

Company No. : 199701002652 (418148-D)

NIIT (MALAYSIA) SDN. BHD.
(Incorporated in Malaysia)

**REPORTS &
FINANCIAL STATEMENTS**

31ST MARCH 2022

“These financial statements and reports of the company with Qualified / Unqualified Auditors’ Report for the financial year end 31/03/2022 were circulated on

.....
.
Director
SANJAY MAL

LLOYDS EARLE PANICKER & TAN
Chartered Accountants
AF 0604

COMPANY NO. : 199701002652 (418148-D)

NIIT (MALAYSIA) SDN. BHD.
(Incorporated in Malaysia)

FINANCIAL STATEMENTS - 31ST MARCH 2022

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NIIT (MALAYSIA) SDN. BHD.
(Incorporated in Malaysia)

CORPORATE INFORMATION

Board of Directors	: Sanjay Mal : Nor Samsiah Binti Abdullah Din : Kamal Nain Dhuper
Company Secretary	: Ong Wai Leng (MAICSA 7065544) : Choo Sook Fun (LS 0009607)
Registered Office	: Unit 30-01, Level 30, Tower A Vertical Business Suite, Avenue 3, Bangsar South No. 8, Jalan Kerinchi, 59200 Kuala Lumpur.
Holding Company	: NIIT Limited
Auditors	: Lloyds Earle Panicker & Tan (AF0604) Chartered Accountants Suite 1.00, Level 11B, Akademi Etiqa, No.23, Jalan Melaka, 50100 Kuala Lumpur.
Principal Bankers	: Citibank Berhad : Maybank Berhad
Legal Form	: Private company limited by shares, incorporated under the Companies Act, 2016

COMPANY NO. : 199701002652 (418148-D)

NIIT (MALAYSIA) SDN. BHD.
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DIRECTORS' REPORT

The Directors take pleasure in submitting their Report together with the Audited Financial Statements of the Company for the financial year ended 31st March 2022.

Principal Activities

The company is principally engaged in the provision of management services in education and training. There have been no significant changes in the nature of its activities during the financial year.

Holding Company

The Company is a wholly owned subsidiary of NIIT LIMITED, a Company incorporated in India.

Financial Results

Profits after taxation for the financial year amounted to RM106,742.

In the opinion of the Directors, the results of the Company's operations for the financial year ended 31st March 2022 have not been substantially affected by any item, transaction or event of a material and unusual nature.

Dividends

No dividends have been paid or declared by the Company since the end of the previous financial year.

Reserves and Provisions

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

Issue of Shares and Debentures

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

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DIRECTORS' REPORT (Cont'd)

Share Options

During the financial year, no options were granted to any person to take up unissued shares in the Company. As at 31st March 2022, there were no outstanding options on the unissued shares in the Company.

Directors

The names of the directors of the Company who held office since the date of the last report and at the date of this report are:-

Chang Hong Yun (Resigned on 18th May 2022)
Dr. Chong Tin Chuai (Resigned on 18th May 2022)
Amit Roy (Resigned on 18th May 2022)
Kamal Nain Dhuper
Sanjay Mal (Appointed on 18th May 2022)
Nor Samsiah Binti Abdullah Din (Appointed on 18th May 2022)

Directors' Interest

Throughout the year ended 31st March 2022, all the Directors did not hold any shares in the Company and the Holding Company.

Directors' Benefits

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

Since the end of the previous financial year, none of the Directors of the Company have received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with a Director or with a firm of which he is a member, or with a company in which he has a substantial interest.

Directors' Remuneration

Details of emoluments paid to directors of the Company during and at the end of the financial year are as stated in Note 10 to the financial statements.

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DIRECTORS' REPORT (Cont'd)

Auditors' Remuneration

The total amount paid to or receivable by the auditors as remuneration for their services as auditors for the financial year under review, inclusive of all fees, percentages or other payments or consideration given by or from the Company is as disclosed in Note 10 to the financial statements.

Bad and Doubtful Debts

Before the financial statements were made out, the directors took reasonable steps to ascertain that action has been taken in relation to the writing off of and the making of provision for doubtful debts, and have satisfied themselves that all known bad debts have been written off and that adequate provision has been made for doubtful debts.

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

Current Assets

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

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

Valuation Methods

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

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NIIT (MALAYSIA) SDN. BHD.

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DIRECTORS' REPORT (Cont'd)

Contingent and Other Liabilities

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

- a) any charge on the assets of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
- b) any contingent liability of the Company which has arisen since the end of the financial year.

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

Indemnities to Directors, Officers or Auditors

No indemnities have been given or insurance premiums paid, during or since the end of the financial year for any person who is or has been the director, officer or auditor of the Company.

Change of Circumstances

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

Items of an Unusual Nature

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

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

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NIIT (MALAYSIA) SDN. BHD.
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DIRECTORS' REPORT (Cont'd)

Auditors

The auditors, Messrs. Lloyds Earle Panicker & Tan, Chartered Accountants, have intimated their willingness to continue in office in accordance with Section 267(4)(a) of the Companies Act, 2016.

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

.....
SANJAY MAL
(Director)

.....
KAMAL NAIN DHUPER
(Director)

Dated : 19th May 2022

COMPANY NO. : 199701002652 (418148-D)

NIIT (MALAYSIA) SDN. BHD.

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STATEMENT BY DIRECTORS

Pursuant to Section 251(2) of the Companies Act, 2016

We, SANJAY MAL and KAMAL NAIN DHUPER, being two of the Directors of NIIT (MALAYSIA) SDN. BHD., do hereby state that in the opinion of the Directors, the accompanying financial statements set out in Pages 12 to 26 are drawn up in accordance with Malaysian Financial Reporting Standards (MFRS), International Financial Reporting Standards (IFRS) and provisions of the Companies Act, 2016 so as to give a true and fair view of the financial position of the Company as at 31st March 2022 and of the results and cash flows for the year then ended.

Signed in accordance with a resolution of the Directors,

.....
SANJAY MAL

.....
KAMAL NAIN DHUPER

Dated : 19th May 2022

STATUTORY DECLARATION

Pursuant to Section 251(1) of the Companies Act, 2016

I, SANJAY MAL, the Director primarily responsible for the accounting records and financial management of NIIT (MALAYSIA) SDN. BHD., do solemnly and sincerely declare that the Financial Statements set out in Pages 12 to 26 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Notaries Act 1952, Republic of India.

Subscribed and solemnly declared by the)
abovenamed SANJAY MAL)
(PASSPORT NO: Z3931138))
)
in)
)
on)

.....
SANJAY MAL

Before me,

Company No. : 199701002652 (418148-D)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
NIIT (MALAYSIA) SDN. BHD.**
(Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of NIIT (MALAYSIA) SDN. BHD., which comprise the statement of financial position as at 31st March 2022, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out in pages 12 to 26.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31st March 2022, and of its financial performance and cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

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

Information Other than the Financial Statements and Auditors' Report Thereon

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

Company No. : 199701002652 (418148-D)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
NIIT (MALAYSIA) SDN. BHD.**

(Incorporated in Malaysia)

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

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

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

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

Responsibilities of the Directors for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

Company No. : 199701002652 (418148-D)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
NIIT (MALAYSIA) SDN. BHD.**

(Incorporated in Malaysia)

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

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

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

Company No. : 199701002652 (418148-D)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
NIIT (MALAYSIA) SDN. BHD.**
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Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)

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.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act, 2016 in Malaysia, we also report that in our opinion, the accounting and other records and the registers required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

Other Matters

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

**LLOYDS EARLE PANICKER & TAN
A.F.0604
CHARTERED ACCOUNTANTS**

**DATUK K. K. PANICKER
761/03/23 (J)
CHARTERED ACCOUNTANTS**

Dated : 19th May 2022
Kuala Lumpur

NIIT (MALAYSIA) SDN. BHD.*(Incorporated in Malaysia)***STATEMENT OF FINANCIAL POSITION AS AT 31ST MARCH 2022**

	Notes	2022 RM	2021 RM
Non-Current Assets			
Property, plant and equipment	4	-	-
Deferred tax asset		32,573	77,119
		<u>32,573</u>	<u>77,119</u>
Current Assets			
Trade receivables	5	132,112	171,953
Non-trade receivables		-	9,485
Amount owing by related companies	6	3,253,535	4,454,070
Cash and bank balances		4,038,196	2,783,487
		<u>7,423,843</u>	<u>7,418,995</u>
Total Assets		<u>7,456,416</u>	<u>7,496,114</u>
Equity			
Share capital	7	5,541,000	5,541,000
Retained profits	8	1,427,090	1,320,348
		<u>6,968,090</u>	<u>6,861,348</u>
Current Liabilities			
Trade payables		113,911	160,623
Non-trade payables and accruals		318,460	256,338
Amount owing to related companies	9	55,955	217,805
Total Liabilities		<u>488,326</u>	<u>634,766</u>
Total Equity and Liabilities		<u>7,456,416</u>	<u>7,496,114</u>

The notes on pages 16 to 26 form an integral part of the financial statements

NIIT (MALAYSIA) SDN. BHD.

(Incorporated in Malaysia)

**STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 31ST MARCH 2022**

	Notes	<u>2022</u> RM	<u>2021</u> RM
Revenue		1,878,064	1,225,041
Cost of Services		(1,541,169)	(923,440)
Gross Profits		<u>336,895</u>	<u>301,601</u>
Other Income		223,451	267,166
Adminstration Expenses		(363,706)	(150,254)
Profits for the year before taxation	10	<u>196,640</u>	<u>418,513</u>
Taxation	11	(89,898)	(106,870)
Profits for the year after taxation		<u><u>106,742</u></u>	<u><u>311,643</u></u>

The notes on pages 16 to 26 form an integral part of the financial statements

NIIT (MALAYSIA) SDN. BHD.

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**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST MARCH 2022**

	<u>2022</u>	<u>2021</u>
	RM	RM
Share Capital		
At the beginning and the end of the year	<u>5,541,000</u>	<u>5,541,000</u>
Retained Profits		
At the beginning of the year	1,320,348	1,008,705
Profit for the year after taxation	<u>106,742</u>	<u>311,643</u>
At the end of the year	<u>1,427,090</u>	<u>1,320,348</u>
Total Shareholders' Equity At The End Of The Year	<u><u>6,968,090</u></u>	<u><u>6,861,348</u></u>

The notes on pages 16 to 26 form an integral part of the financial statements

NIIT (MALAYSIA) SDN. BHD.*(Incorporated in Malaysia)***STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST MARCH 2022**

	<u>2022</u> RM	<u>2021</u> RM
Cash Flows from Operating Activities		
Profits for the year before taxation	196,640	418,513
Adjustment for :		
Interest charged to related company	(223,451)	(230,038)
Unrealised gain on foreign exchange	-	(36,278)
Unrealised loss on foreign exchange	125,413	-
Increase for leave encashment	-	(850)
	<u>98,602</u>	<u>151,347</u>
Operating profits before working capital changes	98,602	151,347
Decrease in receivables	53,338	2,220,503
Increase/ (Decrease) in payables	15,409	(386,275)
Decrease/ (Increase) in amount owing by related companies	138,557	(200,565)
(Decrease)/ Increase in amount owing to related companies	<u>(161,849)</u>	<u>129,745</u>
Cash generated from operating activities	144,057	1,914,755
Withholding tax paid	(45,353)	(61,290)
Net cash generated from operating activities	<u>98,704</u>	<u>1,853,465</u>
Cash Flow From Investing Activities		
Interest income from related company	223,451	230,038
Loan paid by/ (given to) related party	932,554	(207,660)
Net cash generated from investing activities	<u>1,156,005</u>	<u>22,378</u>
Net Increase in Cash and Cash Equivalents	<u>1,254,709</u>	<u>1,875,843</u>
Cash and Cash Equivalents at the beginning of the year	2,783,487	907,644
Cash and Cash Equivalents at the end of the year	<u><u>4,038,196</u></u>	<u><u>2,783,487</u></u>

The notes on pages 16 to 26 form an integral part of the financial statements

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NIIT (MALAYSIA) SDN. BHD.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2022**

1. General Information

The Company is a private company incorporated under the Companies Act, 2016 and domiciled in Malaysia.

The Company is principally engaged in the provision of management services in education and training. There have been no significant changes in the nature of its activities during the financial year.

The financial statements of the Company are presented in Ringgit Malaysia (RM).

2. Compliance with Financial Reporting Standards and The Companies Act, 2016

The financial statements of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs") issued by Malaysian Accounting Standards Board (MASB), the International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standard Board ("IASB") and the provisions of the Companies Act, 2016.

3. Basis of Preparation

(a) Statement of Compliance

The financial statements have been prepared on a historical cost basis except those disclosed below in the accounting policies in accordance with the Malaysian Financial Reporting Standards (MFRS) and the Companies Act, 2016.

The new and amended standards and interpretation that have been issued by the Malaysian Accounting Standards Board ("MASB") which became effective during the year is :-

- Amendments to MFRS 1 First Time Adoption of Malaysian Financial Reporting Standards- Annual Improvements to MFRS Standards 2018 – 2020
- Amendments to MFRS 3 Business Combination- Definition of a Business – Reference to the Conceptual Framework
- Amendments to MFRS 9 Financial Instruments – Interest Rate Benchmark Reform Phase 2
- Amendments to MFRS 9 Financial Instruments – Annual improvements to MFRS Standards 2018 – 2020

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2022**

3. Basis Of Preparation (Cont'd)

(a) Statement of Compliance (Cont'd)

- Amendments to MFRS 116 Property, Plant and Equipment – Property, Plant and Equipment – Proceeds before Intended Use
- Amendments to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract
- Amendments to MFRS 141 Agriculture- Annual Improvements to MFRS Standards 2018 - 2020

Adoption of the above standard and interpretation did not have any effect on the financial performance of the Company for the financial year ended 31st March 2022.

(b) New and amended standards issued but not yet effective

New and amended standards issued but not yet effective up to the date of issuance of these financial statements are as follows :-

Description	Effective for annual periods beginning on or after
Amendments to MFRS 17 Insurance Contracts	1st January 2023
Amendments to MFRS 101 Presentation of Financial Statements – Classification of Liabilities as Current or Non- Current	1st January 2023
Amendments to MFRS 108 Definition of Accounting Estimates	1st January 2023
Amendments to MFRS 112 Deferred Tax related to Assets and Liabilities arising from a Single Transactions	1st January 2023

In the opinion of the Directors, the above standards and interpretations will not have material impact on the financial statements in future periods.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2022**

3. Basis Of Preparation (Cont'd)

(c) Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and impairment losses. The policy for recognition and measurement of impairment losses is set out in Note 3 (d).

Depreciation is provided on the straight-line method at rates calculated to write off the cost of the assets over their estimated useful lives. Depreciation of an asset commences when the asset is ready for its intended use. The principal annual rates for computers are 33%.

(d) Impairment of Assets

The carrying values of assets are reviewed for impairment. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts. The recoverable amount is the higher of an asset's net selling price and its value in use, which is measured by reference to discounted future cash flows. Recoverable amounts are estimated for individual assets, or if it is not possible, for the cash-generating unit.

An impairment loss is charged to the income statement immediately, unless the asset is carried at revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease to the extent of previously recognised revaluation surplus for the same asset.

Subsequent increase in the recoverable amount of an asset is treated as reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in the income statement immediately, unless the asset is carried at revalued amount. A reversal of an impairment loss on a revalued asset is credited directly to revaluation surplus. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense in the income statement, a reversal of that impairment loss is recognised as income in the income statement.

(e) Receivables

Receivables are carried at anticipated realizable values. Known bad debts are written off and specific allowance is made against accounts which are doubtful of collection.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2022**

3. Basis Of Preparation (Cont'd)

(f) Payables

Payables are stated at cost which is the fair value of the consideration for goods and services received.

(g) Share Capital

Ordinary shares are classified as equity instruments.

Distributions to holders of an equity instrument are recognized as equity transactions and are debited directly in equity, net of any related income tax effect.

(h) Income tax

Income tax for the year comprises current year income tax and deferred taxation. Current year income tax is the expected amount of income tax payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted at the balance sheet date.

(i) Deferred taxation

Deferred taxation is provided for, using the liability method, on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts in the financial statements. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unabsorbed tax losses and unutilised capital allowances to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unabsorbed tax losses and unutilised capital allowances can be utilised.

Deferred taxation is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantially enacted at the balance sheet date.

(j) Revenue recognition

(i) Sales of service

Revenue from sales of services is recognised based on percentage of completion method. The stage of completion of a service contract is measured by reference to the proportion that contract costs incurred for work performed to date to the estimated total cost for the contract.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2022**

3. Basis Of Preparation (Cont'd)

The revenue from time and material contracts is recognised on a Man-Month basis.

Irrespective of whether the outcome of a service contract can be estimated reliably when it is probable that total contract cost will exceed total contract revenue the expected loss is recognised as an expense immediately.

The aggregate of the cost incurred and the attributable profit/loss recognised on each contract is compared against the progress billings up to the end of the financial year. Where cost incurred and recognised profit (less recognised losses) exceed progress billings, the balance is shown as 'amounts due from customers on contracts' under trade and other receivables. Conversely, where progress billings exceed costs incurred and attributable profit, the balance is shown as 'Amount due to customers on contracts' under trade and other payables.

Vendor management or learning administration fee from pass through transactions is only recognised as revenue.

(ii) Interest income

Interest income is recognised on the accrual basis unless collection is in doubt.

(k) Employee benefits

Wages, salaries, paid annual leave and sick leave, bonuses, and non-monetary benefits are accrued in the period in which the associated services are rendered by employees of the Company.

The Company's contributions to defined contribution plans are charged to the income statement in the period to which they relate. Once the contributions have been paid, the Company has no further payment obligations.

Liability in respect of compensated absences is provided for any unused leave balance encashable at the rate of salary on the last working day.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2022**

3. Basis Of Preparation (Cont'd)

(l) Foreign Currency Translation

Foreign currency transactions are translated into Ringgit Malaysia at rates ruling on the transaction dates. Foreign currency monetary assets and liabilities are translated into Ringgit Malaysia at rates ruling at the balance sheet date. All the exchange differences are dealt with in the income statement.

Gain or losses from conversation of short-term assets and liabilities, whether realised or unrealised, are included in operating profits as they arise.

The principal closing rates used in translating foreign currency amount are as follows:-

Foreign currency	Closing rates	
	2022	2021
	RM	RM
US Dollar	4.206	4.143
Euro Dollars	4.681	4.865
Sterling Pound	5.519	5.716
Singapore Dollar	3.106	3.082
	=====	=====

(m) Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, balances with bank and short term highly liquid investment which are readily convertible to known amount of cash with an insignificant risk of changes in value, net of outstanding bank overdraft.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2022**

4. PROPERTY, PLANT & EQUIPMENT

	<u>Computers</u>
	RM
<u>Gross Carrying Amount</u>	
As at 1st April 2021	27,956
Disposal	(7,061)
	<hr/>
As at 31st March 2022	20,895
	=====
 <u>Accumulated depreciation</u>	
As at 1st April 2021	27,956
Disposal	(7,061)
	<hr/>
As at 31st March 2022	20,895
	=====
 Net book value as at 1st April 2021	NIL
	=====
 Net book value as at 31st March 2022	NIL
	=====

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NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

5. TRADE RECEIVABLES

	<u>2022</u>	<u>2021</u>
	RM	RM
Trade receivables	2,277,193	2,317,034
Less		
Allowance for doubtful debts	2,145,081	2,145,081
	<u>132,112</u>	<u>171,953</u>

6. AMOUNT OWING BY RELATED COMPANIES

The amount owing by related companies is made up as follows : -

	<u>2022</u>	<u>2021</u>
	RM	RM
Interest bearing	3,032,315	4,094,293
Non - interest bearing	221,220	359,777
	<u>3,253,535</u>	<u>4,454,070</u>

The amount owing by related companies is unsecured. Interest charged on the interest bearing loan is 5.5% per annum on RM NIL (USD NIL) [2021 : RM932,108 (USD 225,000)] and 7% per annum on RM3,032,315 (Euro 650,000) [2021 : RM3,162,185 (Euro 650,000)]

7. SHARE CAPITAL

	<u>2022</u>	<u>2021</u>
	RM	RM
Issued and Fully paid		
5,541,000 ordinary shares	<u>5,541,000</u>	<u>5,541,000</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

8. Retained Profits

The retained profits of the Company are available for distributions by way of cash dividends or dividends in specie. Under the single-tier system of taxation, dividends payable to shareholders are deemed net of income taxes. There are no potential income tax consequences that would result from the payment of dividends to shareholders.

9. Amount Owing to Related Companies

The amount owing to related companies is unsecured, trade in nature and interest free.

10. Profits Before Taxation

	2022 RM	2021 RM
Profits for the year is arrived at after charging :-		
Auditors' remuneration	16,000	16,000
Decrease in provision for leave encashment	-	(850)
Directors' fee	12,250	19,000
Realised loss in foreign exchange	<u>138,905</u>	<u>29,051</u>
And crediting : -		
Interest charged to a related company	223,451	230,038
Unrealised gain in foreign exchange	<u>-</u>	<u>36,278</u>

11. Taxation

	2022 RM	2021 RM
Withholding tax expense	(45,353)	(61,290)
Reversal of deferred tax asset	<u>(44,545)</u>	<u>(45,580)</u>
Tax expenses	<u>(89,898)</u>	<u>(106,870)</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

11. Taxation (Cont'd)

The reconciliation of the tax expense and the product of accounting profits multiplied by the applicable income tax rate is as follows :-

	<u>2022</u> RM	<u>2021</u> RM
Profits before tax	<u>196,640</u>	<u>418,513</u>
Tax at applicable standard rate of 24%	(47,194)	(100,443)
Tax effects of :		
Income not taxable	53,628	75,630
Tax saving on utilisation of unabsorbed capital allowances business loss	(6,434)	24,813
Withholding tax expense	(45,353)	(61,290)
Utilisation of carried forward losses on which deferred tax asset not recognised earlier	(44,545)	(45,580)
Tax expenses	<u>(89,898)</u>	<u>(106,870)</u>

As at 31st March 2022, the Company has unabsorbed tax losses and capital allowances amounting to RM7,591,596 (2021: RM7,711,959) which are available for set off against future chargeable income.

12. Deferred Taxation

The Company has potential deferred tax benefits not taken up in the Financial Statements in respect of the following:-

	<u>2022</u> RM	<u>2021</u> RM
Unabsorbed business losses (Pioneer)	4,518,880	4,518,880
Unabsorbed capital allowances	1,386,979	1,610,731
Unabsorbed business losses (Normal)	<u>1,685,737</u>	<u>1,582,348</u>
	<u>7,591,596</u>	<u>7,711,959</u>
Potential tax benefit at 24%	<u>1,821,983</u>	<u>1,850,870</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

13. Related Party Transactions

During the financial year, the Company had the following related party transactions : -

	<u>2022</u>	<u>2021</u>
	RM	RM
Interest charged to related company	223,451	230,038
Purchases of services from related companies	81,765	76,840
Management fee charged by related companies	55,172	38,243
Sales of services to related companies	1,405,230	622,721
Loan to related party	-	207,660
Repayment of loan	<u>932,554</u>	<u>-</u>

14. Date of Authorisation for Issue of the Financial Statements

The financial statements were authorised for issue by the Board of Directors on 19th May 2022.

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**DETAILED INCOME STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2022**

	2022		2021
	RM	RM	RM
REVENUE		1,878,064	1,225,041
Less			
COST OF SERVICES			
Sub-contract charges	54,075		187,533
Training management services	1,211,887		391,001
Salaries and wages	275,207		344,906
		1,541,169	923,440
GROSS PROFITS		336,895	301,601
Add			
OTHER INCOME			
Interest charged to related companies	223,451		230,038
Unrealised gain on foreign exchange	-		36,278
Decrease in provision for leave encashment	-		850
		223,451	267,166
		560,346	568,767
Less			
ADMINISTRATION EXPENSES			
Auditors' remuneration	16,000		16,000
Communication charges	2,050		3,566
Directors' fee	12,250		19,000
Insurance expenses	770		636
Management fees	46,382		32,118
Printing and stationery	386		118
Professional charges	126,606		37,728
Realised loss in foreign exchange	138,905		29,051
Repair and maintenance	538		-
Royalties	8,790		6,126
Staff welfare	3,515		3,400
Sundry expenses	7,482		1,092
Travelling expenses	32		1,419
		363,706	150,254
PROFITS FOR THE YEAR BEFORE TAXATION		196,640	418,513