blowing policy and procedures for raising such concerns.

The AC has explicit authority to investigate any matters within its terms of reference. The AC also has full access to, and the co-operation of, the Management and full discretion to invite any Director or senior management to attend its meetings. The AC has adequate resources, including access to external consultants and auditors, to enable it to discharge its responsibilities properly.

The Group is committed to a high standard of ethical conduct and adopts a zero-tolerance approach to fraud. As such, the Group undertakes to investigate complaints of suspected fraud in an objective manner and has put in place arrangements by which staff of the Group or third parties may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters. The Company has implemented whistle-blowing procedures pursuant to which staff of the Company or any other persons may, in confidence, raise concerns about serious wrong doings, misconduct, malpractices or improprieties in matters relating to the Group and its officers. Whistle-blowing concerns shall be reported in person or in writing via electronic mail to the Chairman of the AC directly. The Group will treat all information received confidentially and protect the identity and the interest of all whistle-blowers and whistle-blowers will not be at risk of suffering any detriment if they acted in good faith. The objective of the whistle-blowing policy is to ensure independent investigation of matters raised and to allow appropriate actions to be taken. The results from the investigation will be reported directly to the Chairman of the AC. There was no whistle-blowing report received by the Chairman of the AC in FY2022.

Provisions 10.2 and 10.3

As at the date of this annual report, the AC comprises three (3) members, all of whom (including the Chairman) are Independent and Non-Executive Directors. The AC comprises the following members:

Mr Hew Koon Chan	(AC Chairman and Lead Independent Director)
Ms Margaret Au-Yong	(Independent Director)
Mr Raja Singham	(Independent Director)

The Board is of the opinion that Mr Hew Koon Chan and Mr Raja Singham possess the necessary accounting or related financial management qualifications, expertise and/or experience in discharging their duties, while Ms Margaret Au-Yong brings with her invaluable experience in finance and business management.

The AC does not comprise former partners or directors of the Company's existing auditing firm or auditing corporation, and none of the AC members have financial interest in the Company's existing auditing firm or auditing corporation.

Provisions 10.4

Internal Audit

The Company has outsourced its internal audit function to RSM Corporate Consulting (Malaysia) Sdn Bhd ("**RSM**"), a company within RSM Malaysia (a member firm of the international RSM network of auditing firms). In FY2022, an internal audit review was carried out by RSM. RSM performs its work in accordance with the RSM Internal Audit Methodology which is consistent with the Standards for the Professional Practice of Internal Auditing established by The Institute of Internal Auditors.

The Board recognises the importance of sound internal financial controls, operational and compliance controls, and risk management policies to good corporate governance. The AC approves the hiring, removal, evaluation and compensation of the internal auditors. The internal auditors report directly to the Chairman of the AC on audit matters and to the Chairman and Group MD on administrative matters, and has full access to the documents, records, properties and personnel (including the AC) of the Group. The internal auditors assist the Board in monitoring the risk exposure and internal controls of the Group and the audit plan is submitted to the AC for approval prior to commencement of the internal audit.

In respect of FY2022, the AC has reviewed the internal auditors' audit plans, its evaluation of the Group's system of internal controls, audit findings and management's responses to those findings, and the adequacy and effectiveness of material internal controls (including financial, operational, compliance and information technology controls) and overall risk management systems of the Group.

The AC is satisfied that the outsourced internal audit function is independent, adequately resourced, effective and has the appropriate standing within the Group. The AC is also of the view that the outsourced internal audit function is staffed with suitably qualified and experienced professionals with the relevant experience, and adheres to professional standards including those promulgated by the Institute of Internal Auditors. On an annual basis, the AC reviews the independence, adequacy and effectiveness of the internal audit function of the Company.

External Audit

Annually, the AC will also conduct a review of the independence and objectivity of the external auditors through discussions with the external auditors, as well as reviewing the non-audit fees paid to them. The AC received an audit report from the external auditors setting out the non-audit services provided and the fees charged for FY2022. A breakdown of the audit and non-audit fees paid to the Company's auditors is disclosed on page 137 of this Annual Report. The aggregate amount of fees paid or payable by the Group to the external auditors of the Company for FY2022 amounted to RM214,798 for audit services and RM15,635 for non-audit services and the aggregate amount of fees paid or payable to the external auditors of the subsidiaries for FY2022 amounted to RM172,698 for audit services and RM42,580 for non-audit services. The AC is satisfied that the nature and extent of such non-audit services would not prejudice the independence and objectivity of the external auditors.

For FY2022, the AC has reviewed and is satisfied with the level of co-operation rendered by the Management to the external auditors, the adequacy of scope and quality of their audits, and the independence and objectivity of the external auditors.

The AC is satisfied that the external auditors of the Company, Baker Tilly TFW LLP, an auditing firm registered with the Accounting and Corporate Regulatory Authority, and the external auditors of the Company's subsidiaries, Baker Tilly Monteiro Heng PLT, an auditing firm registered with the Audit Oversight Board of Malaysia, and ICOP Sein Win & Associates Company Limited, Certified Public Accountants, are independent and that they had also provided a confirmation of their independence to the AC. The AC had assessed the external auditors of the Company based on factors such as performance, adequacy of resources and experience of their audit engagement partners and audit teams assigned to the Group's audit as well as the size and complexity of the Group. Accordingly, the AC is satisfied that Rules 712 and 715 of the Catalist Rules have been complied with and has recommended to the Board, the nomination of Baker Tilly TFW LLP for re-appointment at the forthcoming AGM of the Company.

In the review of the financial statements, the AC has discussed with the Management the accounting principles that were applied and its judgement of items that might affect the integrity of the financial statements. The following significant matter impacting the financial statements was discussed with the Management and the external auditors, and were reviewed by the AC:

Matters considered	How the AC reviewed these matter and what decision were made
Impairment Assessment of Goodwill - 2.0 million	<p>The AC considered the audit procedures performed by the external auditors to address this key audit matter, including the basis and assumptions used in the discounted cash flow, assess the reasonableness of significant assumptions and inputs used in the discounted cash flow calculation, assessed the robustness of management cash flow forecast by performing a retrospective review to actual results and sensitivity of the conclusion of impairment test to changes in key assumptions.</p> <p>Based on the above procedures, the AC was satisfied that this key audit matter has been properly dealt with for purpose of the Board's approval of the financial statements for FY2022.</p> <p>Impairment assessment of goodwill is an area of focus for the external auditors. The external auditors have included this item as a key audit matter in its audit report for FY2022. Please refer to pages 109 to 112 of this annual report.</p>

Provisions 10.5

The AC will meet with the external auditors and internal auditors without the presence of the Management, at least once annually, and as and when necessary, to review the adequacy of audit arrangement, with emphasis on the scope and quality of their audit, the independence, objectivity and observations of the external auditors and internal auditors. In respect of FY2022, the AC has met with the external auditors and the internal auditors once, without the presence of the Management.

(D) SHAREHOLDER RIGHTS AND ENGAGEMENT

Shareholder Rights and Conduct of General Meeting

Principle 11: The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

Provisions 11.1

Shareholders are encouraged to attend all general meetings of the Company to ensure a high level of participation and accountability. The Company will inform Shareholders on the rules governing general meetings of Shareholders. The AGM is the principal forum for dialogue with Shareholders. The Company recognises the value of feedback from Shareholders. During the AGM, Shareholders are given ample time and opportunities to air their views and concerns. All the Directors will endeavour to attend the AGM and extraordinary general meetings, and Shareholders will be given the chance to share their thoughts and ideas or ask questions relating to the resolutions to be passed or on other corporate and business issues.

Shareholders who are not relevant intermediaries can vote in person or appoint not more than two (2) proxies (or in the case of Shareholders who are relevant intermediaries, more than two (2) proxies) to attend, speak and vote on their behalf at the general meetings. There is no provision in the Company's Constitution that limits the number of proxies for nominee companies.

For greater transparency, the Company will put all resolutions to vote by poll at general meetings and an announcement of the detailed results of the number of votes cast for and against each resolution and the respective percentages will be made on the same day on SGXNet.

For FY2021, due to the COVID-19 outbreak and the circuit breaker put in place by the Singapore Government, the Company's last AGM for the financial ended 31 May 2021 held on 28 September 2021 ("**2021 AGM**") was held by way of electronic means, through "live webcast" and "audio-only means", pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 ("**COVID-19 Order**"). The notice of AGM was not published in the newspaper, but was instead disseminated to Shareholders through publication on SGXNet and the Company's corporate website, in accordance with the alternative arrangements for holding of the AGM pursuant to the COVID-19 Order. The Company had also published a notice to Shareholders, together with the notice of AGM, detailing the alternative arrangements for the 2021 AGM, during the COVID-19 pandemic. Pursuant to Part 4 of the COVID-19 (Temporary Measures) Act 2020, a member of the Company (whether individual or corporate and including a relevant intermediary) entitled to vote at the AGM must appoint the Chairman of the AGM to act as proxy and direct the vote at the AGM. In appointing the Chairman of the AGM as proxy, a member (whether individual or corporate and including a relevant intermediary) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment will be treated as invalid. Shareholders participated in the 2021 AGM via electronic means, voting by appointing the Chairman of the 2021 AGM as proxy and their questions (if any) in relation to any resolution set out in the notice of AGM were sent to the Company in advance of the 2021 AGM, and responses to the questions were provided via announcement on SGXNet and the Company's corporate website prior to the 2021 AGM. The forthcoming AGM in respect of FY2022 will also be convened and held by electronic means in accordance with the COVID-19 Order. Please refer to the notice of AGM as set out in this Annual Report for more information on the alternative arrangements put in place for the forthcoming AGM in respect of FY2022.

Provisions 11.2

Matters which require Shareholders' approval are presented and proposed as each substantially separate resolution. The Company practises having separate resolutions at general meetings for each substantially separate issue unless such issues are interdependent and linked so as to form one significant proposal. Where resolutions are "bundled", the Company will explain the reasons and material implications in the notice of meeting. For FY2022, there were no "bundled" resolutions.

In addition, each item of special business in the notice of general meeting will be accompanied by an explanatory note, where appropriate. Proxy form will also be made available with the notice of general meeting to all Shareholders.

Provision 11.3

At general meetings of the Company, Shareholders are given the opportunity to raise questions to the Directors and the Management relating to the Company's business or performance. The Management, as well as the respective Chairmen of the Board, AC, RC and NC will be present and available to address all comments or queries raised by Shareholders at general meetings of the Company. The external auditors of the Company will also be present at the AGM to address Shareholders' queries on the conduct of the audit and the preparation and content of the auditor's report.

Save for Mr Raja Singham who was appointed as an Independent Director with effect from 27 July 2022, all Directors (including Ms Wong Chin Chin) were present at the 2021 AGM held on 28 September 2021. Save for the aforementioned AGM, there was no other general meeting held during FY2022.

Provision 11.4

The Company has decided, for the time being, not to implement voting in absentia through mail, electronic mail or fax until security, integrity and other pertinent issues are satisfactorily resolved.

Provision 11.5

The proceeding of each of the general meetings will be properly recorded, including substantial or relevant comments or queries from Shareholders relating to the agenda of the general meetings and responses from the Board and Management. All minutes of the general meetings will be available for the inspection of Shareholders upon their request and such minutes of general meetings are also published on the Company's corporate website as soon as practicable.

The Company published the minutes of the 2021 AGM on the SGXNet and its corporate website, in compliance with the COVID-19 Order.

Provision 11.6

The Company adopted a dividend policy in August 2021, that aims to provide Shareholders with a target annual dividend payout of 30% of the Group's profit attributable to equity holders of the Company as final dividends. Such declaration and payment of dividends shall be determined at the sole discretion of the Board.

In proposing any dividend payout, the Board shall take into account, inter alia:-

- (a) the level of the Group's cash and retained earnings;
- (b) the Group's projected levels of capital expenditure and other investment plans, including strategic and opportunistic investments;
- (c) the Group's working capital requirements and general business and financing conditions;
- (d) the market conditions in global and specific markets; and
- (e) any other factors the Board may deem relevant.

The Board endeavours to maintain a balance between meeting Shareholders' expectations and prudent capital management with a sustainable dividend policy. The Board will continually review the dividend policy and reserves the right in the sole and absolute discretion to update, amend, modify and/or cancel the dividend policy at any time.

The details of dividend payment, if any, would be disclosed via the release of the announcements through SGXNet. If no dividend has been declared, a statement to that effect and the reasons for the decision will be included in the half-yearly or full year financial results announcements, as the case may be. The Board has recommended a final dividend for FY2022, which will be subject to Shareholders' approval at the forthcoming annual general meeting of the Company.

Engagement with Shareholders

Principle 12: The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

Provisions 12.1, 12.2 and 12.3

The Company believes in timely and accurate dissemination of information to its Shareholders. The Board makes every effort to comply with continuous disclosure obligations of the Company under the Catalist Rules and the Companies Act 1967 of Singapore. Where there is inadvertent disclosure made to a selected group, the Company will make the same disclosure publicly as soon as practicable. Communication to Shareholders is normally made through:

- (a) annual reports or circulars to Shareholders (which include notices of general meetings) are prepared and made available to all Shareholders within the mandatory period;
- (b) annual and half-yearly financial statements announcements containing a summary of the financial information and affairs of the Group for the period;
- (c) notices and explanatory memoranda for general meetings;
- (d) disclosures to the SGX-ST via SGXNet; and
- (e) Company's website at www.shopper360.com.my where shareholders can access information on the Group.

The Company's general meetings are the principal forum for dialogue with shareholders, to gather their views or inputs, and address their concerns, if any. Shareholders are given ample time and opportunities to sound their views and concerns. All the Directors will endeavour to attend the general meetings of the Company, and Shareholders will be given the chance to share their thoughts and ideas or ask questions relating to the resolutions to be passed or on other corporate and business issues. The Company will consider the use of other forums as and when applicable.

In accordance with the Catalist Rules, the Company does not practise selective disclosure, and trade sensitive and/or price sensitive information is publicly released on an immediate basis where required under the Catalist Rules.

The Company strives to reach out to shareholders and investors via its online investor relations site within its corporate website at www.shopper360.com.my where it updates shareholders and investors on the latest news and business developments of the Group. Shareholders may contact the Company with questions via the contact details on its corporate website and the Company will respond to such questions accordingly.

(E) MANAGEMENT STAKEHOLDERS RELATIONSHIPS

Engagement with Stakeholders

Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

Provisions 13.1 and 13.2

The Company has arrangements in place to identify and engage with its material stakeholder groups and to manage its relationships with such groups. The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to secure the long term future of the Company. The Company's efforts on sustainability are focused on creating sustainable value for its key stakeholders, which include communities, customers, staff, regulators, shareholders and vendors.

Provisions 13.3

The Company maintains a current corporate website to communicate and engage with stakeholders. The Company's website can be accessed at www.shopper360.com.my.

(F) DEALINGS IN COMPANY'S SECURITIES

The Company has adopted a Code of Best Practices to provide guidance to its officers on securities transactions by the Company and its officers.

The Company and its officers are not allowed to deal in the Company's shares during the period commencing one (1) month before the announcement of the Group's half-year and full-year financial results, ending on the date of the announcement of the relevant results.

Directors and executives are also expected to observe insider-trading laws at all times even when dealing with securities within the permitted trading period or when they are in possession of unpublished price-sensitive information, and they are not to deal in the Company's securities on short-term considerations.

(G) INTERESTED PERSON TRANSACTIONS

The Group has established procedures to ensure that transactions with interested persons are properly reviewed and approved and are conducted on arm's length basis and on normal commercial terms and do not prejudice the interests of the Group and its minority Shareholders. Any Director, Chairman and Group MD and/or controlling shareholder of the Company who is interested in a transaction, will abstain and refrain from deliberating, discussing, making recommendations and approving the transaction.

The Group does not have a general mandate from Shareholders for interested person transactions ("IPTs") pursuant to Rule 920 of the Catalist Rules.

The IPTs entered into by the Group during FY2022 is set out as follows:

Name of interested person	Nature of relationship	Aggregate value of all IPTs during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) (S\$'000)	Aggregate value of all IPTs conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) (S\$'000)
Rekaweb.Com Sdn. Bhd.	controlling shareholder of the Company	168	-

The Group leases properties from Rewakweb.Com Sdn. Bhd. for office and storeroom purposes.

(H) MATERIAL CONTRACTS

Save as disclosed above on the service agreement between the Company and Ms Chew Sue Ann (Executive Chairman and Group MD), no material contracts (including loans) were entered into between the Company or any of its subsidiaries involving the interests of any Director or controlling Shareholder, which are either subsisting at the end of the financial year reported on or, if not then subsisting, entered into since the end of the previous financial year.

(I) CATALIST SPONSOR

With reference to Rule 1204(21) of the Catalist Rules, no non-sponsorship fees were paid to the Sponsor, ZICO Capital Pte. Ltd. in respect of FY2022.

ADDITIONAL INFORMATION ON DIRECTORS NOMINATED FOR RE-ELECTION – APPENDIX 7F TO THE CATALIST RULES

Pursuant to Rule 720(5) of the Catalist Rules, information as set out in Appendix 7F to the Catalist Rules relating to Ms Chew Sue Ann, Ms Margaret Au-Yong, Mr James Ling Wan Chye and Mr Raja Singham, being the Directors who are retiring in accordance with the Company's Constitution at the forthcoming AGM, is set out below:

Name of Director	Ms Chew Sue Ann ("Ms Chew")	Ms Margaret Au-Yong ("Ms Margaret")
Date of appointment	27 December 2016	19 May 2017
Date of last re-appointment (if applicable)	26 September 2019	29 September 2020
Age	43	73
Country of principal residence	Malaysia	Malaysia
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The re-election of Ms Chew as a Director of the Company was recommended by the NC and the Board has accepted the recommendation, after taking into consideration Ms Chew's qualifications, skills, expertise, past experiences and overall contribution since her appointment as a Director of the Company.	The re-election of Ms Margaret as a Director of the Company was recommended by the NC and the Board has accepted the recommendation, after taking into consideration Ms Margaret's qualifications, skills, expertise, past experiences and overall contribution since her appointment as a Director of the Company.
Whether appointment is executive, and if so, the area of responsibility	Yes Ms Chew leads the Board, while accelerating the Group's expansion into international markets and deepening relationships with strategic partners.	No
Job Title (e.g. Lead ID, AC Chairman, AC member etc.)	Executive Chairman and Group Managing Director	RC Chairman and AC Member
Professional qualifications	BSc in Business Management; Marketing (Major) and Theological Studies (Minor) from Biola University, California	Bachelor of Arts (Hons) from University of Malaya
Working experience and occupation(s) during the past 10 years	<u>December 2011 – November 2016</u> IACT College, Executive Chairman <u>December 2011 – Current</u> Shopper360 Limited – Chairman and Group Managing Director	<u>October 2014 – Current</u> 1Malaysia Racing Team Sdn. Bhd. – Director <u>June 2014 – Current</u> Macomm Management Services Sdn. Bhd. – Director <u>October 1991 – Current</u> Klasik Heights Sdn. Bhd. – Director

Name of Director	Ms Chew Sue Ann ("Ms Chew")	Ms Margaret Au-Yong ("Ms Margaret")
Shareholding interest in the listed issuer and its subsidiaries	325,000 shares, 0.30%	Nil
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/ or substantial shareholder of the listed issuer or of any of its principal subsidiaries	<p>Ms Chew is the daughter of a controlling shareholder of the Company, Ms Yap Phaik Kwai, who has a total interest of 39.74% (direct and deemed) of the issued share capital of the Company as at 9 September 2022.</p> <p>Ms Chew is also the wife of the Executive Director of the Company, Mr James Ling Wan Chye.</p>	Nil
Conflict of interest (including any competing business)	Nil	Nil
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
<p>Other Principal Commitments* Including Directorships#</p> <p>* "Principal Commitments" has the same meaning as defined in the Code.</p> <p># These fields are not applicable for announcements of appointments pursuant to Listing Rule 704(8)</p>		
Past (for the last 5 years)	<p>Past Directorships:</p> <p>Foster Marketing Sdn. Bhd. IACT College</p>	<p>Past Directorships:</p> <p>Kolej IACT Sdn. Bhd. Audit Bureau of Circulation</p>

Name of Director	Ms Chew Sue Ann ("Ms Chew")	Ms Margaret Au-Yong ("Ms Margaret")
Present	<p>Present Directorships: shopper360 Limited</p> <p><u>Group Companies</u></p> <ul style="list-style-type: none"> - Shopper360 Sdn. Bhd. - Jump Retail Sdn. Bhd. - Retail Galaxy Sdn. Bhd. - Pos Ad Sdn. Bhd. - Agensi Pekerjaan S360 Recruitment Sdn. Bhd. - Tristar Synergy Sdn. Bhd. - Gazelle Activation Sdn Bhd. - ShopperPlus Sdn. Bhd. - Marvel Distribution Sdn. Bhd. - She Distribution Sdn. Bhd. - ShopperPlus Myanmar Co. Ltd. - ShopperPlus Singapore Pte. Ltd. <p><u>Other Companies</u></p> <ul style="list-style-type: none"> - Rekaweb.Com Sdn. Bhd. - Zencall Holdings Sdn. Bhd. - Dimensi Kasturi Sdn. Bhd. - Troopers Innovation Sdn. Bhd. - Avinity Analytics Sdn. Bhd. - Avinity Analytics Pte. Ltd. 	<p>Present Directorships: shopper360 Limited</p> <p><u>Other Companies</u></p> <ul style="list-style-type: none"> - 1Malaysia Racing Team Sdn. Bhd. - Macomm Management Services Sdn. Bhd. - Klasik Heights Sdn. Bhd.
<p>Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.</p>		
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No

Name of Director	Ms Chew Sue Ann ("Ms Chew")	Ms Margaret Au-Yong ("Ms Margaret")
c) Whether there is any unsatisfied judgment against him?	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No

Name of Director	Ms Chew Sue Ann ("Ms Chew")	Ms Margaret Au-Yong ("Ms Margaret")
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No
<p>(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of :—</p> <p>(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or</p> <p>(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or</p> <p>(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or</p> <p>(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere,</p> <p>in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?</p>	No	No

Name of Director	Ms Chew Sue Ann ("Ms Chew")	Ms Margaret Au-Yong ("Ms Margaret")
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No
Disclosure applicable to the appointment of Director only.		
Any prior experience as a director of an issuer listed on the Exchange? If yes, please provide details of prior experience. If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange.	Not applicable. This is a re-election of a Director.	Not applicable. This is a re-election of a Director.
Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable)	Not applicable. This is a re-election of a Director.	Not applicable. This is a re-election of a Director.

Name of Director	Mr James Ling Wan Chye ("Mr James")	Mr Raja Singham ("Mr Raja")
Date of appointment	1 December 2021	27 July 2022
Date of last re-appointment (if applicable)	-	-
Age	44	55
Country of principal residence	Malaysia	Malaysia
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The re-election of Mr James as a Director of the Company was recommended by the NC and the Board has accepted the recommendation, after taking into consideration Mr James' qualifications, skills, expertise, past experiences and overall contribution since his appointment as a Director of the Company.	The re-election of Mr Raja as a Director of the Company was recommended by the NC and the Board has accepted the recommendation, after taking into consideration Mr Raja's qualifications, skills, expertise, past experiences and overall contribution since his appointment as a Director of the Company.
Whether appointment is executive, and if so, the area of responsibility	Yes Mr James oversees the corporate finance, human resource, strategy and group administration across the Company and its subsidiaries.	No
Job Title (e.g. Lead ID, AC Chairman, AC member etc.)	Executive Director – Corporate Finance and Strategy	NC Chairman and AC Member
Working experience and occupation(s) during the past 10 years	<p><u>November 2010 – November 2012</u> Fonterra Brands Singapore Pte Limited, Growth and Performance Manager of Global Anlene Marketing Team</p> <p><u>December 2012 – November 2014</u> Fonterra Brands Malaysia Sdn Bhd, Commercial Projects Director</p> <p><u>December 2014 – August 2017</u> Fonterra Brands Malaysia Sdn Bhd, Finance Director of Fonterra Brands Malaysia and Singapore</p> <p><u>August 2017 – December 2017</u> Fonterra Brands Malaysia Sdn Bhd, Medical Sales Director</p> <p><u>January 2018 – Current</u> shopper360 Limited – Director of Corporate Finance and Strategy</p>	<p><u>1991 – Current</u> BAC Education Group, Managing Director</p>

Name of Director	Mr James Ling Wan Chye ("Mr James")	Mr Raja Singham ("Mr Raja")
Shareholding interest in the listed issuer and its subsidiaries	Nil	Nil
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/ or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Mr James is the spouse of Ms Chew, Executive Chairman and Group MD, and son-in-law of Ms Yap Phaik Kwai, who has a total interest of 39.74% (direct and deemed) in the issued share capital of the Company as at 9 September 2022.	Nil
Conflict of interest (including any competing business)	Nil	Nil
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
Other Principal Commitments* Including Directorships# * "Principal Commitments" has the same meaning as defined in the Code. # These fields are not applicable for announcements of appointments pursuant to Listing Rule 704(8)		
Past (for the last 5 years)	Past Directorships: shopper360 Limited Fonterra Brands (Malaysia) Sdn Bhd Dairymas (Malaysia) Sdn Bhd Solid Fresh Food & Beverage (M) Sdn Bhd Annum (Malaysia) Sdn Bhd PB Grocery Group Sdn Bhd	Past Directorships: Canlaw Asia Sdn Bhd Chic Colombo Sdn Bhd XBIT Asia Sdn Bhd Country Heights Brickfields College Sdn Bhd Legaltraining TV Sdn Bhd
Present	Present Directorships: shopper360 Limited <u>Group Companies</u> - Shopper360 Sdn. Bhd. - Agensi Pekerjaan S360 Recruitment Sdn. Bhd. - SHE Distribution Sdn. Bhd. <u>Other Companies</u> - Dignity For Children Foundation - Dignity Education Sdn. Bhd. - Dimensi Kasturi Sdn. Bhd. - Troopers Innovation Sdn. Bhd. - Avinity Analytics Sdn. Bhd. - Avinity Analytics Pte. Ltd.	Present Other Principal Commitments Secretary, ASEAN Business Advisory Council (ABAC) Council member, ABAC Malaysia Founder and President, Pertubuhan Bangkit Present Directorships: shopper360 Limited <u>Other Companies</u> - Brickfields Asia College Sdn. Bhd. - Hostels Asia Sdn. Bhd. - The Creative Academy Sdn. Bhd. - Veritas Education Sdn. Bhd.

Name of Director	Mr James Ling Wan Chye ("Mr James")	Mr Raja Singham ("Mr Raja")
Present (cont'd)		<p><u>Other Companies (cont'd)</u></p> <ul style="list-style-type: none"> - Abacus Digital Sdn. Bhd. - Faceberry Communications Sdn. Bhd. - Monster Fit Sdn. Bhd. - BAC Engage Sdn. Bhd. - Faceberry Digital Sdn. Bhd. - Make It Right Movement Sdn. Bhd. - Backed 4 Life Sdn. Bhd. - MUMC Education Sdn. Bhd. - Edu Nation Sdn. Bhd. - Edrevolution Sdn. Bhd. - Faceberry Holdings Sdn. Bhd. - BAC International Sdn. Bhd. - BAC Ventures Sdn. Bhd. - FAC3 Entertainment Sdn. Bhd. - Agensi Pekerjaan Jobsbac Sdn. Bhd. - BAC Learn Sdn. Bhd. - Backup Consultancy Sdn. Bhd. - HRD Academy Sdn. Bhd. - BAC Global Sdn. Bhd. - Asia Law Academy Sdn. Bhd. - Course Advisor Sdn. Bhd. - Skills Academy Sdn. Bhd. - BAC Education Sdn. Bhd. - Digital Marketing Academy Sdn. Bhd. - Malaysian Ceylonese National Community Centre Berhad - Project Deep Sdn. Bhd. - Kolej IACT Sdn. Bhd. - Bookad Media Sdn. Bhd. - Mycars-Ads Sdn. Bhd. - BAC Foundation - BAC Digital Academy Sdn. Bhd. - ABAC Malaysia Chapter Sdn. Bhd. - Educap Sdn. Bhd. - Educap Holdings Sdn. Bhd. - Reliance College Sdn. Bhd. - BAC COLLEGE (Singapore) Pte Ltd
<p>Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.</p>		
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No

Name of Director	Mr James Ling Wan Chye ("Mr James")	Mr Raja Singham ("Mr Raja")
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No
c) Whether there is any unsatisfied judgment against him?	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No

Name of Director	Mr James Ling Wan Chye ("Mr James")	Mr Raja Singham ("Mr Raja")
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No
<p>(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of :—</p> <p>(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or</p> <p>(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or</p> <p>(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or</p> <p>(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere,</p> <p>in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?</p>	No	No

Name of Director	Mr James Ling Wan Chye ("Mr James")	Mr Raja Singham ("Mr Raja")
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No
Disclosure applicable to the appointment of Director only.		
Any prior experience as a director of an issuer listed on the Exchange? If yes, please provide details of prior experience. If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange.	Not applicable. This is a re-election of a Director.	Not applicable. This is a re-election of the a Director.
Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable)	Not applicable. This is a re-election of a Director.	Not applicable. This is a re-election of a Director.

DIRECTOR'S STATEMENT

The directors are pleased to present their statement to the members together with the audited consolidated financial statements of shopper360 Limited (the "Company") and its subsidiaries (the "Group") and the statement of financial position and statement of changes in equity of the Company for the financial year ended 31 May 2022.

In the opinion of the directors:

- (i) the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company as set out on pages 113 to 172 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 May 2022 and of the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year then ended in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International); and
- (ii) at the date of this statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

The directors in office at the date of this statement are:

Chew Sue Ann
Margaret Au-Yong @ Moh Chuan
Hew Koon Chan
Zaffary Bin Ab Rashid
James Ling Wan Chye (Appointed on 1 December 2021)
Raja Singham A/L S.Sukumara Singham (Appointed on 27 July 2022)

Arrangement to enable directors to acquire benefits

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Directors' interest in shares or debentures

The directors of the Company holding office at the end of the financial year had no interests in the shares and debentures of the Company and related corporations as recorded in the Register of Directors' Shareholdings kept by the Company under Section 164 of the Act, except as follows:

Name of Director and Companies in which interest are held	Number of ordinary shares Shareholdings registered in her own name					
	Direct interest			Deemed interest		
	At 1.6.2021	At 31.5.2022	At 21.06.2022	At 1.6.2021	At 31.5.2022	At 21.06.2022
Company						
Chew Sue Ann	325,000	325,000	325,000	43,235,250	43,235,250	43,235,250
Immediate and ultimate holding company						
Rekaweb.Com Sdn. Bhd. Chew Sue Ann	12,750	12,750	12,750	-	-	-

The deemed interest of Ms Chew Sue Ann in the shares of the Company are by virtue of her shareholdings in Rekaweb.Com Sdn. Bhd., which in turn holds 43,235,250 shares in the Company.

Share options

The shopper360 Limited's Performance Shares Plan ("PSP") is administered by the Remuneration Committee of the Company, comprising Margaret Au-Yong @ Moh Chuan, Hew Koon Chan and Zaffary Bin Ab Rashid. A member of the Remuneration Committee who is also a participant of the PSP must not be involved in its deliberation in respect of the awards granted or to be granted to him.

a) Options to take up unissued shares

During the financial year, no options to take up unissued shares of the Company or any other corporation in the Group were granted.

b) Options exercised

During the financial year, there were no shares of the Company or any other corporation in the Group issued by virtue of the exercise of an option to take up unissued shares.

c) Unissued shares under option

At the end of the financial year, there were no unissued shares of the Company or any other corporation in the Group under option.

Audit Committee

The members of the Audit Committee during the year and at the date of this statement are:

Hew Koon Chan (Chairman, Lead Independent Director)
Raja Singham A/L S.Sukumara Singham (Independent Director) (Appointed on 27 July 2022)
Margaret Au-Yong @ Moh Chuan (Independent Director)
Wong Chin Chin (Independent Director) (Resigned on 26 July 2022)

The Audit Committee carried out its functions in accordance with Section 201B(5) of the Act. Their functions are detailed in the Corporate Governance Report section of the 2022 Annual Report.

In performing its functions, the Audit Committee met with the Company's external and internal auditors to discuss the scope of their work, the results of their examination and evaluation of the Company's internal accounting control system.

The Audit Committee also reviewed the following:

- a) The audit plans, scope of work, evaluation of the adequacy of the internal controls, audit reports, management letters on internal controls and management response;
- b) The adequacy and effectiveness of the Group's internal controls addressing financial, operational and compliance risks prior to the incorporation of such results in the annual report;
- c) The financial statements of the Company and the consolidated financial statements of the Group before their submission to the directors of the Company and external auditors' report on those financial statements;
- d) The half-yearly (where relevant) and annual announcements as well as the related press releases on the results and financial position of the Company and the Group;
- e) The co-operation and assistance given by the management to the Group's external auditor;
- f) Interested person transactions falling within the scope of Chapter 9 of the Listing Manual, Section B: Rules of Catalyst of the Singapore Exchange Securities Trading Limited and other relevant statutory requirements and any potential conflicts of interests; and
- g) The re-appointment of the external and internal auditors of the Group.

Audit Committee (cont'd)

The Audit Committee has full access to and has the co-operation of the management and has been given the resources required for it to discharge its function properly. It also has full discretion to invite any director and executive officer to attend its meetings. The external and internal auditors have unrestricted access to the Audit Committee.

The Audit Committee is satisfied with the independence and objectivity of the external auditor and has recommended to the board of directors that Baker Tilly TFW LLP be nominated for re-appointment as external auditor of the Company at the forthcoming Annual General Meeting.

Independent auditor

The independent auditor, Baker Tilly TFW LLP, has expressed its willingness to accept re-appointment.

On behalf of the directors

Chew Sue Ann
Director

Hew Koon Chan
Director

29 August 2022

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SHOPPER360 LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of shopper360 Limited (the "Company") and its subsidiaries (the "Group") as set out on pages 113 to 172, which comprise the statements of financial position of the Group and of the Company as at 31 May 2022, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and the statement of changes in equity of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 May 2022 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and of the changes in equity of the Company for the financial year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

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

Key Audit Matters (cont'd)

Impairment assessment on goodwill

As at 31 May 2022, included in the Group's intangible assets is goodwill with carrying amount of RM2,007,651 (2021: RM2,007,651). Goodwill has been allocated to a cash-generating unit ("CGU") as disclosed in Note 12 to the financial statements. Management has performed impairment assessment to determine the recoverable amount of the CGU based on its value-in-use.

Impairment assessment of goodwill is considered a key audit matter as the computation of value in use involves estimations and assumptions to be made by management. The key estimations relate to forecast revenue growth rates, gross margins and discount rate applied to future cash flow projections. Details are disclosed in Note 2(x) and Note 12 to the financial statements.

Our procedures to address the key audit matter

We obtained an understanding of management's impairment assessment process.

We assessed the key estimates applied and management's consideration of the current business conditions in the value-in-use calculations by comparing the cash flow projections to historical data and existing contracts, purchase orders or quotations. We also compared current year actual results to prior year forecast where relevant, to assess the reasonableness and reliability of management estimations. We assessed the sensitivity of the key estimates on the impairment assessment based on reasonably possible changes in the key estimates. We involved our internal valuation specialists in assessing the reasonableness of the discount rate used.

We have also assessed the adequacy and appropriateness of the disclosures made in the financial statements.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I), and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

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

The directors' responsibilities include overseeing the Group's financial reporting process.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

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

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

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

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

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporation incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Foong Chooi Chin.

Baker Tilly TFW LLP
Public Accountants and
Chartered Accountants
Singapore

29 August 2022

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MAY 2022

	Note	Group	
		2022 RM	2021 RM
Revenue	3	152,157,777	153,133,232
Cost of sales		(117,275,064)	(115,034,362)
Gross profit		34,882,713	38,098,870
Other income	4	851,080	894,384
Expenses			
Administrative expenses		(27,916,964)	(28,915,832)
Other operating expenses		(25,288)	(82,416)
Reversal of impairment losses on trade receivables and contract assets (net)		146,952	232,375
Finance costs	5	(146,739)	(118,699)
Share of results of associated companies		(276,447)	(39,533)
Profit before tax	6	7,515,307	10,069,149
Tax expense	8	(2,798,998)	(3,506,321)
Profit for the year		4,716,309	6,562,828
Other comprehensive income/(loss), net of tax:			
<i>Item that is or may be reclassified subsequently to profit or loss:</i>			
Currency translation differences arising from consolidation		(144,970)	(389,568)
<i>Items that will not be reclassified subsequently to profit or loss:</i>			
Financial assets at fair value through other comprehensive income - fair value gains - equity instruments		2,156,392	-
Currency translation differences arising from consolidation		(92,067)	(272,283)
Other comprehensive income/(loss) for the year, net of tax		1,919,355	(661,851)
Total comprehensive income for the year		6,635,664	5,900,977
Profit attributable to:			
Equity holders of the Company		3,728,814	5,815,826
Non-controlling interest		987,495	747,002
Profit for the year		4,716,309	6,562,828
Total comprehensive income attributable to:			
Equity holders of the Company		5,740,236	5,426,258
Non-controlling interest		895,428	474,719
		6,635,664	5,900,977
Earnings per share (sen per share) - Basic and diluted	9	3.43	5.29

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

STATEMENTS OF FINANCIAL POSITION

At 31 May 2022

	Note	Group		Company	
		2022 RM	2021 RM	2022 RM	2021 RM
ASSETS					
Non-current assets					
Property, plant and equipment	10	1,909,565	1,576,373	-	-
Right-of-use assets	11	2,294,029	2,713,049	-	-
Intangible assets	12	2,316,127	2,323,353	-	-
Investment in subsidiaries	13	-	-	37,013,629	37,013,629
Investment in associated companies	14	2,643,374	919,821	-	-
Joint venture	15	1,002,075	-	1,002,075	-
Financial assets at fair value through profit or loss	16	2,380,000	1,380,000	-	-
Financial assets at fair value through other comprehensive income	17	4,838,458	2,001,100	-	-
Deferred tax assets	24	48,241	14,889	-	-
Total non-current assets		17,431,869	10,928,585	38,015,704	37,013,629
Current assets					
Inventories	18	796,730	296,814	-	-
Financial assets at fair value through profit or loss	16	50,020	2,125,335	-	-
Trade and other receivables	19	35,615,771	32,011,084	9,504,362	12,423,406
Contract assets	20	12,177,006	6,496,897	-	-
Tax recoverable		720,704	1,052,757	-	-
Cash and cash equivalents	21	24,510,320	27,591,564	1,025,837	538,515
Total current assets		73,870,551	69,574,451	10,530,199	12,961,921
Total assets		91,302,420	80,503,036	48,545,903	49,975,550
EQUITY AND LIABILITIES					
Equity					
Share capital	22	51,850,444	51,850,444	51,850,444	51,850,444
Treasury shares	22	(1,769,029)	(1,769,029)	(1,769,029)	(1,769,029)
Capital reserve	23 (a)	(1,354,855)	(1,354,855)	-	-
Merger reserve	23 (b)	(17,453,646)	(17,453,646)	-	-
Fair value reserve	23 (c)	2,156,392	-	-	-
Currency translation reserve		(423,269)	(278,299)	-	-
Retained earnings/(Accumulated losses)		26,812,751	26,108,982	(1,829,910)	(379,193)
Equity attributable to equity holders of the Company, total		59,818,788	57,103,597	48,251,505	49,702,222
Non-controlling interest		2,193,072	1,297,644	-	-
Total equity		62,011,860	58,401,241	48,251,505	49,702,222
Non-current liabilities					
Lease liabilities	11	1,025,246	1,026,011	-	-
Deferred tax liabilities	24	777,390	27,111	-	-
Total non-current liabilities		1,802,636	1,053,122	-	-
Current liabilities					
Trade and other payables	25	15,701,539	14,265,862	294,398	273,328
Contract liabilities	20	3,929,931	3,591,226	-	-
Borrowings	26	4,976,688	-	-	-
Lease liabilities	11	1,074,699	1,636,294	-	-
Tax payable		1,805,067	1,555,291	-	-
Total current liabilities		27,487,924	21,048,673	294,398	273,328
Total liabilities		29,290,560	22,101,795	294,398	273,328
Total equity and liabilities		91,302,420	80,503,036	48,545,903	49,975,550

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MAY 2022

	Share capital RM	Treasury shares RM	Capital reserve RM	Merger reserve RM	Fair value reserve RM	Currency translation reserve RM	Retained earnings RM	Company RM	Non controlling interest RM	Total equity RM
Group										
At 1 June 2021	51,850,444	(1,769,029)	(1,354,855)	(17,453,646)	-	(278,299)	26,108,982	57,103,597	1,297,644	58,401,241
Profit for the year	-	-	-	-	-	-	3,728,814	3,728,814	987,495	4,716,309
Other comprehensive income/(loss)										
Currency translation differences arising from consolidation	-	-	-	-	(144,970)	-	-	(144,970)	(92,067)	(237,037)
Fair value gains on financial assets at fair value through other comprehensive income	-	-	-	-	2,156,392	-	-	2,156,392	-	2,156,392
Other comprehensive income/(loss) for the year, net of tax	-	-	-	-	2,156,392	(144,970)	-	2,011,422	(92,067)	1,919,355
Total comprehensive income/(loss) for the year	-	-	-	-	2,156,392	(144,970)	3,728,814	5,740,236	895,428	6,635,664
Transactions with owners recognised directly in equity										
Dividends	-	-	-	-	-	-	(3,025,045)	(3,025,045)	-	(3,025,045)
At 31 May 2022	51,850,444	(1,769,029)	(1,354,855)	(17,453,646)	2,156,392	(423,269)	26,812,751	59,818,788	2,193,072	62,011,860

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (cont'd)
FOR THE FINANCIAL YEAR ENDED 31 MAY 2022

Group	Note	Share capital RM	Treasury shares RM	Capital reserve RM	Merger reserve RM	Currency translation reserve RM	Retained earnings RM	Equity attributable to equity holders of the Company RM	Non controlling interest RM	Total equity RM
At 1 June 2020		51,850,444	(910,382)	(1,354,855)	(17,453,646)	111,269	20,293,156	52,535,986	822,925	53,358,911
Profit for the year		-	-	-	-	-	5,815,826	5,815,826	747,002	6,562,828
Other comprehensive (loss)/income		-	-	-	-	(389,568)	-	(389,568)	(272,283)	(661,851)
Currency translation differences arising from consolidation		-	-	-	-	(389,568)	-	(389,568)	(272,283)	(661,851)
Other comprehensive loss for the year, net of tax		-	-	-	-	(389,568)	-	(389,568)	(272,283)	(661,851)
Total comprehensive (loss)/income for the year		-	-	-	-	(389,568)	5,815,826	5,426,258	474,719	5,900,977
Transactions with owners recognised directly in equity		-	-	-	-	-	-	-	-	-
Purchase of treasury shares	22	-	(858,647)	-	-	-	-	(858,647)	-	(858,647)
At 31 May 2021		51,850,444	(1,769,029)	(1,354,855)	(17,453,646)	(278,299)	26,108,982	57,103,597	1,297,644	58,401,241

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

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MAY 2022

	Note	Share capital RM	Treasury shares RM	Accumulated losses RM	Total equity RM
Company					
At 1 June 2021		51,850,444	(1,769,029)	(379,193)	49,702,222
Profit and total comprehensive income for the year		–	–	1,574,328	1,574,328
Dividends	27	–	–	(3,025,045)	(3,025,045)
At 31 May 2022		51,850,444	(1,769,029)	(1,829,910)	48,251,505
At 1 June 2020		51,850,444	(910,382)	(3,840,118)	47,099,944
Profit and total comprehensive income for the year		–	–	3,460,925	3,460,925
Purchase of treasury shares	22	–	(858,647)	–	(858,647)
At 31 May 2021		51,850,444	(1,769,029)	(379,193)	49,702,222

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

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MAY 2022

	Group	
	2022 RM	2021 RM
Cash flows from operating activities		
Profit before tax	7,515,307	10,069,149
Adjustments for:		
Amortisation for club membership	7,226	7,315
Reversal of impairment losses on trade receivables and contract assets (net)	(146,952)	(232,375)
Impairment loss on intangible asset	-	80,278
Depreciation of property, plant and equipment	1,025,117	1,821,284
Depreciation of right-of-use assets	1,743,136	1,475,783
Interest income	(158,986)	(167,846)
Interest expenses	146,739	118,699
Inventories written off	176,581	-
Gain on disposal of property, plant and equipment	-	(67,447)
Gain on disposal of intangible asset	-	(23,558)
Gain on termination of leases	(10,732)	(33,879)
Property, plant and equipment written off	7,917	2,138
Share of results of associated companies	276,447	39,533
Unrealised foreign exchange gains	(127,021)	(294,576)
Operating cash flow before movement in working capital	10,454,779	12,794,498
Inventories	(676,497)	(296,814)
Trade and other receivables and contract assets	(8,137,844)	913,845
Trade and other payables and contract liabilities	1,933,967	1,501,624
Currency translation adjustments	(206,325)	(644,566)
Cash generated from operations	3,368,080	14,268,587
Income tax paid	(2,181,208)	(1,436,663)
Net cash from operating activities	1,186,872	12,831,924
Cash flows from investing activities		
Purchases of property, plant and equipment	(1,370,721)	(842,050)
Addition of right-of-use assets	(33,710)	(119,091)
Advance to an associated company	(1,000,000)	-
Interest received	158,986	167,846
Investment in associated companies	(2,000,000)	-
Incorporation of joint venture	(1,002,075)	-
Proceeds from disposal of property, plant and equipment	1,291	90,450
Proceeds from disposal of intangible asset	-	94,000
Redemption/(placement) of financial assets at fair value through profit or loss	2,075,315	(1,057,745)
Purchase of financial assets at fair value through profit or loss	(1,000,000)	(1,380,000)
Purchase of financial assets at fair value through other comprehensive income	-	(2,001,100)
Net cash used in investing activities	(4,170,914)	(5,047,690)
Cash flows from financing activities		
Repayment of lease liabilities	(1,841,640)	(1,478,583)
Proceeds from short-term loans	12,039,764	-
Repayments of short-term loans	(7,063,076)	-
Dividends paid to owners of the Company	(3,025,045)	-
Repayment to non-controlling interest	(187,487)	(85,714)
Purchase of treasury shares	-	(858,647)
Interest paid	(146,739)	(118,699)
Net cash used in financing activities	(224,223)	(2,541,643)
Net (decrease)/increase in cash and cash equivalents	(3,208,265)	5,242,591
Cash and cash equivalents at beginning of the financial year	27,591,564	22,054,397
Effects of exchange rate changes on cash and cash equivalents	127,021	294,576
Cash and cash equivalents at end of the financial year	24,510,320	27,591,564

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

CONSOLIDATED STATEMENT OF CASH FLOWS (cont'd)
FOR THE FINANCIAL YEAR ENDED 31 MAY 2022

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

	Amount due to non- controlling interest RM	Borrowings RM	Lease liabilities RM	Total RM
Balance at 1 June 2021	400,529	–	2,662,305	3,062,834
Changes from financing cash flows:				
- Proceeds	–	12,039,764	–	12,039,764
- Repayments	(187,487)	(7,063,076)	(1,841,640)	(9,092,203)
- Interest paid	–	(18,955)	(127,784)	(146,739)
Non-cash changes:				
- Interest expense	–	18,955	127,784	146,739
- Termination of leases	–	–	(114,296)	(114,296)
- Additions of new leases	–	–	1,393,576	1,393,576
Effect of changes in foreign exchange rate	27,902	–	–	27,902
Balance at 31 May 2022	240,944	4,976,688	2,099,945	7,317,577
Balance at 1 June 2020	524,030	–	2,061,538	2,585,568
Changes from financing cash flows:				
- Repayments	(85,714)	–	(1,478,583)	(1,564,297)
- Interest paid	–	–	(118,699)	(118,699)
Non-cash changes:				
- Interest expense	–	–	118,699	118,699
- Termination of leases	–	–	(577,926)	(577,926)
- Additions of new leases	–	–	2,657,276	2,657,276
Effect of changes in foreign exchange rate	(37,787)	–	–	(37,787)
Balance at 31 May 2021	400,529	–	2,662,305	3,062,834

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MAY 2022

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1 Corporate information

shopper360 Limited (the "Company") (Co. Reg. No. 201634929Z) was incorporated in Singapore. The registered office and principal place of business of the Company is at 138 Robinson Road, #26-03 Oxley Tower, Singapore 068906.

The principal activity of the Company is that of an investment holding company. The principal activities of the subsidiaries are disclosed in Note 13 to the financial statements.

The Company's immediate and ultimate holding company is Rekaweb.Com Sdn. Bhd., a company incorporated in Malaysia which is substantially owned by Chew Sue Ann and her family members whose interest in the Company is held through their shareholdings in the immediate and ultimate holding company.

2 Summary of significant accounting policies

(a) Basis of preparation

The financial statements of the Group are expressed in Ringgit Malaysia ("RM") except when otherwise indicated. The financial statements of the Group have been prepared in accordance with the provisions of the Companies Act 1967 and Singapore Financial Reporting Standards (International) ("SFRS(I)"). The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with SFRS(I) requires the use of estimates and assumption that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions and historical experiences and various other factors that are believed to be reasonable under the circumstances, actual results may ultimately differ from those estimates.

Use of estimates and judgements

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The areas involving a higher degree of judgement in applying accounting policies, or areas where assumptions and estimates have a significant risk of resulting in material adjustment within next financial year are disclosed in Note 2(x) to the financial statements.

The carrying amounts of cash and cash equivalents, trade and other current receivables and payables (other than lease liabilities) approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

2 Summary of significant accounting policies (cont'd)

a) Basis of preparation (cont'd)

New and revised standards that are adopted

In the current financial year, the Group has adopted all the new and revised SFRS(I) and SFRS(I) Interpretations ("SFRS(I) INT") that are relevant to its operations and effective for the current financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and SFRS(I) INT.

The adoption of these new/revised SFRS(I) and SFRS(I) INT did not have any material effect on the financial results or financial position of the Group and the Company.

New and revised standards not yet effective

New standards, amendments to standards and interpretations that have been issued at the balance sheet date but are not yet effective for the financial year ended 31 May 2022 have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Group and the Company.

b) Revenue recognition

Advertising and marketing

The Group secures media space from retail partners, installs and maintains in-store digital and non-digital advertising mediums for its customers. Revenue from in-store advertising and digital marketing are recognised over the period of the advertisement based on the number of days which the customers simultaneously receive and consume the benefits from the services provided by the Group. The Group bills the customer in accordance with the terms of the contract, i.e. on the first day of each booking cycle. A contract asset is recognised when the Group has performed under the contract but has not yet billed the customer. A contract liability is recognised when the Group has not yet performed under the contract but bills customers in advance or receives advanced payments from the customer. The Group also provides banner and poster printing services upon request of customers. The Group transfers control and recognises a sale at the point in time when they deliver products to their customers with no unfulfilled obligation that could affect the customer's acceptance of the products and that the consideration is unconditional because only the passage of time is required before the payment is due.

The Group organises and manages its customers' in-store sampling, promotional booths and events. Revenue is recognised over time as the customers simultaneously receive and consume the benefits provided by the Group's performance as the Group performs and it has an enforceable right to payment for performance completed to date. Revenue recognised over time is measured by reference to the Group's progress towards completion of the contract works based on the proportion of contract costs incurred to date to the estimated total costs and this generally coincides with the period of the events. A contract asset is recognised when the Group has performed under the contract but has not yet been billed to the customers. A contract liability is recognised when the Group has not yet performed the services under the contract but receives advanced payments from the customers. Customers are required to pay within 90 days from the invoice date. No element of financing is deemed present.

Sales execution and distribution

The Group provides manpower and manages the retail field force human resources functions for its customers. Revenue from field force management is recognised over time as performance obligation is satisfied by reference to the Group's progress towards completion of the services, using the input method based on the proportion of contract costs incurred to date to the estimated total costs. Revenue is recognised over time as the customers simultaneously receive and consume the benefits provided by the Group's performance as the Group performs and it has an enforceable right to payment for performance completed to date. A contract asset is recognised over the period in which the services are performed, representing the entity's right to consideration for the services performed to date which have not yet been billed to the customers. A contract liability is recognised when the Group has not yet performed the services under the contract but receives advanced payments from the customer. Customers are required to pay within 30 to 90 days from the invoice date. No element of financing is deemed present.

2 Summary of significant accounting policies (cont'd)

b) Revenue recognition (cont'd)

Sales execution and distribution (cont'd)

The Group transfers control and recognises a sale of goods when they deliver fast-moving consumer goods to their customers. Revenue from these sales is recognised based on the price specified in the contract. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Rental income

Rental income from operating leases are recognised on a straight-line basis over the lease term.

Interest income

Interest income is recognised on a time proportion basis using the effective interest method.

Dividend income

Dividend income is recognised when the right to receive payment is established.

c) Subsidiaries

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

In the Company's statement of financial position, investment in subsidiaries are accounted for at cost less accumulated impairment losses, if any. On disposal of the investment, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

d) Basis of consolidation

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

Intragroup balances and transactions, including income, expenses and dividends, are eliminated in full. Profits and losses resulting from intragroup transactions that are recognised in assets, such as inventory and property, plant and equipment, are eliminated in full.

Business combinations involving entities under common control

Business combinations involving entities under common control were accounted for by applying the pooling of interest method.

Under this method, the Company has been treated as the holding company of the subsidiaries for the financial years presented rather than from the completion of the Restructuring Exercise. Accordingly, the results of the Group included the results of the subsidiaries for the entire periods under review. Such manner of presentation reflects the economic substance of the companies, which were under common control throughout the relevant period, as a single economic enterprise, although the legal parent-subsidiary relationships were not established.

Pursuant to this:

- Assets and liabilities are reflected at their existing carrying amounts;
- No adjustments are made to reflect the fair values on the date of combination or recognise any new assets or liabilities;
- No additional goodwill is recognised as a result of the combination; and
- Any difference between the consideration paid by the Company and the shares 'acquired' is reflected within the equity of the Group as merger reserve.

2 Summary of significant accounting policies (cont'd)

d) Basis of consolidation (cont'd)

Business combination using acquisition method

Subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Business combinations are accounted for using the acquisition method. The consideration transferred for the acquisition comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes the fair value of any contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary. Acquisition-related costs are recognised as expenses as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

Any excess of the fair value of the consideration transferred in the business combination, the amount of any non-controlling interest in the acquiree (if any) and the fair value of the Group's previously held equity interest in the acquiree (if any), over the fair value of the net identifiable assets acquired is recorded as goodwill. Goodwill is accounted for in accordance with the accounting policy for goodwill stated in Note 2(f). In instances where the latter amount exceeds the former and the measurement of all amounts has been reviewed, the excess is recognised as gain from bargain purchase in profit or loss on the date of acquisition.

Non-controlling interests are that part of the net results of operations and of net assets of a subsidiary attributable to the interests which are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and statement of financial position. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

For non-controlling interest that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation, the Group elects on an acquisition-by-acquisition basis whether to measure them at fair value, or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets, at the acquisition date. All other non-controlling interest are measured at acquisition date fair value or, when applicable, on the basis specified in another standard.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (i.e. transactions with owners in their capacity as owners). The carrying amount of the controlling and non-controlling interest are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributable to owners of the Company.

When a change in the Company's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill, non-controlling interest and other components of equity related to the subsidiary are derecognised. Amounts recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings if required by a specific SFRS(I).

Any retained equity interest in the previous subsidiary is remeasured at fair value at the date that control is lost. The difference between the carrying amount of the retained interest at the date control is lost, and its fair value is recognised in profit or loss.

2 Summary of significant accounting policies (cont'd)

e) Associated companies and joint venture

An associated company is an entity over which the Group has significant influence but not control or joint control, over the financial and operating policies of the entity. Significant influence is presumed to exist generally when the Group holds 20% or more but not exceeding 50% of the voting power of another entity.

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Investment in associated companies and joint venture are accounted for in the consolidated financial statements using the equity method of accounting, less impairment losses, if any.

Investment in associated companies and joint venture are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate or joint venture recognised at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment and is assessed for impairment as part of the investment. Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately as income in the Group's profit or loss.

Subsequent to initial recognition, the consolidated financial statements include the Group's share of the post-acquisition profit or loss and other comprehensive income of equity-accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence or joint control ceases.

Distributions received from associated companies and joint venture are adjusted against the carrying amount of the investment. When the Group's share of losses in an associated company and joint venture equals or exceeds its interest in the associated company and joint venture, including any other unsecured non-current receivables, the Group does not recognise further losses, unless it has obligations or has made payments on behalf of the associated company and joint venture.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investments in associated companies and joint ventures. The Group determines at the end of each reporting period whether there is objective evidence that the investments in associated companies or joint ventures is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the investment and its carrying value and recognises the amount in profit or loss.

Where a group entity transacts with an associate or joint venture of the Group, unrealised gains are eliminated to the extent of the Group's interest in the relevant associate or joint venture. Unrealised losses are also eliminated unless the transactions provide evidence of impairment of the assets transferred.

In the Company's financial statements, investment in associated companies or joint venture is carried at cost less accumulated impairment loss. On disposal of investment in associated company or joint venture, the difference between the disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

2 Summary of significant accounting policies (cont'd)

f) Goodwill

Goodwill is initially measured at cost and is subsequently measured at cost less any accumulated impairment losses.

The Group tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

The Group policy for goodwill arising on the acquisition of an associate or joint venture is described in Note 2(e).

g) Property, plant and equipment

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and any impairment in value.

The cost of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset.

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset when it is probable that future economic benefits will flow to the Group and the cost can be reliably measured. Other subsequent expenditure is recognised as an expense during the financial year in which it is incurred.

On disposal of property, plant and equipment, the difference between the net disposal proceeds and its carrying amount is taken to profit or loss.

Depreciation is calculated on a straight line basis to allocate the depreciable amounts of the property, plant and equipment over their estimated useful lives. The estimated useful life, at the following annual rate are as follows:

Office equipment	20% - 33 1/3%
Furniture and fittings	20%
Motor vehicles	20%
Office renovation	20%

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each reporting date. The effects of any revision are recognised in profit or loss when the changes arise.

Fully depreciated assets are retained in the financial statements until they are no longer in use.

2 Summary of significant accounting policies (cont'd)

h) Intangible assets (other than goodwill)

Intangible assets acquired separately are measured initially at cost. Following initial acquisition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in profit or loss in the year in which the expenditure is incurred.

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

Intangible assets with finite useful lives are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

Club memberships

Club memberships were acquired separately and are amortised on a straight line basis over their finite useful lives of 51 to 84 years.

i) Impairment of non-financial assets excluding goodwill

At each reporting date, the Group assesses the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is recognised in other comprehensive income up to the amount of any previous revaluation.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A previously recognised impairment loss for an asset is only reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

j) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a first in, first-out basis. Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses.

2 Summary of significant accounting policies (cont'd)

k) Financial assets

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date - the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at fair value through profit or loss) are added to the fair value of the financial assets on initial recognition. Transaction costs directly attributable to acquisition of financial assets at fair value through profit or loss are recognised immediately in profit or loss. Trade receivables without a significant financing component is initially measured at transaction prices.

Classification and measurement

All financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

The Group classifies its financial assets in the following measurement categories:

- Amortised cost;
- Fair value through other comprehensive income ("FVOCI"); and
- Fair value through profit or loss ("FVTPL").

The classification is based on the entity's business model for managing the financial asset and the contractual cash flow characteristics of the financial assets.

The Group reclassifies financial assets when and only when its business model for managing those assets changes.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

In order for a financial asset to be classified and measured at amortised cost or FVOCI, it needs to give rise to cash flows that are 'solely payments of principal and interest ("SPPI")' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement

Debt instruments

Debt instruments include cash and cash equivalents, trade receivables and other receivables (excluding prepayments). These are subsequently measured at amortised cost based on the Group's business model for managing the asset and cash flow characteristic of the asset.

Amortised cost

The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2 Summary of significant accounting policies (cont'd)

k) Financial assets (cont'd)

Subsequent measurement (cont'd)

Debt instruments (cont'd)

Amortised cost (cont'd)

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. Interest income from these financial assets is included in interest income using the EIR method.

Equity instruments

The Group subsequently measures all its equity investments at their fair values. The Group's investments in short-term funds are classified as FVTPL. A hybrid contract that comprises an equity investment with an embedded derivative that is not separated is also accounted and classified in its entirety, as FVTPL. Movements in fair values of equity investments and other financial assets classified as FVTPL are recognised in profit or loss in the period in which the changes arise and presented in "other income".

For equity investments which are not held for trading or not a contingent consideration recognised by an acquirer in a business combination, the Group may make an irrevocable election (on an investment by investment basis) to designate equity investments as at FVOCI.

The Group has designated certain of its equity investments that are not held for trading as at FVOCI at initial recognition. Gains and losses arising from changes in fair value of these equity investments classified as FVOCI are presented as "fair value gains/losses" in other comprehensive income and accumulated in fair value reserve and will never be reclassified to profit or loss. On disposal of an equity investment, the difference between the carrying amount and sales proceed amount would be recognised in profit or loss except for equity investment designated at FVOCI which would be recognised in other comprehensive income. Fair value reserve relating to the disposed asset would be transferred to retained earnings upon disposal. Dividends from equity investments are recognised in profit or loss and presented in "other income". Equity investments classified as FVOCI are not subject to impairment assessment.

Impairment

The Group recognises an allowance for expected credit losses ("ECLs") for financial assets carried at amortised cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

The impairment methodology applied depends on whether there has been a significant increase in credit risk. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a "12-month ECL"). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a "lifetime ECL").

For trade receivables and contract assets that do not have a significant financing component, the Group applies a simplified approach to recognise a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted as appropriate for current conditions and forward-looking factors specific to the debtors and the economic environment.

If the Group has measured the loss allowance for a financial asset at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date.

The Group recognises an impairment gain or loss in profit or loss for all financial assets with a corresponding adjustment to their carrying amount through a loss allowance account.

2 Summary of significant accounting policies (cont'd)

k) Financial assets (cont'd)

Offset

Financial assets and liabilities are offset and the net amount presented on the statement of financial position when, and only when the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

l) Cash and cash equivalents

For the purposes of presentation in the statements of cash flows, cash and cash equivalents comprise cash on hand, deposits with financial institutions and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

m) Financial liabilities

Financial liabilities include trade and other payables, borrowings, and lease liabilities. Financial liabilities are recognised on the statements of financial position when, and only when, the Group becomes a party to the contractual provisions of the financial instruments. Financial liabilities are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

A financial liability is derecognised when the obligation under the liability is extinguished. Gains and losses are recognised in profit or loss when the liabilities are derecognised and through the amortisation process.

n) Provisions for other liabilities

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past event, and it is probable that an outflow of economic resources will be required to settle that obligation and the amount can be estimated reliably. Provisions are measured at management's best estimate of the expenditure required to settle the obligation at the reporting date. Where the effect of the time value of money is material, the amount of the provision shall be discounted to present value using a pre-tax discount rate that reflects the current market assessment of the time value of money and risks specific to the obligation.

When discounting is used, the increase in the provision due to passage of time is recognised as a finance cost in profit or loss.

o) Share capital

Ordinary shares

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

Treasury shares

When any entity within the Group purchases the Company's ordinary shares ("treasury shares"), the consideration paid including any directly attributable incremental cost is presented as a component within equity attributable to the Company's equity holders, until they are cancelled, sold or reissued.

When treasury shares are subsequently cancelled, the cost of treasury shares are deducted against the share capital account if the shares are purchased out of the capital of the Company, or against the retained earnings of the Company if the shares are purchased out of earnings of the Company.

When treasury shares are subsequently sold or reissued pursuant to the employee share option scheme, the cost of treasury shares is reversed from the treasury share account and the realised gain or loss on sale or reissue, net of any directly attributable incremental transaction costs and related income tax, is recognised in the capital reserve of the Company.

2 Summary of significant accounting policies (cont'd)

p) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

When a Group entity is the lessee

The Group applies a single recognition and measurement approach for all contracts that are, or contain, a lease, except for short-term leases (i.e. for leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option) and leases of low-value assets (e.g. leases of tablet and personal computers, small items of office equipment and telephones). For these exempted leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Lease liabilities

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

Lease payments included in the measurement of the lease liability comprise fixed lease payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

The lease liability is presented as a separate line in the statements of financial position.

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

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date, initial direct cost, less any lease incentive received.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under SFRS(I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets*. To the extent that the cost relates to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

2 Summary of significant accounting policies (cont'd)

p) Leases (cont'd)

When a Group entity is the lessee (cont'd)

Right-of-use assets (cont'd)

Right-of-use assets are subsequently measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. Right-of-use assets are depreciated on a straight-line basis over the shorter period of the lease term and useful life of the underlying asset. If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The depreciation starts at the commencement date of the lease.

The estimated useful lives are as follows:

	Years
Office spaces and stores	1 - 5
Warehouse	2 - 3
Motor vehicles	5

The right-of-use assets are presented as a separate line in the statements of financial position.

The Group applies SFRS(I) 1-36 *Impairment of Assets* to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in Note 2(i).

As a practical expedient, SFRS(I) 16 *Leases* permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease component as a single arrangement. The Group has applied this practical expedient of its leases of office spaces, stores and warehouses.

q) Employee benefits

Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund and Employees Provident Fund, and will have no legal or constructive obligation to pay further contributions once the contributions have been paid. Contributions to defined contribution plans are recognised as an expense in the period in which the related service is performed.

Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the reporting date.

r) Borrowing costs

Borrowing costs, which comprise interest and other costs incurred in connection with the borrowing of funds, are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale. All other borrowing costs are recognised in profit or loss using the effective interest method.

2 Summary of significant accounting policies (cont'd)

s) Income taxes

Income tax on the profit or loss for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to items recognised outside profit or loss, either in other comprehensive income or directly in equity in which the tax is also recognised outside profit or loss (either in other comprehensive income or directly in equity respectively).

Current tax is the expected tax payable or recoverable on the taxable income for the current year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable or recoverable in respect of previous years. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided using the liability method, on all temporary differences at the reporting date arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except where the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination, and at the time of the transaction, affects neither the accounting nor taxable profit or loss.

Deferred income tax is provided on temporary differences arising on investment in subsidiaries, except where the timing of the reversal of the temporary difference can be controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on currently enacted or substantively enacted tax rates at the reporting date.

t) Foreign currencies

Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which that entity operates (the "functional currency"). The Group's revenue, expenses, results, assets and liabilities and capital expenditures are predominantly attributable to a single geographical region, Malaysia, which is the Group's principal place of business and operations. Ringgit Malaysia ("RM") is the currency that mainly influences sales prices for goods and services, labour, material and other costs of providing goods or services and of the country whose competitive forces and regulations mainly determine the sales prices of its goods and services for Malaysia entities. Therefore, the management has determined that RM is the functional currency for the Malaysia entities in the Group. In view of the increased financial reliance of the Company on the operations of its Malaysia entities, the management also determined that RM is the functional currency of the Company. The financial statements of the Group and the Company are presented in Ringgit Malaysia.

Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Currency translation gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

2 Summary of significant accounting policies (cont'd)

t) Foreign currencies (cont'd)

Translation of Group entities' financial statements

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the Group's presentation currency are translated into the presentation currency as follows:

- (i) Assets and liabilities are translated at the closing rates at the date of the statement of financial position;
- (ii) Income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and
- (iii) All resulting exchange differences are recognised in the currency translation reserve within equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations (including monetary items that, in substance, form part of the net investment in foreign entities), and of borrowings and other currency instruments designated as hedges of such investments, are taken to the foreign currency translation reserve.

u) Dividend

Interim dividends are recorded during the financial year in which they are declared payable.

Final dividends are recorded in the Group's financial statements in the period in which they are approved by the Company's shareholders.

v) Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an asset, the fair value is recognised as deferred capital grant on the balance sheet and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual instalments.

When the grant relates to an expense item, it is recognised in profit or loss over the period necessary to match them on a systematic basis to the costs that it is intended to compensate.

w) Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incurs expenses, including revenues and expenses that relate to transactions with other components of the Group. Operating segments are reported in a manner consistent with the internal reporting provided to the Group's chief operating decision maker for making decisions about allocating resources and assessing performance of the operating segments.

x) Critical accounting judgements and key sources of estimation uncertainty

Critical judgements in applying the entity's accounting policies

In the process of applying the Group's accounting policies, management has made the following judgement that have the most significant effect on the amounts recognised in the financial statements (apart from those involving estimations, which are dealt in the subsequent paragraphs).

Investment in associated companies

Management considered the contractual terms in the shareholders agreement and the Group's representation on the board of Instanture Holdings Sdn. Bhd.. Management has determined that it has significant influence on Instanture Holdings Sdn. Bhd. even though the Group's shareholding is 10.18% (2021: 11%). Accordingly, this investment has been classified as an associated company (Note 14).

2 Summary of significant accounting policies (cont'd)

x) Critical accounting judgements and key sources of estimation uncertainty (cont'd)

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Impairment of non-financial assets

The Group assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Goodwill and other indefinite life intangibles are tested for impairment annually and at other times when such indicators exist. Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use.

When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows. Further details of the key assumptions applied in the impairment assessment of goodwill and the carrying amount of the goodwill are disclosed in Note 12 to the financial statements. The carrying amounts of property, plant and equipment, right-of-use assets and club memberships are disclosed respectively in Notes 10, 11 and 12 to the financial statements.

Impairment of investment in associated companies

The Group assesses at each end of the reporting period whether there are any indicators of impairment for investment in associated companies. Investment in associated companies is tested for impairment when there are indicators that the carrying amount may not be recoverable. An impairment exists when the carrying amount of the investment exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use.

Fair value less costs to sell is determined based on transaction price from recent equity transaction that has occurred in the associated company. Where value in use calculation is undertaken, management is required to estimate the expected future cash flows from the investment and a suitable discount rate, in order to determine the present value of those cash flows. As the value in use calculation is subject to assumptions and forecasts, any changes to these estimations will affect the results of the impairment assessment. The carrying amount of investment in associated companies is disclosed in Note 14.

Fair value estimation of unquoted equity investments

The fair value of equity investments that are not quoted in an active market are determined by using valuation techniques, such as discounted cash flows and recent comparable transactions. The valuation techniques used to determine fair values are periodically reviewed by management, including consideration of COVID-19 pandemic impact to the valuation of the investee company.

Management may use significant unobservable inputs such as projected cash flows of the investee company which include discount rate that reflects current market assessments of the time value of money and the risks specific to the investee company.

Although management believes that the assumptions concerning the business environment and estimate of future cash flows are appropriate, changes in estimates and assumptions could result in changes in the carrying values of these financial assets.

The carrying amounts of the Group's investment in equity securities are disclosed in Notes 16 and 17.

2 Summary of significant accounting policies (cont'd)

x) Critical accounting judgements and key sources of estimation uncertainty (cont'd)

Key sources of estimation uncertainty (cont'd)

Allowance for expected credit losses of trade receivables and contract assets

The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed default rates. The Group will assess the historical credit loss experience by considering current and forecast economic conditions.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions as well as the implications of the COVID-19 pandemic on the assumptions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade receivables and contract assets is disclosed in Note 29(b).

The carrying amount of the Group's trade receivables and contract assets as at 31 May 2022 is RM31,324,978 and RM12,177,006 (2021: RM28,988,405 and RM6,496,897) respectively.

Income taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, the amount and timing of future taxable income and deductibility of certain expenditure. Accordingly, there are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group and Company recognises liabilities for expected tax issues based on reasonable estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. The carrying amounts of the Group and Company's income tax payables and deferred tax liabilities/assets at the end of the reporting date are presented on the Statements of Financial Position and Note 24 to the financial statements.

3 Revenue

	Group	
	2022 RM	2021 RM
Advertising and marketing	41,620,140	48,928,266
Sales execution and distribution	110,537,637	104,197,019
Others	-	7,947
	152,157,777	153,133,232
<i>Timing of revenue recognition</i>		
At a point in time	9,440,462	7,347,402
Over time	142,717,315	145,785,830
	152,157,777	153,133,232

The Group applies the practical expedient in SFRS(I) 15 and does not disclose information about its remaining performance obligation if:

- The performance obligation is part of a contract that has an original expected duration of one year or less; or
- The Group has a right to invoice a customer in an amount that corresponds directly with its performance to date, and it recognises revenue in that amount.

4 Other income

	Group	
	2022 RM	2021 RM
Gain on foreign exchange	260,016	294,576
Gain on disposal of property, plant and equipment	-	67,447
Gain on disposal of intangible assets	-	23,558
Gain on termination of leases	10,732	33,879
Interest income	158,986	167,846
Rental income	16,000	22,500
Government grant	239,849	217,956
Miscellaneous income	165,497	66,622
	851,080	894,384

5 Finance costs

	Group	
	2022 RM	2021 RM
Interest expense		
- Lease liabilities (Note 11)	127,784	118,699
- Short-term loans	4,025	-
- Revolving credit	14,930	-
	146,739	118,699

6 Profit before tax

	Group	
	2022 RM	2021 RM
Profit before tax is arrived at after charging/ (crediting):		
Audit fees payable/paid to:		
- Auditor of the Company	214,798	200,478
- Other auditors*	172,698	142,929
Fees for non-audit services payable/paid to:		
- Auditor of the Company	15,635	16,871
- Other auditors*	42,580	44,970
Amortisation for club memberships	7,226	7,315
Commission	410,792	533,349
Depreciation of property, plant and equipment (Note 10)	1,025,117	1,821,284
Depreciation of right-of-use assets (Note 11)	1,743,136	1,475,783
Bad debts written off	23,964	42,002
Reversal of impairment losses on trade receivables (Note 29(b))	(170,916)	(274,377)
Impairment loss on intangible asset (Note 12)	-	80,278
Inventories written off	176,581	-
Loss on realised foreign exchange	-	120,262
Rental expense (Note 11)	251,723	302,436
Staff costs (Note 7)	109,567,186	111,688,517
Supermarket fees	5,301,795	5,308,784
Printing and design	813,627	213,455
Property, plant and equipment written off	7,917	2,138
Public performance fees	1,388,890	897,131

*Includes independent member firm of the Baker Tilly International network.

7 Staff costs

	Group	
	2022 RM	2021 RM
Salaries, allowances, bonuses and commissions	94,915,952	96,957,810
Contributions to defined contribution plans	11,354,860	11,403,103
Other benefits	3,296,374	3,327,604
	109,567,186	111,688,517

8 Tax expense

	Group	
	2022 RM	2021 RM
Tax expense attributable to profits is made up of:		
Current income tax		
- Current year	2,502,017	3,263,437
- Under provision in respect of previous financial years	261,949	159,457
Deferred tax (Note 24)		
- Current year	(15,209)	64,363
- Under provision in respect of previous financial years	50,241	19,064
	2,798,998	3,506,321

The income tax expense on the results of the financial year differs from the amount of income tax determined by applying the respective domestic rates of income tax due to the following factors:

	Group	
	2022 RM	2021 RM
Profit before tax	7,515,307	10,069,149
Tax at domestic rates applicable to profit in countries where the Group operates	1,803,674	2,455,705
Singapore statutory stepped income exemption	-	(26,316)
Expenses not deductible for tax purposes	457,453	507,569
Income not subject to tax	(39,868)	(307,780)
Under provision of current tax in prior years	261,949	159,457
Under provision of deferred tax in prior years	50,241	19,064
Deferred tax assets not recognised	572,040	696,448
Utilisation of previously unrecognised deferred tax assets	(305,602)	-
Others	(889)	2,174
	2,798,998	3,506,321

The above tax reconciliation is prepared by aggregating separate reconciliations for each national jurisdiction.

The statutory income tax rate applicable to the Company is 17% (2021: 17%).

Pursuant to the relevant laws and regulations in Malaysia, the major subsidiaries of the Group incorporated in Malaysia are required to pay Malaysia corporate income tax at a rate of 24% (2021: 24%).

8 Tax expense (cont'd)

The tax charge relating to each component of other comprehensive income is as follows:

	Before tax RM	Tax charge RM	After tax RM
Group 2022			
Fair value gain on financial assets at fair value through other comprehensive income	2,837,358	(680,966)	2,156,392
2021			
Fair value gain on financial assets at fair value through other comprehensive income	-	-	-

9 Earnings per share

The calculation of the basic and diluted earnings per share attributable to the ordinary equity holders of the Company is based on the following data.

	Group	
	2022 RM	2021 RM
Net profit attributable to equity holders of the Company	3,728,814	5,815,826
Weighted average number of ordinary shares		
Issued ordinary shares at 1 June	108,803,600	111,682,300
Effect of treasury shares held	-	(1,700,411)
Weighted average number of ordinary shares during the year	108,803,600	109,981,889
Earnings per share (sen per share) - Basic and diluted	3.43	5.29

There were no dilutive equity instruments for 2022 and 2021.

10 Property, plant and equipment

	Office equipment RM	Furniture and fittings RM	Motor vehicles RM	Office renovation RM	Total RM
Group 2022 Cost					
At 1.6.2021	5,843,154	2,216,323	882,205	2,617,488	11,559,170
Additions	826,575	100,584	–	443,562	1,370,721
Disposal	(7,748)	–	–	–	(7,748)
Write-off	(390,835)	(77,355)	(72,042)	–	(540,232)
Currency translation differences	(3,936)	(3,843)	–	(3,001)	(10,780)
At 31.5.2022	6,267,210	2,235,709	810,163	3,058,049	12,371,131
Accumulated depreciation					
At 1.6.2021	4,792,853	2,000,385	746,286	2,443,273	9,982,797
Depreciation charge	723,627	128,840	47,391	125,260	1,025,117
Disposal	(6,457)	–	–	–	(6,457)
Write-off	(382,946)	(77,328)	(72,041)	–	(532,315)
Currency translation differences	(3,285)	(2,521)	–	(1,771)	(7,576)
At 31.5.2022	5,123,792	2,049,376	721,636	2,566,762	10,461,566
Net carrying value					
At 31.5.2022	1,143,418	186,333	88,527	491,287	1,909,565

10 Property, plant and equipment (cont'd)

	Office equipment RM	Furniture and fittings RM	Motor vehicles RM	Office renovation RM	Total RM
Group					
2021					
Cost					
At 1.6.2020	5,272,274	2,209,265	1,142,285	2,585,593	11,209,417
Additions	752,380	46,028	–	43,642	842,050
Disposal	–	–	(260,080)	–	(260,080)
Write-off	(163,032)	(23,022)	–	–	(186,054)
Currency translation differences	(18,468)	(15,948)	–	(11,747)	(46,163)
At 31.5.2021	5,843,154	2,216,323	882,205	2,617,488	11,559,170
Accumulated depreciation					
At 1.6.2020	4,142,361	1,608,710	919,305	1,941,303	8,611,679
Depreciation charge	825,990	423,378	64,058	507,858	1,821,284
Disposal	–	–	(237,077)	–	(237,077)
Write-off	(160,900)	(23,016)	–	–	(183,916)
Currency translation differences	(14,598)	(8,687)	–	(5,888)	(29,173)
At 31.5.2021	4,792,853	2,000,385	746,286	2,443,273	9,982,797
Net carrying value					
At 31.5.2021	1,050,301	215,938	135,919	174,215	1,576,373

11 Right-of-use assets and lease liabilities***The Group as a lessee***Nature of the Group's leasing activities

The Group's leasing activities comprise the following:

- i) The Group leases various office spaces and stores, warehouses and motor vehicles from immediate and ultimate holding company and non-related parties. The leases have an average tenure of between one to five years;
- ii) In addition, the Group leases certain office spaces and vehicles with contractual terms up to one year. These leases are short-term. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

No restrictions are imposed on dividends of further leasing.

The maturity analysis of the lease liabilities is disclosed in Note 29(b).

11 Right-of-use assets and lease liabilities (cont'd)***The Group as a lessee (cont'd)***

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

Amounts recognised in Statements of Financial Position

	Group	
	2022 RM	2021 RM
<u>Carrying amounts of right-of-use assets</u>		
Office spaces and stores		
- Immediate and ultimate holding company	-	417,625
- Non-related parties	670,918	581,733
Warehouses	640,841	696,787
Motor vehicles	982,270	1,016,904
	2,294,029	2,713,049
<u>Carrying amounts of lease liabilities</u>		
Current		
- Immediate and ultimate holding company	-	445,939
- Non-related parties	1,074,699	1,190,355
	1,074,699	1,636,294
Non-current		
- Non-related parties	1,025,246	1,026,011
	2,099,945	2,662,305
Additions to right-of-use assets	1,427,286	2,776,367

11 Right-of-use assets and lease liability (cont'd)***The Group as a lessee (cont'd)*****Amounts recognised in Profit or Loss**

	Group	
	2022 RM	2021 RM
<u>Depreciation charge for the year</u>		
Office spaces and stores	1,051,171	1,185,806
Warehouses	431,622	197,869
Motor vehicles	260,343	92,108
Total (Note 6)	1,743,136	1,475,783
<u>Lease expense not included in the measurement of lease liabilities</u>		
Lease expense - short-term leases	244,523	295,236
Lease expense - low value assets leases	7,200	7,200
Total (Note 6)	251,723	302,436
Interest expense on lease liabilities (Note 5)	127,784	118,699

During the current financial year, total Group's cash flow for leases amounted to RM2,221,147 (2021: RM2,018,809).

Future cash outflows which are not capitalised in lease liabilities*Extension options*

The leases of certain office spaces and stores contain extension options, for which the related lease payments had not been included in the lease liabilities as the Group are not reasonably certain to extend the lease. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group.

12 Intangible assets

	Goodwill RM	Club memberships RM	Total RM
Group 2022 Cost			
At 1.6.2021/ 31.5.2022	2,007,651	495,997	2,503,648
Accumulated amortisation and impairment			
At 1.6.2021	–	180,295	180,295
Amortisation	–	7,226	7,226
At 31.5.2022	–	187,521	187,521
Net carrying value			
At 31.5.2022	2,007,651	308,476	2,316,127
2021 Cost			
At 1.6.2020	2,007,651	583,997	2,591,648
Disposal	–	(88,000)	(88,000)
At 31.5.2021	2,007,651	495,997	2,503,648
Accumulated amortisation and impairment			
At 1.6.2020	–	110,260	110,260
Amortisation	–	7,315	7,315
Disposal	–	(17,558)	(17,558)
Impairment charge	–	80,278	80,278
At 31.5.2021	–	180,295	180,295
Net carrying value			
At 31.5.2021	2,007,651	315,702	2,323,353

Amortisation expense and impairment charge

The amortisation of club memberships and impairment charge are included in the "Administrative expenses" and "Other operating expenses" line items in profit or loss respectively.

Impairment test for goodwill

Goodwill acquired through business combination has been allocated to a cash-generating unit ("CGU") for impairment testing.

12 Intangible assets (cont'd)

Impairment test for goodwill (cont'd)

The carrying amount of goodwill allocated to the CGU is as follows:

	Group	
	2022 RM	2021 RM
Advertising and marketing - Tristar Synergy Sdn. Bhd.	2,007,651	2,007,651

Key assumptions used in value-in-use calculation

The recoverable amount of the CGU is determined from value-in-use calculations. The key assumptions for the value-in-use calculations are those regarding the discount rate, revenue growth rates and gross margins during the period. Management estimates discount rate using pre-tax rate that reflect current market assessments of the time value of money and the risks specific to the CGU. The revenue growth rates are estimated based on secured and expected orders. Gross margins are estimated based on past performances and expected trends and developments in the market including consideration of the current business condition.

The Group's value-in-use calculation was computed based on the cash flow forecasts derived from the most recent financial budgets approved by management covering a three-year period. Estimated growth rate for extrapolation of cash flows beyond the three-year period was assumed to be Nil (2021: Nil).

Revenue is estimated to grow at a compound annual growth rate of 14% during the period 2023 to 2025 (2021: 2% in financial year 2022 and 0% in financial years 2023 to 2024). The pre-tax rate used to discount the forecast cash flows from the CGU is 19.3% (2021: 20.0%).

Sensitivity to changes in assumptions

These key inputs and assumptions were estimated by management based on prevailing market, economic and other conditions at the end of the reporting period, and based on management's estimations of the expected orders and recovery in business conditions amidst the current COVID-19 pandemic. The uncertainties surrounding the impact of the COVID-19 pandemic on the global economy may affect the actual outcome of these estimates and assumptions.

With regards to the assessment of value in use for the CGU, assuming if revenue and gross profit margin for 2023 remain the same as 2022 with no growth and with other amounts being consistent with the forecast in the value in use calculation, there would be impairment charge on goodwill amounting to RM120,000.

13 Investment in subsidiaries

	Company	
	2022 RM	2021 RM
Unquoted equity shares, at cost	37,013,629	37,013,629

13 Investment in subsidiaries (cont'd)

(a) Details of subsidiaries held by the Company are:

Name of subsidiary	Principal place of business	Principal business activities	Proportion of ownership interest	
			2022 %	2021 %
<i>Held by the Company</i>				
shopper360 Sdn. Bhd. ⁽¹⁾	Malaysia	Investment holding	100	100
ShopperPlus Singapore Pte Ltd ⁽²⁾	Singapore	Providing advertising media, project management, outsourcing manpower to provide digital imaging training, subletting of property and related services and retail specialist in field operations management	100	100
ShopperPlus Myanmar Co., Ltd ⁽³⁾	Myanmar	Providing advertising media, project management, outsourcing manpower to provide digital imaging training, subletting of property and related services and retail specialist in field operations management	60	60
<i>Held by shopper360 Sdn. Bhd.</i>				
Pos Ad Sdn. Bhd. ⁽¹⁾	Malaysia	Providing advertising media services	100	100
Jump Retail Sdn. Bhd. ⁽¹⁾	Malaysia	Retail specialist in field operations management	100	100
Gazelle Activation Sdn. Bhd. ⁽¹⁾	Malaysia	Providing project management, outsourcing manpower to provide digital imaging training, subletting of property and related services	100	100
ShopperPlus Sdn. Bhd. ⁽¹⁾	Malaysia	Providing digital mobile marketing solutions and services	100	100

13 Investment in subsidiaries (cont'd)

(a) Details of subsidiaries held by the Company are (cont'd):

Name of subsidiary	Principal place of business	Principal business activities	Proportion of ownership interest	
			2022 %	2021 %
<i>Held by shopper360 Sdn. Bhd. (cont'd)</i>				
Tristar Synergy Sdn. Bhd. ⁽¹⁾	Malaysia	Providing sampling activities and event management, outsourcing manpower to provide digital imaging training, subletting of property and related services	100	100
Retail Galaxy Sdn. Bhd. ⁽¹⁾	Malaysia	Retail specialist in field operations management	100	100
Marvel Distribution Sdn. Bhd. ⁽¹⁾	Malaysia	Trading of fast moving consumer goods	100	100
Agensi Pekerjaan S360 Recruitment Sdn. Bhd. (formerly known as Shoppercliq Sdn. Bhd.) ⁽¹⁾	Malaysia	Dormant	100	100
SHE Distribution Sdn. Bhd. ⁽¹⁾	Malaysia	Dormant	100	100

⁽¹⁾ Audited by Baker Tilly Monteiro Heng PLT, an independent member firm of the Baker Tilly International network

⁽²⁾ Audited by Baker Tilly TFW LLP

⁽³⁾ Audited by ICOP Sein Win & Associates Company Limited

(b) Significant restrictions

Cash and cash equivalents of RM9,249,325 (2021: RM6,107,566) are held in Myanmar and are subject to local exchange control regulations. These regulations place restrictions on the amount of currency being exported from the country.

13 Investment in subsidiaries (cont'd)**(c) Summarised financial information of subsidiary with material non-controlling interest ("NCI")**

The Group has the following subsidiary that has NCI that is considered by management to be material to the Group:

Name of subsidiary	Principal place of business/ Country of incorporation	Ownership interests held by NCI	
		2022 %	2021 %
ShopperPlus Myanmar Co., Ltd	Myanmar	40	40

The following are the summarised financial information of the Group's subsidiary with NCI that are considered by management to be material to the Group. These financial information include consolidation adjustments but before inter-company eliminations.

Summarised Statement of Financial Position

	ShopperPlus Myanmar Co., Ltd	
	2022 RM	2021 RM
Non-current assets	53,885	81,791
Current assets	10,636,006	7,949,101
Current liabilities	(5,207,211)	(4,786,782)
Net assets	5,482,680	3,244,110
Net assets attributable to NCI	2,193,072	1,297,644

Summarised Statement of Comprehensive Income

	ShopperPlus Myanmar Co., Ltd	
	2022 RM	2021 RM
Revenue	7,267,413	6,713,818
Profit before tax	3,257,839	2,406,240
Profit after tax	2,468,725	1,867,508
Other comprehensive income	(230,156)	(680,710)
Total comprehensive income	2,238,569	1,186,798
Total comprehensive income allocated to NCI	895,428	474,719

13 Investment in subsidiaries (cont'd)**(c) Summarised financial information of subsidiary with material non-controlling interest ("NCI") (cont'd)***Summarised Cash Flows*

	ShopperPlus Myanmar Co., Ltd	
	2022 RM	2021 RM
Cash flows generated from operating activities	3,587,767	3,415,124
Cash flows used in investing activities	(6,957)	(4,682)
Net increase in cash and cash equivalents	3,580,810	3,410,442

14 Investment in associated companies

The Group's investment in associated companies is summarised below:

	Group	
	2022 RM	2021 RM
Carrying amount	2,643,374	919,821

The following information relates to associated companies of the Group:

Name of company	Principal place of business/ Country of incorporation	Principal activity	Group's effective equity interest held	
			2022 %	2021 %
<i>Held through subsidiary</i>				
<i>Unquoted equity shares</i>				
Instanture Holdings Sdn. Bhd.*	Malaysia	Investment holding company	10.2	11
Troopers Innovation Sdn. Bhd.*	Malaysia	Digital manpower solutions	21.5	–
<i>Subsidiary held by Instanture Holdings Sdn. Bhd.</i>				
Boostorder Sdn. Bhd.*	Malaysia	Cross platform business to business commerce solutions provider	10.2	11

* Audited by other firms of auditors.

14 Investment in associated companies (cont'd)

On 27 August 2021, the Group acquired 21.5% equity interest in Troopers Innovation Sdn. Bhd. for total consideration of RM2,000,000.

The associated companies are measured using the equity method of accounting. The activities of the associated company are strategic to the Group.

Aggregate information (based on the Group's share of those results) about the Group's investments in associated companies that are individually immaterial are as follows:

	Group	
	2022 RM	2021 RM
Loss after tax	(276,447)	(39,533)
Total comprehensive loss	(276,447)	(39,533)

15 Joint venture

The Group's interest in a joint venture is summarised below:

	Group and Company	
	2022 RM	2021 RM
<u>Carrying amount:</u> Avinity Analytics Pte. Ltd. and its subsidiary	1,002,075	–

The following information relates to joint venture of the Group:

Name of company	Principal place of business/ Country of incorporation	Principal activity	Group's ownership interest held	
			2022 %	2021 %
<u>Held by Company</u>				
<u>Unquoted equity shares</u>				
Avinity Analytics Pte. Ltd.*	Singapore	Dormant	40	–
<u>Subsidiary held by</u>				
<u>Avinity Analytics Pte. Ltd.</u>				
Avinity Analytics Sdn. Bhd.*	Malaysia	Providing data analytics, data science, machine learning and artificial intelligence to retail, e-commerce and marketing related businesses	40	–

* Not audited as it is newly incorporated in January 2022

15 Joint venture (cont'd)

On 19 January 2022, the Company entered into a share subscription agreement and shareholders agreement with shareholders of Avinity Analytics Pte. Ltd., known as Surge Ventures Sdn. Bhd. ("Surge") to subscribe new 323,000 ordinary shares ("subscription shares") for an aggregate value of SGD323,000 (or the equivalent amount of RM1,002,075), representing 40% equity interest in Avinity Analytics Pte. Ltd. ("Avinity" or the "joint venture").

On the same day, the Company and Surge Ventures Sdn. Bhd. entered into Call Option and Put Option agreements. Under the Call Option agreement, Surge shall be entitled to buy and to call from the Company 121,125 ordinary shares in Avinity ("Call shares") at the option price of RM1,500,000 payable as consideration for the Call shares subject to terms and conditions in the agreement. The option is exercisable from the date not later than the 5th anniversary from the date the Company first registered as a shareholder of Avinity. Under the Put Option agreement, the Company shall be entitled to sell and to put 121,125 ordinary shares in Avinity ("Put shares") to Surge at the option price of RM1,500,000 payable as consideration for the Put shares subject to terms and conditions in the agreement. The Put Option is exercisable from the date which falls on or after 5th anniversary from the date the Company first registered as a shareholder and expiring on the date of the Company ceases to be a shareholder of Avinity. The Call shares and Put shares respectively represents 15% of the Company's interest in Avinity. Management evaluated that the Put Option serves as a protection feature for the Group that gives a safety net for return of their 15% investment at RM1,500,000 while retaining the 25% equity interest in Avinity upon exercising the option.

The Call Option and Put Option ("Derivatives") are measured at their fair values and have been included in the carrying value of the joint venture. Accordingly, the carrying amount of the joint venture comprises the Group's share of net assets based on proportion of equity interest of 25% and Derivatives carried at fair values at 31 May 2022.

16 Financial assets at fair value through profit or loss

	Group	
	2022 RM	2021 RM
<i>Non-current</i>		
(a) Unquoted equity investment	2,380,000	1,380,000
<i>Current</i>		
(b) Investments in short-term fund	50,020	2,125,335

- (a) Unquoted equity investment represents the Group's interest in a company in Malaysia which is engaged in online groceries related activities.

Included in the equity investment is a put option which enables the Group to sell the shares back anytime to the Founding Shareholders of the investee or any third party approved by the Founding Shareholders at the higher of the market value of the ordinary shares, the subscription price paid by the Group or in the event the shareholders have resolved that the investee company finances its operations by issuing new ordinary shares, the value of the new ordinary shares at the pre-money valuation of the investee company at that point in time. This investment is a hybrid contract which is measured in its entirety at fair value.

During the current financial year, the Group has invested additional RM1,000,000 in the investee company.

- (b) Investments in short-term fund are short-term fixed income funds issued by a licensed financial institution in Malaysia.

17 Financial assets at fair value through other comprehensive income

	Group	
	2022 RM	2021 RM
<i>Equity investments designated at FVOCI</i>		
Unquoted equity investments	4,838,458	2,001,100

Unquoted equity investments represent interests in companies in Malaysia which are engaged in the business to business e-commerce/e-procurement and trading related activities. These investments in equity shares made by the Group are not held for trading. Accordingly, management has elected to designate these investments in equity shares at fair value through other comprehensive income. It is the Group's strategy to hold these investments for long-term purposes.

18 Inventories

	Group	
	2022 RM	2021 RM
Finished goods	796,730	296,814

In 2022, changes in finished goods included as cost of sales amounted to RM2,463,215 (2021: RM393,178).

19 Trade and other receivables

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
<i>Current</i>				
Trade receivables				
- Third parties	31,455,357	29,292,943	-	-
Less allowance for impairment				
- Third parties	(130,379)	(304,538)	-	-
	31,324,978	28,988,405	-	-
Deposits	714,840	687,431	-	-
Prepayments	1,906,802	1,907,189	75,665	36,752
Staff loan	79,841	104,044	-	-
Sundry receivables	395,732	324,015	33,866	2,401
Amounts due from subsidiaries	-	-	9,394,831	12,384,253
Amount due from associated companies	1,193,578	-	-	-
	4,290,793	3,022,679	9,504,362	12,423,406
	35,615,771	32,011,084	9,504,362	12,423,406

19 Trade and other receivables (cont'd)

Amounts due from subsidiaries and associated companies are unsecured, non-trade in nature, interest-free and repayable on demand.

20 Contract assets and contract liabilities

The Group receives payments from customers based on billing terms as established in contracts. Contract assets mainly relate to the Group's rights to consideration for sales execution and distribution services delivered but not billed at the reporting date. Contract liabilities relate to advance consideration received from customers, billings in excess of revenue recognised to-date and deferred revenue mainly from advertising and marketing. Contract liabilities are recognised as revenue as (or when) the Group satisfies the performance obligations under its contracts.

The following table provides information about contract assets and contract liabilities from contracts with customers.

	Group		
	2022 RM	2021 RM	1.6.2020 RM
Trade receivables from contracts with customers	31,324,978	28,988,405	31,075,221
Contract assets	12,177,006	6,496,897	5,882,880
Contract liabilities	3,929,931	3,591,226	2,407,551

Significant changes in the contract assets and the contract liabilities balances during the financial year are as follows:

	Contract assets		Contract liabilities	
	2022 RM	2021 RM	2022 RM	2021 RM
Revenue recognised that was included in the contract liability balance at the beginning of the financial year	-	-	2,984,940	2,351,731
Increases due to advances received, excluding amounts recognised as revenue during the financial year	-	-	3,323,645	3,591,226
Contract asset reclassified to trade receivables	6,496,897	5,882,880	-	-
Services performed ahead of billings	12,177,006	6,496,897	-	-

21 Cash and cash equivalents

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Bank and cash balances	22,910,320	18,257,641	1,025,837	538,515
Short-term cash investments with fund management company	-	3,633,923	-	-
Short-term deposits	1,600,000	5,700,000	-	-
Cash and cash equivalents	24,510,320	27,591,564	1,025,837	538,515

The short-term cash investments represented investments in money market fund. Interest received from the investments is exempted from tax. Short-term cash investments are highly liquid investments which have an insignificant risk of changes in value and bore effective interest rates ranging from 0.90% to 2.10% per annum in prior year. The short-term treasury money market deposits placed with a financial institution bear interest ranging from 1.80% to 1.85% (2021: 1.60% to 1.65%) per annum.

22 Share capital and Treasury shares

	Group and Company			
	2022		2021	
	Number of ordinary shares	Issued share capital RM	Number of ordinary shares	Issued share capital RM
Issued and paid up:				
At the beginning of the year	108,803,600	51,850,444	111,682,300	51,850,444
Less: Treasury shares purchased	-	-	(2,878,700)	-
At the end of the year	108,803,600	51,850,444	108,803,600	51,850,444

All issued shares are fully paid ordinary shares with no par value.

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.

Treasury shares

	Group and Company			
	2022		2021	
	Number of shares	Amount RM	Number of shares	Amount RM
At the beginning of the year	5,596,400	1,769,029	2,717,700	910,382
Purchase of treasury shares	-	-	2,878,700	858,647
At the end of the year	5,596,400	1,769,029	5,596,400	1,769,029

In prior financial year, the Company purchased 2,878,700 of its ordinary shares by way of on-market purchases. The total amount paid to acquire the shares was RM858,647 and has been deducted from shareholders' equity.

23 Reserves

(a) Capital reserve

Capital reserve represents the premium paid for acquisition of non-controlling interest in its subsidiary, Tristar Synergy Sdn. Bhd..

(b) Merger reserve

Merger reserve represents the difference between the consideration paid by the Company and the share capital of the subsidiary acquired under common control.

(c) Fair value reserve

Fair value reserve represents the fair value gain for the unquoted equity investments as disclosed in Note 17 to the financial statements.

24 Deferred tax (assets)/liabilities

	Group	
	2022 RM	2021 RM
Deferred tax assets	(48,241)	(14,889)
Deferred tax liabilities	777,390	27,111
	729,149	12,222
Balance at beginning of the year	12,222	(74,672)
Tax charged to:	35,032	83,427
- Profit or loss (Note 8)		
- Other comprehensive income	680,966	-
Currency translation differences	929	3,467
Balance at end of the year	729,149	12,222

The following are the major deferred tax (assets)/liabilities recognised by the Group and the movements thereon, during the current and prior reporting periods.

	Property, plant and equipment RM	Deferred income RM	Right-of-use assets RM	Fair value gains RM	Total RM
Group					
Balance at 1 June 2020	(57,398)	(11,008)	(6,266)	-	(74,672)
Charge to profit or loss for the year	74,811	2,749	5,867	-	83,427
Currency translation differences	3,467	-	-	-	3,467
Balance at 31 May 2021	20,880	(8,259)	(399)	-	12,222
Charge to profit or loss for the year	112,606	(78,127)	553	-	35,032
Charge to other comprehensive income for the year	-	-	-	680,966	680,966
Currency translation differences	929	-	-	-	929
Balance at 31 May 2022	134,415	(86,386)	154	680,966	729,149

24 Deferred tax (assets)/liabilities (cont'd)**Unrecognised deferred tax assets**

Deferred tax asset has not been recognised in respect of the following deductible temporary differences:

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Tax losses	12,688,000	9,985,000	1,291,000	706,000
Capital allowances	660,000	755,000	–	–
Property, plant and equipment	716,000	912,000	–	–
Deferred income	1,396,000	1,873,000	–	–
Accrued expenses	815,000	1,449,000	–	–
	16,275,000	14,974,000	1,291,000	706,000

Deferred tax asset totalling RM3,811,000 (2021: RM3,544,000) has not been recognised with respect of the above as it is not probable that future taxable profits will be available and/or sufficient to allow the related tax benefits to be realised.

The availability of unused tax losses for offsetting against future taxable profits of the respective subsidiaries in Malaysia are subject to requirements under the Malaysia Income Tax Act, 1967 and guidelines issued by the tax authority.

In Malaysia, with effect from year of assessment 2019, unutilised tax losses in a year of assessment can only be carried forward for a maximum period of 10 (2021: 7) consecutive years of assessment. Accumulated unutilised tax loss brought forward from year of assessment 2019 can be utilised for another 10 years (2021: 7 years) of assessment and will be disregarded in year of assessment 2029 (2021: 2026). The Group's tax losses at 31 May 2022 of RM11,315,000 (2021: RM9,278,000) could be carried forward till between 2029 to 2032 (2021: 2026 to 2028).

As at 31 May 2022, the Company and a subsidiary have unrecognised unutilised tax losses of approximately RM1,373,000 (2021: RM706,000) that are available for carry forward to set off against future taxable profits subject to agreement by the tax authority and compliance with relevant provisions of the tax legislation in Singapore. No deferred tax asset has been recognised in respect of the losses as it is not probable that future taxable profits will be sufficient to allow the related tax benefits to be realised.

25 Trade and other payables

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Trade payables	2,352,646	3,250,284	–	–
Other payables	4,624,462	2,390,215	3,003	–
Deposits	331,482	375,952	–	–
Accrued operating expenses	7,952,169	7,797,682	291,395	273,328
Amount due to immediate and ultimate holding company	199,836	51,200	–	–
Amount due to non-controlling interest	240,944	400,529	–	–
	15,701,539	14,265,862	294,398	273,328

The amounts due to immediate and ultimate holding company and non-controlling interest are non-trade in nature, unsecured, interest-free and repayable on demand.

26 Borrowings

	Group	
	2022 RM	2021 RM
<i>Current</i>		
Short-term loan (a)	3,976,688	–
Revolving credit (b)	1,000,000	–
	4,976,688	–

(a) Short-term loan:

As of 31 May 2022, the Group has a short-term loan facility from a licensed bank of RM3,976,688. Interest rate for the short-term loan is at a floating rate of 2.67% at 31 May 2022 and it has a 120 days tenure. The short-term loan is secured by way of the following:

- (i) guarantees executed by Shopper360 Sdn. Bhd. (the "Guarantor A") for RM5,000,000; and
- (ii) guarantees executed by Pos Ad Sdn. Bhd. (the "Guarantor B") for RM5,000,000.

(b) Revolving credit:

As of 31 May 2022, the Group has a revolving credit facility from a licensed bank of RM1,000,000. Interest rate for the revolving credit is at a floating rate of 2.49% at 31 May 2022 and it has a 120 days tenure. The revolving credit is secured by way of the following:

- (i) guarantees executed by Shopper360 Sdn. Bhd. (the "Guarantor A") for RM5,000,000; and
- (ii) guarantees executed by Pos Ad Sdn. Bhd. (the "Guarantor B") for RM5,000,000.

27 Dividends

	Group	
	2022 RM	2021 RM
Ordinary dividends:		
Final single tier tax exempted dividend of SGD0.009 per share, on the 108,803,600 ordinary shares, was declared on 28 September 2021 and paid on 22 October 2021 in respect of the financial year ended 31 May 2021	3,025,045	–

The directors have proposed a final exempt dividend for the financial year ended 31 May 2022 of RM0.01131 (SGD0.0035) per share amounting to a total of RM1,230,025 (SGD380,013). These financial statements do not reflect this dividend payable, which will be accounted for in the shareholders' equity as an appropriation of retained profits in the financial year ending 31 May 2023.

28 Related party transactions

- (a) In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties, who are not members of the Group during the financial year on terms agreed by the parties concerned:

	Group	
	2022 RM	2021 RM
With immediate and ultimate holding company		
Payment of lease liabilities and interest expense	(525,466)	(614,400)
Additions of new leases contracted	154,786	371,269
Dividends paid	(1,202,061)	–
With associated companies:		
Rental income	16,000	–
Service fee expenses	(124,714)	–
Advance to an associated company	(1,000,000)	–
Interest income on advances to an associated company	19,726	–
With joint venture:		
IT service retainer fees expenses	(12,720)	–

- (b) Key management personnel compensation

Total key management personnel compensation including remuneration received/receivable by directors of the Company is analysed as follows:

	Group	
	2022 RM	2021 RM
Salaries, allowances, bonuses	3,732,553	4,346,914
Contributions to defined contribution plans	648,606	744,099
Fees and other benefits	227,808	194,563
Benefit in kind	38,078	47,447
	4,647,045	5,333,023

29 Financial instruments

a) Categories of financial instruments

Financial instruments at their carrying amounts at the reporting date are as follows:

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
<i>Financial assets</i>				
Financial assets at fair value through profit or loss	2,430,020	3,505,335	–	–
Financial assets at fair value through other comprehensive income	4,838,458	2,001,100	–	–
Financial assets at amortised cost	58,219,289	57,638,306	10,454,534	12,925,169
Derivatives at fair value	750,000	–	750,000	–
	66,237,767	63,144,741	11,204,534	12,925,169
<i>Financial liabilities</i>				
At amortised cost	22,108,233	16,251,755	294,398	273,328

b) Financial risk management

The Group is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include foreign currency risk, interest rate risk, credit risk, liquidity risk and market price risk. The policies for managing each of these risks are summarised below. The directors review and agree policies and procedures for the management of these risks.

There has been no change to the Group's exposure to these financial risks or the manner in which the Group manages and measures financial risk.

Foreign currency risk

The Group has currency exposures arising from transactions, assets and liabilities that are denominated in currencies other than the respective functional currencies of entities in the Group. The foreign currencies in which the Group's currency risk arises are mainly United States Dollar ("USD"), Singapore Dollar ("SGD") and Myanmar Kyat ("MMK").

At the end of the reporting period, the Group and the Company have the following financial assets and financial liabilities denominated in foreign currencies based on information provided to key management:

Denominated in:	USD RM	SGD RM	MMK RM
Group 2022			
Trade and other receivables	1,175,290	–	–
Cash and cash equivalents	2,849,822	1,477,430	–
Intra-group receivable	–	–	832,352
Trade and other payables	(240,944)	(294,398)	–
Net financial assets denominated in foreign currencies	3,784,168	1,183,032	832,352

29 Financial instruments (cont'd)**b) Financial risk management (cont'd)****Foreign currency risk (cont'd)**

At the end of the reporting period, the Group and the Company have the following financial assets and financial liabilities denominated in foreign currencies based on information provided to key management (cont'd):

Denominated in:	USD RM	SGD RM	MMK RM
Group			
2021			
Trade and other receivables	1,621,878	–	–
Cash and cash equivalents	3,268,012	690,291	–
Intra-group receivable	–	–	754,371
Trade and other payables	(400,529)	(273,328)	–
Net financial assets denominated in foreign currencies	4,489,361	416,963	754,371
Company		SGD	MMK
2022		RM	RM
Cash and cash equivalents		1,025,837	–
Trade and other payables		(294,398)	–
Amount due from subsidiary		–	832,352
Net financial assets denominated in foreign currencies		731,439	832,352
2021			
Cash and cash equivalents		497,225	–
Trade and other payables		(273,328)	–
Amount due from subsidiary		–	754,371
Net financial assets denominated in foreign currencies		223,897	754,371

29 Financial instruments (cont'd)

b) Financial risk management (cont'd)

Foreign currency risk (cont'd)

The following table demonstrates the sensitivity to a reasonably possible change in the USD, SGD and MMK exchange rates against the respective functional currencies of the Group's entities, with all other variables held constant, of the Group's profit after tax:

	Group Increase/(decrease) in profit after tax	
	2022 RM	2021 RM
USD against RM		
- Strengthened 10% (2021: 10%)	283,836	341,191
- Weakened 10% (2021: 10%)	(283,836)	(341,191)
SGD against RM		
- Strengthened 10% (2021: 10%)	95,030	31,689
- Weakened 10% (2021: 10%)	(95,030)	(31,689)
SGD against MMK		
- Strengthened 10% (2021: 10%)	69,000	63,000
- Weakened 10% (2021: 10%)	(69,000)	(63,000)
	Company Increase/(decrease) in profit after tax	
	2022 RM	2021 RM
SGD against RM		
- Strengthened 10% (2021: 10%)	61,000	19,000
- Weakened 10% (2021: 10%)	(61,000)	(19,000)
SGD against MMK		
- Strengthened 10% (2021: 10%)	69,000	63,000
- Weakened 10% (2021: 10%)	(69,000)	(63,000)

Interest rate risk

The Group's exposure to interest rate risk arises primarily from their borrowings. Liabilities bearing variable rates expose the Group to cash flow interest rate risk (i.e. the risk that future cash flows of a financial instrument will fluctuate due to changes in market interest rates). The Group does not utilise derivatives to hedge its interest rate. As the Group has no significant interest-bearing assets and liabilities, the Group's income and expense are substantially independent of changes in market interest rates.

29 Financial instruments (cont'd)

b) Financial risk management (cont'd)

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. For trade receivables, the Group adopts the policy of dealing only with customers of appropriate credit history, and obtaining sufficient security where appropriate to mitigate credit risk. For other financial assets, the Group adopts the policy of dealing only with high credit quality counterparties.

Credit exposure to an individual counterparty is restricted by credit limits that are approved by the directors based on ongoing credit evaluation. The counterparty's payment profile and credit exposure are continuously monitored at the entity level by the respective management and at the Group level by the directors.

As the Group and the Company do not hold any collateral, the maximum exposure to credit risk is the carrying amount of each class of financial instruments presented on the statements of financial position.

The Group does not have significant concentration of credit risk except that the Group's trade receivables comprise 2 debtors (2021: 2 debtors) that individually represented 23% to 28% (2021: 13% to 37%) of the trade receivables. As at the end of the reporting period, 92% (2021: 91%) of the Group's trade receivables are all due from debtors located in Malaysia.

The Company has no significant concentration of credit risk except for the amounts due from subsidiaries as disclosed in Note 19.

The following sets out the Group's internal credit evaluation practices and basis for recognition and measurement of expected credit losses ("ECL"):

Description of evaluation of financial assets	Basis for recognition and measurement of ECL
Counterparty has a low risk of default and does not have any past due amounts	12-month ECL
Contractual payments are more than 30 days past due or where there has been a significant increase in credit risk since initial recognition	Lifetime ECL - not credit-impaired
Contractual payments are more than 90 days past due or there is evidence of credit impairment	Lifetime ECL - credit-impaired
There is evidence indicating that the Group has no reasonable expectation of recovery of payments such as when the debtor has been placed under liquidation or has entered into bankruptcy proceedings	Write-off

Significant increase in credit risk

In assessing whether the credit risk on a financial asset has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial asset as at the reporting date with the risk of a default occurring on the financial asset as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information, such as future economic and industry outlook, that is available without undue cost or effort.

29 Financial instruments (cont'd)

b) Financial risk management (cont'd)

Credit risk (cont'd)

Significant increase in credit risk (cont'd)

In particular, the Group considers the following information when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the operating results/key financial performance ratios of the debtor; and
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Regardless of the evaluation of the above factors, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group also assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if it has an internal or external credit rating of "investment grade" as per globally understood definition, or the financial asset has a low risk of default; the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

Definition of default

The Group has determined the default events on a financial asset to be when there is evidence that the borrower is experiencing liquidity issues or when there is a breach of contract, such as a default of payment.

The Group considers the above as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred such as evidence that the borrower is in significant financial difficulty, there is a breach of contract such as default or past due event; there is information that it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; the disappearance of an active market for that financial asset because of financial difficulties; or the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

29 Financial instruments (cont'd)**b) Financial risk management (cont'd)****Credit risk (cont'd)***Estimation techniques and significant assumptions*

There has been no change in the estimation techniques or significant assumptions made during the current financial year for recognition and measurement of credit loss allowances.

Trade receivables and contract assets

The Group has applied the simplified approach by using a provision matrix to measure the expected credit loss ("ECL") allowance for trade receivables and contract assets. Under the simplified approach, for trade receivables and contract assets that do not contain a significant financing component, the loss allowance is measured at initial recognition and throughout the life of the receivable at an amount equal to lifetime ECL.

The Group estimates the expected credit loss rates for each category of past due status of the debtors based on historical credit loss experience adjusted as appropriate to reflect current conditions and forecasts of future economic conditions affecting the ability of the customers to settle the receivables. In view of the current COVID-19 pandemic, the Group has considered the impact of the pandemic on the performance and liquidity of its trade receivables and in particular, whether there are significant decline in the repayment ability of its debtors. There has been no change in the estimation techniques or significant assumptions made during the current financial year. The Group's trade receivables and contract assets are substantially in the category of not past due to 30 days where credit loss experience is insignificant.

The movements in the allowance for impairment loss on trade receivables and contract assets are as follows:

	Trade receivables RM	Contract assets RM	Total RM
Group			
Balance at 1 June 2020	330,566	385,245	715,811
Loss allowance measured/ (reversed):			
Lifetime ECL			
- simplified approach	(274,377)	-	(274,377)
Contract assets written off	-	(135,245)	(135,245)
Transfer from/(to)	250,000	(250,000)	-
Currency translation differences	(1,651)	-	(1,651)
Balance at 31 May 2021	304,538	-	304,538
Loss allowance reversed:			
Lifetime ECL			
- simplified approach	(170,916)	-	(170,916)
Currency translation differences	(3,243)	-	(3,243)
Balance at 31 May 2022	130,379	-	130,379

29 Financial instruments (cont'd)**b) Financial risk management (cont'd)****Credit risk (cont'd)***Credit quality of financial assets*

Group 2022	12-month or lifetime ECL	Gross carrying amount RM	Loss allowance RM	Net carrying amount RM
Trade receivables	Lifetime	31,455,537	(130,379)	31,324,978
Contract assets	Lifetime	12,177,006	–	12,177,006
Other receivables	12-month	475,573	–	475,573
Deposits	12-month	714,840	–	714,840
Amount due from associated companies	Lifetime	1,193,578	–	1,193,578
Cash and cash equivalents	Not applicable (Exposure limited)	24,510,320	–	24,510,320
2021				
Trade receivables	Lifetime	29,292,943	(304,538)	28,988,405
Contract assets	Lifetime	6,496,897	–	6,496,897
Other receivables	12-month	370,906	–	370,906
Deposits	12-month	687,431	–	687,431
Cash and cash equivalents	Not applicable (Exposure limited)	27,591,564	–	27,591,564
Company 2022				
Other receivables	12-month	33,866	–	33,866
Amounts due from subsidiaries	12-month	9,394,831	–	9,394,831
Cash and cash equivalents	Not applicable (Exposure limited)	1,025,837	–	1,025,837
Company 2021				
Other receivables	12-month	2,401	–	2,401
Amounts due from subsidiaries	12-month	12,384,253	–	12,384,253
Cash and cash equivalents	Not applicable (Exposure limited)	538,515	–	538,515

29 Financial instruments (cont'd)**b) Financial risk management (cont'd)****Credit risk (cont'd)***Amounts due from subsidiaries*

For the amounts due from subsidiaries where impairment loss allowance is measured using 12 months ECL, the Company assessed the latest performance and financial position of the respective counterparties, adjusted for COVID-19 impact consideration and the future outlook of the industry in which the counterparties operate in, and concluded that there has been no significant increase in the credit risk since the initial recognition of the financial assets. Accordingly, the Company measured the impairment loss allowance using 12-month ECL and determined that the ECL is insignificant.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities. In managing its liquidity, management monitors and reviews the Group's and the Company's forecasts of liquidity reserves (comprise cash and cash equivalents and available credit facilities) based on expected cash flows of the respective operating companies of the Group.

The table below summarises the maturity profile of the Group's and the Company's non-derivative financial liabilities at the reporting date based on contractual undiscounted repayment obligations.

	Repayable on demand or within 1 year RM	Within 2 to 5 years RM	More than 5 years RM	Total RM
Group				
2022				
Trade and other payables	15,031,601	–	–	15,031,601
Borrowings	4,987,560	–	–	4,987,560
Lease liabilities	1,156,860	1,037,413	56,995	2,251,268
	21,176,021	1,037,413	56,995	22,270,429
2021				
Trade and other payables	13,589,450	–	–	13,589,450
Lease liabilities	1,736,255	1,065,369	–	2,801,624
	15,325,705	1,065,369	–	16,391,074
Company				
2022				
Trade and other payables	294,398	–	–	294,398
2021				
Trade and other payables	273,328	–	–	273,328

30 Fair values of assets and liabilities

a) Fair value hierarchy

The table below analyses the fair value measurements by the levels in the fair value hierarchy based on the inputs to the valuation techniques. The different levels are defined as follows:

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

There has been no transfer between Level 1, Level 2 and Level 3 during the financial years ended 31 May 2022 and 2021.

b) Fair value measurements of assets and liabilities that are measured at fair value

The following table presents the level of fair value hierarchy for each class of assets and liabilities measured at fair value on the statements of financial position at the end of the reporting periods:

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
Recurring fair value measurements				
Group 2022				
Financial assets				
Financial assets at fair value through profit or loss				
- unquoted equity investments	–	–	2,380,000	2,380,000
- short-term fund investments	50,020	–	–	50,020
Financial assets at FVOCI				
- unquoted equity investments	–	–	4,838,458	4,838,458
Total financial assets	50,020	–	7,218,458	7,268,478
2021				
Financial assets				
Financial assets at fair value through profit or loss				
- unquoted equity investments	–	–	1,380,000	1,380,000
- short-term fund investments	2,125,335	–	–	2,125,335
Financial assets at FVOCI				
- unquoted equity investments	–	–	2,001,100	2,001,100
Total financial assets	2,125,335	–	3,381,100	5,506,435

c) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values as they are short-term in nature, market interest rate instruments, or fixed rate instruments whereby the fixed rates approximate market interest rates on or near the end of the reporting period.

30 Fair values of assets and liabilities (cont'd)

d) Determination of fair values

Fair values have been determined for measurement and/or disclosure purposes based on the following methods:

Unquoted equity investments

During the current financial year, the fair value of the unquoted equity investment that is designated at fair value through profit or loss is determined based on discounted cash flow method and a discount rate used of 15% as there were no recent transacted prices of the investee company's equity in the current financial year. The cash flow forecasts were estimated by investee's management based on prevailing market, economic and other conditions at the end of the reporting period, and based on estimations of an expected 3% annual growth. This fair value measurement is categorised in Level 3 of the fair value hierarchy. A lower % of growth from the estimated 3% would result in a lower fair value of the investment.

The fair value of the unquoted equity investment that is classified as FVOCI is measured using a transaction price from the most recent equity transaction that has occurred in the investee company.

During 2021, the fair values of the unquoted equity investments were determined based on recent transacted prices of the investee companies' equities as well as consideration of internal and external changes in the business and market environment that the investees operate in. This fair value measurement is categorised in Level 3 of the fair value hierarchy.

Short-term fund investments

The fair values of financial instruments traded in active markets (such as investments in short-term fund) are based on quoted prices at the end of the reporting period. These instruments are included in Level 1.

e) Movements in Level 3 assets measured at fair value

The following table shows a reconciliation from the beginning balances to the ending balances for Level 3 fair value measurements:

	Unquoted equity investments	
	2022 RM	2021 RM
Balance at beginning of financial year	3,381,100	–
Gain recognised in other comprehensive income	2,837,358	–
Additions	1,000,000	3,381,100
Balance at end of financial year	7,218,458	3,381,100
Total gains for the period included in:		
<u>Other comprehensive income:</u>		
- Net fair value gain on financial assets at fair value through other comprehensive income	2,156,392	–

f) Valuation process applied by the Group

The measurement of fair values of unquoted equity investments within Level 3 fair value hierarchy is performed by the Director of Corporate Finance & Strategy and the Group's finance department on a yearly basis. The valuation papers and changes in fair value measurements are analysed and reported to the board of directors. Significant valuation issues are reported to the Audit Committee.

31 Segment information

During the financial year, the Group changed its segment reporting to align with the Group's current businesses and creation of several new businesses. Management reviewed the service types, capability and client needs and evaluated that it is reasonable to have three instead of four core segments.

Beginning financial year ended 31 May 2022, the Group reported segment information as follows: Advertising and marketing which mainly consolidates in-store advertising and digital marketing segment and sampling activities and events management segment as disclosed in the previous financial year; Sales execution and distribution which includes field force management segment as disclosed in the previous financial year.

In conjunction with this change, certain prior year amounts have been re-presented to conform to the new segment reporting structure. These changes have no impact on previously-reported consolidated statement of financial position, consolidated statement of comprehensive income, consolidated statement of changes in equity or consolidated statement of cash flows.

- (i) Advertising and marketing segment provides digital and non-digital in-store advertising mediums in retail chains establishment to its clients. This segment also provides creative campaign development and mobile marketing services through its proprietary loyalty mobile application platform. In addition, this segment provides in-store promoter services such as sampling and events management for product launches, roadshows, seminars and annual dinners. This segment also provides marketing programmes, marketing intelligence and analysis and consumer relationship management services.
- (ii) Sales execution and distribution segment provides merchandiser, sales force and supervisory, and talent management services. This segment also includes sale of fast-moving consumer goods.
- (iii) Others segment provides management and corporate services to its subsidiaries and others. It also derives dividend from its subsidiaries.

In the previous financial year, the Group is organised into business units based on its business segments purposes. The reportable segments are in-store advertising and digital marketing, field force management, sampling activities and events management and investment holding. Management monitors the operating results of its business units separately for making decisions about allocation of resources and assessment of performances of each segment.

31 Segment information (cont'd)

The segment information provided to management for the reportable segments are as follows:

2022

Segment revenue

	Advertising and marketing RM	Sales execution and distribution RM	Others RM	Eliminations RM	Consolidation total RM
Sales to external customers	41,620,140	110,537,637	-	-	152,157,777
Intersegment sales	717,505	225,016	7,517,059	(8,459,580)	-
Total revenue	42,337,645	110,762,653	7,517,059	(8,459,580)	152,157,777
Tax expense	1,079,654	1,317,792	401,552	-	2,798,998
Segment profit/(loss)	4,302,222	1,876,984	(1,462,897)	-	4,716,309
Depreciation and amortisation	955,480	1,222,667	597,332	-	2,775,479
Property, plant and equipment written off	7,175	-	742	-	7,917
Reversal of impairment losses on trade receivables and contract assets (net)	(41,191)	(105,761)	-	-	(146,952)
Interest income	(247,852)	(110,493)	(71,565)	270,924	(158,986)
Interest expenses	145,408	181,874	90,381	(270,924)	146,739
Inventories written off	-	176,581	-	-	176,581
Gain on termination of leases	(927)	(9,805)	-	-	(10,732)
Share of results of associated companies	-	-	276,447	-	276,447

Assets and liabilities:

Total segment assets	41,565,371	47,800,460	107,626,609	(105,690,020)	91,302,420
Segment assets include:					
Additions to non-current assets	195,223	2,386,633	216,151	-	2,798,007
Joint venture	-	-	1,002,075	-	1,002,075
Investment in associated companies	-	-	2,643,374	-	2,643,374
Total segment liabilities	(20,514,051)	(27,923,216)	(10,880,016)	30,026,723	(29,290,560)

31 Segment information (cont'd)

The segment information provided to management for the reportable segments are as follows (cont'd):

2021	Advertising and marketing RM	Sales execution and distribution RM	Others RM	Eliminations RM	Consolidation total RM
<i>Segment revenue</i>					
Sales to external customers	48,928,266	104,197,019	7,947	-	153,133,232
Intersegment sales	360,726	12,879	9,193,889	(9,567,494)	-
Total revenue	49,288,992	104,209,898	9,201,836	(9,567,494)	153,133,232
Tax expense	1,738,469	1,518,424	249,428	-	3,506,321
Segment profit/(loss)	3,735,058	3,875,982	(1,048,212)	-	6,562,828
Depreciation and amortisation	1,501,860	1,017,549	784,973	-	3,304,382
Property, plant and equipment written off	2,137	-	1	-	2,138
Reversal of impairment losses on trade receivables and contract assets (net)	(57,869)	(174,506)	-	-	(232,375)
Interest income	(207,349)	(40,347)	(69,864)	149,714	(167,846)
Interest expenses	162,921	73,418	32,074	(149,714)	118,699
Gain on disposal of property, plant and equipment	(67,447)	-	-	-	(67,447)
Gain on disposal of intangible asset	(23,558)	-	-	-	(23,558)
Impairment loss on intangible asset	80,278	-	-	-	80,278
Gain on termination of leases	(29,579)	(4,300)	-	-	(33,879)
Share of results of associated companies	-	-	39,533	-	39,533
<i>Assets and liabilities:</i>					
Total segment assets	41,377,871	36,367,164	103,655,913	(100,897,912)	80,503,036
Segment assets include:					
Additions to non-current assets	1,054,399	2,015,172	548,846	-	3,618,417
Investment in associated company	-	-	919,821	-	919,821
Total segment liabilities	(21,561,620)	(13,302,942)	(12,848,233)	25,611,000	(22,101,795)

31 Segment information (cont'd)

Segment results

Management monitors the operating results of its operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Sales between operating segments are on terms agreed by the group companies concerned.

Segment assets

The amounts provided to the management with respect to total assets are measured in a manner consistent with that of the financial statements. Management monitors the assets attributable to each segment for the purposes of monitoring segment performance and for allocating resources between segments. All assets are allocated to reportable segments.

Segment liabilities

The amounts provided to management with respect total liabilities are measured in a manner consistent with that of the financial statements. All liabilities are allocated to the reportable segments based on the operations of the segments.

Geographical information

The Group's revenue from external customers are derived substantially from customers in Malaysia. The non-current assets of the Group are substantially located in Malaysia.

Information about major customers

Revenue is derived from 1 (2021: 2) external customer who individually contributed 10% or more of the Group's revenue and are attributable to the segments as detailed below:

		Group	
		2022	2021
		RM	RM
Attributable segments			
Customer 1	Advertising and marketing	15,848,158	20,736,030
	Sales execution and distribution	14,550,058	13,651,022
Customer 2	Sales execution and distribution	*	26,264,512
		30,398,216	60,651,564

* Revenue derived from Customer 2 is below 10% of the Group's revenue in the current financial year.

32 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholders' value. In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of dividend payment, return capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings or sell assets to reduce borrowings.

The capital structure of the Group mainly consists of equity and the Group's overall strategy remains unchanged from financial year ended 31 May 2021.

33 Authorisation of financial statements

The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company for the financial year ended 31 May 2022 were authorised for issue in accordance with a resolution of the directors dated 29 August 2022.

STATISTICS OF SHAREHOLDINGS

AS AT 19 AUGUST 2022

NUMBER OF SHARES ISSUED (EXCLUDING TREASURY SHARES)	: 108,803,600
ISSUED AND FULLY PAID-UP CAPITAL	: RM51,850,444
NUMBER OF TREASURY SHARES	: 5,596,400 (5.14%)
NUMBER OF SUBSIDIARY HOLDINGS	: NIL
CLASS OF SHARES	: ORDINARY SHARES
VOTING RIGHTS	: ONE VOTE PER SHARE

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	% OF SHAREHOLDERS	NO. OF SHARES	% OF SHARES
1-99	0	0.00	0	0.00
100-1,000	12	8.96	6,300	0.01
1,001- 10,000	23	17.16	174,900	0.16
10,001-1,000,000	87	64.92	9,743,234	8.95
1,000,001 and above	12	8.96	98,879,166	90.88
TOTAL	134	100.00	108,803,600	100.00

SUBSTANTIAL SHAREHOLDERS

(as shown in the Company 's Register of Substantial Shareholders)

NAME OF SUBSTANTIAL SHAREHOLDER	DIRECT INTEREST		DEEMED INTEREST	
	NO. OF SHARES	%	NO. OF SHARES	%
REKAWEB.COM SDN BHD ⁽¹⁾	43,235,250	39.74	-	-
KOPERASI PERMODALAN FELDA MALAYSIA BERHAD	23,207,750	21.33	-	-
YAP PHAIK KWAI ⁽²⁾	-	-	43,235,250	39.74

Notes:

⁽¹⁾ The Shares are held through a nominee, Morgan Stanley Asia (Singapore) Securities Pte Ltd.

⁽²⁾ Yap Phaik Kwai holds 74.5% of issued share capital of Rekaweb.Com Sdn. Bhd. ("**RKW**") and is deemed interested in the Shares held by RKW by virtue of Section 4 of the Securities and Futures Act 2001 of Singapore.

SHAREHOLDINGS HELD IN HANDS OF PUBLIC

Based on information available to the Company as at 19 August 2022, approximately 31.86% of the issued ordinary shares of the Company was held by the public as defined in the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalyst ("**Catalist Rules**"). Therefore, the Company has complied with Rule 723 of the Catalyst Rules.

TOP TWENTY SHAREHOLDERS AS AT 19 AUGUST 2022

NAME OF SHAREHOLDERS	NO. OF SHARES	% OF SHARES
MORGAN STANLEY ASIA (SINGAPORE) SECURITIES PTE LTD	44,886,416	41.26
KOPERASI PERMODALAN FELDA MALAYSIA BERHAD	23,207,750	21.33
RAFFLES NOMINEES (PTE) LIMITED	6,894,700	6.34
PHILLIP SECURITIES PTE LTD	6,717,100	6.17
ABN AMRO CLEARING BANK N.V.	2,921,700	2.69
ANGELINA OOI GAIK CHENG	2,475,000	2.27
CHOOT EWE HIN	2,450,000	2.25
OOI LOON KUM	2,450,000	2.25
UOB KAY HIAN PTE LTD	2,128,000	1.96
LEE CHEE SENG	1,925,400	1.77
DBS NOMINEES PTE LTD	1,675,900	1.54
CGS-CIMB SECURITIES (SINGAPORE) PTE LTD	1,147,200	1.05
MAYBANK SECURITIES PTE. LTD.	840,500	0.77
ONG POH LIM @ ONG PAO LIM	781,300	0.72
OCBC SECURITIES PRIVATE LTD	582,500	0.53
AW SIAO SIANG (HU XIAOXIANG)	415,400	0.38
OSC INVESTMENTS CAPITAL PRIVATE LIMITED	350,000	0.32
CHOW SIEW BEE	339,000	0.31
WONG WAI ONN	300,000	0.28
YAP KHENG TJIN	300,000	0.28
	102,787,866	94.47

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2022 Annual General Meeting (“**AGM**”) of SHOPPER360 LIMITED (the “**Company**”) will be held by way of electronic means (via LIVE WEBCAST and AUDIO ONLY MEANS) on Wednesday, 28 September 2022 at 2:00 p.m. to transact the following business:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors’ Statement and the Audited Financial Statements of the Company for the financial year ended 31 May 2022 (“**FY2022**”) together with the Auditors’ Report thereon. **(Resolution 1)**
2. To re-elect the following directors of the Company (“**Directors**”) retiring pursuant to the Constitution of the Company (“**Constitution**”) and who, being eligible, offered themselves for re-election as a Director:
 - (a) Ms Chew Sue Ann (Retiring under Regulation 112) **(Resolution 2)**
[See Explanatory Note (i)]
 - (b) Ms Margaret Au-Yong (Retiring under Regulation 112) **(Resolution 3)**
[See Explanatory Note (ii)]
 - (c) Mr James Ling Wan Chye (Retiring under Regulation 116) **(Resolution 4)**
[See Explanatory Note (iii)]
 - (d) Mr Raja Singham A/L S.Sukumara Singham (Retiring under Regulation 116) **(Resolution 5)**
[See Explanatory Note (iv)]
3. To approve the payment of Directors’ fees of S\$72,980 for the financial year ending 31 May 2023, to be paid quarterly in arrears (2022: S\$72,980). **(Resolution 6)**
4. To re-appoint Messrs Baker Tilly TFW LLP as the independent auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 7)**
5. To declare and approve the payment of a final tax-exempt (one-tier) dividend of S\$0.0035 per ordinary share of the Company for FY2022. **(Resolution 8)**
6. To transact any other ordinary business which may be properly transacted at an AGM of the Company.

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolutions as ordinary resolutions, with or without modifications:

7. **Authority to allot and issue shares in the capital of the Company** **(Resolution 9)**

“That pursuant to Section 161 of the Companies Act 1967 of Singapore (the “**Companies Act**”), the Constitution and Rule 806 of the Listing Manual Section B: Rules of Catalist (the “**Catalist Rules**”) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”), the Directors be and are hereby authorised to:

- (a) (i) allot and issue shares in the capital of the Company (the “**Shares**”) whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, the “**Instruments**”) that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may, in their absolute discretion, deem fit; and

- (b) (notwithstanding that the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors while this Resolution is in force, provided that:

- (i) the aggregate number of Shares to be issued pursuant to this Resolution (including Shares to be issued in pursuance of the Instruments made or granted pursuant to this Resolution) does not exceed 100% of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) (as calculated in accordance with sub-paragraph (ii) below), of which the aggregate number of Shares to be issued other than on a pro-rata basis to the existing shareholders of the Company (including Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) does not exceed 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) (as calculated in accordance with sub-paragraph (ii) below);

- (ii) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares (including Shares to be issued pursuant to the Instruments) that may be issued under sub-paragraph (i) above, the percentage of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) shall be calculated based on the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) at the time of the passing of this Resolution, after adjusting for:

(a) new Shares arising from the conversion or exercise of the Instruments or any convertible securities outstanding at the time this Resolution is passed;

(b) (where applicable) new Shares arising from the exercise of share options or vesting of share awards, provided that such share options or awards (as the case may be) were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and

(c) any subsequent bonus issue, consolidation or sub-division of Shares,

adjustments in accordance with sub-paragraph (ii)(a) or sub-paragraph (ii)(b) above are only to be made in respect of new Shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this Resolution;

- (iii) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Companies Act and the Constitution for the time being in force; and

- (iv) unless revoked or varied by the Company in a general meeting, the authority conferred by this Resolution shall continue in force (i) until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier, or (ii) in the case of Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution, until the issuance of such Shares in accordance with terms of the Instruments.”

[See Explanatory Note (v)]

8. **Authority to grant awards and to allot and issue Shares under the shopper360 Performance Share Plan** **(Resolution 10)**

"That pursuant to Section 161 of the Companies Act, the Directors be and are hereby authorised and empowered to offer and grant awards in accordance with the shopper360 Performance Share Plan (the "**PSP**") and to allot and issue from time to time such number of Shares as may be required to be allotted and issued pursuant to the awards granted under the PSP (including but not limited to allotment and issuance of Shares at any time, whether during the continuance of such authority or thereafter, pursuant to awards made or granted by the Company whether granted during the subsistence of this authority or otherwise), provided always that the aggregate number of Shares issued and/or issuable pursuant to the PSP, and any other share option schemes of the Company shall not exceed 15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) from time to time, and such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier."

[See Explanatory Note (vi)]

9. **Adoption of the Share Buy-Back Mandate** **(Resolution 11)**

That:

- (a) for the purposes of the Companies Act, the exercise by the Directors of all the powers of the Company to purchase or otherwise acquire the ordinary shares in capital of the Company ("**Shares**") not exceeding in aggregate the Prescribed Limit (as defined herein), at such price(s) as may be determined by the Directors from time to time up to the Maximum Price (as defined herein), whether by way of:
- (i) on-market purchases, transacted on the SGX-ST through the SGX-ST's trading system or, as the case may be, any other securities exchange on which the Shares may, for the time being, be listed ("**Market Purchase**"); and/or
 - (ii) off-market purchases (if effected otherwise than on the SGX-ST) in accordance with an equal access scheme(s) which shall satisfy all the conditions prescribed by the Companies Act, as may be determined or formulated by the Directors as they may consider fit ("**Off-Market Purchase**"), and otherwise in accordance with all other laws, regulations and the Catalist Rules as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "**Share Buy-back Mandate**");
- (b) the authority conferred on the Directors pursuant to the Share Buy-back Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of passing of this resolution and expiring on the earliest of:
- (i) the date on which the next AGM is held or required by law to be held;
 - (ii) the date on which Share Buy-backs have been carried out to the full extent mandated under the Share Buy-back Mandate; or
 - (iii) the date on which the authority contained in the Share Buy-back Mandate is varied or revoked by Shareholders in a general meeting;

(c) In this resolution:

"Prescribed Limit" means only Shares which are issued and fully paid-up may be purchased or acquired by the Company. The total number of Shares that may be purchased or acquired by the Company under the Share Buy-back Mandate is limited to that number of Shares representing not more than 10% of the total number of issued Shares (excluding any treasury shares and subsidiary holdings that may be held by the Company from time to time) as at the date of the 2022 AGM at which the adoption of the Share Buy-back Mandate is approved, unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period, in which event the total number of issued Shares shall be taken to be the total number of issued Shares as altered by special resolution of the Company or the order of the Court, as the case may be (excluding any treasury shares and subsidiary holdings that may be held by the Company from time to time).

"Maximum Price" means the purchase or acquisition price (excluding brokerage, commission, stamp duties, applicable goods and services tax, clearance fees and other related expenses) to be paid for the Shares will be determined by the Directors. However, the purchase price to be paid for a Share as determined by the Directors must not exceed:

- (a) in the case of a Market Purchase, 105% of the Average Closing Price (as defined hereinafter) of the Shares; and
- (b) in the case of an Off-Market Purchase pursuant to an equal access scheme, 120% of the Average Closing Price (as defined hereinafter) of the Shares, where:

"Average Closing Price" means the average of the closing market prices of the Shares over the last five (5) Market Days on the SGX-ST, on which transactions in the Shares were recorded, preceding the day of the Market Purchase or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs during the relevant five (5) Market Day period and the day on which the purchases are made;

"date of the making of the offer" means the date on which the Company makes an offer for the Share Buy-back from Shareholders, stating the purchase or acquisition price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase; and

- (d) the Directors be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated by this resolution."

[See Explanatory Note (vii)]

By Order of the Board of shopper360 Limited

Chua Kern
Company Secretary
Singapore, 9 September 2022

Explanatory Notes:

- (i) Ms Chew Sue Ann will, upon re-election as a Director, remain as the Executive Chairman and Group Managing Director of the Company. Ms Chew Sue Ann is the daughter of a controlling shareholder of the Company, Ms Yap Phaik Kwai, who has a total interest of 39.74% (direct and deemed) of the issued share capital of the Company as at 9 September 2022, and the wife of the Executive Director of the Company, Mr James Ling Wan Chye.
- (ii) Ms Margaret Au-Yong will, upon re-election as a Director, remain as an Independent Director of the Company, Chairman of the Remuneration Committee and a member of the Audit Committee. There are no relationships (including family relationships) between Ms Margaret Au-Yong and the other Directors, the Company, its related corporation, its officers or its substantial shareholders, which may affect her independence. The Board considers Ms Margaret Au-Yong to be independent for the purpose of Rule 704(7) of the Catalyst Rules.

- (iii) Mr James Ling Wan Chye will, upon re-election as a Director, remain as an Executive Director of the Company. Mr James Ling Wan Chye is the husband of the Executive Chairman and Group Managing Director of the Company, Ms Chew Sue Ann, and the son-in-law of a controlling shareholder of the Company, Ms Yap Phaik Kwai, who has a total interest of 39.74% (direct and deemed) of the issued share capital of the Company as at 9 September 2022.
- (iv) Mr Raja Singham A/L S.Sukumara Singham will, upon re-election as a Director, remain as an Independent Director of the Company, Chairman of the Nominating Committee and a member of the Audit Committee. There are no relationships (including family relationships) between Mr Raja Singham A/L S.Sukumara Singham and the other Directors, the Company, its related corporation, its officers or its substantial shareholders, which may affect his independence. The Board considers Mr Raja Singham A/L S.Sukumara Singham to be independent for the purpose of Rule 704(7) of the Catalist Rules.

Further detailed information on the abovementioned Directors can be found under the sections entitled "Board of Directors", "Corporate Governance Report" and "Directors' Statement" of the Company's 2022 Annual Report.

- (v) Ordinary Resolution 9 proposed in item 7 above, if passed, will empower the Directors to issue Shares and make or grant instruments (such as warrants or debentures) convertible into Shares, and to issue Shares pursuant to such instruments, up to a number not exceeding 100% of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any), of which up to 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) may be issued other than on a pro-rata basis to shareholders of the Company.

For the purpose of determining the aggregate number of Shares and Instruments that may be issued, the percentage of the aggregate number of Shares and Instruments will be calculated based on the total number of issued Shares (excluding treasury shares or subsidiary holdings, if any) at the time this Resolution is passed, after adjusting for new Shares arising from the conversion or exercise of the Instruments or any convertible securities, the exercise of share options or the vesting of share awards which are outstanding or subsisting at the time when this resolution is passed and any subsequent bonus issue, consolidation or subdivision of Shares.

- (vi) Ordinary Resolution 10 proposed in item 8 above, if passed, will empower the Directors to allot and issue Shares pursuant to the grant of such awards in accordance with the provisions of the PSP, provided that the aggregate number of Shares to be issued pursuant to the PSP and other share scheme which the Company may implement from time to time, shall not exceed 15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) from time to time.
- (vii) Further detailed information on the abovementioned Adoption of the Share Buy-back Mandate and unless otherwise defined, all terms and references used shall bear the same meaning ascribed to them in the Addendum to the 2022 Annual Report in relation to the adoption of the Share Buy-back Mandate dated 9 September 2022.

Notes:

- Pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020, the AGM of the Company will be held by way of electronic means and members of the Company will NOT be allowed to attend the AGM in person.
- Alternative arrangements relating to, among others, attendance, submission of questions in advance and/or voting by proxy at the AGM of the Company to be held on Wednesday, 28 September 2022 at 2:00 p.m. (the "**Meeting**") are set out in the Company's announcement dated 9 September 2022 (the "**Announcement**"), which has been uploaded together with this Notice of AGM on SGXNet on the same day. The Announcement may also be accessed at the URL <https://shopper360.com.my/announcements/>. For the avoidance of doubt, the Announcement is circulated together with and forms part of this Notice of AGM in respect of the Meeting. Printed copies of this Notice and the accompanying Annual Report and Proxy Form will not be sent to members.

In particular, the Meeting will be held by way of electronic means and a member of the Company will be able to observe the proceedings of the Meeting through a "live" webcast ("**LIVE WEBCAST**") via his/her/its mobile phones, tablets or computers or listen to these proceedings through a "live" audio feed ("**AUDIO ONLY MEANS**"). In order to do so, a member of the Company who wishes to watch the LIVE WEBCAST or listen via the AUDIO ONLY MEANS must register by **2:00 p.m. on 25 September 2022** (being not less than seventy-two (72) hours before the time appointed for holding the Meeting) (the "**Registration Deadline**"), at the URL <https://globalmeeting.bigbangdesign.co/shopper360agm2022/>.

Following authentication of his/her/its status as members of the Company, authenticated members of the Company will receive email instructions on how to access the LIVE WEBCAST and AUDIO ONLY MEANS to observe the proceedings of the Meeting by 2:00 p.m. on 27 September 2022. Shareholders who do not receive an email by **2:00 p.m. on 27 September 2022**, but who have registered by the Registration Deadline, should contact the Company's Share Registrar at main@zicoholdings.com for assistance.

A member of the Company who registers to watch the LIVE WEBCAST or listen via the AUDIO ONLY MEANS may also submit questions related to the resolutions to be tabled for approval at the Meeting. To do so, all questions must be submitted by **9.00 a.m. on 17 September 2022** (being not less than seventy-two (72) hours before the time appointed for holding the Meeting) at the URL <https://globalmeeting.bigbangdesign.co/shopper360agm2022/>.

3. Shareholders, including CPF Investors and SRS Investors, can submit questions related to the resolutions to be tabled for approval at the Meeting to the Chairman of the Meeting, in advance of the Meeting, in the following manner:
 - (i) Via pre-registration website: Shareholders who pre-register to observe and/or listen to the proceedings of the Meeting may submit their questions via the pre-registration website at <https://globalmeeting.bigbangdesign.co/shopper360agm2022/>;
 - (ii) Via email: Shareholders may submit their questions via email to <https://globalmeeting.bigbangdesign.co/shopper360agm2022/>. When sending in questions via email, please also provide the following details: (a) full name; (b) address; and (c) the manner in which the Shares are held (e.g.: via CDP, CPF, SRS and/or scrip). All questions submitted in advance of the Meeting via any of the above channels must be received by 9:00 a.m. on 17 September 2022.

The Company will address substantial and relevant questions (as may be determined by the Company in its sole discretion) received from Shareholders by 22 September 2022 and this will be posted on SGXNet and the Company's corporate website. The Company will also address any subsequent clarifications sought, or follow-up questions in respect of such substantial and relevant questions during the AGM. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed.

4. As the Company does not allow real-time remote electronic voting through an electronic voting system to take place at the Meeting, a member (whether individual or corporate) must appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the Meeting. In appointing the Chairman of the Meeting as proxy, a member of the Company (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment will be treated as invalid.

In addition, CPF/SRS investors who have used their CPF/SRS monies to buy Shares in the Company: a) may vote live via electronic means at the AGM if they are appointed as proxies by their respective CPF Agent Banks/SRS Operators, and should contact their respective CPF Agent Banks/SRS Operators if they have questions regarding their appointment as proxies; or b) may appoint the Chairman of the Meeting as proxy to vote on their behalf at the AGM, in which case they should approach their respective CPF Agent Banks/SRS Operators no later than 2:00 p.m. on 19 September 2022 (being seven (7) working days before the Meeting). The proxy form for the Meeting is made available with this Notice of AGM on SGXNet at the URL <https://shopper360.com.my/announcements/>.

5. The Chairman of the Meeting, as proxy, need not be a member of the Company.
6. The instrument appointing the Chairman of the Meeting as proxy, together with the power of attorney or other authority under which it is signed (if applicable) or a notarial certified copy thereof, must:
 - a. if sent personally or by post, be lodged at the office of the Company's Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896; or
 - b. if submitted by email, be received by the Company's Share Registrar, B.A.C.S. Private Limited at main@zicoholdings.com,

in either case, **by 2:00 p.m. on 25 September 2022** (being not less than seventy-two (72) hours before the time appointed for holding the Meeting) (or at any adjournment thereof) and in default the instrument of proxy shall not be treated as valid.

In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for members of the Company to submit completed proxy forms by post, members of the Company are strongly encouraged to submit completed proxy forms electronically via email.

7. The instrument appointing the Chairman of the Meeting as proxy must be under the hand of the appointor or on his/her attorney duly authorised in writing. Where the instrument appointing the Chairman of the Meeting as proxy is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or duly authorised officer, failing which the instrument of proxy may be treated as invalid.

A corporation which is a member may authorise by resolution of its director or other governing body such person as it thinks fit to act as its representative at the Meeting, in accordance with Section 179 of the Companies Act.

Personal Data Privacy:

By (a) submitting an instrument appointing the Chairman of the Meeting as proxy to vote at the Meeting and/or any adjournment thereof, or (b) submitting details for the registration to observe the proceedings of the Meeting via LIVE WEBCAST or AUDIO ONLY MEANS, or (c) submitting any question prior to the Meeting in accordance with this Notice of AGM, a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the following purposes:

- (i) processing and administration by the Company (or its agents) of proxy forms appointing the Chairman of the Meeting as proxy for the Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the Meeting (including any adjournment thereof);
- (ii) processing of the registration for purpose of granting access to members (or their corporate representatives in the case of members which are legal entities) to the LIVE WEBCAST or AUDIO ONLY MEANS to observe the proceedings of the Meeting and providing them with any technical assistance where necessary;
- (iii) addressing relevant and substantial questions from members received before the Meeting and if necessary, following up with the relevant members in relation to such questions;
- (iv) preparation and compilation of the attendance list, proxy lists, minutes and other documents relating to the Meeting (including any adjournment thereof); and
- (v) enabling the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines by the relevant authorities.

Photographic, sound and/or video recordings of the Meeting may be made by the Company for record keeping and to ensure the accuracy of the minutes prepared of the Meeting. Accordingly, the personal data of a member of the Company (such as his name, his presence at the Meeting and any questions he may raise or motions he propose/second) may be recorded by the Company for such purpose.

NOTICE OF RECORD AND PAYMENT DATES

NOTICE IS HEREBY GIVEN that the Share Transfer Books and Register of Members of shopper360 Limited (the "**Company**") will be closed at 5:00 p.m. (Singapore time) on 7 October 2022 (the "**Record Date**") for the purpose of determining the entitlements of the Company's shareholders ("**Shareholders**") to a final tax-exempt (one-tier) cash dividend of S\$0.0035 per ordinary share in the capital of the Company ("**Share**") in respect of the financial year ended 31 May 2022 (the "**Dividend**").

Shareholders whose securities accounts with The Central Depository (Pte) Limited ("**CDP**") are credited with Shares or whose names appear in the Register of Members of the Company, as at 5.00 p.m. on the Record Date will be entitled to the Dividend on the basis of the number of Shares standing to the credit of their securities accounts with CDP or the number of Shares held by them as stated in the Register of Members of the Company, as the case may be.

Duly completed and stamped registrable transfers in respect of the Shares received by the Company's Share Registrar, B.A.C.S. Private Limited at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, up to 5:00 p.m. on the Record Date will be registered to determine Shareholders' entitlements to the Dividend. The Dividend shall be paid on or about 17 October 2022.

*This notice has been prepared by shopper360 Limited and its contents have been reviewed by the Company's sponsor (the "**Sponsor**"), ZICO Capital Pte. Ltd., in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalyst.*

This notice has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this notice including the correctness of any of the statements or opinions made or reports contained in this notice.

The contact person for the Sponsor is Ms Leong Huey Miin, Director, ZICO Capital Pte. Ltd. at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, telephone (65) 6636 4201.

ANNUAL GENERAL MEETING PROXY FORM

(Please see notes overleaf before completing this form)

This proxy form has been made available on SGXNet and the Company's website at the URL <https://shopper360.com.my/announcements/>. A printed copy of this proxy form will NOT be despatched to members of the Company.

IMPORTANT

1. Alternative arrangements relating to, among others, attendance, submission of questions in advance and/or voting by proxy at the AGM (as defined herein) are set out in the Company's announcement dated 9 September 2022 (the "Announcement"), which has been uploaded together with the Notice of AGM dated 9 September 2022 on SGXNet on the same day. The Announcement may also be accessed at the URL <https://shopper360.com.my/announcements/>. For the avoidance of doubt, the Announcement is circulated together with and forms part of the Notice of AGM dated 9 September 2022 in respect of the AGM.
2. A member of the Company will not be able to attend the AGM in person. If a member of the Company (whether individual or corporate) wishes to exercise his/her/its voting rights at the AGM, he/she/it must appoint the Chairman of the AGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the AGM. In appointing the Chairman of the AGM as proxy, a member of the Company (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment will be treated as invalid.
3. Please read the notes to this proxy form.

*I/We _____ (Name) _____ (NRIC/Passport No.)
of _____ (Address)

being a *member/members of SHOPPER360 LIMITED (the "Company", and together with its subsidiaries, the "Group"), hereby appoints the Chairman of the Annual General Meeting of the Company (the "AGM") as *my/our proxy to vote for *me/us on *my/our behalf at the AGM to be held by way of electronic means (via LIVE WEBCAST and/or AUDIO ONLY MEANS) on Wednesday, 28 September 2022 at 2:00 p.m. and at any adjournment thereof. *I/We direct the Chairman of the AGM to vote for or against, or abstain from voting on the Resolutions to be proposed at the AGM as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the AGM and at any adjournment thereof, the appointment of the Chairman of the AGM as *my/our proxy will be treated as invalid.

All resolutions put to the vote at the AGM shall be decided by way of poll.

If you wish to exercise all your votes "For" or "Against", or "Abstain" the relevant Resolutions, please mark an "X" in the appropriate box provided. Alternatively, please indicate the number of votes "For" or "Against", or "Abstain" each Resolution in the boxes provided as appropriate. If you mark an "X" in the abstain box for a particular Resolution, you are directing your proxy, who is the Chairman of the AGM, not to vote on that Resolution.

No.	Resolution relating to:	For	Against	Abstain
1.	The Directors' Statement and the Audited Financial Statements of the Company for the financial year ended 31 May 2022, together with the Auditors' Report thereon			
2.	Re-election of Ms Chew Sue Ann as a Director of the Company			
3.	Re-election of Ms Margaret Au-Yong as a Director of the Company			
4.	Re-election of Mr James Ling Wan Chye as a Director of the Company			
5.	Re-election of Mr Raja Singham A/L S.Sukumara Singham as a Director of the Company			
6.	Approval of Directors' fees amounting to S\$72,980 for the current financial year ending 31 May 2023, to be paid quarterly in arrears			
7.	Re-appointment of Messrs Baker Tilly TFW LLP as the independent auditors of the Company and to authorise the Directors to fix their remuneration			
8.	Approval of the payment of a final tax-exempt (one-tier) dividend of S\$0.0035 per ordinary share of the Company for the financial year ended 31 May 2022			
9.	Authority to allot and issue shares in the capital of the Company			
10.	Authority to grant awards, allot and issue shares under the shopper360 Performance Share Plan			
11.	Adoption of the Share Buy-back Mandate			

Dated this _____ day of _____ 2022

Signature(s) of Member(s) or,
Common Seal of Corporate Member
* Delete as appropriate

IMPORTANT: PLEASE READ NOTES ON THE REVERSE CAREFULLY BEFORE COMPLETING THIS PROXY FORM

NOTES TO PROXY FORM:

1. Please insert the total number of shares in the capital of the Company ("**Shares**") held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001 of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members of the Company, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing the Chairman of the AGM as proxy shall be deemed to relate to all the Shares held by you.
2. The Company will not be arranging for a physical meeting. Accordingly, a member of the Company will not be able to attend the AGM in person. If a member of the Company (whether individual or corporate) wishes to exercise his/her/its voting rights at the AGM, he/she/it must appoint the Chairman of the AGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the AGM. In appointing the Chairman of the AGM as proxy, a member of the Company (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment will be treated as invalid.
3. This instrument appointing the Chairman of the AGM as proxy must:
 - (a) if sent personally or by post, be lodged at the office of the Company's Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896; or
 - (b) if submitted by email, be received by the Company's Share Registrar, B.A.C.S. Private Limited at main@zicoholdings.com,in either case, **by 2:00 p.m. on 25 September 2022** (being not less than seventy-two (72) hours before the time appointed for holding the AGM) (or at any adjournment thereof) and in default the instrument of proxy shall not be treated as valid.
4. This proxy form must be under the hand of the appointor or of his/her/its attorney duly authorised in writing.
 - (i) Where this proxy form is executed by a corporation, it must be executed either under its common seal (or otherwise in accordance with its constitution) or under the hand of an officer or attorney duly authorised.
 - (ii) Where this proxy form is executed by an attorney on behalf of the appointor, the letter or the power of attorney or a duly certified true copy thereof must be lodged with this proxy form, failing which the instrument of proxy may be treated as invalid.
5. A corporation which is a member of the Company may authorise, by resolution of its directors or other governing body, such person as it thinks fit to act as its representative at the AGM, in accordance with Section 179 of the Companies Act 1967 of Singapore, the person so authorised shall upon production of a copy of such resolution certified by a director of the corporation to be a true copy, be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it were an individual.
6. For investors who hold Shares under the Supplementary Retirement Scheme ("**SRS Investors**"), this proxy form is not valid for their use and shall be ineffective for all intents and purposes if used or purported to be used by them. SRS Investors who wish to appoint the Chairman of the AGM to act as their proxy should approach their respective SRS Operators to submit their votes at least seven (7) working days before the AGM (i.e. by 2:00 p.m. on 19 September 2022).

General:

The Company shall be entitled to reject this proxy form if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in this proxy form. In addition, in the case of Shares entered in the Depository Register, the Company may reject any proxy form lodged if the member, being the appointor, is not shown to have Shares entered against his/her/its name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the AGM (or at any adjournment thereof), as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy:

By submitting this proxy form, the member accepts and agrees to the personal data privacy terms as set out in the Notice of Annual General Meeting dated 9 September 2022.

shopper360



www.shopper360.com.my

Company Registration Number: 201634929Z
Incorporated in the Republic of Singapore on 27 December 2016

shopper360 group of companies



International:



Affiliate



Non-Affiliated

