

A Team Built On Taqwa

Moving forward as a Team with good values,
a Team of good character, a Team based on
Taqwa, EDARAN will continue to progress,
InsyaAllah.

Valued Shareholders and Partners,

We come to the end of another fiscal year and I am pleased to present to you the Group's Financial Statement and Annual Report for the year ended 30 June 2023.

Three years on after the life-disrupting Covid 19 hit us, the world seems to have settled into some sense of normality. The virus appears to have lost its fatal sting. Yet in the aftermath of the pandemic, life has never been the same for all of humankind. Our world has been irreversibly transformed. Life patterns have changed. The way we work, learn and interact has changed. The health care, medical, education, travel, transportation, entertainment, retail, supply chains, finance and banking and almost every industry have changed. These changes are global and long lasting; setting the frame of the new normal.

Add to the upended state of the world, the social and political conflicts all across the globe, not least the on-going Ukraine-Russia war. Global economies continue to be shaken and businesses continue to traipse the shaky tight rope.

EDARAN is aware of the ever changing environment. We have come to terms that to continue in this new normal, we either overcome the changes and get the better of them or else succumb to them and be derailed. Our way forward is not merely to stay on track with surefootedness, but also to make ourselves more versatile and agile, to ride with the waves and capture the opportunities that changes churn out.

We know that it will take a strong and well prepared team to face the big waves that threaten our continuity.

In this annual report of 2023, the Group is pleased to share with you our journey over the last 12 months. Despite the hiccups caused by the uncertainties and the ever changing state of the environment, we have come through, relatively unscathed, met some of the important goals and kept our momentum. The IT sector, as I reported in my last statement has been mercifully spared of the punishing drawbacks and effects of the erratic developments around us. We have resolved to strengthen ourselves as one Team to beat the odds.

Financial Performance

Our Team's consistent efforts to do its best through difficult and challenging times have produced rewards. I am happy to report that the Group's financial performance has further improved compared to the previous financial year.

The Group recorded a total revenue of RM69.432 Million, an increase of 44.9% from RM47.930 Million in the previous financial year.

Although our operating costs increased synonymously with the overall rising global cost of doing business, we recorded an improved Profit Before Taxation of RM3.241 Million, an encouraging increase of 92.3%. Profit After Taxation increased by 291% to RM2.022 Million.

Sharing The Rewards

It is with much delight therefore, that I report the pay out of dividend of RM1.013 Million in February 2023 to our Shareholders. EDARAN has once again demonstrated its determination to rise above the odds over this financial year as it did, over the last two financial years to deliver encouraging financial results. Thank you to the EDARAN Team and thank you to our Shareholders for your continued confidence in the Group.

Changes On The Board

2023 is a historic year for the Group. It has seen some significant changes, one of which was the retirement of a few members of the Board of Directors. We bade farewell to our senior Directors, YBhg Dato' Emam Mohd Haniff Emam Mohd Hussain, YBhg Dato' Abdul Malek Ahmad Shazili and YBhg Dato' Hj Abdul Hamid Mustapha. They have been family to the Group and have served loyally and diligently on the Board. Through good and not so good times, they lent their effort and time, offered their best counsel and advice, shared their invaluable expertise and knowledge and looked out constantly for the welfare of EDARAN. Their presence and contribution will be immensely missed. More than just their professional contribution, the Group will miss their friendship and the wonderful sense of camaraderie they brought to the Board. On behalf of the Board, Management and Staff of EDARAN, I wish to put on record my heartfelt thanks and appreciation to all of them. Thank you for all that you have given to the Group.

New Board Members

The three retiring Directors have left large shoes to be filled. EDARAN has gone through a thorough process to appoint new and suitable individuals to join its Board, with the aim of maintaining the level of dynamism and competence of the Board. An equally important aim was to maintain the sense of harmony and team spirit within the Board. We are happy to welcome Adenan Ismail and Saadah Huda Sholah whose profiles can be found on pages 14 to 16 of this Annual Report.

To transcend changes and overcome their preordained challenges, we need to be a Team that is strong in character and unified by '...habblimminAllah wa habbliminannas...'

Strengthening Character...

At a luncheon held in appreciation of our retiring Directors and welcoming our new Directors, our Founder YBhg Tan Sri Tajudin Ramli was invited to address the Luncheon Guests. I have taken the liberty to cite parts of the Address which touches on the very theme of this year's Annual Report, "Strong Foundation...Strong Team".

With the kind permission of our Founder YBhg Tan Sri Tajudin Ramli, I quote:

"We mark another important milestone today as we witness 'a changing of the guard' within our Board. Today, three of our Senior Directors will be passing, not so much the baton, but, the 'Cogmar' or the Sceptre to those who, Insya Allah, will be continue to guide the Group.

It is with heavy hearts that we bid farewell to our retiring Directors. But it is also with an immense sense of gratitude that EDARAN says 'thank you' to YBhg Dato' Emam Mohd Haniff, YBhg Dato' Abdul Malek Ahmad Shazili and Ybhg Dato' Abdul Hamid Mustapha for having journeyed with us. You have helped to hold EDARAN steadily through the years. You served the Group diligently not only through good years but also through storms, through 'ombak kehidupan', 'ombak politik', 'ombak ekonomi' and other situations that shook the Group. When the Group encountered rough weather, you helped to bring that vital sense of calm to EDARAN. A sense of 'Sakinah', a sense of tranquility. We are grateful for your stable presence over all those years. As you retire, you leave large shoes to be filled.

Today, we also welcome two new Directors, Puan Saadah Huda Sholah and Encik Adenan Ismail.

Thank you for accepting our invitation to fill the places of our retiring Directors. We recognise that you will bring on board, your vast experience and knowledge. Most of all, you will bring with you, your invaluable trait of a team personality. Your sense of team will strengthen the 'esprit de corp' of EDARAN. Welcome to EDARAN.

As we welcome our new Directors today, it is an opportune time for me to share some thoughts on Team EDARAN. In truth, the strength of the EDARAN Team is not just the summation of every individual's strength and capabilities, but rather, a strength that stems from our collective adherence to doing things the right way, a strength rooted in common values. As we welcome our new Directors, I ask that you help us to strengthen this Team. The turbulence, trials and tribulations are not going to diminish, not in the near future, not in the distant future. We recognise that the turbulence that will continue to come from the social, political and technological environment as well as from market competition will affect us. It was for this reason that EDARAN started to focus, since 2018, on Team Building to strengthen ourselves.

In anticipation of more challenging times ahead, we had called for many meetings among the Directors and senior members of staff, since 5 years back, to pool our thoughts and ideas, to review our plans and to set our future goals.

In the time we spent preparing the Group to face the future, we recognised the importance of building a TEAM, not just any Team but one bound by '...HablaminAllah wa Hablimminannas..'. We wanted to ensure that there will be a Team that can hold and sustain the Group, not only as a business concern but also as a Group with values and principles. Bound by the rope that ties us to our Creator and the rope that binds us a Team, we will, InsyaAllah, be a strongly united Group.

A strength that stems from our adherence to doing things the right and acceptable way, a strength that stems from good values

TEAM EDARAN

On 23 August 2023 we established TEAM EDARAN, whose character is defined by Taqwa. This character is spelled out in the values of Siddiq, Amanah, Tabligh and Fathana, the very foundational values EDARAN has held dearly and will continue to uphold. Grounded in these values, the Team's character will continue to be based on TAQWA and will possess a forbearance, piety and fear of God. InsyaAllah, Team EDARAN will succeed.

It is my hope that as EDARAN continues to pursue progress and success, TEAM EDARAN will seek right guidance at all times, and follow the example set by the youths of the cave who sought guidance and mercy from Allah (Surah Al-Kahfi:10). I ask the TEAM to continue seeking right guidance every step of the way; right guidance in our business plans, in developing strategies, in venturing into new fields, in making decisions and in selecting business partners.

The world of business is a distracting world, clouded with pursuit of success, wealth and status. Success can change us, as will wealth and fame. It is my hope that by establishing TEAM EDARAN, we can encourage one another in our practices and remind each other of our real goal. The goal is that every member will be recognised as most noble in the sight of Allah SWT. And being a Team with Taqwa will ensure every member remains righteous.

Honesty in Business

I also continue to stress honesty and integrity. We who are operating a business should always be aware that the temptation to forsake principles in the pursuit of success and wealth lurks closely around us. Keep in mind that our values must precede our quest for profits. I cite the case of the Midianites who were wiped out because of their dishonest ways (Surah Hud: Ayat 85). I urge EDARAN to remain guided by the principle of honesty in our business dealings. Give in full measure and weight when we render our services and products. Do not short change anyone who deals with us. Do not engage in any form of corruption. The long term returns and earnings will reflect our honesty. Whether we act as individuals or as a corporate body, honesty will reward us.

“Indeed the most noble of you in the sight of Allah is the most righteous...” -Surah 49 : Ayat 13-

Our Reputation Is Our Surety

It is heartening to know that our reputation has gained for us a position most companies envy. Our business partners who have stayed the journey with us, attest to our professionalism and ethical conduct in business. The trust and appreciation of our partners such as NEC, has been demonstrated in explicit ways. That such a respected global name should recognise EDARAN as a trustworthy partner is a recognition worth more than we can ask for. We are grateful and shall always guard and treasure their trust in us. Our long term partners' belief and confidence in us will call for effort on our part to maintain. Indeed, we want to be a Company recognised for its

values and its character. We want to be recognised as a Company that is strong and closely knit. And I stress, a Team founded on Taqwa.

Our business partners who have stayed the journey with us attest to our professionalism and ethical conduct in business.

Moving Forward

As we mitigate the turbulences, we are aware that chaos is not altogether without purpose or merit. Chaos makes us more alert. We step back to think deeper, become more careful and more determined to stay competent. Chaos, in an ironical way, stir up new opportunities and open up new ways of doing things.

Turbulence is not entirely negative because arising from disorder are new possibilities. As Team EDARAN, we can better prepare ourselves itself to seize these opportunities.

In this advanced environment, we are blessed with the help of amazingly powerful new technologies, better connectivity and logistics. Boundaries are being increasingly removed by digital technology. We are neither limited by geographical nor social, nor cultural borders. It is for us to find the right strategies and the right technologies to help us capture those opportunities that fit our agenda.

Our values must precede our quest for profits.

Appreciation

Founder YBhg Tan Sri Tajudin, in his Appreciation Address articulated the essence of EDARAN's blueprint for sustaining the Group as a Company of value and success. In closing, I echo this similar appeal to every member of the Board, the Management and Staff and all who in one way or another, are partners and contributors to grow as a cohesive team and to give this Group your best efforts. I thank the members of the Board and the Staff and to the Group. And to our valued Customer and Partners, I extend my appreciation on behalf of the Group for your valued support, trust and confidence in us.

Yours sincerely,

Dato' Abdul Halim Abdullah
Chairman