



KEPUASAN ANDA, KEUTAMAAN KAMI
YOUR SATISFACTION, OUR PRIORITY

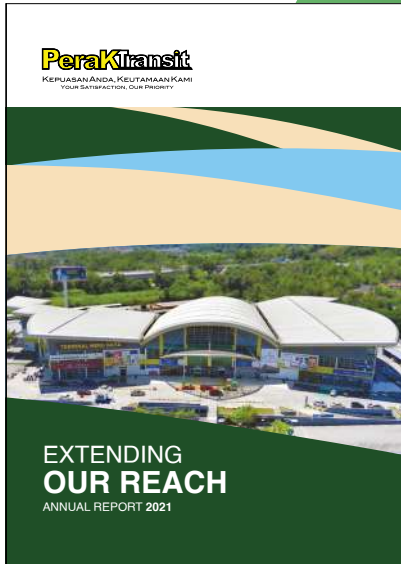


EXTENDING OUR REACH

ANNUAL REPORT 2021



EXTENDING
OUR REACH



EXTENDING OUR REACH

Perak Transit Berhad is ambitious in expanding the reaches of the company's business operations, raising the availability of its services and reaching towards potential customers. Commitments toward spreading the company's business operations are carried out with absolute enthusiasm. Making our business operations more extensive throughout the nation allows us to better serve the public and find flaws within our services.



OUR MISSION

To be a leading developer and operator of integrated terminal complex and transportation services provider in Malaysia and to focus our future in expanding the integrated transportation terminal to other parts of Perak and other states in Malaysia.



OUR VISION

To offer wide and comprehensive bus operation, terminal activities and services to enable public users and commuters to interconnect efficiently and seamlessly within a dedicated transportation hub and to upgrade the public transport system.

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Form of Proxy



Board Of Directors

○ **Tan Sri Dato' Chang Ko Youn**
(Independent Non-Executive Chairman)

○ **Azian Binti Kassim**
(Independent Non-Executive Director)

○ **Dato' Sri Cheong Kong Fitt**
(Managing Director)

○ **Dato' Haji Mohd Gazali Bin Jalal**
(Independent Non-Executive Director)

○ **Dato' Cheong Peak Sooi**
(Executive Director)

○ **Zalinah Binti A Hamid**
(Independent Non-Executive Director)

○ **Ng Wai Luen**
(Independent Non-Executive Director)

Audit Committee

Ng Wai Luen (*Chairman*)
Dato' Haji Mohd Gazali Bin Jalal
Azian Binti Kassim

Nomination and Remuneration Committee

Dato' Haji Mohd Gazali Bin Jalal (*Chairman*)
Ng Wai Luen
Azian Binti Kassim

Risk Management Committee

Ng Wai Luen (*Chairman*)
Dato' Cheong Peak Sooi
Zalinah Binti A Hamid

Company Secretaries

Cheai Weng Hoong (LS0005624)
SSM PC No.: 202008000575

Benedette Lim Lang Siu (MAICSA7065308)
SSM PC No.: 202008003892

Registered Office

No. 1 Jalan Lasam
30350 Ipoh, Perak
Tel No.: 05-238 0612
Fax No.: 05-246 1689

Corporate Office

E-6-2A, SOHO Ipoh 2
Jalan Sultan Idris Shah
30000 Ipoh, Perak
Tel No.: 05-255 1128
Fax No.: 05-255 3399
Website: www.peraktransit.com.my
E-mail address: enquiry@peraktransit.com.my

Share Registrar

Tricor Investor & Issuing House Services
Sdn Bhd
Registration No.: 197101000970 (11324-H)
Unit 32-01, Level 32, Tower A
Vertical Business Suite, Avenue 3
Bangsar South, No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Tel No.: 03-2783 9299
Fax No.: 03-2783 9222

Auditors

Moore Stephens Associates PLT
Registration No.: 201304000972
(LLP0000963-LCA)
Chartered Accountants (AF002096)
Unit 5.03, 5th Floor, Menara Boustead
39, Jalan Sultan Ahmad Shah
10050 George Town, Pulau Pinang
Tel No.: 04-295 9160
Fax No.: 04-295 9161

Principal Bankers

United Overseas Bank (Malaysia) Bhd
Registration No.: 199301017069 (271809-K)

Stock Exchange Listing

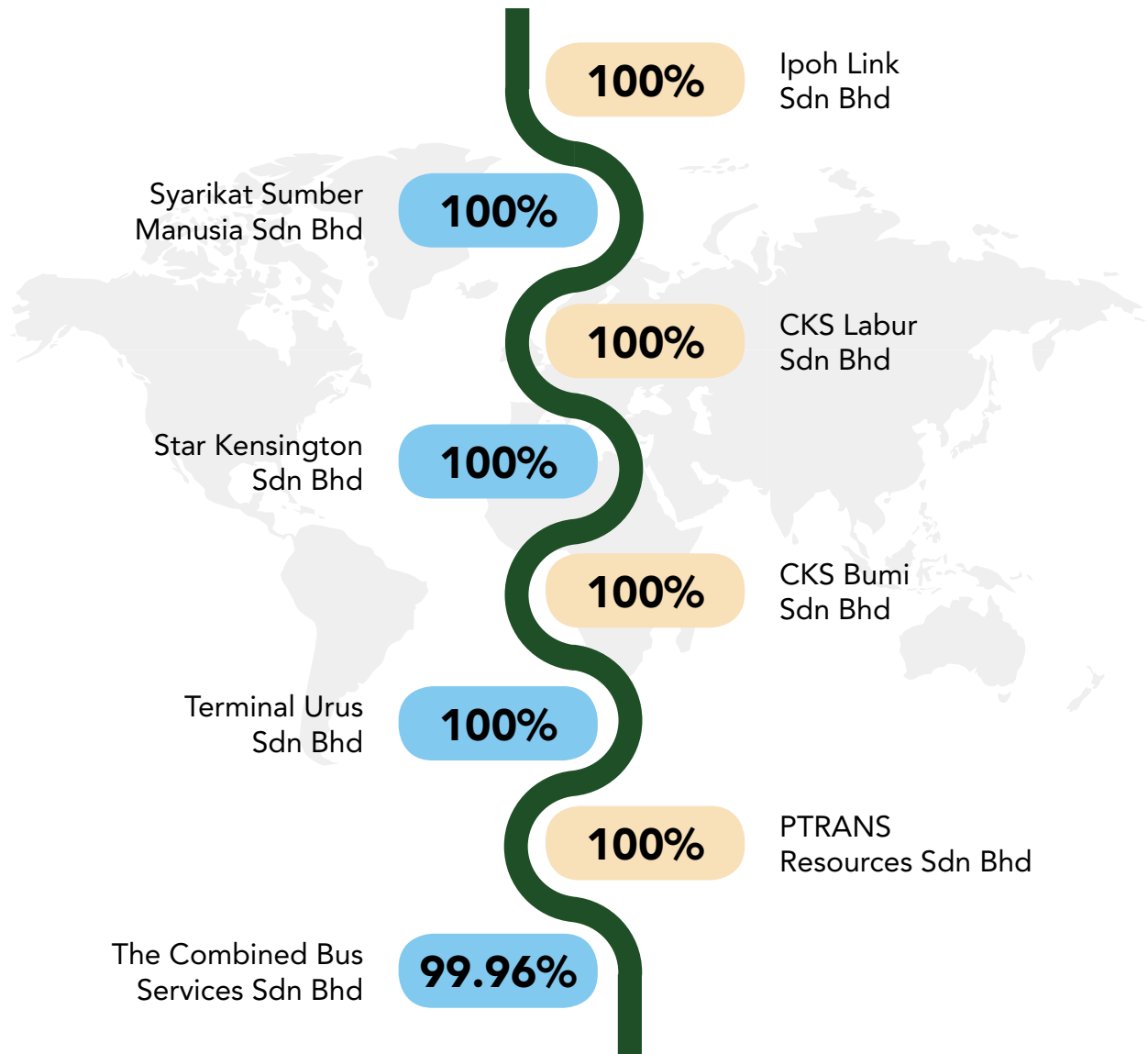
Main Market of Bursa Malaysia Securities Berhad
Stock Code: 0186
Stock Name: PTRANS



PeraKTransit

PERAK TRANSIT BERHAD

Registration No.: 200801030547 (831878-V)



Profile Of Directors

Tan Sri Dato' Chang Ko Youn

Independent Non-Executive Chairman

Aged
65



Tan Sri Dato' Chang Ko Youn was appointed to the Board of Directors ("**Board**") on 25 August 2015 as an Independent Non-Executive Chairman. He ceased as the Chairman of the Nomination Committee and a member of the Audit Committee and Remuneration Committee of the Company on 10 November 2021. He graduated with a Bachelor of Laws (Hons) from the University of Hull, England in 1981. In 1982, he was called to the English Bar as a Barrister-At-Law of Lincoln's Inn, London and was subsequently called to the Malayan Bar in 1983.

Tan Sri Dato' Chang Ko Youn began his career as a lawyer in Ipoh in 1983 until 1995 where he was attached to Chang Ko Youn & Co. In 1987, he was appointed as Councilor of the Kuala Kangsar District Council until 1995. Over the years, he has held numerous political positions in Parti Gerakan including Perak Gerakan Youth Chairman, Perak State Chairman, Chairman of its National Youth, National Deputy President and Acting President. In 1995, he was appointed as a Member of the Perak State Executive Council after winning the Jalong State Seat and held the post until 2008. In 2009, he was appointed as the Advisor of the Menteri Besar of Perak until 2013.

Since 2014, he has resumed his legal practice at Toh Theam Hock & Co in Ipoh, specialising in banking, commercial and conveyancing matters. He has been appointed as the Chairman of Yayasan Penjaja Dan Peniaga Kecil 1 Malaysia (YPPKM), a body handling micro-credit for petty traders sponsored by the Ministry of Finance.

Tan Sri Dato' Chang Ko Youn does not hold any shares in the Company or its subsidiaries, and has no family relationship with any director and/or major shareholder of the Company nor does he have any conflict of interest with the Company. He has not been convicted of any offences within the past five (5) years and has not been imposed any penalty by the relevant regulatory bodies during the financial year ended 31 December 2021 ("**FYE 2021**"). He does not hold any directorship in any other public listed companies.

Dato' Sri Cheong Kong Fitt

Managing Director

Aged
62



Dato' Sri Cheong Kong Fitt was appointed to the Board on 5 September 2008 and is responsible for the Company's and its subsidiaries' ("**Group**") day-to-day management as well as setting the corporate vision and direction, including planning and implementing strategic business plans for the Group. He graduated with a Diploma in Business from the School of Marketing, Ipoh, obtained in 1986 and was awarded Postgraduate Certificate in International Business from York St John University, England in 2017. He has approximately 29 years of working experience in the public bus terminal operations.

Dato' Sri Cheong Kong Fitt commenced his career as a supervisor in Choong Sam Tin Mine in 1980. In 1985, he joined Swee Keong Construction Pte Ltd, Singapore as a supervisor. He left Swee Keong Construction Pte Ltd, Singapore in 1992 and joined The Combined Bus Services (Partnership), operator of Stesen Bas, Jalan Kidd as supervisor where he was principally responsible for managing public bus terminal operations. During his tenure in the Partnership, he gained extensive knowledge and experience in managing terminal and bus operations. From 2006 to 2009, he was instrumental in leading the initiative to merge the bus services operations of The General Omnibus Company (Perak) Sdn Bhd, Ipoh Omnibus Company Sdn Bhd and The Kinta Omnibus Company Sdn Bhd. After successfully merging the bus services operations, he left The Combined Bus Services (Partnership) in 2013.

In 2008, he founded the Company, which was converted into a public company in 2010, and was subsequently listed on Bursa Malaysia Securities Berhad in 2016. Under his management, the Group successfully built and commenced operations of Terminal Meru Raya in 2012 followed by Kampar Putra Sentral in 2019. Dato' Sri Cheong Kong Fitt has steered the Group to venture into mining management and terminal management services.

Dato' Sri Cheong Kong Fitt is the brother of Dato' Cheong Peak Sooi, an Executive Director and a shareholder of the Company. He does not have any conflict of interest with the Company. He has not been convicted of any offences within the past five (5) years and has not been imposed any penalty by the relevant regulatory bodies during the FYE 2021. He does not hold any directorship in any other public listed companies.

Profile Of Directors (Cont'd)



Dato' Cheong Peak Sooi

Executive Director

Aged
55



Dato' Cheong Peak Sooi is an Executive Director of the Group. He was re-appointed to the Board on 1 October 2012. He is a member of the Risk Management Committee of the Company and ceased as a member of the Remuneration Committee on 31 October 2017. He holds a Certificate in Business Management from MDIS Business School, Singapore, obtained in 1988.

Dato' Cheong Peak Sooi commenced his career in 1992 as a site manager for G&C Civil Engineering Pte Ltd in Singapore. In 2000, he left G&C Civil Engineering Pte Ltd and subsequently took a position as a field service representative in Ameron Pte. Ltd., Singapore. During his eight (8) years tenure with Ameron Pte. Ltd., his responsibilities were to liaise with clients and prepare proposals for clients, supervise and monitor the installation of piping, as well as quality check and handover the completed installation work to clients. In 2008, he joined Star Kensington Sdn Bhd as a director where he was responsible for the operation of the company's petrol station and subsequently resigned in 2011. In the same year, he was appointed as the director of The Combined Bus Services Sdn Bhd, a position that he continues to hold till today. He is responsible to supervise and monitor the construction, and subsequently day-to-day operations of Terminal Meru Raya and Kampar Putra Sentral.

Dato' Cheong Peak Sooi is the brother of Dato' Sri Cheong Kong Fitt, the Managing Director and a shareholder of the Company. He does not have any conflict of interest with the Company. He has not been convicted of any offences within the past five (5) years and has not been imposed any penalty by the relevant regulatory bodies during the FYE 2021. He does not hold any directorship in any other public listed companies.

Ng Wai Luen

Independent Non-Executive Director

Aged
53



Ng Wai Luen was appointed to the Board on 25 August 2015 as an Independent Non-Executive Director. He is the Chairman of the Audit Committee and Risk Management Committee and is also a member of the Nomination and Remuneration Committee of the Company. Further to the merging of the Nomination Committee and Remuneration Committee into a single Board Committee known as Nomination and Remuneration Committee, he ceased as a member of the Nomination Committee and Remuneration Committee on 10 November 2021. He graduated with a Bachelor of Business (Accounting) with distinction from RMIT University, Australia, in 1992. He is a member of the Certified Public Accountant Australia, The Malaysian Institute of Certified Public Accountant and a Chartered Accountant registered with the Malaysian Institute of Accountants.

Ng Wai Luen began his career with KPMG Malaysia in 1993 where he was responsible for statutory audits. His role involved the audit of public listed companies, due diligence reviews for corporate exercises and special audits for mergers and acquisitions. In 1996, he joined OKA Corporation Berhad as a Finance Manager. In 1997, he was appointed as joint company secretary. Subsequently, in 2002, he was promoted to General Manager and Chief Financial Officer, where he was responsible for the restructuring and the listing of OKA Corporation Berhad on the Second Board of the Kuala Lumpur Stock Exchange in 2002. He was appointed as head of the risk management committee from 2003 to 2011, head of the strategic business management team, member of a remunerations committee and member of the Employee Share Option Scheme (ESOS) committee from 2004 to 2011 in OKA Corporation Berhad. He left OKA Corporation Berhad in November 2011.

He joined Starken AAC Sdn Bhd and G-Cast Concrete Sdn Bhd in 2012 as an executive director to head the business activities, where he is responsible for the operations of both companies including the initiation of the planning and setting up of the respective companies' factories. Currently, he is the Group Chief Executive Officer for Starken and Midah Group of companies.

Ng Wai Luen does not hold any shares in the Company or its subsidiaries, and has no family relationship with any director and/or major shareholder of the Company nor does he have any conflict of interest with the Company. He has not been convicted of any offences within the past five (5) years and has not been imposed any penalty by the relevant regulatory bodies during the FYE 2021. He does not hold any directorship in any other public listed companies.

Profile Of Directors (Cont'd)

Azian Binti Kassim

Independent Non-Executive Director

Aged
56



Azian Binti Kassim was appointed to the Board on 15 August 2017 as an Independent Non-Executive Director. She is a member of Audit Committee and Nomination and Remuneration Committee of the Company. She is a Fellow of the Association of Chartered Certified Accountants, United Kingdom and a Chartered Accountant registered with the Malaysian Institute of Accountants. She has approximately 28 years of experience in the capital market and managing investment portfolios.

Azian Binti Kassim began her career as an auditor. In 1992, she joined BBMB Unit Trust Management Berhad as an Investment Officer/Analyst and in 1995, she joined Perwira Affin Merchant Bank Berhad as an Assistant Manager. Subsequently in 1996, she joined RHB Asset Management Sdn Bhd as a Manager and in 1999 and 2001, she was promoted to Senior Manager and Assistant General Manager respectively.

Azian Binti Kassim was then attached to Mayban Investment Management Sdn Bhd as the Chief Investment Officer from 2004 to 2007. She was responsible for the investments and strategy for the company.

In 2007, Azian Binti Kassim joined Syarikat Takaful Malaysia Berhad, which is now known as Syarikat Takaful Malaysia Keluarga Berhad, as Chief Investment Officer and she had spearheaded investment division and played a pivotal role in developing a strong portfolio management capability for the division. She is currently also an Independent Non-Executive Director of Ageson Berhad.

Azian Binti Kassim does not hold any shares in the Company or its subsidiaries, and has no family relationship with any director and/or major shareholder of the Company nor does she have any conflict of interest with the Company. She has not been convicted of any offences within the past five (5) years and has not been imposed any penalty by the relevant regulatory bodies during the FYE 2021.

Dato' Haji Mohd Gazali Bin Jalal

Independent Non-Executive Director

Aged
64



Dato' Haji Mohd Gazali Bin Jalal was appointed to the Board on 20 January 2021 as an Independent Non-Executive Director. He is the Chairman of Nomination and Remuneration Committee and a member of Audit Committee of the Company. Further to the merging of the Nomination Committee and Remuneration Committee into a single Board Committee known as Nomination and Remuneration Committee, he ceased as the Chairman of the Remuneration Committee and a member of Nomination Committee on 10 November 2021. He has obtained an honours degree in Biology (Microbiology) from Universiti Kebangsaan Malaysia and Diploma in Public Administration from Institut Tadbiran Awam Negara.

Dato' Haji Mohd Gazali Bin Jalal had served in the public service sector for more than 35 years. He first joined the Administration and Diplomatic Service (PTD) on 3 January 1983 as Assistant Secretary in the Ministry of Agriculture before being transferred to Prime Minister Department as an Assistant Director in 1985.

Dato' Haji Mohd Gazali Bin Jalal was the Perak State Secretary in April 2018 before he retired in October 2018 from the services. Aside from his post as Perak State Secretary, he was also the former Perak State Financial Officer, Kuala Kangsar District Officer and Perak Land and Mines Deputy Director. He has vast experience in finance, land management and regional administration.

Dato' Haji Mohd Gazali Bin Jalal is a shareholder of the Company. He has no family relationship with any director and/or major shareholder of the Company nor does he have any conflict of interest with the Company. He has not been convicted of any offences within the past five (5) years and has not been imposed any penalty by the relevant regulatory bodies during the FYE 2021. He does not hold any directorship in any other public listed companies.

Profile Of Directors (Cont'd)



Zalinah Binti A Hamid

Independent Non-Executive Director

Aged
61



Zalinah Binti A Hamid was appointed to the Board on 9 June 2021 as an Independent Non-Executive Director. She is a member of Risk Management Committee of the Company. She obtained a Diploma in Accountancy from Mara Institute of Technology in 1983. Subsequently, she graduated with a Bachelor of Science in Accounting in year 1985 and a Master in Business Administration in International Business in 1986, from New Hampshire College, USA.

She was the former Head of Domestic Equity Department of Employees Provident Fund (“EPF”) before she retired in April 2021, which she had served for 15 years and 8 months. She joined EPF in September 2005 and played a key role in developing and setting up the EPF’s Global Listed Equity Investment. She moved to head the Domestic Equity Department in July 2009 overseeing the investment activities in Malaysia’s public listed companies. She was the Director of Iskandar Investment Berhad (“IIB”) and Iskandar Capital Berhad since November 2014 and April 2016 respectively and the Chairman of the Audit Committee in IIB in October 2019 until her retirement. She has vast experience in the capital market, pension fund, fund management and unit trust funds in managing diverse mandates within domestic and foreign markets.

Before joining EPF, she was the Chief Executive Officer of ASM Asset Management Berhad, now known as PMB Investment Berhad in 2003. She joined the company in April 1994 as the Fund Manager before becoming the Chief Executive Officer, a position she held until August 2005. She was responsible for the overall functions of the company and gained valuable experience in managing the various unit trust funds and private mandates.

In July 1993, she joined YNS Management Sdn Bhd as the Head of the Investment Company, overseeing the operations of the company and ensuring the fund met its strategic objective. She began her career as an Assistant Finance Officer at Lembaga Tabung Angkatan Tentera (“LTAT”) in February 1983 before pursuing her tertiary education at New Hampshire College, USA. She re-joined LTAT as an Investment Officer/Analyst in July 1989.

Zalinah Binti A Hamid does not hold any shares in the Company or its subsidiaries, and has no family relationship with any director and/or major shareholder of the Company nor does she have any conflict of interest with the Company. She has not been convicted of any offences within the past five (5) years and has not been imposed any penalty by the relevant regulatory bodies during the FYE 2021. She does not hold any directorship in any other public listed companies.



Key Management Personnel

Perak Transit Berhad (“**Perak Transit**” or “**Company**”) has a team of Executive Directors and key management that understand the public transportation industry. The Managing Director and the Executive Director have been with the Company and its subsidiaries (“**Group**”) for more than five (5) years and will continue to be loyal and committed to the Company’s growth.

Dato’ Sri Cheong Kong Fitt and Dato’ Cheong Peak Sooi both understand the market which the Group operates in and have been the key driving force of the Group’s recent success to date. The Group is also supported by a group of directors and key management with diverse background (i.e. legal, accounting and finance, marketing as well as being experienced in the public transportation sector), which will continue to drive the Group’s growth in the future.

The profiles of Dato’ Sri Cheong Kong Fitt and Dato’ Cheong Peak Sooi are set out in Profile of Directors. The profile of the other key management personnel is as follows:

Jennifer Chin Yi Teng

Chief Financial Officer

Aged
34

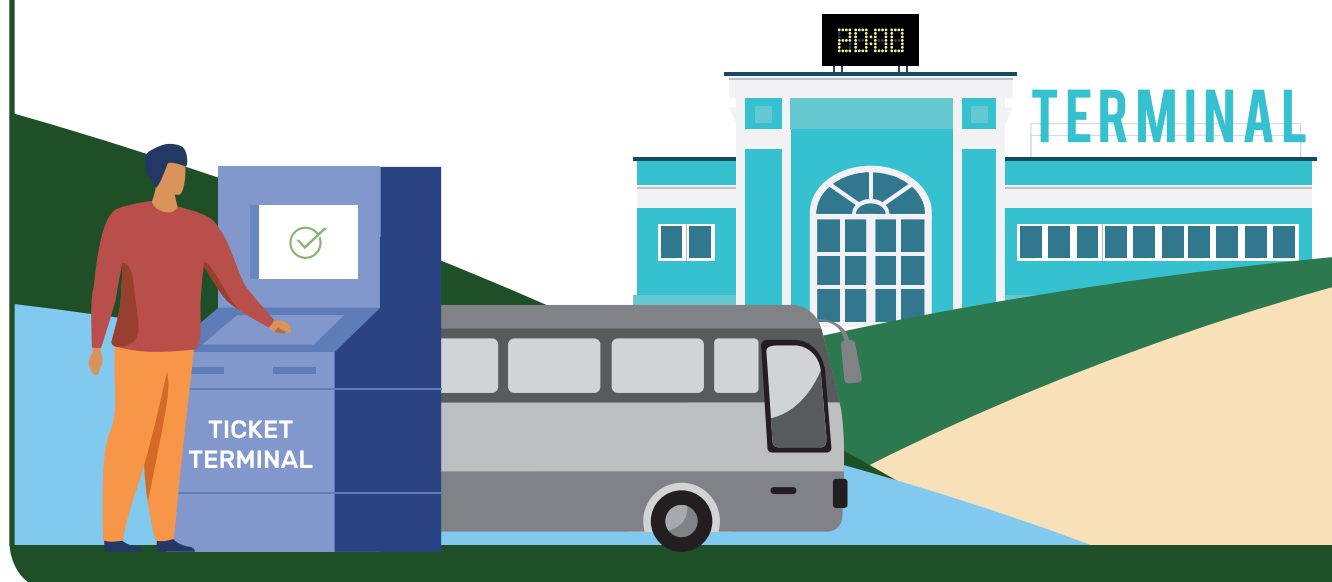


Jennifer Chin Yi Teng is the Chief Financial Officer of the Group. She graduated with a Bachelor of Science (Hons) in Applied Accounting from Oxford Brookes University, United Kingdom, in 2011. She is a member of the Association of Chartered Certified Accountants, United Kingdom.

Jennifer Chin Yi Teng began her career as an Account Executive with Kin Kun Group Sdn Bhd in April 2010. Her responsibilities included the preparation of monthly financial statements, budget review as well as schedules for year-end audit exercises for Kin Kun Group Sdn Bhd and its subsidiaries.

In September 2012, Jennifer Chin Yi Teng left Kin Kun Group Sdn Bhd and joined the Group as an Account Executive and undertook the preparations of annual and monthly financial statements, as well as budget reviews. She was also responsible for liaising with the Group’s external auditors and tax agents. In July 2014, she was promoted to Administration and Finance Manager, and her responsibilities include performing financial analysis, reporting and management activities, reviewing financial forecasts and projections, managing cash flow and investments, as well as employees’ welfare. Subsequently, she was promoted to Chief Financial Officer of the Group in June 2019. As Chief Financial Officer, Jennifer Chin Yi Teng is responsible for all aspects of the Group’s finance, accounting and reporting functions.

Jennifer Chin Yi Teng does not hold any shares in the Company or its subsidiaries, and has no family relationship with any director and/or major shareholder of the Company nor does she have any conflict of interest with the Company. She has not been convicted of any offences within the past five (5) years and has not been imposed any penalty by the relevant regulatory bodies during the financial year ended 31 December 2021. She does not hold any directorship in any other public listed companies.



Financial Highlights



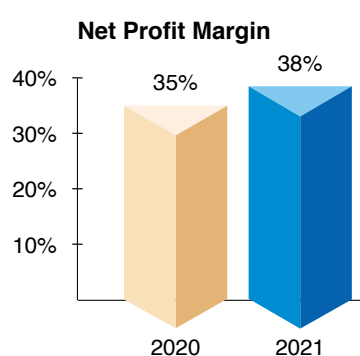
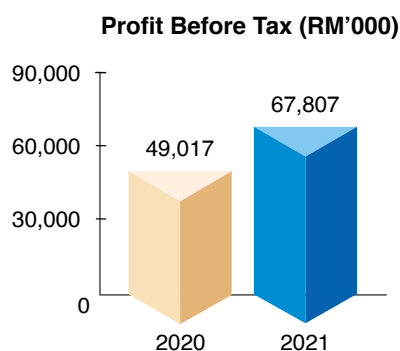
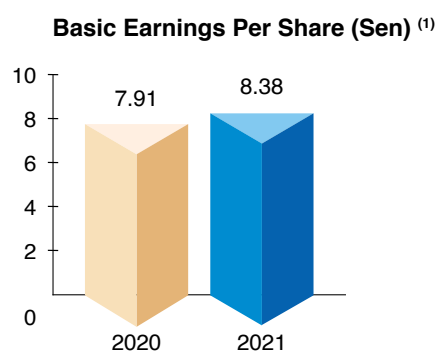
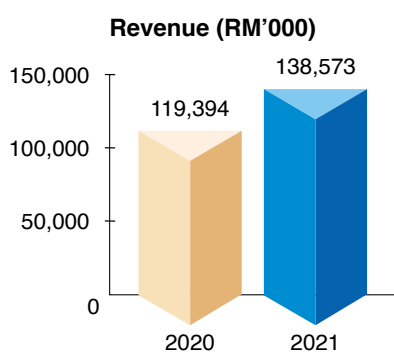
Group	2021 (RM'000)	2020 (RM'000)
Revenue	138,573	119,394
Profit before tax	67,807	49,017
Profit for the year	53,225	42,046
Profit attributable to owners of the Company	53,204	41,817
Total equity attributable to owners of the Company	502,101	469,366
Total assets	849,175	729,095

Share Information	2021	2020
Basic earnings per share (sen) ⁽¹⁾	8.38	7.91
Dividends per share (sen)	3.23	1.00
Net asset per share (RM) ⁽¹⁾	0.79	0.30

Financial Ratios	2021	2020
Net profit margin	38%	35%
Return on equity attributable to owners of the Company	11%	9%
Return on total assets	6%	6%
Revenue growth rate	16%	(-4%)

Note:

- (1) Basic earnings per share and net asset per share for the financial year ended 31 December 2020 and financial year ended 31 December 2021 are calculated based on the Company's weighted average number of ordinary shares in Perak Transit issued as at 31 December 2020 and 31 December 2021 respectively.



Management Discussion And Analysis

COMPANY OVERVIEW

The Company's principal activity is investment holding, whilst the Company and its subsidiaries ("**Group**"), are principally involved in the operations of Terminal Meru Raya and Kampar Putra Sentral, integrated public transportation terminals, the provision of public bus services. The Group is also involved in the petrol sales business in the operations of several petrol stations in Ipoh, Lahat and Kuala Kangsar, Perak. The Group has also commenced the mining management operations during the financial year ended 31 December 2020 ("**FYE 2020**").

In light of the shadow cast by the Covid-19 pandemic, the Group is closely monitoring the related risks and potential impacts as well as implementing necessary measures to ensure our operations are running in a sustainable manner.

Mission and Vision

The Group strives to be a leading developer and operator of integrated terminal complex and transportation services provider in Malaysia and to focus our future in expanding the integrated transportation terminal to other parts of Perak and other states in Malaysia while offering wide and comprehensive bus operations, terminal activities and services to enable public users and commuters to interconnect efficiently and seamlessly within a dedicated transportation hub and to upgrade the public transport system.

Principle activities of the Group

The Group's revenue is mainly derived from:

- (a) Integrated public transportation terminal operations:
 - i. Rental of advertising and promotional ("**A&P**") spaces;
 - ii. Rental of shops and kiosks;
 - iii. Project facilitation fee;
 - iv. Management fee; and
 - v. Others such as profit sharing from terminal management, car park fee and taxi entrance fee;
- (b) Providing public stage bus and express bus services as well as bus charter and advertising services;
- (c) Petrol stations operations; and
- (d) Mining management operations.

Strategies in creating value

The Group continues to focus on the development and enhancement of integrated public transportation terminal to achieve business growth. The Group continues to explore potential market and expand its value to deliver maximum value to its shareholders.

Highlights of the Group's financial information for the past five (5) financial years

	Audited				
	FYE 2017 (RM'000)	FYE 2018 (RM'000)	FYE 2019 (RM'000)	FYE 2020 (RM'000)	FYE 2021 (RM'000)
Revenue	106,766	113,515	124,487	119,394	138,573
Profit before tax	30,482	32,793	40,923	49,017	67,807
EBITDA	46,915	51,551	63,829	78,064	97,691
Finance costs	7,119	7,599	10,623	12,984	8,853
Profit for the year	29,015	36,030	40,010	42,046	53,225
Equity attributable to owners of the Company	219,336	282,315	330,742	469,366	502,101
Total assets	408,066	518,755	660,698	729,095	849,175
Borrowings	169,699	207,305	301,412	225,876	295,033
Basic earnings per share (sen) ⁽¹⁾	2.29	2.71	2.79	7.91	8.38
Net asset per share (RM)	0.17	0.21	0.23	0.30	0.79

Management Discussion And Analysis (Cont'd)



COMPANY OVERVIEW (Cont'd)

Highlights of the Group's financial information for the past five (5) financial years (Cont'd)

Note:

- (1) Basic earnings per share for the financial year ended ("FYE") 2017, FYE 2018, FYE 2019, FYE 2020 and FYE 2021 are calculated based on the Company's weighted average number of ordinary shares in Perak Transit issued as at 31 December 2017, 31 December 2018, 31 December 2019, 31 December 2020 and 31 December 2021 respectively.

Financial Review

For FYE 2021, the Group is organised and managed into business units based on four (4) reportable segments as follows:

- i. Integrated public transportation terminal operations - Engaged in the rental of A&P spaces, shops and kiosks, project facilitation and others such as profit sharing from terminal management, car park fee and taxi entrance fee in Terminal Meru Raya and Kampar Putra Sentral; and terminal management fee in Terminal Sentral Kuantan.
- ii. Bus operations - Engaged in the operation of stage and express buses.
- iii. Petrol stations operations - Involved in sale of petrol and retail mart products.
- iv. Mining management operations - Engaged in the project management services.

There have been no changes on the basis of segmentation or on the basis of measurement of segment profit or loss from the previous annual audited financial statements.

Group Financial Performance

The Group's revenue of RM138.57 million for FYE 2021 increased by approximately 16.06% compared to the FYE 2020 of RM119.39 million. The major contributor to the Group's revenue during the FYE 2021 was from the integrated public transportation terminal operations segment.

The Group's profit before tax had increased by 38.33% for FYE 2021 of RM67.81 million as compared to the FYE 2020 of RM49.02 million. The higher profit before tax for FYE 2021 was mainly due to higher contribution from the integrated public transportation terminal operations segment during the FYE 2021.

Integrated Public Transportation Terminal Operations Segment

The Group recorded revenue from this segment of RM89.58 million which accounted for 64.65% of the total revenue recorded for FYE 2021. The Group's revenue from this segment improved by RM18.62 million or 26.24% compared to the FYE 2020 of RM70.96 million. This increase was mainly due to the contribution of rental income from leasing some commercial area at Terminal Meru Raya and Kampar Putra Sentral to logistic tenants which commenced in September 2021 and from leasing of A&P spaces at Kampar Putra Sentral which commenced in September 2020.

Bus Operations Segment

The Group's revenue from bus operations segment decreased from RM25.51 million during the FYE 2020 to RM24.17 million in FYE 2021 mainly attributable to lower revenue recorded from bus fares due to Movement Control Order ("MCO") 1.0 was enforced on 18 March 2020 whilst MCO 2.0 and full MCO were enforced on 13 January 2021 and 1 June 2021 respectively in FYE 2021.

Petrol Stations Operations Segment

The Group's revenue from petrol station operations increased from RM22.90 million during the FYE 2020 to RM24.76 million in FYE 2021. The increase in revenue was mainly due to higher fuel price during the FYE 2021.

Mining Management Operations Segment

The Group's revenue from mining management operations increased from RM0.03 million during the FYE 2020 to RM0.07 million in FYE 2021. The slight increase in revenue was mainly due to the mining operations were only commenced in June 2020.

Management Discussion And Analysis (Cont'd)

COMPANY OVERVIEW (Cont'd)

Consolidated Statement of Financial Position

The non-current assets consist of property, plant and equipment (“PPE”), investment properties, goodwill on consolidation, deferred tax assets and contract cost. For FYE 2021, the non-current assets increased to RM731.24 million (FYE 2020: RM656.08 million) mainly due to the increase in PPE resulted from the additional upgrading work at Terminal Meru Raya and construction cost of Bidor Sentral.

The current assets of the Group consist of inventories, trade receivables, other receivables, contract assets, other assets, current tax assets, fixed deposits with licensed banks and cash and bank balances. The current assets for the FYE 2021 increased to RM117.94 million from RM73.01 million in FYE 2020, which was mainly due to the increase in fixed deposits with licensed banks and cash and bank balances to RM80.61 million (FYE 2020: RM22.12 million).

The non-current liabilities consist of non-current portion of borrowings, non-current portion of deferred capital grant and deferred tax liabilities. The non-current portion of borrowings had increased to RM252.12 million (FYE 2020: RM194.83 million) mainly resulted from the drawdown of the second tranche Sukuk Murabahah Programme of RM100 million during the FYE 2021.

The current liabilities of the Group consist of trade payables, other payables, current portion of borrowings, current portion of deferred capital grant, other liabilities and current tax liabilities. The major contributor of the current liabilities is borrowings of RM42.92 million (FYE 2020: RM31.05 million).

The equity of the Group consists of share capital, treasury shares, revaluation reserve, retained earnings and non-controlling interests. The major contributor of the equity is share capital of RM287.56 million.

DIVIDEND

In line with the good performance of the Group for FYE 2021, the Board of Directors (“Board”) had declared the following single tier dividends in respect of FYE 2021:

- A first interim dividend of RM0.008 per share, paid on 21 May 2021 (FYE 2020: RM0.0025 per share, paid on 20 May 2020)
- A second interim dividend of RM0.008 per share, paid on 23 August 2021 (FYE 2020: RM0.0025 per share, paid on 9 November 2020)
- A third interim dividend of RM0.008 per share, paid on 18 November 2021 (FYE 2020: RM0.0025 per share, paid on 12 January 2021)
- A fourth interim dividend of RM0.00825 per share, paid on 15 February 2022 (FYE 2020: NIL)

The Board does not recommend the payment of any final dividend in respect of FYE 2021. The total dividends for FYE 2021 is RM0.03225 per share (FYE 2020: RM0.01 per share) and the total dividends declared and paid in respect of FYE 2021 were approximately RM20.47 million (FYE 2020: RM17.43 million).

ANTICIPATED OR KNOWN RISK

Operational, competition and business risks

Some of the generic business risks that are inherent within the industry and may affect the Group include, among others, increased competition over costing and pricing, labour shortages, increases in labour costs, equipment and electricity tariffs as well as changes in general economic, business, credit and interest rate conditions and changes in the legal and environmental framework within which the industry operates.

Whilst noting that borrowing is essential to finance the Group’s operations and growth, efforts are being made to minimise the risk of fluctuations of interest rates.

Management Discussion And Analysis (Cont'd)



ANTICIPATED OR KNOWN RISK (Cont'd)

Dependency on key personnel

The continued success of the Group depends, to a significant extent, on the abilities and continued efforts of the directors and key management personnel and the Group's ability to attract and retain these individuals. A loss, without a suitable replacement in a timely manner could affect the Group's ability to remain competitive in the industry.

OUTLOOK

The Group has successfully transformed some commercial area in the integrated public transportation terminals into logistics hubs during the FYE 2021, allowing the Group to directly capitalise on the growing trend of e-commerce in the new normal. The Group is optimistic that the proactive business transformations will continue to drive the business growth moving forward.

The Group has also witnessed higher passenger movement for integrated public transportation terminals and bus operations and higher demand for domestic fuel since the interstate and international travel restrictions were lifted in October 2021. The Group will be actively making moves to secure more third party terminal management contracts to expand the operation of integrated public transportation terminals outside of Perak, on top of the existing contracts with Terminal Sentral Kuantan and Terminal Bas Shahab Perdana. As people mobility normalise, in line with the high vaccination rates and manageable hospitalisation rates, the Group expects our terminals to continue seeing greater contribution to revenue and earnings.

Kampar Putra Sentral offers a one-stop convenience public bus terminal together with retail outlets, eateries and other facilities to both local residences and students from the Universiti Tunku Abdul Rahman, Tunku Abdul Rahman University College and other education centres in and around Kampar. Moving forward, the Group is optimistic with its proactive initiatives to increase the occupancy rates of Kampar Putra Sentral.

The development of Bidor Sentral, Perak is part of the Group's long-term expansion plan, which is to develop, own and operate integrated public transportation terminals in underserved locations. Bidor serves as an important turn off from the North South Expressway to reach the coastal districts of southern and central Perak.

Besides delivering strong business performance, the Group has also been active in enhancing the Company's Environmental, Social and Governance ("ESG") standards. The Group is currently exploring various ESG initiatives and plan to launch several new plans in the near term.

Corporate Governance Overview Statement

The Board of Directors ("**Board**") of Perak Transit Berhad ("**Company**") acknowledges the importance of the principles, intended outcomes and practices for good corporate governance set out in the Malaysian Code on Corporate Governance issued in April 2021 ("**MCCG**") and is committed to ensure good corporate governance is practiced and applied throughout the Company and its subsidiaries ("**Group**") as a fundamental part of discharging its responsibilities to protect and enhance shareholders' value and other stakeholders' interest.

The Board is pleased to present to the shareholders the Corporate Governance Overview Statement which provides an overview of the Company's commitment to apply the principles and practices with reference to the three (3) principles set out in the MCCG, except where stated otherwise, during the financial year ended 31 December 2021 under the leadership of the Board.

The three (3) principles set out in the MCCG are as follows:

- i. Board Leadership and Effectiveness;
- ii. Effective Audit and Risk Management; and
- iii. Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders.

This Statement is made in compliance with Bursa Malaysia Securities Berhad's ("**Bursa Securities**") Main Market Listing Requirements ("**Listing Requirements**"). The extent of the application of each practice encapsulated in the principles of the MCCG is further presented in the Corporate Governance Report which can be viewed on the Company's website at www.peraktransit.com.my.

SECTION 1: BOARD LEADERSHIP AND EFFECTIVENESS

Board Roles and Responsibilities

The Board retains full and effective control of the Company and plays an important role in defining the scope of corporate governance within the Group. This includes the responsibility for determining the Company's overall strategic direction as well as development and control of the Company and of the Group.

As at the date of this Statement, the Board has seven (7) members comprising two (2) executive directors, including the Managing Director, and five (5) independent non-executive directors. More than half of the Board members are independent non-executive directors as recommended under Practice 5.2 of the MCCG.

The Company has appointed Dato' Haji Mohd Gazali Bin Jalal and Puan Zalinah Binti A Hamid as independent non-executive directors on 20 January 2021 and 9 June 2021 respectively. In light of the appointments, the Board's composition is more balance and its members collectively possessed the appropriate competencies and attributes that enable the Board to discharge its responsibilities effectively, contribute to the Company's strategic direction and oversee the delivery of its corporate objectives.

The balanced Board composition also enables the Board to provide clear and effective leadership to the Company and the Group and to bring informed and independent judgement to many aspects of the Group's strategy and performance so as to ensure that the Group maintains the highest standard of conduct and integrity.

The profile of the Board members is set out on pages 6 to 9 of this Annual Report.

The functions reserved for the Board are clearly stated in the Board Charter adopted by the Board besides the discharge of their fiduciary duties.

Board Charter

The Board has adopted a Board Charter which sets out the Board structure, Board roles, Board meetings and procedures, access to information, company secretaries and independent advice, relationship with shareholders and investors, Board evaluation and performance to ensure that all members of the Board are aware of their duties and responsibilities as Board members.

The Board reviews the Board Charter from time to time to ensure its relevance in assisting the Board to discharge its duties in accordance to the Listing Requirements and current regulations and any new regulations that may have an impact on the discharge of the Board's objectives and responsibilities.

The details of the Board Charter are available for reference on the Company's website at www.peraktransit.com.my.

Corporate Governance Overview Statement (Cont'd)



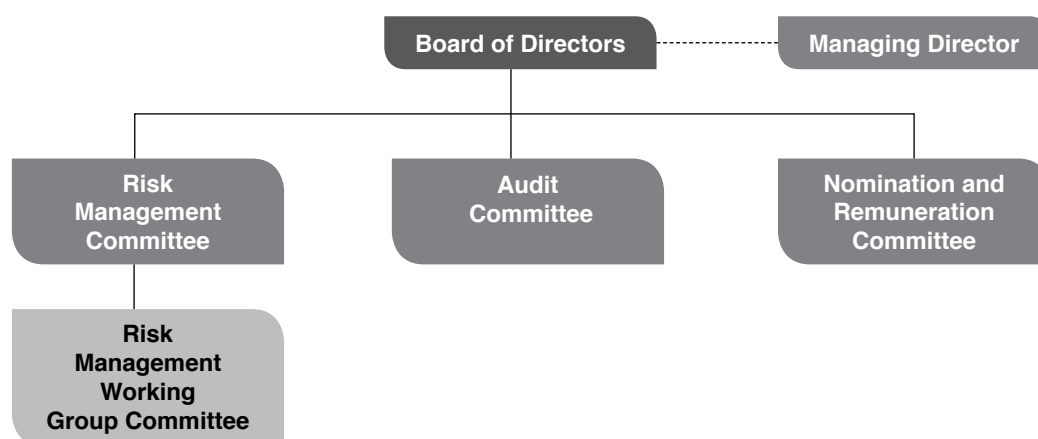
SECTION 1: BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

Board Charter (Cont'd)

In order to assist the Board in the discharge of its responsibilities, the Board also delegates specific duties and responsibilities to three (3) Board Committees, namely the Audit Committee, the Nomination and Remuneration Committee and the Risk Management Committee, which operate within defined terms of reference. The Chairman of the respective committees reports to the Board on the matters considered and their recommendation thereon. The ultimate responsibility for the final decision on all matters, however, lies with the Board.

The Risk Management Committee was established as recommended under Practice 10.3 of the MCCG on 10 November 2021, while the Nomination Committee and Remuneration Committee were merged into a single Board Committee known as Nomination and Remuneration Committee on even date.

The governance structure of the Board is as follows:



Board Meetings

During the financial year 2021, the Board held four (4) scheduled meetings on 23 February 2021, 25 May 2021, 19 August 2021 and 16 November 2021. All meetings are scheduled in advance at the end of the previous financial year to enable the directors to plan their schedule ahead for the new financial year. At the scheduled meetings, the Board reviewed and deliberated on the major operational and financial performance, risk management, internal audit findings, internal control system, corporate proposals, significant issues and opportunities for the Company and the Group, if any.

The Board meetings held on 23 February 2021, 25 May 2021 and 19 August 2021 were via video conferencing due to the Movement Control Order and travel restrictions implemented by the Malaysian government to curb the Covid-19 pandemic outbreak in the country. The members of the Board who participated via video conferencing are deemed to be present at the meeting and are entitled to vote or be counted in a quorum accordingly.

The details of meeting attendance of each individual director are as follows:

Meeting attendance during their tenure in office in 2021	
Tan Sri Dato' Chang Ko Youn (Chairman)	4/4
Dato' Sri Cheong Kong Fitt	4/4
Dato' Cheong Peak Sooi	4/4
Ng Wai Luen	3/4
Azian Binti Kassim	4/4
Dato' Haji Mohd Gazali Bin Jalal (appointed on 20 January 2021)	3/4
Zalinah Binti A Hamid (appointed on 9 June 2021)	2/2
Dato' Wan Asmadi Bin Wan Ahmad (retired on 25 May 2021)	1/1

Corporate Governance Overview Statement (Cont'd)

SECTION 1: BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

The Board Chairman

Tan Sri Dato' Chang Ko Youn is the independent non-executive Chairman of the Board. The Chairman is responsible for the oversight, leadership, effectiveness, conduct and governance of the Board.

In keeping with the provisions of the MCCG, Tan Sri Dato' Chang Ko Youn being the Chairman of the Board, has ceased as a Chairman of the Nomination Committee and a member of the Audit Committee and Remuneration Committee on 10 November 2021. The Chairman is not involved in any of the Board Committees to ensure that there is appropriate check and balance as well as objective review by the Board.

The roles and responsibilities of the Chairman include:

- (a) Providing leadership to the Board to ensure the Board performs its duties effectively;
- (b) Instilling good corporate governance practices in the Company;
- (c) Leading the discussions in Board meetings to ensure the views and opinions from all parties are taken into account before arriving at a decision;
- (d) Encouraging active participation in Board meetings and allowing dissenting views to be freely expressed and considered; and
- (e) Ensuring appropriate steps are taken to facilitate communication with stakeholders and ensuring that their views are communicated to the Board.

Together with the Board, the Chairman oversees that the management team implements the strategic plans of the Company in the direction set by the Board, in order to meet the objectives and targets of the Company.

Separation of Roles between the Chairman and the Managing Director

Dato' Sri Cheong Kong Fitt, the Managing Director, leads the management team. There is a clear division of responsibility between the Chairman and the Managing Director.

The Managing Director, supported by his management team, is responsible for the day-to-day management of the business and implementation of the Board's policies and decisions. The Managing Director also assesses business opportunities which are of potential benefit to the Company and the Group. The Managing Director is accountable to the Board.

Company Secretaries

The Board is supported by experienced and competent Company Secretaries who are qualified to act as company secretaries under Section 235(2) of the Companies Act 2016. The Company Secretaries report directly to the Board and play an advisory role to the Board and Board Committees, particularly with regard to their policies and procedures and the Company's compliance with regulatory requirements, rules, guidelines and legislations, as well as the best practices of corporate governance.

All directors have access to the advice and services of the Company Secretaries and are updated on the changes in the regulatory framework and corporate governance practices. The Company Secretaries provide support to the Board in ensuring that the applicable rules and regulations are complied with as well as that the governance structure of the Group remains relevant and effective.

The Company Secretaries attend the meetings of the Board and Board Committees and ensure that meeting procedures are followed and deliberations and proceedings at the meetings are accurately recorded and well-documented. The draft minutes are circulated to the Board and Board Committee members for their review and comments, before tabling them for approval at the next meeting. The Company Secretaries also ensure that all resolutions of the Board and Board Committees are properly drafted and maintained.

Supply of Information

Each member of the Board and Board Committees receives the agenda of the respective meeting, followed by a full set of meeting papers at least five (5) days prior to the meeting. The meeting papers contain a comprehensive summary of the topics to be tabled for discussion at the respective meeting, including the background, rationale, risk factors and relevant reports to support the management's recommendation. This enables the directors to have sufficient time to review the meeting materials to understand and evaluate the matters to be discussed and seek clarification before attending the meeting in order to contribute constructively during the meeting.

Corporate Governance Overview Statement (Cont'd)



SECTION 1: BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

Supply of Information (Cont'd)

The directors have unrestricted and immediate access to all information within the Group whether as full Board members or in their individual capacity, in furtherance to their duties. The directors also have direct access to the services of the Company Secretaries who are responsible for ensuring the Board and Board Committees procedures are followed. The directors are entitled to obtain independent professional advice in the course of discharging their duties at the Company's expense.

Meetings of the Board and Board Committees

The Board Committee meetings are conducted separately from the Board meeting to facilitate objective and independent discussions during the meetings. The Audit Committee and Nomination and Remuneration Committee meetings are conducted without the presence of executive directors, in view that both committees comprise wholly of independent directors.

At the Board meeting, the respective Board Committee chairmen gives an update of the discussions and decisions made by the Board Committee in order to apprise all Board members on the same.

Code of Conduct

The Board has adopted a Code of Conduct which sets out the principles and standards of business conduct of the Group. The Code of Conduct is to assist and guide all directors, officers and employees (including full time, probationary, contract and temporary staff) of the Group in defining the ethical standards and business conduct at work, which collectively leads to and is responsible for the success of the Group.

The Board reviews the Code of Conduct when deemed necessary to ensure it remains relevant and appropriate and the details of the Code of Conduct are available for reference on the Company's website at www.peraktransit.com.my.

Anti-Corruption and Anti-Bribery Policy

The Board has adopted an Anti-Corruption and Anti-Bribery Policy across the Group with effect from 1 June 2020 which outlines the Group's position on anti-corruption and anti-bribery behaviour, the responsibilities of the directors, officers and employees of the Group to uphold all laws to combat corruption and bribery and the procedures on anti-corruption and anti-bribery that are guided by the Guidelines on Adequate Procedures issued pursuant to subsection (5) of section 17A of the Malaysian Anti-Corruption Commission (Amendment) Act 2018.

The Board reviews the Anti-Corruption and Anti-Bribery Policy from time to time to ensure its relevance and to assess its effectiveness, and in any event, at least once every three (3) years.

The details of the Anti-Corruption and Anti-Bribery Policy are available for reference on the Company's website at www.peraktransit.com.my.

Whistle Blowing Policy

The Board has established a Whistle Blowing Policy to promote and support its culture of honest and ethical behaviour. The Policy encourages the employees to raise any concerns and report instances of unethical, illegal or fraudulent behaviour or any other matter that may contravene the Company's Code of Conduct, Anti-Corruption and Anti-Bribery Policy or prevailing regulations and laws.

All reports will be investigated promptly and dealt with fairly and equitably. Actions will be taken based on the nature of the allegation and may be resolved by agreed action.

The Board reviews the Whistle Blowing Policy when deemed necessary to ensure it remains relevant and appropriate and the details of the Whistle Blowing Policy are available for reference on the Company's website at www.peraktransit.com.my.

Corporate Governance Overview Statement (Cont'd)

SECTION 1: BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

Sustainability of Business

The Board recognises that it is important to integrate sustainability practices into the businesses of the Group and the sustainability practices are crucial in order for the Group to achieve continuous sustainable long-term growth. As such, the Board is committed to operate its business in accordance with economic, environmental and social responsibilities.

Moving forward, the Board endeavours to be involved in setting the Group's sustainability strategies, priorities and targets and take necessary steps to ensure that these targets are made known to the internal and external stakeholders. The Company is also working on identifying a designated person within the management to manage the sustainability issues of the Group by integrating them into the day-to-day operations of the Group.

The Board intends to revise the performance evaluation for the Board and senior management to include a review of the performance of the Board and senior management in addressing the Group's material sustainability risks and opportunities. This is also to promote accountability among the Board and senior management on sustainability issues concerning the Group, which is crucial for the long-term growth of the Group.

The details of the Sustainability Statement are set out on pages 30 to 53 of this Annual Report.

Tenure of Independent Directors

In determining the independence of individual directors, the Board, through the Nomination and Remuneration Committee, conducts assessment on the independent directors of the Company annually. In addition, each independent director is required to declare his or her independence annually. Apart from that, their independence is also assessed based on whether they can act independently of management.

The Board has not adopted a formal policy which limits the tenure of its independent directors to nine (9) years. Pursuant to the recommendation by the MCCG, the tenure of an independent director should not exceed a cumulative term limit of nine (9) years. Upon completion of the nine (9) years, an independent director may continue to serve on the Board as a non-independent director. If the Board intends to retain an independent director beyond nine (9) years, it should justify and seek annual shareholders' approval through a two-tier voting process.

All five (5) independent directors' tenure have yet to exceed the cumulative term of nine (9) years as at the end of the financial year 2021.

Diversity at the Board and Senior Management

The Board recognises the importance of diversity in determining the ideal composition of the Board and amongst its workforce, including but not limited to race, ethnicity, age, gender, skills, experience, exposure and competencies.

The Board considers that gender diversity contributes positively to the performance of the Board which is vital to the sustainability of the Group's businesses. Currently, the Board has two (2) female directors out of a total of seven (7) directors, representing approximately 28.57% of women participation in the boardroom. The Board will actively work towards identifying more suitable female directors to be appointed to the Board by sourcing from independent search firms and through advertising or other mediums available. The Board recognises that the evolution of the diversity is a long process and weighs the various factors relevant to Board balance and diversity when vacancies arise.

Overall, the Board is satisfied with the existing number and composition of the members and is of the view that the Board comprises a good mix of members with diverse experiences background to provide for a collective range of skills, expertise and experience which are relevant to support the growth and cope with the complexities of the Group's businesses.

The position of the Company's Chief Financial Officer, a senior management position, is held by a woman. It is the Company's aim to increase the participation of women in the senior management to promote diversity and ensure a healthy talent pipeline and succession.

The Board has yet to adopt a Gender Diversity Policy for the Board and senior management. However, the adoption and implementation of the Policy is being prioritised to be completed within the financial year 2022.



SECTION 1: BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

Sourcing and Nomination of Board Members

The Board, through the Nomination and Remuneration Committee, continuously reviews the composition of the Board and source for suitable directors considering the diversity in business background, area of expertise, skills, educational background, gender, and ethnicity as well as other factors that may provide the Board with a broader range of viewpoints and perspectives.

The Nomination and Remuneration Committee is responsible for proposing new nominees for appointment to the Board, and recommends to the Board for approval on the appointment, re-appointment, re-election and annual assessment of directors.

The Nomination and Remuneration Committee considers and recommends to the Board candidates of sufficient calibre, knowledge, integrity, reliability, professionalism and experience to fulfil the duties of a director. This Committee also considers the ability of the candidate to attend Board and Board Committees' meetings regularly and devote sufficient time and effort to carry out their duties and responsibilities effectively, and be committed to serve on the Board for an extended period of time.

As recommended by the MCCG, none of the Board members are active politicians, heads of state, heads of government and ministers as this would impair the independence of their judgment in carrying their duties as a director.

Nomination and Remuneration Committee

The Board has merged the previously constituted Nomination Committee and the Remuneration Committee into one single committee known as Nomination and Remuneration Committee on 10 November 2021.

The Nomination and Remuneration Committee comprises three (3) independent non-executive directors.

During the financial year 2021, the Nomination and Remuneration Committee held one (1) meeting on 16 November 2021.

The attendance of the members is as follows:

<i>Meeting attendance during their tenure in office in 2021</i>	
Dato' Haji Mohd Gazali Bin Jalal (Chairman)	0/1
Ng Wai Luen	1/1
Azian Binti Kassim	1/1

The activities carried out by the Nomination and Remuneration Committee during the financial year 2021, amongst others, include recommendations to the Board on the following matters:

- (a) Determined the process to perform annual evaluation of Board, Audit Committee and Individual Director Assessment;
- (b) Reviewed the executive directors' salaries for the financial year 2022; and
- (c) Reviewed the non-executive directors' fees and benefits packages for the duration from the commencement of the forthcoming 13th Annual General Meeting ("AGM") to be held in 2022 until the conclusion of the 14th AGM to be held in 2023.

During the financial year 2021, the Nomination and Remuneration Committee has provided induction programme, including site visits guided by the management, for new recruits to the Board as an integral element of the process of appointing new directors. The new Board members attended an onboarding session where the new directors were briefed on their roles and responsibilities, the Board structure, an overview of each Board Committee including their composition and role, the various governing documents and policies adopted by the Company, related parties of the Company and disclosure requirements under the Listing Requirements.

The induction programme enables the new directors to have an in-depth understanding of the Company's businesses, current issues faced and strategies adopted by the Company.

During the financial year 2021, the previous Nomination Committee held one (1) meeting on 23 February 2021.

Corporate Governance Overview Statement (Cont'd)

SECTION 1: BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

Nomination and Remuneration Committee (Cont'd)

The attendance of the members is as follows:

	<i>Meeting attendance during their tenure in office in 2021</i>
Tan Sri Dato' Chang Ko Youn (Chairman)	1/1
Dato' Wan Asmadi Bin Wan Ahmad	1/1
Ng Wai Luen	1/1

The previous Nomination Committee assisted the Board in its responsibilities in reviewing the nomination for the appointment or reappointment of Board members and to assess the performance of the Audit Committee and the Board as a whole on an on-going basis.

The activities carried out by the previous Nomination Committee during the financial year 2021, amongst others, included recommendations to the Board on the following matters:

- (a) Evaluated and assessed the individual directors, Board as a whole and the independent directors;
- (b) Evaluated and assessed the performance of the Audit Committee as a whole and each of its members;
- (c) Reviewed the eligibility of the retiring directors for the re-election at the AGM of the Company; and
- (d) Reviewed the trainings attended by the directors to ensure all directors have received appropriate continuous training programmes.

During the year 2021, the previous Nomination Committee has reviewed the profile of two (2) new candidates, Dato' Haji Mohd Gazali Bin Jalal and Puan Zalinah Binti A Hamid, and assessed the attributes of their core skill, knowledge, area of expertise and experience prior to recommend their appointment as an independent non-executive director of the Company to the Board for its approval. The appointment of two (2) new directors were based on the recommendations from existing Board members due to their vast past experience.

During the financial year 2021, the recommendation of a director for re-election at the AGM is solely subject to receipt of the director's consent to stand for re-election. The MCGG recommends that the annual re-election of a director should also be contingent on satisfactory evaluation of the director's performance and contribution to the Board. It is the Company's intention to adopt this practice moving forward.

During the financial year 2021, the previous Remuneration Committee held one (1) meeting on 23 February 2021.

The attendance of the members is as follows:

	<i>Meeting attendance during their tenure in office in 2021</i>
Dato' Wan Asmadi Bin Wan Ahmad (Chairman)	1/1
Tan Sri Dato' Chang Ko Youn	1/1
Ng Wai Luen	1/1

The activities carried out by the previous Remuneration Committee during the financial year 2021, amongst others, include recommendations to the Board on the discretionary bonus for the executive directors for the financial year 2020.

Board, Audit Committee and Individual Director Assessment

The previous Nomination Committee conducts annual assessment of each individual director under the evaluation process to ensure the effectiveness of the Board as a whole. The assessment of directors is an examination of each director's ability to contribute to the effective decision making of the Board. The assessment is carried out internally wherein at the end of the financial year, each director is distributed a Board Evaluation Form to conduct the self and peer assessment. Upon completion, the Board Evaluation Form is returned to the Company Secretaries for compilation of the assessment results to be tabled at the next Committee meeting.

Corporate Governance Overview Statement (Cont'd)



SECTION 1: BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

Board, Audit Committee and Individual Director Assessment (Cont'd)

The areas covered by the annual assessment are:

- Attributes of each individual director i.e., professionalism, industry knowledge, specific competencies, business acumen, strategic vision, integrity, attendance, active participation, teamwork and more
- Board structure – whether the Board composed of directors with appropriate mix of skill and experience to meet the Company's requirements
- Board operations and interactions in terms of the conduct of Board meetings and Board communication
- Board roles and responsibilities - strategy planning, performance management, risk management and succession planning

Based on the results of the annual assessment, the directors had evaluated and agreed that the Board structure is efficient and the performance of the Board is generally good. The previous Nomination Committee was satisfied that the Board is composed of directors with appropriate mix of skill and experience, has sufficient level of involvement and deliberation of relevant issues and has put in place adequate risk management procedures.

The previous Nomination Committee also conducts annual review of the term of office and performance of the Audit Committee's members and the Audit Committee as a whole annually and assess whether the Audit Committee and its members have carried out their duties in accordance with its terms of reference.

The overall results of the evaluation process and the improvements recommended thereon are presented by the Chairman of the previous Nomination Committee to the Board in respect of the performance of the Audit Committee and its members and the Board as a whole.

Based on the results of the annual assessment, the previous Nomination Committee concluded that:

- The Audit Committee is competent and efficient in discharging and fulfilling their roles and responsibilities in accordance with its terms of reference;
- The Board structure is efficient and the performance of the Board is generally good;
- The Board is composed of directors with appropriate mix of skill and experience, has sufficient level of involvement and deliberation of relevant issues and has put in place adequate risk management procedures; and
- The independent directors have satisfied the criteria of independence as defined in the Listing Requirements.

Directors' Training

All directors have attended and completed the Mandatory Accreditation Programme prescribed by Bursa Securities. The directors are encouraged to continuously update their knowledge and enhance their skills through appropriate continuing education programmes and life-long learning. This will enable the directors to effectively discharge their duties and sustain active participation in the Board's deliberations.

The Board shall also on continuous basis, evaluate and determine the training needs of its directors. The subject matter of training must be one that aids the director in discharging his or her duties as a director.

The directors who have attended the training programmes are as follows:

Tan Sri Dato' Chang Ko Youn	<ul style="list-style-type: none">• Protecting your Brand, Trademark and Technology when Exporting to China: Latest Development, Strategies, Tips and Challenges
Dato' Sri Cheong Kong Fitt	<ul style="list-style-type: none">• CEC 2021 - Reducing CO2 Emissions in Support of Future Sustainability• Fraud Risk Management
Dato' Cheong Peak Sooi	<ul style="list-style-type: none">• CEC 2021 - Reducing CO2 Emissions in Support of Future Sustainability• Fraud Risk Management
Dato' Haji Mohd Gazali Bin Jalal	<ul style="list-style-type: none">• Mandatory Accreditation Programme• PTRANS Onboarding Session
Ng Wai Luen	<ul style="list-style-type: none">• Fraud Risk Management• Malaysian Taxation Module 4

Corporate Governance Overview Statement (Cont'd)

SECTION 1: BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

Directors' Training (Cont'd)

Azian Binti Kassim	<ul style="list-style-type: none">• Shariah Investing Corporate Conversation 2021• Accelerating Results through Inclusion & Diversity• Creating New Opportunities in Islamic Finance• The Implication of MFRS 17
Zalinah Binti A Hamid	<ul style="list-style-type: none">• Mandatory Accreditation Programme• PTRANS Onboarding Session• CSG Forum Envisioning a Better Future• Sustainability from the Lens of Investment and Energy Transition• Macro and Market Outlook Nearing an Inflection Point• Invest Malaysia 2021 Series 1• Rebuilding a Sustainable Economy

Remuneration Policy and Procedure

The Board, through the Nomination and Remuneration Committee, establishes a transparent procedure for developing a policy on the remuneration packages of the executive and non-executive directors of the Company benchmarked against industry standards and market competitiveness in light of the performance of the Group in the industry.

The Nomination and Remuneration Committee reviews the fees, salaries, bonus and meeting allowance for the executive and non-executive directors. The decision to determine the level of remuneration shall be the responsibility of the Board as a whole after considering recommendations from the Nomination and Remuneration Committee. In addition, the fees of non-executive directors shall be subject to the ultimate approval of shareholders at the AGM.

The Board believes that fair remuneration is critical to attract and retain talents within the Company and ensures that remuneration of directors and senior management commensurate with their level of responsibility as well as their individual performance and the Company's performance. The Company intends to adopt and implement its remuneration policies and procedures for directors and senior management, which will be made available at the Company's website once it is approved.

Directors' Remuneration

The Board noted that the MCCG recommends the disclosure on named basis for the remuneration of individual directors. The remuneration breakdown of individual directors includes fees, salaries, bonus, benefits in-kind and other emoluments.

Accordingly, the aggregate remuneration of the directors received/receivable from the Company and its subsidiaries, categorised into appropriate components, for the financial year 2021 is as follows:

Corporate Governance Overview Statement (Cont'd)



SECTION 1: BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

Directors' Remuneration (Cont'd)

Received from Company

(in RM)	Fees	Salaries and other emoluments	Bonus	Benefits in-kind	Meeting allowance	Total
Executive directors						
Dato' Sri Cheong Kong Fitt	-	87,560	-	-	5,000	92,560
Dato' Cheong Peak Sooi	-	74,520	-	5,300	5,000	84,820
Non-executive directors						
Tan Sri Dato' Chang Ko Youn	66,000	200	-	-	5,000	71,200
Dato' Haji Mohd Gazali Bin Jalal (appointed on 20 January 2021)	51,242	160	-	-	4,000	55,402
Ng Wai Luen	54,000	520	-	-	4,000	58,520
Azian Binti Kassim	54,000	650	-	-	5,000	59,650
Zalinah Binti A Hamid (appointed on 9 June 2021)	30,300	120	-	-	3,000	33,420
Dato' Wan Asmadi Bin Wan Ahmad (retired on 25 May 2021)	21,629	260	-	-	2,000	23,889

Received on Group basis

(in RM)	Fees	Salaries and other emoluments	Bonus	Benefits in-kind	Meeting allowance	Total
Executive directors						
Dato' Sri Cheong Kong Fitt	-	622,830	55,625	37,200	5,000	720,655
Dato' Cheong Peak Sooi	-	497,200	45,625	22,700	5,000	570,525
Non-executive directors						
Tan Sri Dato' Chang Ko Youn	66,000	200	-	-	5,000	71,200
Dato' Haji Mohd Gazali Bin Jalal (appointed on 20 January 2021)	51,242	160	-	-	4,000	55,402
Ng Wai Luen	54,000	520	-	-	4,000	58,520
Azian Binti Kassim	54,000	650	-	-	5,000	59,650
Zalinah Binti A Hamid (appointed on 9 June 2021)	30,300	120	-	-	3,000	33,420
Dato' Wan Asmadi Bin Wan Ahmad (retired on 25 May 2021)	21,629	260	-	-	2,000	23,889

Senior Management's Remuneration

The Board noted that the MCCG recommends the disclosure on a named basis the top five (5) senior management's remuneration components including salaries, bonus, benefits in-kind and other emoluments in bands of RM50,000.

The Board considered the information required of the top senior management's remuneration to be sensitive and proprietary in nature. The Board is of the view that the non-disclosure on named basis of the remuneration of the top senior management will not significantly affect the understanding and the evaluation of the Group's governance and will ensure the confidentiality of the remuneration of the top senior management.

Corporate Governance Overview Statement (Cont'd)

SECTION 2: EFFECTIVE AUDIT AND RISK MANAGEMENT

Audit Committee

The Audit Committee comprises three (3) independent non-executive directors.

In order to ensure transparency and objectivity in the discussions and decisions of the Audit Committee, the Chairman of the Audit Committee is not the Chairman of the Board. The Audit Committee provides assistance to the Board in fulfilling its oversight responsibilities of the financial reporting process, the system of internal controls, the audit process and the process of monitoring compliance with laws and regulations.

The members of the Audit Committee are sufficiently financially literate with good understanding of the Group's businesses to enable them to continuously apply a critical and probing view on the financial reporting process, transactions and other financial information, and effectively challenge management's assertions on the Group's financials.

The role and summary of the activities of the Audit Committee are described in more details in the Audit Committee Report set out on pages 54 to 58 of this Annual Report.

Financial Reporting

For financial reporting through quarterly interim financial reports to Bursa Securities and the audited annual financial statements to shareholders, the Board has a responsibility to present a balanced and fair assessment of the Group's financial position, performance and future prospects.

The Statement of Directors' Responsibility in relation to the preparation of the annual audited financial statements of the Company and of the Group is set out on page 62 of this Annual Report.

The Audit Committee assists the Board in scrutinising the financial reporting processes and quality of the financial reporting of the Group. This Committee, on a quarterly basis, reviews the quarterly interim financial reports and yearly financial statements to ensure accuracy, adequacy and completeness as well as to comply with applicable financial reporting standards and other regulatory and legal requirements.

Assessment of Suitability and Independence of External Auditors

The primary purpose of an audit is to provide shareholders with an expert, independent opinion as to whether the financial statements as a whole reflect a true and fair view of the financial position of the Group and of the Company. The external auditors should be independent from the Company so that their audit opinion will not be influenced by any relationship between both parties.

The Audit Committee is assigned to assess, review and supervise the performance, suitability, objectivity and independence of the external auditors of the Company, Messrs Moore Stephens Associates PLT ("**Moore Stephens**"). The Audit Committee maintains a transparent and professional relationship with the external auditors.

In determining the independence of the external auditors, Moore Stephens, the Audit Committee has carried out a review and assessment of the suitability, objectivity and independence of the external auditors based on the following:

- the performance, technical competency, audit quality, sufficiency of resources and allocation of audit staff assigned to the audit;
- the appropriateness of audit fees to support a quality audit;
- the nature and extent of the non-audit services rendered and the appropriateness of the level of fees; and
- the written assurance from the external auditors confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the independence criteria set out by the By-Laws (on Professional Conduct and Ethics, Conduct and Practice) of the Malaysian Institute of Accountants and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards).

Based on the annual assessment, the Audit Committee is satisfied as to the suitability, objectivity, independence, technical competency and professionalism demonstrated by Moore Stephens which were in accordance with paragraph 15.21 of the Listing Requirements. Having regard to the outcome of the annual assessment of external auditors by the Audit Committee, the Board has agreed with the Audit Committee's recommendation to seek shareholders' approval at the forthcoming AGM on the re-appointment of Moore Stephens as external auditors of the Company for the financial year 2022.



SECTION 2: EFFECTIVE AUDIT AND RISK MANAGEMENT (Cont'd)

Assessment of Suitability and Independence of External Auditors (Cont'd)

The terms of reference of the Audit Committee provided that a former partner of the external audit firm to observe a cooling-off period of at least three (3) years before being appointed as a member of the Audit Committee. The Company intends to adopt a formal policy moving forward. Nonetheless, none of the Audit Committee members is a former partner of the Company's external audit firm.

Risk Management and Internal Control

The Board takes responsibility for the Group's risk management and internal control system and for reviewing its adequacy and integrity. The Board has formed a Risk Management Working Group Committee, at management level headed by the Managing Director, and placed it under the purview of the Risk Management Committee to identify the risks and assess the findings in order to better manage the overall risk exposure of the Group. The formation of the Risk Management Committee allows the members to have more time to deliberate various risk issues affecting the Company and the Group at length and report any significant issues to the Board.

The Board is of the view that the current system of risk management and internal control in place throughout the Group is sufficient to safeguard the Group's assets and shareholders' investment.

The Statement on Risk Management and Internal Control as set out on pages 59 to 61 of this Annual Report provides an overview of the state of risk management and internal controls within the Group.

Risk Management Committee

The Board has established a Risk Management Committee on 10 November 2021.

The Risk Management Committee comprises three (3) members, two (2) of them are independent non-executive directors and one (1) is an executive director. The Risk Management Committee primarily assists the Board in overseeing the risk management framework, reviewing the effectiveness of overall risk management of the Group, the significant risks identified for the Group and the findings highlighted by the Risk Management Working Group Committee and the internal auditors.

During the financial year 2021, the Committee held its first meeting on 16 November 2021.

The attendance of the members is as follows:

<i>Meeting attendance during their tenure in office in 2021</i>	
Ng Wai Luen (Chairman)	1/1
Dato' Cheong Peak Sooi	1/1
Zalinah Binti A Hamid	1/1

The activities carried out by the Risk Management Committee during the financial year 2021, amongst others, include recommendations to the Board on the following matters:

- (a) Reviewed the Risk Management Policy of the Group; and
- (b) Reviewed the meeting plan of the Risk Management Working Group Committee.

Internal Audit Function

The Board recognises that effective monitoring on a continuous basis is a vital component of a sound internal control system. The Company has outsourced the internal audit function to an independent professional service firm, JWC Consulting Sdn Bhd, to carry out independent internal audit services for the Company and the Group. The internal auditors report directly to the Audit Committee, allowing them to operate independently of management so as to ensure their analyses, judgements and reports are free from bias or undue influence.

The summary of the internal audit activities during the financial year are set out in the Audit Committee Report on pages 54 to 58 of this Annual Report.

SECTION 3: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

Communication with Shareholders and other Stakeholders

The Board acknowledges the importance of effective, transparent and timely dissemination of material information and has in place internal corporate disclosure procedures which enable comprehensive, accurate and timely disclosures relating to the Company to the shareholders, regulators and other stakeholders. These procedures also set out the authority and responsibility to approve such disclosure. In formulating these procedures, the Board is guided by the Investor Relations Policy and Corporate Disclosure Guide introduced by Bursa Securities whilst adhering with the corporate disclosure requirements as set out in the Listing Requirements.

Announcements via Bursa LINK of Annual Reports, quarterly interim financial reports, corporate proposals and major business transactions provide the shareholders and the investing public with an overview of the Group's performance, operations and directions. Members of the public can obtain the Annual Reports, full financial results, quarterly interim financial reports and the Company's announcements on the Company's website at www.peraktransit.com.my. Notices of meetings of members and minutes of meetings of members are also available on the Company's website.

The Board has designated Tan Sri Dato' Chang Ko Youn as the Senior Independent Director of the Company to whom shareholders may address their concerns relating to the Group. Shareholders are also encouraged to direct their queries by way of correspondence in writing or through email to changkyjg@peraktransit.com.my.

Conduct of Meetings of Members

The Board is aware that the meetings of members of the Company, primarily the AGM, are the principal forum for dialogue with shareholders. Notice of the AGM are sent out to shareholders at least 28 days before the date of meeting. The Annual Report and other accompanying documents are also made available to shareholders at least 28 days before the date of meeting.

All resolutions set out in the notice of meetings of members of the Company are to be conducted by poll and an independent scrutineer is appointed to monitor the conduct of polling for each meeting of members.

The Constitution of the Company provides that meetings of members of the Company may be held using any technology or electronic means. On 25 May 2021, a fully virtual AGM was held through live streaming and online remote voting using the Remote Participation and Voting Facilities to enable shareholders to participate and to exercise their rights to speak and vote at the AGM, due to the Movement Control Order and travel restrictions implemented by the Malaysian government to curb the Covid-19 pandemic outbreak in the country. On 12 July 2021, an Extraordinary General Meeting ("EGM") was held in a similar manner.

The Board encourages participation from shareholders by having a question and answer session during the meetings of members. The directors, Chief Financial Officer and advisors are available to provide feedbacks, clarifications and responses to the questions raised by the shareholders during the meetings. The virtual meeting platform allows shareholders to pose questions before and during the meeting. For both the virtual AGM and EGM, the Chief Financial Officer replied to all the queries received from the shareholders in respect of the financials and operations of the Company, ensuring that each question receives a meaningful response from the management.

The minutes of the general meetings were published on the Company's website no later than 30 business days after each general meeting.

Compliance Statement

The Board is satisfied that the Company and the Group has substantially complied with the practices of the MCCG throughout the financial year. In pursuit of safeguarding the interest of the shareholders and other stakeholders, the Board is committed and will continue to strengthen its application of the best practices in corporate governance.

Additional Disclosure Requirement



i) Utilisation of Proceeds

There were no unutilised proceeds raised from corporate proposal during the financial year ended 31 December 2021 ("FYE 2021").

ii) Audit and Non-Audit Fees

The audit and non-audit fees to the external auditors and their affiliates for services rendered during the FYE 2021 are as follows:

FYE 2021	Company (RM'000)	Group (RM'000)
Audit	52	141
Non-Audit	12	269

The non-audit fees included review of Statement of Risk Management and Internal Control, and corporate tax and tax advisory services.

iii) Material Contracts

There were no material contracts entered into by the Company and its subsidiaries involving directors' or major shareholders' interests that were still subsisting at the end of the FYE 2021 or, if not then subsisting, entered into since the end of previous financial year.

iv) Recurrent Related Party Transactions

During the FYE 2021, the Company did not seek mandate from shareholders for the Company and its subsidiaries to enter into recurrent related party transactions of revenue or trading nature as there are no recurrent related party transactions which exceeded the materiality threshold stated in paragraph 10.09(1) of the Bursa Malaysia Securities Berhad's Main Market Listing Requirements.

Sustainability Statement

The Company and its subsidiaries (“**Group**”) remains steadfast in its vision towards achieving sustainable long-term growth. In relation to such a vision, this year’s Sustainability Statement will continue to cover the core business activities of the entire Group, namely integrated public transportation terminal operations, bus operations and petrol station operations.

The Group has further streamlined our disclosures after taking into considerations key reporting frameworks such as those highlighted within the Main Market Listing Requirements, GRI Standards, as well as other guidance documents where relevant. We are also guided by some key Sustainable Development Goals (“**SDGs**”) which we have chosen to align.

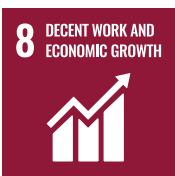
SDGs	Definition
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SDG 3 GOOD HEALTH AND WELL-BEING



Ensure healthy lives and promote well-being for all at all ages

SDG 8 DECENT WORK AND ECONOMIC GROWTH



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

SDG 11 SUSTAINABLE CITIES AND COMMUNITIES



Make cities and human settlements inclusive, safe, resilient and sustainable

SDG 13 CLIMATE ACTION



Take urgent action to combat climate change and its impacts

STAKEHOLDER ENGAGEMENT

We have identified the following internal and external stakeholders for the Group:

Internal stakeholders are our management, employees.

External stakeholders are investors and financiers, customers, regulatory and statutory bodies, business partners, general public, suppliers and local communities.



STAKEHOLDER ENGAGEMENT (Cont'd)

This year, we consolidated our previous Material Topics into the following list in effort to streamline topics, and reassessed relative importance of each topic to the business. This exercise yielded the following findings:



We understand that sustainability topics are ever-evolving, therefore we target to fully refresh our Materiality Matrix in the coming year.

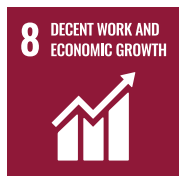
Stakeholders will continuously be the focal point of our business; therefore, we have engaged all stakeholder groups through various methods in differing frequencies in the past year, this may happen through both formal and informal discussions and meetings that cover shareholder meetings, investor conferences, direct engagement programmes, surveys, audits, and more.

Stakeholder Group	Frequency and type of engagement	Related Material Topics	How we manage issues
Customers (existing and potential)	Frequency: Ongoing Type: Customer survey	Customer Satisfaction, Health & Safety	<ul style="list-style-type: none"> Customer survey Address customer concerns
Media	Frequency: Frequent Type: Newspaper, social media, press release	Community Engagement	<ul style="list-style-type: none"> Direct engagement Press statements/briefings To highlight effort through engagement and communication channel
Employees	Frequency: Regular, ongoing Type: Knowledge sharing session, internal customer engagement programme, internal customer satisfaction survey programme, innovation accelerator programme	Workforce Management, Human & Labour Rights, Health & Safety	<ul style="list-style-type: none"> Staff engagement programmes Implementation of environment, safety and health programmes involving employees Job-related training and workshops
Suppliers	Frequency: Occasional Type: Meetings, discussions	Supply Chain Management	<ul style="list-style-type: none"> Constant and regular communications Process improvement Engage and share concerns with relevant parties

STAKEHOLDER ENGAGEMENT (Cont'd)

Stakeholder Group	Frequency and type of engagement	Related Material Topics	How we manage issues
Investors and financiers	Frequency: Annual, quarterly, ongoing Type: Annual general meeting, announcements, press releases, briefings, meetings	Economic Performance, Natural Resource Management	<ul style="list-style-type: none"> Regular audits Constant engagement and sharing of strategy
Business partners	Frequency: Ad hoc Type: Meetings, discussions	Economic Performance, Innovation & Digitalisation	<ul style="list-style-type: none"> Communication Engage and share concerns with relevant parties
General public	Frequency: Ad hoc Type: Dialogue, engagement	Innovation & Digitalisation, Customer Satisfaction, Natural Resource Management	<ul style="list-style-type: none"> Communication via reporting on environmental conservation activities Corporate social responsibility activities
Governments and regulators	Frequency: Regular, ongoing Type: Meetings, pre-consult submission, periodical reporting	Corporate Governance	<ul style="list-style-type: none"> Responsible reporting and communications Monitoring of compliance

CORPORATE GOVERNANCE



Regulatory Compliance

In the existing business landscape, regulations have been expanding to cover wider areas that are both general and industry-specific. Our business is primarily exposed to regulatory risks coming from anti-bribery and anti-corruption, as well as those under environment and social aspects.

On corporate governance-related matters, we have established adequate policies and processes within our systems such as Board Charter, Anti-Corruption and Anti-Bribery Policy, Whistle Blowing Policy, etc. These ultimately tie-back to recommendations from Malaysia Code of Corporate Governance, related requirements from the Malaysian Anti-Corruption Commission Act, and any related guidance documents. These policies and procedures have been communicated to all of our employees throughout the organisation, with training provided; as well as to our business partners and suppliers whom we have come into contact through business dealings.

On environment- and social-related matters, all government-defined standards of practice have been implemented and maintained to best effect.

We believe that we have sufficiently performed to regulatory standards and beyond, where applicable. Please see the discussions on these matters in the ensuing pages of this report for more information.



CORPORATE GOVERNANCE (Cont'd)

Code of Conduct

Perak Transit Berhad (“Perak Transit” or “Company”) recognises the importance of a good corporate culture to operate businesses and affairs in an ethical and professional manner and to uphold the highest standards of integrity and behaviour in all activities conducted by the Group. We have established a code of conduct that makes references to all related Group policies. The code of conduct outlines behavioural expectations to be aligned to by all employees, covering elements of non-discrimination, continued passion towards excellence, etc. Other areas of conducts include areas such as Conflicts of Interest, Business Courtesies and Gifts, and Fair and Courteous Behaviour. These principles have been sufficiently communicated and embedded within all our staff across all directors, officers and employees.

The details of the Code of Conduct are available for reference on the Company’s website at www.peraktransit.com.my. During financial year ended 31 December 2021 (“FYE 2021”), we did not record any cases of non-compliance and breach of ethical issues.

Anti-Corruption and Anti-Bribery

As a good corporate citizen, Perak Transit takes a strong stance of zero tolerance against corruption and bribery. To implement this principle, we have outlined an Anti-Corruption and Anti-Bribery (“ACAB”) Policy that is available on our corporate website at www.peraktransit.com.my. Within the document, clear definitions, responsibilities, escalation methods, etc are provided. We encourage any such ACAB-related information from stakeholders be reported to us via our whistle-blower channel, clearly established within our Whistle Blowing Policy of the Group. On top of our non-retaliation stance on whistle-blowers, anonymity is also offered to the reporter to encourage reports. Further, independency of the whistle-blowing channel is also safeguarded as any of such reports may be directed to our Chairman of Audit Committee and Risk Management Committee, with clear follow-up structures in place to ensure actions are taken where necessary.

The Group adopts the T.R.U.S.T principles and strives to follow the Adequate Procedure Guidelines as mentioned in the Section 17A of the Malaysian Anti-Corruption Commission (Amendment) Act 2018. The details of the ACAB Policy are available for reference on the Company’s website. During FYE 2021, we are proud to announce that we have received zero whistle-blowing cases, and we will continuously strive to ensure such the implementation of our ACAB Policy is upheld in everything that we do. The Group is committed to continuous due diligence on all of its operations to eliminate and prevent any occurrence of corruption and bribery within the Group. These principles have been sufficiently communicated and embedded within all our staff across all directors, officers and employees as well as our business partners.

Total number of employees that the anti-corruption policies and procedures have been communicated:

FYE 2021	No. of Employees	Percentage Breakdown
General Employee	288	79.1%
Middle Management	53	14.6%
Senior Management	23	6.3%
Total Employees that the policies have been communicated to	364	100.0%

Note: Senior management includes Directors.

Tax Governance

The Group’s taxation matters are regularly managed, monitored and reviewed. We develop our tax strategies in accordance with local tax regulations. Tax disclosures and computations are reviewed by authorised tax personnel and incorporated into audited financial statements in our Annual Report.

Our Group has received Approved Service Project status from Ministry of Finance for Terminal Meru Raya and Kampar Putra Sentral, whereby 60% of the capital expenditure of Terminal Meru Raya and Kampar Putra Sentral were allowed to claim from the year of assessment 2012 to 2017 and from year of assessment 2016 to 2020 respectively, to offset 70% of the chargeable income. As at 31 December 2021, the unutilised investment allowance stood at RM152.88 million.

Independence and Diversity

In year 2021, we have also made good progress on improving our independence and diversity which includes the following initiatives:

- Composition of independent directors increased from 67% to 71%.
- Composition of women directors have increased from 17% to 29%.
- Chairman of the Board is no longer the member of the Audit Committee, Nomination Committee and Remuneration Committee.
- Established Risk Management Committee which comprises a majority of independent directors to oversee the company’s risk management framework and policies.

CORPORATE GOVERNANCE (Cont'd)

Economic Performance and Community Engagement



Perak Transit's economic performance is an essential component to the Group as it ensures long-term growth in our business in line with the interests of our shareholders. We are guided by our vision to be the leading integrated transportation and logistics service provider and strive to drive strong economic performance for all our Group's stakeholders. This segment details our economic gain and contribution to the Community. For financial performance, please see the audited financial statements in the latter parts of this Annual Report.

Perak Transit's economic value generation is largely dependent on our ability to drive revenue or sales with the existing business model that we have implemented as a Group, job creation for citizens of the country as well as being an enabler to the local economy. We have a 100% local workforce and have maintained our pay to our workforce with zero termination of employees over the Covid period, thus ensuring that our employees a peace of mind in the challenging period.

Our Group supports the transportation segment of Malaysia by developing, owning and operating integrated public transportation terminals, providing terminal management services and public transportation services. We thrive to support the nation's transportation by improving the public infrastructure and transportation of our country to improve the living standard of our people. In the year 2021, we have facilitated 1,107,119 passengers to carry out daily economic activities including work, business and purchase of daily necessities.

In addition to operational expenses related to our businesses, as a responsible corporate citizen, we constantly contribute to our local communities via lending a helping hand in the empowerment of underprivileged communities as well as the local government in accelerating our national vaccination program for Covid and improving public infrastructure. Perak Transit had contributed to the following programme throughout the Group in the year under review.

- Donation to Yayasan Generasi Gemilang (A charity organisation that focuses on education and providing basic needs for vulnerable communities in Malaysia)
- Donation to Dignity for Children Foundation (A foundation involved in transforming the poor through education)
- Converted our bus into a mobile vaccination station in Perak
- Sponsorship for food to citizens in Taman Samudera, Manjung, Perak which have been affected by Movement Control Order between 5 September 2021 to 18 September 2021
- Sponsorship of beverages, face mask and hand sanitisers to frontliners

Economic value retained by Perak Transit can be approximated by the profits generated by the Group. In FYE 2021, the Group delivered RM138.57 million revenue and RM53.20 million net profit attributable to shareholders. In total, we have declared RM20.47 million of dividends on quarterly basis to our shareholders. As a sustainable business entity, we are committed to deliver strong economic performance to all of our stakeholders in the following years to come.



Converted our bus into a mobile vaccination station in Perak



CORPORATE GOVERNANCE (Cont'd)

Economic Performance and Community Engagement (Cont'd)



Sponsorship of beverages, face mask and hand sanitisers to frontliners

The Group does not have any significant actual or potential negative impacts on local communities in FYE 2021.

Financial Assistance from the Government

Perak Transit serves the government as a valuable customer with equal care. We thrive to build long-term and positive relationship with the government, providing quality services in our operation segments. Our Group has received the following financial assistance in the year under review:

- Government support fund – Interim Stage Bus Support Fund: RM2.25 million
- Government support fund – Stage Bus Service Transformation programme: RM12.15 million
- Wage subsidy: RM1.49 million
- Government grant: RM8.01 million

Details of the financial assistance can be found under the audited financial statements in the Annual Report. For disclosure, government agencies exist in our shareholding structure as pure shareholders.

Market Presence

Part of the Group's plan towards delivering sustainable economic standards involves expanding our market presence in Malaysia, where a significant part of our businesses operates and employees work as well as providing job opportunities in the cities, we operate in. This is achieved through concerted efforts by all our employees, including all our hardworking on the ground employees and dedicated junior, middle and senior level employees, to constantly provide high quality services that exceed the expectations of our customers and the state governments. We have fully local workforce sourced mainly from the cities we operate in and we hire local talents to develop and enhance the socioeconomic level of the local community. Our efforts have sustainably created more work and economic opportunities for the local population which contributed to the economic wellbeing of our employees, including people situated in rural areas of Malaysia.

We regularly enhance our workforce through the hiring of experienced local talents, as seen in our all-Malaysian management team comprising the Chief Financial Officer and etc that are 100% Malaysians. Many of these local senior managers have shown strong dedication and commitment to understand the latest market needs and develop our market presence in our country, Malaysia.

We also adhere to the Minimum Wage Order to ensure the economic wellbeing of our employees is maintained. All of our employees are paid in accordance with Minimum Wage definition of RM1,200 per month, with a minimum entry level wage to minimum wage ratio of 1:1. In addition, the Group also provides benefits, privileges and recognition to eligible employees. Details of employee benefits can be found under the Workforce Management segment in the Sustainability Statement.

CORPORATE GOVERNANCE (Cont'd)

Market Presence (Cont'd)

We are committed to rewarding all our employees on meritocracy basis without any gender discrimination. We are also continuously taking actions to enhance our employees' remuneration by rewarding them good performance bonus and incentives as they achieved respective Key Performance Indicators. Job creation and upskilling local talents have always been close to our heart so we can contribute to the nation in our goals towards a high income nation. In FYE 2021, the split between the details of the remuneration is as follows:

FYE 2021	RM million
Basic Salary	9.46
Director Fee	0.35
Bonus	0.24

SUPPLY CHAIN MANAGEMENT



Procurement and supply chain management is essential for us because we use a considerable amount of services in our operation processes and we would like to ensure that these services are procured sustainably along our entire supply chain. The Group believes in upstream integrated supply chain management with an emphasis on quality and logistics control. The Group encourages fair and open competition with the intention to develop a long-term relationship with suppliers based on mutual trust.

Our sustainable procurement practices are creating positive impacts to the local supply chain in Malaysia as we priorities local suppliers. In FYE 2021, the Group worked with 96 suppliers, of which 100% are locally sourced. We also promote economic inclusion when selecting our suppliers by taking into account factors such as gender distribution and other socioeconomic factors.

Perak Transit has set in place a robust New Tenants Framework that ensures strategic sourcing which would enhance the competitiveness and supply chain reliability of the Group. The specific objectives of this New Tenants Framework are to effectively define the entire tenancy process, ensure proper approvals before issuing offer letters to tenants, clearly define the services being provided, define the standards for reviewing and selecting the tenants that meet our strict requirements, properly evaluate the risk and opportunities of our tenancy process, and lastly to assess our selected tenants' risk to Terms and Conditions and uninterrupted supply of their services to our terminals and our customers. To ensure our tenants' performances are monitored and maintained, the Group monitors and carry out inspections on regular schedules to ensure tenants' conformity to requirements.

The Group is instituting a supplier social assessment framework, which will help us in screening new suppliers using social criteria. This framework will be able to monitor the number of suppliers assessed for social impacts, as well as the number of suppliers identified as having significant actual or potential negative social impacts. We will also be able to identify any significant actual or potential negative social impacts in our supply chain.

With the implementation of this framework, we will be able to improve our supply chain management through changes in our procurement practices, adjustment of performance expectations, capacity building, training and changes to processes. Should there be suppliers that are deemed to have significant actual or potential negative social impacts, we will be able to identify and reassess working arrangements with such suppliers.

CUSTOMER SATISFACTION



Customers are among our most important stakeholders as we serve not only bus customers, but the people of various states in their everyday lives while ensuring we closely assist the state governments in ensuring a smooth sailing and reliable transportation operations. Our success is largely dependent on our Group's continuous ability to offer continuity in transportation, which is an essential economic enabler to people's livelihoods.

Since the nature of our business requires personal information of our customers, strict procedures and privacy policies are in place for Perak Transit as well as our third party service providers, tackling all possible requirements in relation to managing inquiries, handling of services and protection of data. Privacy Policies are required for our third party service providers to safeguard our customer's data security as our customer's privacy is our utmost priority.



CUSTOMER SATISFACTION (Cont'd)

The utilisation of our customer service feedback form acts as a two-way communication between the client and Perak Transit; whereby gaps are regarded as improvement opportunities for the Group, and not faults. After obtaining feedback from customers, all corrective and preventive action plans are investigated and sufficiently recorded to ensure our services are continuously benchmarked against both internal capacities and external expectations.

The Perak Sejahtera Sungai Siput Bus Program that has been recently implemented during 2022 will facilitate the daily affairs of more than 15,000 locals especially school students and orang asli, and it has been highly appreciated by all its citizens. Due to its successful implementation, the state government will be expanding the Perak Sejahtera Bus services to several other areas.

NATURAL RESOURCE MANAGEMENT



Efficient bus and terminal operations and petrol station operations are important for the economic development of their surrounding areas. They also help to provide essential connectivity among people. However, the related bus operation and the management of terminals and petrol stations can result in several negative environmental impacts. In order to minimise such negative environmental impacts, effective management of natural resources used in our business operations will be very crucial. Perak Transit works actively with a long-term perspective to minimise the environmental impact of operations.

Impact of bus, terminal and petrol station operations has on the environment:

- Exhaust of particles, in particular CO₂ from the buses' engines
- Wastes generated from buses such as empty batteries, hydraulic oil, engine oil and worn-out tyres
- Wastes generated from our terminals and petrol stations
- Noise from bus operations used to transport passengers
- Road traffic to and from the terminals

ENVIRONMENTAL CONSERVATION POLICY

The Group recognised the potential environmental impact from the integrated public transportation terminal operations, bus operations and petrol station operations and has committed to develop an Environmental Conservation Policy to mitigate and minimise this impact with the following Environmental Objectives:

- Protecting the environment, preventing and controlling pollution and reducing emissions, releases and wastes
- Consuming natural resources and energy more efficiently, conserving resources by reducing, recycling and reusing
- Raising environmental awareness with stakeholders on key environmental issues, ensuring effective implementation of key Environmental, Social and Governance initiatives
- Monitoring the Group's environmental performance regularly and reporting the Group's performance and key datasets to meet good Sustainability Reporting Standards
- Optimising the fleet of buses and regularly evaluating the sourcing of alternative fuel or energy sources if the latter can be shown beneficial to the business and/or environment
- Engaging with suppliers, contractors, clients and customers to improve environmental performance along the entire supply chain of the business, and assess more favorably vendors or suppliers that can demonstrate better responsible management of their environmental footprint
- Enhancing staff environmental awareness by providing trainings concerning the potential environmental impacts arising from the operations
- Ensuring compliance with all applicable local environmental by-laws and other relevant requirements

CLIMATE CHANGE

As a company with strong and sustainable business values, we are aware of the importance of climate change and the financial implications to our business operations as a result of climate change.

We have identified several risks and opportunities posed by climate change that have the potential to generate changes in our operations, revenue, or expenditure, with the most significant risk related to the fuel usage for our fleet operations.

Our Board has implemented policies to assess and manage climate-related risks and opportunities in our Group and has also set a strong oversight and governance leadership to the team. Our first environmental milestone will be to install solar panels in our terminals to minimise carbon footprint and electricity usage. Moving forward, we will also be looking into upgrading of bus fleet to electric buses.

ENERGY MANAGEMENT

An organization can consume energy in various forms, such as fuel, electricity, heating, cooling or steam. Energy can be self-generated or purchased from external sources and it can come from renewable sources (such as wind, hydro or solar) or from non-renewable sources (such as coal, petroleum or natural gas). Using energy more efficiently and opting for renewable energy sources is essential for combating climate change and for lowering an organization's overall environmental footprint. By understanding that the energy consumption in our bus and terminal operations can be significant, we strive to develop a strong Energy Management Policy to manage the Group's energy usage efficiently and increase the sustainability of our business.

The fuels used to operate our buses and electricity consumed in our terminals are the examples of energy usage in our daily business operations. The cost of energy and its associated emissions are correlated with the overall passenger and traffic footfall. As Perak Transit has strong control over its operations, it is committed to:

- Consuming energy as efficiently as possible in order to reduce its reliance on fossil fuels;
- Addressing energy use and targets to reduce its impact;
- Lowering its overall carbon footprint; and
- Regularly evaluating the sourcing of alternative fuel or energy sources for its fleet and other equipment if proven to be beneficial to the business and/or environment.

Energy Performance

In FYE 2021, we have 152 number of buses and our buses are powered by direct energy in the form of diesel for its operations.

The Group's Direct Energy Consumption (Litres):

	FYE 2020	FYE 2021
Diesel (litres)	2,807,558	2,498,566
Conversion	38 mega joules per litre	38 mega joules per litre
Energy (mega joules)	106,687,204	94,945,508

In FYE 2021, we have two bus terminals in operation, namely Terminal Meru Raya and Kampar Putra Sentral. Our terminals as well as office use indirect energy in the form of electricity purchased from Tenaga Nasional Berhad. The following shows our Group's total electricity consumption level:

	FYE 2020	FYE 2021
Electricity (kWh)	1,952,983	1,116,593
Conversion	3.6 mega joules per kWh	3.6 mega joules per kWh
Energy (mega joules)	7,030,739	4,019,735

Energy Intensity - Fuel Efficiency and Electrical Efficiency

Total energy consumption is a poor indicator of energy efficiency as the number of bus routes and distance travelled fluctuate annually. Energy intensity is a much better measure of the energy efficiency of Perak Transit's operations.

We express energy intensity as the total litres of fuel required per bus per kilometre run. This is measured for all of our buses in operation. Tracking this information is an essential part of Perak Transit's bus fleet optimisation.

Energy efficiency of our bus operation:

	FYE 2020	FYE 2021
Diesel (litres)	2,807,558	2,498,566
Average number of buses	152	152
Total distance travelled by all buses (km)	4,745,238	5,906,070

Electrical energy efficiency is calculated by dividing the total energy consumption by the net leasable area of our terminals. We are evaluating proposals to install digital power metering in our terminals to help us identify inefficiencies and improve the accuracy of this indicator.



ENERGY MANAGEMENT (Cont'd)

Energy Intensity - Fuel Efficiency and Electrical Efficiency (Cont'd)

Electrical efficiency of our terminal operation:

Terminal Meru Raya	FYE 2020	FYE 2021
Electricity (kWh)	1,138,407	660,045
Total net leasable area (sf)	51,864	51,864
Energy intensity (kWh per sf)	21.95	12.73

Kampar Putra Sentral	FYE 2020	FYE 2021
Electricity (kWh)	449,631	145,974
Total net leasable area (sf)	286,207	286,207
Energy intensity (kWh per sf)	1.57	0.51

Optimising Our Bus Fleets and Repair and Maintenance ("R&M")

	FYE 2020	FYE 2021
Stage bus	107	110
Express bus	40	37
Perak Hop-On Hop-Off Bus	5	5
Total	152	152

Our buses on average have a total lifespan of 15 years and the replacement cost per bus is approximately RM500,000 per standard size bus. As the buses get driven over the years, the performance might reduce which leads to additional inefficiencies. Significant cost and the environmental impact of replacing the bus fleet must be considered.

We adopt a regular R&M Policy and control measures for our buses to improve their energy efficiency and average lifespan. We have conducted schedule maintenance for our bus fleets based on mileage at our own workshop, and these buses will be sent to Puspakom for inspection after the scheduled maintenance. Through proper fleet maintenance and schedule repair of our buses, we are able to:

- maximise energy efficiency of our buses
- increase productivity through lower downtime (bus breakdown will affect punctuality and lower bus fare collection)
- reduce diesel consumption
- reduce carbon emissions
- increase the safety of our buses
- reduce overall fleet maintenance cost

The type of engines used in our fleet of buses also helps to increase energy performance and reduce overall carbon emission, compared to normal bus engines. Currently, all our buses are operating under Euro 2 and Euro 3. Utilisation of such diesel ensures that we are operating within emission guidelines while maintaining cost competitiveness of our operations.

ENERGY MANAGEMENT (Cont'd)

Capturing Solar Energy

In financial year ended 31 December 2020 ("FYE 2020"), we began evaluating a proposal to install solar photovoltaic ("PV") systems at our terminals to reduce the reliance of electricity supply. In FYE 2021 and currently, we are in the midst of finalising and appointing a supplier that provides zero upfront cost for us, including good after sales service, warranty, maintenance cost and savings to our Group. The solar systems are estimated to generate up to 352,000 MWh and 322,000 MWh of energy each year for Terminal Meru Raya and Kampar Putra Sentral's consumption respectively. This project is part of our commitment to improving its sustainability and gradually reducing its energy intensity. Aside from our terminals, we are planning to install solar PV at our petrol stations.

Solar Energy Benefits:

- Renewable
- Inexhaustible
- Non-polluting
- Avoids global warming
- Reduce dependence on fossil fuels
- Reduces energy imports
- Contributed to sustainable development
- Low maintenance cost

We opine that utilisation of renewable energy where possible will contribute positively towards the fight against climate change; and at the same time, reducing our carbon footprint may lead to longer-term operational benefits whereby we could stand to benefit from transition risks.

Energy Conservation via Replacing Conventional Lightings with LED Lightings

We are also looking to replace conventional lightings with LED alternatives in our terminals for more energy conservation. In FYE 2021, approximately 30% and 20% of our lightings are LED Downlight and LED T8 respectively, which means we have 50% more lightings available to be converted to LED for better electrical energy efficiency in our terminals.

Carbon Emissions

Consuming non-renewable fuels is usually the main contributor to direct Scope 1 Greenhouse Gas ("GHG") emissions. Consuming purchased electricity, heating, cooling, and steam contributes to the organization's energy indirect Scope 2 GHG emissions.

Carbon emission from bus operations:

	FYE 2020	FYE 2021
Diesel (litres)	2,807,558	2,498,566
Carbon emission equivalents (tonnes CO ₂ e)	7.58	6.75

We have assumed that per litre of diesel consumed will yield about 2.7 kg of carbon emission equivalents. Nonetheless, the accuracy of such data will be reviewed in our next Annual Report.

Perak Transit is committed to optimising the fleet of buses and sourcing alternative fuel sources if they are beneficial to the business and/ or environment. Currently, the Group is carefully evaluating the benefits of changing some of its fleet of buses to electrification in the future. We are consulting on the feasibility study to purchase electric buses which includes their purchase cost, maintenance cost, reliability, energy performance and so on. Electric vehicles are a smart choice for our Group as they can be more energy-efficient and environmentally friendly.

Group's carbon emission from electricity usage:

	FYE 2020	FYE 2021
Electricity consumption (kWh)	1,952,983	1,116,593
Carbon emission equivalents (tonnes CO ₂ e)	1.14	0.65

We have assumed carbon emission equivalent factor to be 0.585tCO₂e/MWh, according to public sources.

Perak Transit is committed to optimise the management of our terminals to reduce carbon emission. In FYE 2021, we have seven (7) Air Handling Units ("AHUs") installed in our terminals used for purifying, air conditioning, and renewing the indoor air in our terminals. This allows proper ventilation of the interior with outside air and improve the air quality for the people in our terminals. By having these AHUs, we are able to reduce the use of energy required in air conditioning and air purification and therefore, the climatic contribution is also lower and energy consumption is also reduced.

WASTE MANAGEMENT

Perak Transit has an ongoing Waste Management Policy and is committed to:

- Reducing waste and increasing recycling or the beneficial reuse of all waste materials arising from administrative activities, business operations and all activities that take place on its premises
- Separating disposable and recyclable waste to help prevent environmental pollution
- Responsible storage and disposal of all relevant waste

Significant types of waste generated in the Group's operations are tyres and oil and chemicals such as engine oil, lubricating oil and hydraulic oil used in our bus operation.



WASTE MANAGEMENT (Cont'd)

Tyres

	FYE 2020	FYE 2021
New Tyres Purchased	N.A	178
Tyres Retreaded	1,250	473
Tyres Disposed	306	195

We retread the tyres used in our bus operations twice or thrice to increase the lifespan and improve the condition of our buses' tyres. Retread is a re-manufacturing process for tires that replace the tread on worn tires. Retreading is applied to casings of spent tires that have been inspected and repaired. The result is a new tyre with a new tread pattern. We are able to maintain the performance of our retreaded tyres similar to a new tyre without comprising on its safety and quality.

Key advantages of retreading our tyres:

- Highly environment friendly as it saves landfill space when the existing tyres are made ready for further use
- Reduces the consumption oil and carbon dioxide emission required to manufacture new tyres
- Achieves economic benefits by saving a considerable amount of money from buying new tyres. A new set of tyres typically costs almost double of the price of a retreaded tyre

Oil and Chemicals - Engine Oil, Lubricating Oil and Hydraulic Oil

The Group uses significant volume of oil and chemicals in our buses to lubricate and as an energy transfer medium. We have a policy to dispose the engine oil, lubricating oil and hydraulic oil off to an appointed waste disposal contractor whenever we accumulate up to 4 oil containers (1 container is equivalent to 200 litres of oil). The engine oil, lubricating oil and hydraulic oil of the buses were treated and stored according to the Department of Environment guidelines before disposed of by the appointed waste disposal contractor.

We are evaluating plans to better manage our oil and chemical waste, including investing in a hydraulic recycling machine to reuse used hydraulic oil and installing oil and grease traps at all maintenance and repair workshops.

Benefits of recycling oil and chemicals:

- Cost savings
- Environmental benefits
- Decreased time spent on oil changes
- Less environmental contamination
- Increased machine reliability

Batteries

The Group will dispose the batteries to the appointed recycle contractor for every 10 units (approximately). There were 92 batteries being disposed in year 2021.

Sustainability Statement (Cont'd)

WATER MANAGEMENT

Water is central to human health and business sustainability. The Group is committed to its Water Management Policy to:

- Transparently reporting its water consumption
- Managing and saving water consumption efficiently
- Working with government agencies and stakeholders to promote more effective water governance and stewardship

Direct Water Consumption:

	FYE 2020	FYE 2021
Water consumed (m3)	44,218	37,543

Water Energy Intensity:

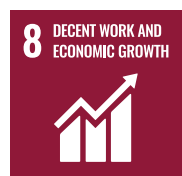
Terminal Meru Raya	FYE 2020	FYE 2021
Water (m3)	30,334	25,617
Total net leasable area (sf)	51,864	51,864

Kampar Putra Sentral	FYE 2020	FYE 2021
Water (m3)	3,581	2,230
Total net leasable area (sf)	286,207	286,207

To avoid water wastage in our terminals, we have regularly trained our staffs to identify any leakage and repair it if any and to ensure all the water taps are properly turned off if they are not being used.

To avoid water wastage in our petrol stations, our station crew is trained to perform scheduled hourly checks on all the manual water taps to ensure that they are properly turned off if not being used.

INNOVATION AND DIGITALISATION



Digitalisation of our business operations enables us to save on natural resource usage, which will in turn reduce our environment footprint. Throughout the years, we have implemented the following digitalisation initiatives:

- Implemented Terminal Management System which centralises all the sale of bus tickets into a point-of-sale system with bus schedule display system, real time monitoring of buses arrivals and departures and self-service kiosk
- Digitalisation of advertising spaces
- Implemented smart bus tracking app for Android users and passengers to check the bus schedule, have real-time tracking on the location of buses, as well as indicate the estimated time of arrival of the buses
- Implemented fleet operations management system for our bus operations
- Equipped buses with Global positioning systems (“GPS”), closed-circuit television (“CCTV”) cameras and cashless payment system
- Implemented cashless payment system in our petrol stations
- Digitisation of physical documents used in our business operations
- Paperless transaction
- Online banking



SOCIETY

Being an operator of integrated public transportation terminals and buses, Perak Transit supports and benefits Perak's economy via its role of commuting people and creating jobs. Thanks to our close collaboration with the Federal and Perak State Government, our deeply connected bus routes help to link up towns and villages in Perak that were previously inaccessible due to their remote locations.

Given our significant social impact to the State of Perak, we are ever improving our social practices in the hope of setting the right example for other enterprises in Perak to follow suit. The Group has no significant fines and non-monetary sanctions for non-compliance with laws and/or regulations in the social and economic areas for FYE 2021.

Workforce Management



Perak Transit appreciates the contribution of our employees to the organisation and, as such, we view them as the Group's greatest asset and place high importance on their well-being. As part of the Group's human resource policy, we have adopted a comprehensive set of policies in relation to recruitment, payroll, leave application, performance appraisal, disciplinary action and resignation. Perak Transit adheres to the regulations of the Employment Act 1955, Employees Provident Fund Act 1991, Employees Social Security Act 1969, Income Tax Act 1967 and Employment Insurance System Act 2017.

Staff Benefits

Perak Transit strongly believes that our employees are the key drivers for business growth and sustainability of our operations. Apart from retaining existing talents, the management has always been actively seeking out dynamic, talented and skilled individuals to contribute to the Group and share in our success.

The Group strives to provide a safe and comfortable work environment for all our employees, and uphold to take care of their well-being and ensure job satisfaction. In addition, the Group also offers attractive remuneration package to all employees to reward them for their contribution to the Group. Feedback from employees is considered seriously in order to improve the working environment and increase employee engagement.

Perak Transit provides the same employment benefits to all full-time, part-time and temporary employees as part of their terms of employment. These include:

- Keyman insurance and personal accident insurance provided to key management personnel
- A fixed amount of medical claims from clinics for common illnesses
- Maternity leave of two (2) months

Parental Leave

	FYE 2020	FYE 2021
Total number of employees who were entitled to parental leave	69	70
Total number of employees who took parental leave	2	4
Total number of employees who returned to work after parental leave ended	2	3
Total number of employees who returned to work after parental leave ended that were still employed 12 months after their return to work	1	0

In FYE 2020, 100% of the employees who took parental leave returned to work after their parental leave ended. Out of the two (2) employees who returned to work after parental leave ended, one (1) of them has not yet passed 12 months after their return to work.

In FYE 2021, 75% of the employees who took parental leave returned to work after their parental leave ended, i.e. one (1) out of four (4) resigned. Meanwhile, the three (3) employees who returned to work after their parental leave ended have not yet passed 12 months after their return to work.

Sustainability Statement (Cont'd)

SOCIETY (Cont'd)

Training and Education

The Group also empowers our workforce through training and skills development programmes, which include technical and operational skills training, so that employees are equipped with the necessary knowledge and skills to execute their duties effectively.

Our employees have undertaken multiple training programmes to upgrade their skills in FYE 2021. Below is a list of the training courses, along with their respective training hours:

Training Course	Training Hours
Induction of Occupational Health and Safety ("OHS") Management System Training	152
OHS Coordinator Course for Road-Related Jobs	21
OHS Root Cause Analysis	144
Professional Office Administration for Executives	32
IFRS 9 Practical Application – Expected Credit Loss	6
Advanced Financial Accounting Practices and Procedures	32
WOW Customer Service Training Course	48
Total	435

Average Training Hours by Gender and Employee Category:

Hours	FYE 2020		FYE 2021	
Gender	Female	Male	Female	Male
Senior management	0.3	0.9	1.3	0.7
Middle management	2.0	0.8	4.2	7.1
General worker	2.3	0.4	4.7	0.4

100% of the Group's employees who have been employed for over a year received regular performance and career development reviews in FYE 2021, regardless of employee category or gender.

Staff Diversity

Perak Transit has a diverse workforce and believes that the strength of a diverse and inclusive workforce is essential for the success of our business. Despite having a diverse workforce, no employee is discriminated in any way and is treated equally with respect and dignity, regardless of race, religion, age and gender.

Composition of Board of Directors:

	31 December 2020		31 December 2021	
	Headcount	Percentage	Headcount	Percentage
Gender				
Male	5	83%	5	71%
Female	1	17%	2	29%
Age				
<30	-	-	-	-
30-50	-	-	-	-
>50	6	100%	7	100%



SOCIETY (Cont'd)

Composition of Employees by Gender and Employee Category:

Percentage	31 December 2020		31 December 2021	
Gender	Female	Male	Female	Male
Senior management	2%	4%	2%	4%
Middle management	5%	10%	5%	8%
General worker	11%	68%	11%	70%

Note: Senior management includes Directors.

Composition of Employees by Age Group and Employee Category:

Percentage	31 December 2020			31 December 2021		
Age	<30	30-50	>50	<30	30-50	>50
Senior management	<1%	2%	4%	-	2%	4%
Middle management	4%	9%	3%	6%	5%	2%
General worker	25%	33%	20%	18%	39%	24%

Note: Senior management includes Directors.

Composition of New Employee Hires:

Headcount	FYE 2020		FYE 2021	
Age	Female	Male	Female	Male
<30	11	23	13	25
30-50	2	14	8	28
>50	0	10	2	20

Composition of Employee Turnover:

Headcount	FYE 2020		FYE 2021	
Age	Female	Male	Female	Male
<30	15	29	13	31
30-50	8	28	6	39
>50	6	25	2	11

Non-Discrimination

As an equal opportunity employer, we are committed to ensure that no job applicant or employee is discriminated on the grounds of race, religion, age and gender. The Group has a Whistle Blowing Policy for employees to channel their grievances on all matters concerning their employment. In collecting personal data from job applicants and employees, the Group complies with the requirements of the Personal Data Protection Act 2010, to use the data solely for its intended purpose.

In FYE 2021, the Group does not have any incident related to race, religion, age and gender discrimination.

HEALTH & SAFETY



Perak Transit places emphasis on the safety of its vehicles and care for its passengers as well as its employees.

Safety Policy

Perak Transit's OHS management system has been incorporated into our Safety Policy, which is adhered to by all employees to ensure a safe and healthy environment for everyone who may be affected by its operations. Its objective is to minimise the risk of injury and ill-health among employees and passengers. Our Safety Policy makes reference to the Land Public Transport Commission's Industry Code of Conduct on Safety for Bus Operators.

Under the standard operating procedures ("SOPs") of our bus operations, we have an emergency response plan on how to deal with fire incidents, as well as procedures to report any road accidents and incidents. We also have the SOPs on how to deal with fire incidents in our terminals.

Safety is the prerequisite in everything the Group does and is an integral part of our business strategy and operations. Employees at all levels are required to comply with all legal requirements and our Safety Policy with regard to their work practices. All our employees under the operation side are covered by our OHS management system, which has been audited by an outsourced internal auditor.

Covid-19 Mitigation SOPs

In light of the Covid-19 pandemic outbreak, Perak Transit has taken all necessary steps to comply with the SOPs issued by the Ministry of Health Malaysia. The Group places significance in having a thermometer, hand sanitiser and MySejahtera QR code at all entry points. We also ensure that all patrons practise social distancing and wear a face mask before entering the terminals, buses and petrol stations.

Maintenance Depot of Bus Operations

At the maintenance depot of our bus operations, we have a workshop in Gopeng, Perak, for repair and maintenance of our own buses. The foremen are properly equipped with personal protective equipment to ensure their safety during work.

Petrol Station Operations

Perak Transit strictly adheres to the health, safety, security and environmental policies and procedures, as well as the emergency response plan imposed by the oil companies.

Safety Hazard Identification, Risk Assessment and Incident Investigation

The Group has identified areas of high risk in the workplace and takes proactive actions in training our employees, as well as maintaining communication with customers to mitigate this risk.

We have a guide on hazards that are commonly encountered while driving, such as driving under high speed, dangerous and negligent driving, dangerous road conditions, fire incidents, driving along areas with no street lighting and near factories where factory workers walk across roads without paying attention. The guide stipulates the intensity of risk under each hazard and what should be done for risk control.

As for our petrol station operations, the processes of safety hazard identification, risk assessment and incident investigation are conducted by the oil companies under their respective Health, Safety, Security and Environment requirements. For example, all petrol station managers are required to conduct daily station walk-about to identify any issues, problems, and risks/hazards. Any findings would need to be reported to the management of Perak Transit's Petrol Station Operations Division, as well as the respective oil companies for further action.

Safety Committee

Perak Transit has established a Safety Committee under the bus operations since 2019 to ensure that safety protocols are executed. The Safety Committee's role includes communicating information on the OHS risks, trends and policies to all employees involved in the bus operations. A Safety Committee meeting is held weekly to achieve these objectives.

OHS Training and Participation

The Group places importance on staff knowledge to instil a safe driving mindset and educate on bus route knowledge. In this regard, comprehensive training is given to all new recruits while existing drivers will have to undergo a refresher course. The Group also offers a series of training courses, remedial training, bus type training and advanced manoeuvring training for all our bus drivers.



HEALTH & SAFETY (Cont'd)

Promotion of Worker Health

Perak Transit values the health of our staff. Employees are entitled to a fixed amount of medical claims for common illnesses from clinics. In addition, the Group procures insurance policies relating to keyman and personal accident for our key management personnel.

Work-related Injuries and Ill-Health

There were no fatalities as a result of work-related injuries or work-related ill health in FYE 2021. For the year under review, there was one minor work-related injury under the bus operations. The total lost days due to this injury was 17 days. Meanwhile, the Group reported a total of 1,219 days of productivity loss as a result of medical leave taken in FYE 2021.

	Work-related Injuries (Days)		Work-related Ill Health (Days)	
	FYE 2020	FYE 2021	FYE 2020	FYE 2021
Headquarters	-	-	38	30.5
Integrated public transportation terminal operations	-	-	35	34
Bus operations	17	17	730	1034.5
Petrol station operations	-	-	79	120

Bus Maintenance and Safety

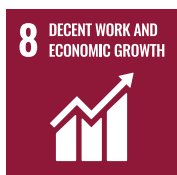
In ensuring the safety of bus drivers and passengers, the buses of Perak Transit are well maintained and regularly serviced. The Group had 152 buses, comprising 110 stage buses, 37 express buses, and 5 Perak Hop-On Hop-Off buses as at 31 December 2021. All buses of the Group undergo a strict maintenance schedule which includes monthly servicing and a semi-annual or annual inspection by Puspakom.

In FYE2021, the stage buses operated by the Group have an average age of eight (8) years, which is much lower than the normal useful life of fifteen (15) years for stage buses. Meanwhile, the express buses operated by us have an average age of five (5) years, which is also much lower than the normal useful life of ten (10) years for express buses.

GPS and CCTV cameras are installed in the buses to provide security to the bus drivers as well as passengers. In FYE 2021, we have added 20 units of CCTV cameras, bringing the total to a respective 130 and 44 units at Terminal Meru Raya and Kampar Putra Sentral. More CCTV cameras are expected to be installed at Kampar Putra Sentral subsequently.

With regard to customer privacy and personal data protection, the Group has established proper guidelines to prevent inappropriate disclosure of personal data. Stickers are posted on all buses to inform passengers of the presence of CCTV cameras. Recordings from the CCTV cameras will only be assessed by authorised personnel for security and incident investigations. All of the Group's operations are assessed for improvement in terms of their health and safety impacts to customers. Further, there are no incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of our services.

HUMAN & LABOUR RIGHTS



Perak Transit is in the midst of establishing a framework for human rights assessment. This framework will monitor operations that are subject to human rights reviews and human rights impact assessments. The framework will also assist in keeping track on the number of employees trained and number of hours devoted to training on human rights policies and procedures concerning aspects of human rights that are relevant to our operations. The Group will also take count of all significant investment agreements and contracts that include human rights clauses or those that underwent human rights screening.

Perak Transit does not employ children under the age of 18 and the Group ensures that it does not contravene the Children and Young Persons (Employment) Act 1966.

GRI CONTENT INDEX

This report has been prepared in accordance with the GRI Standards: Core option.

GRI-Code	Description	Reference
Organisational Profile		
102-1	Name of the organization	Perak Transit Berhad
102-2	Activities, brands, products, and services	About this report, Page 12 – 13
102-3	Location of headquarters	About this report, Page 4
102-4	Location of operations	About this report, Page 12
102-5	Ownership and legal form	About this report, Page 4
102-6	Markets served	About this report, Page 12 – 13
102-7	Scale of the organization	About this report, Page 13
102-8	Information on employees and other workers	People first, Page 6 – 10, 43 – 45
102-9	Supply chain	About this report, Page 36
102-10	Significant changes to the organisation and its supply chain	There were no significant changes to our operations and supply chain during the financial year.
102-11	Precautionary principle or approach	The Group applies the Precautionary Principle in all areas of operations, which is to apply due care in all operations to safeguard both environment and social interests.
102-12	External initiatives	About this report, Page 34 Sustainability Statement, Page 30 – 53
102-13	Membership of associations	We are not part of any associations.
Strategy		
102-14	Statement from senior decision-maker	Management Discussion and Analysis, Page 12 - 15
102-15	Key impacts, risks, and opportunities	Management Discussion and Analysis, Page 12 - 15
Ethics and Integrity		
102-16	Values, principles, standards, and norms of behaviour	Corporate Governance, Code of Conduct, Page 16, 19, 30, 33
102-17	Mechanisms for advice and concerns about ethics	Anti-Corruption and Anti-Bribery, Page 19, 33
Governance		
102-18	Governance structure	Board of Directors, Page 4, 6 – 9 Senior management, Page 6 – 7, 10 Corporate Governance Overview Statement, Page 17 Sustainability Statement, Page 30 – 53
102-19	Delegating authority	Sustainability Statement, Page 30 – 53
102-20	Executive-level responsibility for economic, environmental, and social topics	Sustainability Statement, Page 30 – 53
102-21	Consulting stakeholders on economic, environmental, and social topics	Sustainability Statement, Page 30 – 32
102-22	Composition of the highest governance body and its committees	Board of Directors, Page 4, 6 – 9 Senior management, Page 10
102-23	Chair of the highest governance body	Corporate Governance Overview Statement, Page 16 – 28



GRI CONTENT INDEX (Cont'd)

GRI-Code	Description	Reference
Governance (Cont'd)		
102-24	Nominating and selecting the highest governance body	Corporate Governance Overview Statement, Page 16 – 28
102-25	Conflicts of interest	Board of Directors, Page 4, 6 – 9 Senior management, Page 10 Corporate Governance Overview Statement, Page 16 – 28
102-26	Role of highest governance body in setting purpose, values, and strategy	Corporate Governance Overview Statement, Page 18 – 25
102-27	Collective knowledge of highest governance body	Corporate Governance Overview Statement, Page 18 – 25
102-28	Evaluating the highest governance body's performance	Corporate Governance Overview Statement, Page 18 – 25
102-29	Identifying and managing economic, environmental, and social impacts	Sustainability Statement, Page 30 – 53
102-30	Effectiveness of risk management processes	Corporate Governance Overview Statement, Page 26 – 27
102-31	Review of economic, environmental, and social topics	Sustainability Statement, Page 30 – 53
102-32	Highest governance body's role in sustainability reporting	Sustainability Statement, Page 30 – 53
102-33	Communicating critical concerns	Governance sections/Audit Committee/Risk Management Committee discussions - Page 26 – 28
102-34	Nature and total number of critical concerns	Governance sections/Audit Committee/Risk Management Committee discussions - Page 26 – 28
Stakeholder Engagement		
102-40	List of stakeholder groups	Sustainability Statement, Page 31 – 32
102-41	Collective bargaining agreements	Social, Page 28, 31 – 32
102-42	Identifying and selecting stakeholders	Sustainability Statement, Page 31 – 32
102-43	Approach to stakeholder engagement	Sustainability Statement, Page 31 – 32
102-44	Key topics and concerns raised	Sustainability Statement, Page 31 – 32
Reporting Practice		
102-45	Entities included in the consolidated financial statements	About this report, Page 146 – 149
102-46	Defining report content and topic boundaries	Sustainability Statement, Page 30
102-47	List of material topics	Sustainability Statement, Page 30
102-48	Restatements of information	Not applicable.
102-49	Changes in reporting	About this report, Page 13
102-50	Reporting period	Page 11 – 13
102-51	Date of most recent report	Page 11 – 13
102-52	Reporting cycle	Page 12 – 13
102-53	Contact point for questions regarding the report	enquiry@peraktransit.com.my

GRI CONTENT INDEX (Cont'd)

GRI-Code	Description	Reference
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102-54	Claims of reporting in accordance with the GRI Standards	At the top of this table.
102-55	GRI content index	GRI Content Index, Page 48 – 53
102-56	External assurance	Non-financial information has not been externally-verified; we will consider doing so moving forward.
Economic Performance		
103-1	Explanation of the material topic and its boundary	Financial results, Page 12 - 15
103-2	The management approach and its components	Financial results, Page 12 - 15
103-3	Evaluation of the management approach	Financial results, Page 12 - 15
201-1	Direct economic value generated and distributed	Financial results, Page 12 - 15
201-4	Financial assistance received from the government	Financial Assistance from the Government, Page 35
Market Presence		
103-1	Explanation of the material topic and its boundary	Market Presence, Page 35 - 36
103-2	The management approach and its components	Market Presence, Page 35 - 36
103-3	Evaluation of the management approach	Market Presence, Page 35 - 36
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Market Presence, Page 35 - 36
Anti-corruption		
103-1	Explanation of the material topic and its boundary	Anti-Corruption and Anti-Bribery, Page 19, 33
103-2	The management approach and its components	Anti-Corruption and Anti-Bribery, Page 19, 33
103-3	Evaluation of the management approach	Anti-Corruption and Anti-Bribery, Page 19, 33
205-2	Communication and training about anti-corruption policies and procedures	Anti-Corruption and Anti-Bribery, Page 19, 33
Tax		
103-1	Explanation of the material topic and its boundary	Tax Governance, Page 33
103-2	The management approach and its components	Tax Governance, Page 33
103-3	Evaluation of the management approach	Tax Governance, Page 33
207-1	Approach to tax	Tax Governance, Page 33
207-2	Tax governance, control and risk management	Tax Governance, Page 33
207-3	Stakeholder engagement and management of concerns related to tax	Tax Governance, Page 33
Energy		
103-1	Explanation of the material topic and its boundary	Energy Performance, Page 37 - 41
103-2	The management approach and its components	Energy Performance, Page 37 - 41
103-3	Evaluation of the management approach	Energy Performance, Page 37 - 41
302-1	Energy consumption within the organisation	Energy Performance, Page 38 - 39



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Water and Effluents		
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103-2	The management approach and its components	Water Management, Page 42
103-3	Evaluation of the management approach	Water Management, Page 42
303-3	Water withdrawal	Water Management, Page 42
Emissions		
103-1	Explanation of the material topic and its boundary	Carbon Emissions, Page 40
103-2	The management approach and its components	Carbon Emissions, Page 40
103-3	Evaluation of the management approach	Carbon Emissions, Page 40
305-1	Direct (Scope 1) GHG emissions	Carbon Emissions, Page 40
305-2	Energy indirect (Scope 2) GHG emissions	Carbon Emissions, Page 40
Employment		
103-1	Explanation of the material topic and its boundary	Staff Diversity, Page 44 - 45
103-2	The management approach and its components	Staff Diversity, Page 44 - 45
103-3	Evaluation of the management approach	Staff Diversity, Page 44 - 45
401-1	New employee hires and employee turnover	Staff Diversity, Page 45
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Staff Benefits, Page 43
401-3	Parental leave	Staff Benefits, Page 43
Occupational Health & Safety		
103-1	Explanation of the material topic and its boundary	Health & Safety, Page 46 - 47
103-2	The management approach and its components	Health & Safety, Page 46 - 47
103-3	Evaluation of the management approach	Health & Safety, Page 46 - 47
403-1	Occupational health and safety management system	Safety Policy, Page 46
403-2	Hazard identification, risk assessment, and incident investigation	Safety Hazard Identification, Risk Assessment and Incident Investigation, Page 46
403-5	Worker training on occupational health and safety	OHS Training and Participation, Page 46
403-6	Promotion of worker health	Promotion of Worker Health, Page 47
403-8	Workers covered by an occupational health and safety management system	Safety Policy, Page 46
403-9	Work-related injuries	Work-related Injuries and Ill-Health, Page 47
403-10	Work-related ill health	Work-related Injuries and Ill-Health, Page 47
Training and Education		
103-1	Explanation of the material topic and its boundary	Training and Education, Page 44
103-2	The management approach and its components	Training and Education, Page 44
103-3	Evaluation of the management approach	Training and Education, Page 44
404-1	Average hours of training per year per employee	Training and Education, Page 44
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GRI-Code	Description	Reference
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Diversity and Equal Opportunity		
103-1	Explanation of the material topic and its boundary	Staff Diversity, Page 44 - 45
103-2	The management approach and its components	Staff Diversity, Page 44 - 45
103-3	Evaluation of the management approach	Staff Diversity, Page 44 - 45
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103-1	Explanation of the material topic and its boundary	Non-Discrimination, Page 45
103-2	The management approach and its components	Non-Discrimination, Page 45
103-3	Evaluation of the management approach	Non-Discrimination, Page 45
406-1	Incidents of discrimination and corrective actions taken	Non-Discrimination, Page 45
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103-2	The management approach and its components	Human & Labour Rights, Page 47
103-3	Evaluation of the management approach	Human & Labour Rights, Page 47
412-1	Operations that have been subject to human rights reviews or impact assessments	Human & Labour Rights, Page 47
412-2	Employee training on human rights policies or procedures	Human & Labour Rights, Page 47
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Human & Labour Rights, Page 47



GRI CONTENT INDEX (Cont'd)

GRI-Code	Description	Reference
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103-2	The management approach and its components	Economic Performance and Community Engagement, Page 34 - 35 Human & Labour Rights, Page 47
103-3	Evaluation of the management approach	Economic Performance and Community Engagement, Page 34 - 35 Human & Labour Rights, Page 47
413-2	Operations with significant actual and potential negative impacts on local communities	Economic Performance and Community Engagement, Page 34 - 35 Human & Labour Rights, Page 47
Customer Health and Safety		
103-1	Explanation of the material topic and its boundary	Bus Maintenance and Safety, Page 47
103-2	The management approach and its components	Bus Maintenance and Safety, Page 47
103-3	Evaluation of the management approach	Bus Maintenance and Safety, Page 47
416-1	Assessment of the health and safety impacts of product and service categories	Bus Maintenance and Safety, Page 47
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Bus Maintenance and Safety, Page 47

Audit Committee Report

The Audit Committee was established by the Board of Directors (“**Board**”) on 23 September 2015 to assist the Board in fulfilling its oversight responsibilities for the financial reporting process, the system of internal control, related party transactions and the internal and external audit processes of the Company. The Audit Committee also plays a key role in the Company’s corporate governance structure.

The terms of reference of the Audit Committee was revised on 16 November 2021 as to be in line with the requirements of applicable practices and guidance of the Malaysian Code on Corporate Governance issued in April 2021 (“**MCCG**”).

COMPOSITION AND MEETING ATTENDANCE

During the year 2021, there has been some changes in the composition of the Audit Committee.

Dato’ Haji Mohd Gazali Bin Jalal was appointed as an additional member of the Audit Committee on 9 April 2021 following the retirement of Dato’ Wan Asmadi Bin Wan Ahmad as director of the Company at the Annual General Meeting held on 25 May 2021 and accordingly ceased as a member of the Audit Committee.

Subsequently, in order to be in line with the MCCG, Tan Sri Dato’ Chang Ko Youn, as the Chairman of the Board, resigned as a member of the Audit Committee and as replacement, Puan Azian Binti Kassim was appointed as a member of the Audit Committee on 10 November 2021.

The Audit Committee comprises all independent non-executive directors. All of members of the Audit Committee are financially literate, competent and are able to understand matters under the purview of the Audit Committee, including the financial reporting process. The Chairman of the Audit Committee, Mr Ng Wai Luen, is a member of the Certified Public Accountant Australia, The Malaysian Institute of Certified Public Accountant and a Chartered Accountant registered with the Malaysian Institute of Accountants who has over 28 years of working experience in the field of auditing, finance and general management. Puan Azian Binti Kassim is a Fellow of the Association of Chartered Certified Accountants, United Kingdom and a Chartered Accountant registered with the Malaysian Institute of Accountants. She has approximately 28 years of experience in the capital market and managing investment portfolios. Another member of the Audit Committee, Dato’ Haji Mohd Gazali Bin Jalal who had served in the public service sector for more than 35 years was the Perak State Secretary and also the former Perak State Financial Officer, Kuala Kangsar District Officer and Perak Land and Mines Deputy Director. He has vast experience in finance, land management and regional administration.

The Audit Committee has scheduled to convene at least four (4) meetings a year, with additional meetings to be convened at any time at the Chairman’s discretion and if requested by any of its member or the internal or external auditors. The Committee may meet with the external auditors, the internal auditors or both without the attendance of executive directors and employees of the Company, whenever deemed necessary. The Committee may also invite any person to be in attendance at each meeting.

During the financial year 2021, the Audit Committee has convened four (4) meetings on 23 February 2021, 25 May 2021, 19 August 2021 and 16 November 2021. The attendance of members in 2021 is as follows:

Name of Members	Scheduled meetings	Attendance at Audit Committee meetings
Ng Wai Luen (<i>Chairman</i>) <i>Independent Non-Executive Director</i>	4	3
Dato’ Haji Mohd Gazali Bin Jalal (<i>Member</i>) <i>Independent Non-Executive Director</i> <i>Appointed on 9 April 2021</i>	3	2
Azian Binti Kassim (<i>Member</i>) <i>Independent Non-Executive Director</i> <i>Appointed on 10 November 2021</i>	1	1
Tan Sri Dato’ Chang Ko Youn (<i>Member</i>) <i>Independent Non-Executive Director</i> <i>Resigned on 10 November 2021</i>	3	3
Dato’ Wan Asmadi Bin Wan Ahmad (<i>Member</i>) <i>Independent Non-Executive Director</i> <i>Ceased on 25 May 2021</i>	1	1



COMPOSITION AND MEETING ATTENDANCE (Cont'd)

The Nomination and Remuneration Committee has conducted annual review of the term of office and performance of the Audit Committee and its members and, based on the review, the Board is satisfied that the Audit Committee as a whole and its members have discharged their duties and responsibilities competently and efficiently in accordance with the terms of reference of the Audit Committee.

SUMMARY OF ACTIVITIES

The summary of the works and key activities undertaken by the Audit Committee during the financial year 2021 comprised the following:

1. Financial Reporting

a. Review of Quarterly Reports

The Audit Committee received briefings by the management on the unaudited financial quarterly results during its scheduled quarterly meetings and is updated on significant matters related to the Company's and its subsidiaries' ("Group") financial results and position and ascertained whether the reported financial results are consistent with operational and other information known.

The Audit Committee deliberated and reviewed the unaudited interim financial reports with the management during its scheduled quarterly meetings before recommending the reports to the Board for consideration and approval prior to the announcements made to Bursa Malaysia Securities Berhad ("Bursa Securities").

b. Audited Financial Statements

The Audit Committee received and considered the 'Audit Committee Closing Presentation' presented by the external auditors, Messrs Moore Stephens Associates PLT ("Moore Stephens"), in respect of the audited financial results of the Group and of the Company for the financial year ended 31 December 2020, outlining the major audit findings arising from the audit and the responses from the management.

The Audit Committee deliberated and reviewed on the audit findings relating to the classification between property, plant and equipment and investment properties, and borrowings. Thereafter, the Audit Committee reviewed the audited financial statements for the financial year then ended before recommending the audited financial statements to the Board for consideration and approval.

c. Approval of Statements for inclusion into the Annual Report 2020

The Audit Committee received and reviewed the Statement on Risk Management and Internal Control and Audit Committee Report for the year 2020 before recommending the statement and report to the Board for consideration and approval for inclusion into the Annual Report.

2. External Audit

a. Suitability, Objectivity and Independence of External Auditors

The Audit Committee deliberated and carried out its assessment on the suitability, objectivity and independence of Moore Stephens as the external auditors of the Company based on the following criteria:

- the performance, technical competency, audit quality, sufficiency of resources and allocation of audit staff assigned to the audit;
- the nature and extent of the non-audit services rendered and the appropriateness of the level of fees; and
- the written assurance from the external auditors confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the independence criteria set out by the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards).

Audit Committee Report (Cont'd)

SUMMARY OF ACTIVITIES (Cont'd)

2. External Audit (Cont'd)

a Suitability, Objectivity and Independence of External Auditors (Cont'd)

The Audit Committee was satisfied as to the suitability, objectivity, independence, technical competency and professionalism demonstrated by Moore Stephens which were in accordance with paragraph 15.21 of the Main Market Listing Requirements of Bursa Securities and recommended to the Board for the re-appointment of Moore Stephens as external auditors of the Company at the Annual General Meeting.

At the Annual General Meeting held on 25 May 2021, the shareholders have passed an ordinary resolution to re-appoint Moore Stephens as auditors of the Company to hold office until the conclusion of the next Annual General Meeting.

b. 2021 Audit Planning Memorandum

The Audit Committee received and considered the Audit Planning Memorandum in respect of the audit of the financial statements of the Company for the financial year ended 31 December 2021, presented by the external auditors, Moore Stephens, outlining the audit scope of works, fraud consideration, areas of audit emphasis, audit approach and timeline. The Audit Committee deliberated and adopted the Audit Planning Memorandum before recommending to the Board for consideration and approval.

Moore Stephens declared that they have complied with the requirements for independence in accordance with the relevant ethical requirements. Moore Stephens had also confirmed that the partners and staff of Moore Stephens engaged in the audit of the Group do not hold any direct or indirect financial interest in the Group and are not connected with the Group which may impair their independence.

c. Independent Meeting Sessions

The Audit Committee has two (2) independent meeting sessions during the financial year 2021 with the external auditors, Moore Stephens, without the presence of the executive personnel of the Company.

Moore Stephens reported that during the course of the audit of the financial statements for the financial year ended 31 December 2020, good cooperation had been provided by the management and staff of the Company and there were no major issues or concern as well as no sign of fraud identified that required them to report to the Audit Committee.

d. Audit and Non-Audit Fees

The Audit Committee deliberated and reviewed the audit fees in respect of the financial year ended 31 December 2021 together with non-audit fees which comprises the review of Statement on Risk Management and Internal Control pursuant to the Main Market Listing Requirements of Bursa Securities. The total fees for the Group for the financial year 2021 are RM146,000 which is a 0.7% increase from that of the previous year's audit.

The amount of audit fees and non-audit fees payable to Moore Stephens in respect of the financial year ended 31 December 2021 are as follows:

	Audit fees (RM)	Non-Audit fees (RM)
Company	52,000	5,000
Group	141,000	5,000

3. Internal Audit

In its oversight of the internal audit process, during the financial year 2021, the Audit Committee met with the internal auditors, representatives of JWC Consulting Sdn Bhd ("JWC"), four (4) times on 23 February 2021, 25 May 2021, 19 August 2021 and 16 November 2021.



SUMMARY OF ACTIVITIES (Cont'd)

3. Internal Audit (Cont'd)

The Audit Committee received briefings by the internal auditors on the following internal audit reports presented during the Audit Committee meetings, namely:

- Financial quarter ended 31 March 2021
 - Review on the internal control systems on procurement and cash management of bus operations operated by The Combined Bus Services Sdn Bhd, Ipoh Link Sdn Bhd and Syarikat Sumber Manusia Sdn Bhd and Terminal Meru Raya operated by The Combined Bus Services Sdn Bhd and Terminal Urus Sdn Bhd.
- Financial quarter ended 30 June 2021
 - Review on the internal control systems on procurement and cash management of petrol station operations operated by CKS Bumi Sdn Bhd, CKS Labur Sdn Bhd, Star Kensington Sdn Bhd and The Combined Bus Services Sdn Bhd.
- Financial quarter ended 30 September 2021
 - Review on the internal control systems on human resources management of CKS Bumi Sdn Bhd, CKS Labur Sdn Bhd, Star Kensington Sdn Bhd, The Combined Bus Services Sdn Bhd, Ipoh Link Sdn Bhd, Syarikat Sumber Manusia Sdn Bhd, Terminal Urus Sdn Bhd, PTRANS Resources Sdn Bhd and Perak Transit Berhad.
- Follow-up report for the financial quarter ended 31 December 2021
 - Follow up reviews on:
 - (i) Financial quarter ended 31 March 2019 – Sales and marketing and credit control of bus operations operated by The Combined Bus Services Sdn Bhd, Ipoh Link Sdn Bhd and Syarikat Sumber Manusia Sdn Bhd and readiness of Kampar Putra Sentral;
 - (ii) Financial quarter ended 31 March 2020 and 30 June 2020 – Sales and marketing, credit control and inventory management of petrol station operations operated by CKS Bumi Sdn Bhd, CKS Labur Sdn Bhd, Star Kensington Sdn Bhd and The Combined Bus Services Sdn Bhd and Anti-Corruption and Anti-Bribery Policy of Perak Transit Berhad;
 - (iii) Financial quarter ended 31 March 2021 – Procurement and cash management of bus operations operated by The Combined Bus Services Sdn Bhd, Ipoh Link Sdn Bhd and Syarikat Sumber Manusia Sdn Bhd and Terminal Meru Raya operated by The Combined Bus Services Sdn Bhd and Terminal Urus Sdn Bhd;
 - (iv) Financial quarter ended 30 June 2021 – Procurement and cash management of petrol station operations operated by CKS Bumi Sdn Bhd, CKS Labur Sdn Bhd, Star Kensington Sdn Bhd and The Combined Bus Services Sdn Bhd; and
 - (v) Financial quarter ended 30 September 2021 – Human resources management of CKS Bumi Sdn Bhd, CKS Labur Sdn Bhd, Star Kensington Sdn Bhd, The Combined Bus Services Sdn Bhd, Ipoh Link Sdn Bhd, Syarikat Sumber Manusia Sdn Bhd, Terminal Urus Sdn Bhd, PTRANS Resources Sdn Bhd and Perak Transit Berhad.

The Audit Committee deliberated and reviewed the internal audit reports presented and considered the internal auditors' recommendations and took into account the management's responses on the audit findings before recommending the reports to the Board for consideration and approval.

In 2021, the Audit Committee deliberated and reviewed the overall approach to the Internal Audit for the three (3) years from 2020 to 2022 and accordingly, JWC was re-appointed as internal auditors of the Company for the financial years ending 31 December 2020 to 31 December 2022.

The Audit Committee reviewed and approved the Internal Audit Plan for the financial year ending 31 December 2022 presented by the internal auditors in November 2021. The Internal Audit Plan for 2023 will include the audit of two (2) new bus terminals, ie Terminal Sentral Kuantan and Terminal Bas Shahab Perdana as well as the construction of Bidor Sentral which will cover the processes on costing, tendering and etc.

Audit Committee Report (Cont'd)

SUMMARY OF ACTIVITIES (Cont'd)

4. Risk Management Working Group Committee

The Audit Committee deliberated and reviewed two (2) minutes of the meetings of the Risk Management Working Group Committee held in the financial year 2021.

The Audit Committee received briefings on the risk factors highlighted by the Risk Management Working Group Committee in relation to the operations of the Group comprising terminal operations, bus operations, petrol station operations, mining management operations, human resources and finance. Most of the risk factors highlighted were rated minor or moderate and mitigation strategies in relation to the crisis management have been put in place by the management. An additional area on the construction contracts for Bidor Sentral will be reviewed by the Risk Management Working Group Committee once the Group commences the construction of the terminal.

INTERNAL AUDIT FUNCTION

The Board recognises that effective monitoring on a continuous basis is a vital component of a sound internal control system. In this respect, the Board, through the Audit Committee, has outsourced the internal audit function and thereafter approved the appointment of an independent professional services firm, JWC, to carry out independent internal audit services for the Company and the Group. JWC, a member of The Institute of Internal Auditors Malaysia, is headed by its founding Managing Director, Ms Joyce Wong, who is a member of the Malaysian Institute of Accountants, Certified Public Accountant Australia and The Institute of Internal Auditors Malaysia. She has more than 15 years professional experience and has vast exposure in the internal audit field. She is supported by four (4) capable staff to carry out the internal audit assignments.

The internal audit engagement with the Group is headed by Mr Koh Cheang Yew, who is a member of the Certified Public Accountant Australia and The Institute of Internal Auditors Malaysia. JWC has confirmed that all of the internal audit personnel engaged in the audit of the Group are free from any relationships or conflicts of interest, direct or indirect, which could impair their objectivity and independence in carrying out their duties.

The internal auditors report directly to the Audit Committee on audit matters and to the Managing Director on administrative matters. The internal auditors provide independent and objective reports on the Group's management, operational, accounting policies and internal controls to the Audit Committee and also ensure that recommendations to improve internal controls are followed through by the management at the same time. The management will rectify the weaknesses detected by the internal auditors through either adopting the recommendations made by the internal auditors or developing its own alternatives to eliminate such weaknesses.

During the financial year 2021, the internal auditors have conducted a series of audits of the major operating units of the Group. The internal audit activities have been carried out by the internal auditors in accordance with the Internal Audit Plan for the three (3) years from 2020 to 2022. The internal auditors also ensured, on a follow up basis, that recommendations to improve internal controls are implemented by the management. These initiatives, together with the management's adoption of the external auditors' recommendations for improvement on internal controls noted during their annual audit, provide reasonable assurance that control procedures are in place.

The cost incurred on the internal audit function for the financial year ended 31 December 2021 amounted to RM48,000.

Statement On Risk Management And Internal Control



INTRODUCTION

This Statement on Risk Management and Internal Control is made pursuant to paragraph 15.26(b) of the Bursa Malaysia Securities Berhad's Main Market Listing Requirements ("**Listing Requirements**") and in accordance with the Principles as stipulated in the Malaysian Code on Corporate Governance and the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers which requires the Board of Directors ("**Board**") to include in the Company's Annual Report a statement about the state of its risk management and internal control of the Company and its subsidiaries ("**Group**").

Accordingly, the Board is pleased to present the Statement on Risk Management and Internal Control which outlines the processes to be adopted by the Board in reviewing the adequacy and effectiveness of the risk management and internal control system of the Group.

RESPONSIBILITY OF THE BOARD

The Board is responsible for the adequacy and effectiveness of the Group's risk management and internal control system. The Board recognises the importance of good corporate governance and is committed in maintaining a sound system of internal controls to safeguard the shareholders' investment and the Group's assets.

The Board has adopted the Enterprise-Wide Risk Management Report, Risk Management Policy and Risk Appetite to identify, analyse, evaluate, manage and monitor significant financial and non-financial risks of the Group.

The Board acknowledges its overall responsibility in establishing a sound risk management framework and internal control system. Because of the limitations that are inherent in any system of internal control, it should be noted that the system is designed to provide reasonable combination of preventive, detective and corrective measures and accordingly, it can only provide reasonable and not absolute assurance against material misstatement or loss.

The Group's risk management and internal control framework is an on-going process, and has been in place for identifying, evaluating and managing significant risks that are faced or potentially to be encountered by the Group and the Board regularly reviews the said process.

RISK MANAGEMENT

The Group takes cognizance of the importance of a sound risk management framework to be in place as a principal safeguard towards controlling risks. Accordingly, the Group has an embedded process for the identification, evaluation, reporting, monitoring and review of the major strategic, business and operation risks within the Group. The Board's and management's practice of proactive identification on significant risks on a half-yearly basis or earlier as appropriate, particularly if there are any major proposed transactions, changes in nature of activities and/or operating environment, or venturing into new operating environment which may entail different risks. Accordingly, the Board would put in place the appropriate risk response strategies and controls until those risks are managed to and maintained at a level acceptable to the Board. This is further supported by the internal audit function and the employees of the Company to effectively inculcate risk management practices and controls into the corporate culture, processes and structures within the Group.

Risk management principles, policies, procedures and practices are updated regularly to ensure relevance and compliance with current/applicable laws and regulations.

The risk management process is in effect through the following mechanisms and measures, by which the Board obtains timely and accurate information of all major control issues in relation to internal controls, regulatory compliance and risk:

- Risk Management Function

The Board has formally established a Risk Management Committee on 10 November 2021 to assist the Board in ensuring a sound and robust Risk Management Policy to achieve the Group's strategic objectives, safeguard shareholders' investments and its assets. Terms of Reference of the Risk Management Committee has been established and endorsed by the Board to govern its responsibilities and activities. The Risk Management Committee is chaired by an independent non-executive director and majority of members are independent non-executive directors.

Statement On Risk Management And Internal Control (Cont'd)

RISK MANAGEMENT (Cont'd)

• Risk Management Function (Cont'd)

The Board acknowledges the importance of the risk management function and the Risk Management Committee undertakes the following responsibilities:

- Oversee the risk management framework, the Risk Management Policy and all its related policies of the Company and of the Group;
- Review the effectiveness of overall risk management at the enterprise level, the significant risks identified for the Group and the findings highlighted by the Risk Management Working Group Committee and the internal auditors;
- Review and recommend the Group's level of risk tolerance and actively identify, assess and monitor key business risks to safeguard shareholders' investments and the Group's assets and to implement the necessary controls to pursue the objectives;
- Deliberate the evaluation of the key risk areas as well as the controls in place to mitigate or manage these risks;
- Review the annual corruption risk assessment and the report on the appropriate processes, systems and controls in relation to the anti-corruption measures at least once in every three (3) years and to consider any appropriate action to be implemented;
- At the end of each financial year, review the Statement on Risk Management and Internal Control prior to submission to the Board for consideration and approval, for inclusion in the Annual Report of the Company; and
- Conduct an annual review and periodic testing of the risk management framework, where necessary. This should include any insights it has gained from the review and any changes made to its risk management framework arising from the review.

The Risk Management Committee is assisted by the the Risk Management Working Group Committee, chaired by the Managing Director, which is primarily responsible for the implementation of the Risk Management Policy and operationalisation of the risk management processes and practices.

• Internal Audit Function

The Board acknowledges the importance of the internal audit function and has engaged the services of an independent professional firm to provide much of the assurance it requires regarding the effectiveness as well as the adequacy and integrity of the Group's systems of internal control and risk management.

The internal audit function adopts a risk-based approach in developing its audit plan which addresses all the core auditable areas of the Group based on their risk profile. Scheduled internal audits are carried out by the internal auditors based on the audit plan presented to, and approved by, the Audit Committee. The audit focuses on areas with high risk to ensure that an adequate action plan is put in place to improve the controls. For those areas with high risk and adequate controls, the audit ascertains that the risks are effectively mitigated by the controls.

On a quarterly basis or earlier as appropriate, the internal auditors report to the Audit Committee on areas for improvement and will subsequently follow up to determine whether their recommendations have been duly implemented by the management.

• Financial Performance Planning, Review and Monitoring

Periodic meetings of the Board, Board Committees and senior management represent the main platform through which the Group's performance and conduct are assessed and monitored. The daily operations of the business are entrusted to the Managing Director and the management team.

• Operational Monitoring and Controls

The Group ensures that regular and comprehensive information is provided to the Board, covering financial and operational performance and key business indicators, for effective monitoring and decision-making processes.

The Group, being involved in the public transportation industry, primarily uses a large fleet of buses to carry out its business activities. The said buses undergo scheduled maintenance works to ensure that they are roadworthy and comply with all relevant laws, rules and regulations.

Statement On Risk Management And Internal Control (Cont'd)



INTERNAL CONTROL

The Board, whilst maintaining full control and direction over appropriate strategic, financial, organisational and compliance issues, has delegated to the management the implementation of the systems of internal control within an established framework. The Group's current system of internal control and risk management include the following key elements:

- an effective Board which retains control over the Group, reviews the business operations, approves significant transactions, monitors management and assesses the effectiveness of internal controls;
- clearly defined lines of authority and divisionalised organisation structure to achieve the Group's objectives and monitor the conduct and operations within the Group;
- quarterly results of the Group's financial performance are presented to the Audit Committee for recommendation for adoption by the Board;
- regular management meetings comprising the senior management to review and discuss significant issues relating to financial performance, operations, technical and key support functions;
- segregation of duties and physical safeguarding of assets for example limiting of access to assets, documents and records and establishing custodial responsibilities; and
- clearly defined recruitment processes and relevant training to enhance staff competency levels.

The Board receives and regularly reviews reports regarding the operations and performance of the Group. Apart from financial controls, the Group's system of internal controls also covers operational and compliance controls and most importantly, risk management. As part of the risk management process, the Board is continuously identifying, assessing and managing significant business risks faced by the Group throughout the financial year.

The Board maintains ultimate responsibility over the Group's system of internal controls which has been delegated to the management for effective implementation. The role of internal audit is to provide reasonable assurance that the designed controls are in place and are operating as intended.

The internal audit function is to primarily assist the Audit Committee and the Board in monitoring compliance, making recommendations for continuous improvement to processes, systems and reviewing the effectiveness of the internal control structures. The internal auditors also participate in the risk management to provide assurance of good governance and application of security controls.

The Audit Committee and the Risk Management Committee assist the Board in fulfilling its responsibilities on maintaining a sound system of internal controls and risk management. The Audit Committee monitors the levels of assurance within the Group through their review of the reports of the external auditor and internal auditor, nature and scope of their work and monitoring the implementation progress of the audit recommendations. The Risk Management Committee ensures the integrity of the risk management framework and policies through their review of the reports of the Risk Management Working Group Committee and monitors the implementation progress of the Risk Management Policy.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITOR

As required under Paragraph 15.23 of the Listing Requirements, the external auditor has reviewed this Statement on Risk Management and Internal Control for inclusion in the Annual Report of the Company for the financial year 2021 and reported to the Board that nothing has come to their attention which causes them to believe that this Statement is inconsistent with their understanding of the process adopted by the Board in reviewing the adequacy and effectiveness of the risk management and internal control of the Group.

CONCLUSION

Based on the internal audit reports for the financial year 2021, there is a reasonable assurance that the Group's system of internal controls is generally adequate and appears to be working satisfactorily. None of the identified weaknesses have resulted in any material losses, contingencies or uncertainties that would require disclosure in the Annual Report. The Board has received assurance from the Executive Directors that the Group's risk management and internal control system is operating adequately and effectively, in all material aspects.

The Board remains committed towards operating a sound system of internal controls, recognising that the system must continually evolve to support the types of business, size and operations of the Group. As such, the Board will put in place appropriate action plans to further enhance the Group's system of risk management and internal control as and when required.

Statement Of Directors' Responsibility

In Relation To The Financial Statements

This Statement is prepared as required by the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The directors are required under the Companies Act 2016 to prepare the financial statements which give a true and fair view of the state of affairs of the Company and its subsidiaries ("**Group**") as at the end of each financial year and of their results and cash flows for that year then ended.

The directors consider that in preparing the financial statements, the Group have:

- used appropriate accounting policies and are consistently applied;
- made reasonable and prudent judgments and estimates;
- prepared the financial statements on a going concern basis; and
- ensured all applicable approved accounting standards in Malaysia have been followed.

The directors are responsible for ensuring that the Group maintain accounting records that disclose with reasonable accuracy the financial position of the Group and which enable them to ensure that the financial statements comply with the Companies Act 2016 and the applicable approved accounting standards in Malaysia.

The directors have general responsibilities for taking such steps that are reasonably available to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

This Statement was made in accordance with a resolution of the Board of Directors dated 22 February 2022.

Directors' Report



The Directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2021.

PRINCIPAL ACTIVITIES

The Company is principally involved in investment holding.

The details and principal activities of the Company's subsidiaries are disclosed in Note 14 to the financial statements.

There have been no significant changes in the nature of these activities of the Group and of the Company during the financial year.

RESULTS

	Group RM	Company RM
Net profit for the financial year	53,225,379	20,798,969
Attributable to:		
Owners of the Company	53,204,221	20,798,969
Non-controlling interests	21,158	-
	53,225,379	20,798,969

DIVIDENDS

Since the end of the previous financial year, the Company has declared the following dividends in respect of financial year ended 31 December 2021 during the current financial year under review.

- (i) A first interim single tier dividend of 0.8 sen per ordinary share amounting to RM5,077,850, paid on 21 May 2021;
- (ii) A second interim single tier dividend of 0.8 sen per ordinary share amounting to RM5,077,850, paid on 23 August 2021;
- (iii) A third interim single tier dividend of 0.8 sen per ordinary share amounting to RM5,077,850, paid on 18 November 2021; and
- (iv) A fourth interim single tier dividend of 0.825 sen per ordinary share amounting to RM5,236,553, paid on 15 February 2022.

The Directors do not recommend the payment of final dividend in respect of the current financial year.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than those disclosed in the financial statements.

ISSUANCE OF SHARES AND DEBENTURES

On 18 January 2021, the Company has completed the proposed share consolidation which involves the consolidation of every three (3) existing shares in the Company into one (1) share following the listing of and quotation for 645,133,572 consolidated shares (inclusive of 10,399,999 consolidated treasury shares).

Other than the foregoing, the Company did not issue any shares and debentures during the financial year.

TREASURY SHARES

Treasury shares relate to ordinary shares of the Company that are repurchased and held by the Company in accordance with the requirements of Section 127(4)(b) of the Companies Act 2016 in Malaysia.

There was no repurchase of the Company's issued ordinary shares, nor any resale, cancellation or distribution of treasury shares during the financial year.

As at 31 December 2021, the Company held a total of 10,399,999 ordinary shares of its 645,133,572 issued ordinary shares as treasury shares. Such treasury shares are held at a carrying amount of RM7,943,806. Further details are disclosed in Note 24 to the financial statements.

WARRANTS

The Company has issued 158,682,251 free warrants ("Warrants B") on the basis of 1 warrant for every 4 existing ordinary shares in the Company pursuant to the bonus issue of free warrants and completed the exercise following the listing of and quotation for the warrants on the Main Market of Bursa Malaysia Securities Berhad on 11 August 2021.

The salient terms of Warrants B are disclosed in Note 23 to the financial statements.

Details of Warrants B issued to Directors are disclosed in the Directors' Interests section of this report.

OPTIONS GRANTED OVER UNISSUED SHARES

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

DIRECTORS OF THE COMPANY

The Directors in office since the beginning of the financial year up to the date of this report are:

TAN SRI DATO' CHANG KO YOUN
DATO' SRI CHEONG KONG FITT*
DATO' CHEONG PEAK SOOI*
NG WAI LUEN
AZIAN BINTI KASSIM
DATO' HAJI GAZALI BIN JALAL (appointed on 20.01.2021)
ZALINAH BINTI A HAMID (appointed on 09.06.2021)
DATO' WAN ASMADI BIN WAN AHMAD (retired on 25.5.2021)

* Also a Director of certain subsidiaries.

DIRECTORS OF SUBSIDIARIES OF THE COMPANY

Pursuant to Section 253(2) of the Companies Act 2016, the Directors who served in the subsidiaries (excluding Directors who are also Directors of the Company) since the beginning of the financial year up to the date of this report are:

ONG LUCK YIK @ ONG LEK CHUAN
POON HEE LAI
MUHAMMAD BIN DZULKIFLI
DATO' AMINUDDIN BIN MD HANAFIAH (appointed on 01.03.2021)
DATO' SRI WAN AHMAD NAJMUDDIN BIN MOHD (appointed on 01.04.2021)
DATO' ABU BAKAR BIN HAJI SAID (resigned on 28.02.2021)



DIRECTORS' INTERESTS

According to the register of Directors' shareholdings, the interest of Directors in office at the end of financial year in shares and warrants of the Company and its related corporations during the financial year were as follows:

	Number of ordinary shares				
	At 1.1.2021	Share consolidation	Bought	Sold	At 31.12.2021
Direct Interests:					
- Dato’ Sri Cheong Kong Fitt	259,213,505	(172,809,005)	13,483,667	-	99,888,167
- Dato’ Cheong Peak Sooi	20,406,595	(13,604,397)	-	-	6,802,198
- Dato’ Haji Gazali Bin Jalal	86,266 [#]	-	-	-	86,266
Indirect Interests:					
- Dato’ Sri Cheong Kong Fitt [^]	319,236,501	(212,822,502)	-	(12,061,667)	94,352,332

Number of warrants					
	At 1.1.2021	Bonus issue	Exercised	Sold	At 31.12.2021
Direct Interests:					
- Dato’ Sri Cheong Kong Fitt	-	24,805,291	-	-	24,805,291
- Dato’ Cheong Peak Sooi	-	1,700,549	-	-	1,700,549
- Dato’ Haji Gazali Bin Jalal	-	21,566	-	(21,566)	-
Indirect Interests:					
- Dato’ Sri Cheong Kong Fitt ^	-	23,588,082	-	-	23,588,082

[^] Indirect interest by virtue of shares held through his spouse and through a corporation by virtue of Section 8 of the Companies Act 2016 in Malaysia.

[#] At date of appointment.

Dato' Sri Cheong Kong Fitt is deemed to have interest in the shares held by the Company and its subsidiaries by virtue of his substantial interest in the shares of the Company.

Other than the above, none of the other Directors in office at the end of the financial year had any interest in the ordinary shares and warrants of the Company or of its related corporations during the financial year.

Directors' Report (Cont'd)

DIRECTORS' REMUNERATION AND BENEFITS

The amount of fees and other benefits paid to or receivable by the Directors or past Directors of the Company and the estimated money value of any other benefits received or receivable by them otherwise than in cash from the Company and its subsidiaries for their services to the Company or its subsidiaries were as follows:

	Company RM	Subsidiaries RM
Present Directors		
Salaries, allowances and bonuses	181,000	923,250
Fees	255,542	-
Contribution to defined contribution plan	13,730	135,950
Benefits-in-kind	5,300	54,600
	<u>455,572</u>	<u>1,113,800</u>
Past Director		
Salaries, allowances and bonuses	2,000	-
Fees	21,629	-
Contribution to defined contribution plan	260	-
Benefits-in-kind	-	-
	<u>23,889</u>	<u>-</u>
Total fees and other benefits	<u>479,461</u>	<u>1,113,800</u>

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than Directors' emoluments received or due and receivable as disclosed in the financial statements or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest, other than the related party transactions disclosed in the financial statements.

There were no arrangements during or at the end of the financial year which had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

OTHER STATUTORY INFORMATION

- (a) Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps:
- to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and
 - to ensure that any current assets which were unlikely to be realised in the ordinary course of business including their value as shown in the accounting records of the Group and of the Company have been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the Directors are not aware of any circumstances:
- which would render the amount written off for bad debts or the amount of the provision for doubtful debts in the Group and in the Company inadequate to any substantial extent;
 - which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading;
 - which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; and
 - not otherwise dealt with in the report or financial statements which would render any amount stated in the financial statements misleading.



OTHER STATUTORY INFORMATION (Cont'd)

- (c) At the date of this report, there does not exist:
- (i) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
 - (ii) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.
- (d) In the opinion of the Directors:
- (i) no contingent or other liability has become enforceable, or likely to become enforceable, within the period of twelve months after the end of the financial year, which will or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due;
 - (ii) the results of the operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature; and
 - (iii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.
- (e) The total amount of fees paid to or receivable by the auditors as remuneration for their services as auditors of the Company and its subsidiaries for the current financial year were RM52,000 and RM89,000 respectively.
- (f) There was no amount paid to or receivable by any third party in respect of the services provided to the Company or any of its subsidiaries by any Director or past Director of the Company.
- (g) There was no indemnity given to or insurance effected for any Director, officer or auditor of the Group and of the Company.

SIGNIFICANT EVENTS

Details of significant events during the financial year are disclosed in Note 37 to the financial statements.

AUDITORS

The auditors, Messrs. Moore Stephens Associates PLT, have expressed their willingness to continue in office.

Approved and signed on behalf of the Board in accordance with a resolution of the Directors dated 8 April 2022.

DATO' SRI CHEONG KONG FITT

Ipoh, Perak

DATO' CHEONG PEAK SOOI

Statement By Directors

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

We, the undersigned, being two of the Directors of the Company, do hereby state that, in the opinion of the Directors, the financial statements as set out on pages 72 to 140 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2021 and of their financial performance and cash flows for the financial year then ended.

Approved and signed on behalf of the Board in accordance with a resolution of the Directors dated 8 April 2022.

DATO' SRI CHEONG KONG FITT

Ipoh, Perak

DATO' CHEONG PEAK SOOI

STATUTORY DECLARATION

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

I, JENNIFER CHIN YI TENG, being the officer primarily responsible for the financial management of the Company, do solemnly and sincerely declare that the financial statements as set out on pages 72 to 140 are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the
abovenamed Jennifer Chin Yi Teng
at Ipoh in the state of Perak Darul Ridzuan
on 8 April 2022

JENNIFER CHIN YI TENG

Before me,

Commissioner for oaths

Independent Auditors' Report

To The Members Of Perak Transit Berhad
Registration No. 200801030547 (831878-V)
(Incorporated in Malaysia)



Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Perak Transit Berhad, which comprise the statements of financial position as at 31 December 2021, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 72 to 140.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2021, and of their financial performance and their cash flows for the financial 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 Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and IESBA Code.

Key Audit Matters

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

We have determined that there are no key audit matters to communicate in our report.

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 information included in the annual report but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company 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 of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and 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 this other information, we are required to report that fact. We have nothing to report in this regard.

Independent Auditors' Report (Cont'd)

To The Members Of Perak Transit Berhad
Registration No. 200801030547 (831878-V)
(Incorporated in Malaysia)

Responsibilities of the Directors for the Financial Statements

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

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and 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 Group's or 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 Group and 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 Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, 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 financial statements of the Group. 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.

Independent Auditors' Report (Cont'd)

To The Members Of Perak Transit Berhad
Registration No. 200801030547 (831878-V)
(Incorporated in Malaysia)



Other Matters

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

MOORE STEPHENS ASSOCIATES PLT
201304000972 (LLP0000963-LCA)
Chartered Accountants (AF002096)

Penang

Date: 8 April 2022

THAM SHIEN HONG
03266/04/2023 J
Chartered Accountant

Statements Of Comprehensive Income

For The Financial Year Ended 31 December 2021

	Note	Group		Company	
		2021 RM	2020 RM	2021 RM	2020 RM
Revenue	4	138,572,709	119,393,773	23,036,557	19,076,120
Investment revenue	5	202,017	318,131	181,769	267,013
Amortisation of deferred capital grant	27	359,880	199,600	-	-
Other operating income	6	6,436,179	6,052,075	267,537	102,754
Purchase of trading goods		(23,450,272)	(21,301,801)	-	-
Changes in inventories of trading goods		(6,306)	(132,052)	-	-
Employee benefits expense	6	(9,705,156)	(10,785,763)	(1,516)	(36,068)
Directors' remuneration	7	(1,533,361)	(1,599,642)	(474,161)	(431,140)
Depreciation of property, plant and equipment and investment properties	11&12	(20,599,917)	(15,998,266)	-	-
Finance costs	8	(8,852,942)	(12,983,833)	(462,877)	(708,990)
Other operating expenses	6	(13,615,127)	(14,144,972)	(1,748,340)	(1,288,339)
Profit before tax		67,807,704	49,017,250	20,798,969	16,981,350
Tax (expense)/credit	9	(14,582,325)	(6,970,855)	-	47,400
Profit net of tax, representing total comprehensive income for the financial year		53,225,379	42,046,395	20,798,969	17,028,750
Profit net of tax, representing total comprehensive income attributable to:					
Owners of the Company		53,204,221	41,817,077	20,798,969	17,028,750
Non-controlling interests		21,158	229,318	-	-
		53,225,379	42,046,395	20,798,969	17,028,750
Earnings per ordinary share					
Basic (sen)	10	8.38	7.91		
Diluted (sen)	10	8.38	7.91		

The annexed notes form an integral part of, and should be read in conjunction with, these financial statements.

Statements Of Financial Position

As At 31 December 2021



		Group		Company	
	Note	2021 RM	2020 RM	2021 RM	2020 RM
ASSETS					
Non-current assets					
Property, plant and equipment	11	643,483,647	567,717,985	1	1
Investment properties	12	82,977,103	84,692,161	-	-
Contract costs	13	3,154,256	534,904	-	-
Investment in subsidiaries	14	-	-	151,937,449	151,937,447
Amount due from subsidiaries	15	-	-	192,590,035	180,560,514
Goodwill	16	1,622,631	1,622,631	-	-
Deferred tax assets	17	-	1,515,536	-	-
		731,237,637	656,083,217	344,527,485	332,497,962
Current assets					
Inventories	18	849,424	871,130	-	-
Trade and other receivables	19	33,254,611	45,579,379	1,200	-
Contract assets	20	360,000	304,500	-	-
Other assets	21	2,752,478	3,041,617	5,922,173	4,518,730
Amount due from subsidiaries	15	-	-	165,818,170	157,913,502
Tax recoverable		107,803	1,100,068	74,475	45,446
Fixed deposits with licensed banks	22	13,800,460	10,279,186	12,707,088	9,027,032
Cash and bank balances		66,812,479	11,836,899	48,431,329	2,900,927
		117,937,255	73,012,779	232,954,435	174,405,637
TOTAL ASSETS		849,174,892	729,095,996	577,481,920	506,903,599
EQUITY AND LIABILITIES					
Equity					
Share capital	23	287,556,892	287,556,892	287,556,892	287,556,892
Treasury shares	24	(7,943,806)	(7,943,806)	(7,943,806)	(7,943,806)
Property revaluation reserve	25	33,964,529	33,964,529	-	-
Retained earnings		188,524,057	155,789,096	363,283	34,417
Equity attributable to owners of the Company		502,101,672	469,366,711	279,976,369	279,647,503
Non-controlling interests		142,234	130,364	-	-
Total equity		502,243,906	469,497,075	279,976,369	279,647,503

The annexed notes form an integral part of, and should be read in conjunction with, these financial statements.

Statements Of Financial Position (Cont'd)

As At 31 December 2021

		Group		Company	
	Note	2021 RM	2020 RM	2021 RM	2020 RM
Non-current liabilities					
Borrowings	26	251,896,221	194,826,295	250,000,000	192,000,000
Deferred capital grants	27	15,677,440	8,183,600	-	-
Deferred tax liabilities	17	10,265,699	2,572,277	-	-
		277,839,360	205,582,172	250,000,000	192,000,000
Current liabilities					
Trade and other payables	28	9,097,642	9,068,014	108,754	358,495
Other liabilities	29	15,568,599	13,562,222	5,396,797	4,897,601
Borrowings	26	43,136,338	31,049,210	42,000,000	30,000,000
Deferred capital grants	27	359,880	199,600	-	-
Tax payable		929,167	137,703	-	-
		69,091,626	54,016,749	47,505,551	35,256,096
Total liabilities		346,930,986	259,598,921	297,505,551	227,256,096
TOTAL EQUITY AND LIABILITIES		849,174,892	729,095,996	577,481,920	506,903,599

The annexed notes form an integral part of, and should be read in conjunction with, these financial statements.

For The Financial Year Ended 31 December 2021



The annexed notes form an integral part of, and should be read in conjunction with, these financial statements.

Statements Of Changes In Equity (Cont'd)

For The Financial Year Ended 31 December 2021

	Note	Share capital RM	Non- distributable Treasury shares RM	Distributable Retained earnings RM	Total equity RM
Company					
At 1 January 2020		167,092,924	(230,000)	436,476	167,299,400
Profit net of tax, representing total comprehensive income for the financial year		-	-	17,028,750	17,028,750
Transactions with owners of the Company:					
Own shares acquired	24	-	(7,713,806)	-	(7,713,806)
Issuance of shares pursuant to exercise of Warrants	23	120,465,786	-	-	120,465,786
Transaction costs of share issue		(1,818)	-	-	(1,818)
Dividends to owners of the Company	30	-	-	(17,430,809)	(17,430,809)
Total transactions with owners of the Company:		120,463,968	(7,713,806)	(17,430,809)	95,319,353
At 31 December 2020/ 1 January 2021		287,556,892	(7,943,806)	34,417	279,647,503
Profit net of tax, representing total comprehensive income for the financial year		-	-	20,798,969	20,798,969
Transactions with owners of the Company:					
Dividends to owners of the Company	30	-	-	(20,470,103)	(20,470,103)
At 31 December 2021		287,556,892	(7,943,806)	363,283	279,976,369

The annexed notes form an integral part of, and should be read in conjunction with, these financial statements.

Statements Of Cash Flows

For The Financial Year Ended 31 December 2021



	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Cash flows from operating activities				
Profit for the financial year	53,225,379	42,046,395	20,798,969	17,028,750
Adjustments for:				
Amortisation of deferred capital grants	(359,880)	(199,600)	-	-
Amortisation of contract costs	430,648	65,096	-	-
Depreciation of property, plant and equipment and investment properties	20,599,917	15,998,266	-	-
Deposits forfeited	(37,169)	(86,176)	-	-
Finance costs	8,852,942	12,983,833	462,877	708,990
Interest income	(481,068)	(501,524)	(443,231)	(363,767)
Property, plant and equipment written off	-	300	-	-
Tax expense/(credit)	14,582,325	6,970,855	-	(47,400)
Operating profit before working capital changes	96,813,094	77,277,445	20,818,615	17,326,573
Changes in working capital:				
Inventories	21,706	139,739	-	-
Trade and other receivables	12,324,768	(17,143,245)	(1,200)	-
Contract assets	(55,500)	704,500	-	-
Other assets	(1,229)	(1,225,600)	(1,403,443)	(4,438,343)
Trade and other payables	(2,218,453)	(507,051)	(249,741)	303,234
Other liabilities	1,567,156	1,728,565	23,144	4,635
Cash generated from operating activities	108,451,542	60,974,353	19,187,375	13,196,099
Bank charges paid	(1,658)	(999)	(316)	(470)
Interest received on current account	279,051	183,393	261,462	96,754
Income tax paid	(3,589,638)	(3,638,107)	(29,029)	(45,446)
Income tax refunded	-	27,984	-	25,184
Net cash from operating activities	105,139,297	57,546,624	19,419,492	13,272,121
Cash flows from investing activities				
Acquisition of shares from non-controlling interests	(2)	(165,000)	-	-
Addition to contract cost	(1,866,000)	-	-	-
Advances to subsidiaries	-	-	(19,934,189)	(78,854,053)
Interest received on fixed deposits	200,752	315,753	180,504	264,635
Interest received on other investment	1,265	2,378	1,265	2,378
Investment in subsidiaries	-	-	(2)	(165,100)
Purchase of property, plant and equipment	(92,020,199)	(119,241,161)	-	-
Proceeds from disposal of property, plant and equipment	3,366	-	-	-
Proceeds from government grant related to assets	8,014,000	-	-	-
Net cash used in investing activities	(85,666,818)	(119,088,030)	(19,752,422)	(78,752,140)
Balance carried forward	19,472,479	(61,541,406)	(332,930)	(65,480,019)

The annexed notes form an integral part of, and should be read in conjunction with, these financial statements.

Statements Of Cash Flows (Cont'd)

For The Financial Year Ended 31 December 2021

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Balance brought forward	19,472,479	(61,541,406)	(332,930)	(65,480,019)
Cash flows from financing activities				
Dividends paid				
- owners of the Company	(19,994,051)	(12,670,308)	(19,994,051)	(12,670,308)
- non-controlling interests	(8,105)	(5,910)	-	-
Finance costs paid	(9,849,523)	(12,982,834)	(462,561)	(708,520)
Net (withdrawal)/placement of fixed deposits pledged to licensed banks	(3,693,726)	79,746	(3,680,056)	(238,603)
Proceeds from issuance of shares pursuant to exercise of Warrants	-	120,463,968	-	120,463,968
Proceeds from Sukuk Murabahah	100,000,000	-	100,000,000	-
Repayment of lease liabilities	(1,123,946)	(1,211,230)	-	-
Repayment of Sukuk Murabahah Programme	(30,000,000)	(78,000,000)	(30,000,000)	(78,000,000)
Repurchase of treasury shares	-	(7,713,806)	-	(7,713,806)
Net cash from financing activities	35,330,649	7,959,626	45,863,332	21,132,731
Net increase/(decrease) in cash and cash equivalents	54,803,128	(53,581,780)	45,530,402	(44,347,288)
Cash and cash equivalents at beginning of the financial year	12,356,879	65,938,659	2,930,005	47,277,293
Cash and cash equivalents at end of the financial year	67,160,007	12,356,879	48,460,407	2,930,005

Note:

- (i) Cash and cash equivalents comprise the following:

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Cash and bank balances	66,812,479	11,836,899	48,431,329	2,900,927
Fixed deposits placed with licensed banks	13,800,460	10,279,186	12,707,088	9,027,032
	80,612,939	22,116,085	61,138,417	11,927,959
Less: Fixed deposits pledged to licensed banks	(13,452,932)	(9,759,206)	(12,678,010)	(8,997,954)
	67,160,007	12,356,879	48,460,407	2,930,005

The annexed notes form an integral part of, and should be read in conjunction with, these financial statements.

Statements Of Cash Flows (Cont'd)

For The Financial Year Ended 31 December 2021



(ii) Purchase of property, plant and equipment comprises the following:

		Group		Company	
	Note	2021 RM	2020 RM	2021 RM	2020 RM
Cash purchases		92,020,199	119,241,161	-	-
Capitalised borrowing costs		998,239	-	-	-
Deposits paid		290,368	256,184	-	-
Financed by way of lease arrangements		281,000	3,674,837	-	-
Other payables		1,064,081	1,500,000	-	-
	11	94,653,887	124,672,182	-	-

(iii) Addition to contract cost comprises the following:

		Group		Company	
	Note	2021 RM	2020 RM	2021 RM	2020 RM
Cash payment		1,866,000	-	-	-
Other payables		1,184,000	-	-	-
Other liabilities		-	600,000	-	-
	13	3,050,000	600,000	-	-

(iv) Total operating and financing cash outflows arising from leases as a lessee during the financial year was RM2,093,237 (2020: RM2,061,523).

(v) The reconciliation of movements of liabilities to cash flows arising from financing activities is as below:

	At 1 January RM	Acquisition of new lease RM	Drawdown of loans RM	Net cash changes RM	At 31 December RM
2021					
Group					
Lease liabilities	3,875,505	281,000	-	(1,123,946)	3,032,559
Sukuk Murabahah	222,000,000	-	100,000,000	(30,000,000)	292,000,000
	225,875,505	281,000	100,000,000	(31,123,946)	295,032,559
Company					
Sukuk Murabahah	222,000,000	-	100,000,000	(30,000,000)	292,000,000
2020					
Group					
Lease liabilities	1,411,898	3,674,837	-	(1,211,230)	3,875,505
Sukuk Murabahah	300,000,000	-	-	(78,000,000)	222,000,000
	301,411,898	3,674,837	-	(79,211,230)	225,875,505
Company					
Sukuk Murabahah	300,000,000	-	-	(78,000,000)	222,000,000

The annexed notes form an integral part of, and should be read in conjunction with, these financial statements.

Notes To The Financial Statements

31 December 2021

1. CORPORATE INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad.

The registered office of the Company is located at No.1 Jalan Lasam, 30350 Ipoh, Perak Darul Ridzuan.

The principal place of business of the Company is located at E-6-2A, SOHO Ipoh 2, Jalan Sultan Idris Shah, 30000 Ipoh, Perak Darul Ridzuan.

The Company is principally involved in investment holding. The details and principal activities of the Company's subsidiaries are disclosed in Note 14 to the financial statements. There have been no significant changes in the nature of these activities of the Group and the Company during the financial year.

The financial statements were authorised for issue in accordance with a Board of Directors' resolution dated 8 April 2022.

2. BASIS OF PREPARATION

(a) Statement of compliance

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

New and Revised MFRSs and Amendments/Improvements to MFRSs

(i) Adoption of Amendments to MFRSs

The Group and the Company have adopted the following Amendments to MFRSs that are mandatory for the current financial year:

Amendment to MFRS 16	Covid-19 Related Rent Concessions
Amendment to MFRS 9, MFRS139, MFRS 7, MFRS 4 and MFRS 16	Interest Rate Benchmark Reform - Phase 2

Initial application of the above standards did not have any significant effect on the financial statements of the Group and of the Company.

(ii) Standards issued but not yet effective and have not been early adopted

The Group and the Company have not adopted the following new MFRSs and Amendments/Improvements to MFRSs that have been issued as at the date of authorisation of these financial statements but are not yet effective for the Group and for the Company:

Effective for financial periods beginning on or after 1 April 2021

Amendment to MFRS 16	Covid-19 Related Rent Concessions beyond 30 June 2021
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Effective for financial periods beginning on or after 1 January 2022

Amendments to MFRS 3	Reference to the Conceptual Framework
Amendments to MFRS 116	Property, Plant and Equipment - Proceeds before Intended Use
Amendments to MFRS 137	Onerous Contracts - Cost of Fulfilling a Contract
Annual Improvements to MFRS Standards 2018 - 2020	

Notes To The Financial Statements (Cont'd)

31 December 2021



2. BASIS OF PREPARATION (Cont'd)

(a) Statement of compliance (Cont'd)

New and Revised MFRSs and Amendments/Improvements to MFRSs (Cont'd)

(ii) Standards issued but not yet effective and have not been early adopted (Cont'd)

Effective for financial periods beginning on or after 1 January 2023

MFRS 17 and Amendments to MFRS 17	Insurance Contracts
Amendments to MFRS 17	Initial Application of MFRS 17 and MFRS 9 - Comparative Information
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current
Amendments to MFRS 101 and MFRS Practice Statement 2	Disclosure of Accounting Policies
Amendments to MFRS 108	Definition of Accounting Estimates
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction

Effective date to be announced

Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
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The Group and the Company will adopt the above standards when they become effective in the respective financial periods. These standards are not expected to have any effect to the financial statements of the Group and of the Company upon initial applications.

(b) Basis of measurement

The financial statements of the Group and of the Company have been prepared on the historical cost convention except for those as disclosed in the accounting policy notes.

(c) Functional and presentation currency

The financial statements of the Group and of the Company are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency.

(d) Significant accounting estimates and judgements

The summary of accounting policies as described in Note 3 are essential to understand the Group's and the Company's results of operations, financial position, cash flows and other disclosures. Certain of these accounting policies require critical accounting estimates that involve complex and subjective judgements and the use of assumptions, some of which may be for matters that are inherently uncertain and susceptible to change. Directors exercise their judgement in the process of applying the Group's and the Company's accounting policies.

Estimates, assumptions concerning the future and judgements are made in the preparation of the financial statements. They affect the application of the Group's and of the Company's accounting policies and reported amounts of assets, liabilities, income and expenses, and disclosures made. Estimates and underlying assumptions are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. The actual results may differ from the judgements, estimates and underlying assumptions made by management, and will seldom equal the estimated results.

Notes To The Financial Statements (Cont'd)

31 December 2021

2. BASIS OF PREPARATION (Cont'd)

(d) Significant accounting estimates and judgements (Cont'd)

The key assumptions concerning the future and other key sources of estimation or 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 set out below.

(i) Depreciation of property, plant and equipment

The cost of property, plant and equipment is depreciated on a straight-line method over the assets' useful lives. The Directors estimate the useful lives of these property, plant and equipment to be within 5 to 99 years.

The Group anticipates that the residual values of its property, plant and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount.

Changes in the expected level of usage could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

(ii) Impairment of non-financial assets

When the recoverable amount of an asset is determined based on the estimate of the value-in-use of the cash generating unit to which the asset is allocated, the management is required to make an estimate of the expected future cash flows from the cash-generating unit and also to apply a suitable discount rate in order to determine the present value of those cash flows.

(iii) Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit loss associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables and contract assets, the Group applies the simplified approach permitted by MFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the trade receivables and contract assets.

(iv) Deferred tax assets and liabilities

Deferred tax implications arising from the changes in corporate income tax rates are measured with reference to the estimated realisation and settlement of temporary differences in the future periods in which the tax rates are expected to apply, based on the tax rates enacted or substantively enacted at the end of the reporting period. While management's estimates on the realisation and settlement of temporary differences are based on the available information at the end of the reporting period, changes in business strategy, future operating performance and other factors could potentially impact on the actual timing and amount of temporary differences realised and settled. Any difference between the actual amount and the estimated amount would be recognised in profit or loss in the period in which actual realisation and settlement occurs.

Notes To The Financial Statements (Cont'd)

31 December 2021



3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

(a) Basis of consolidation

Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same as at the end of the reporting period as the Company. Consistent accounting policies are applied for like transactions and events in similar circumstances. The Company controls an investee if and only if the Company has all the following:

- (i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant power activities of the investee);
- (ii) Exposure, or rights, to variable returns from its investment with the investee; and
- (iii) The ability to use its power over the investee to affect its returns.

When the Company has less than a majority of the voting rights of an investee, the Company considers the following in assessing whether or not the Company's voting rights in an investee are sufficient to give it power over the investee:

- (i) The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- (ii) Potential voting rights held by the Company, other vote holders or other parties;
- (iii) Rights arising from other contractual arrangements; and
- (iv) Any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Subsidiaries are consolidated when the Company obtains control over the subsidiaries and ceases when the Company loses control of the subsidiaries.

When control ceases, the disposal proceeds and the fair value of any retained investment are compared to the Group's share of the net assets disposed. The difference together with the carrying amount of allocated goodwill and the exchange reserve that relate to the subsidiary is recognised as gain or loss on disposal.

Business combination

Acquisitions of subsidiaries are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree.

The Group elects on a transaction-by-transaction basis whether to measure the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Transaction cost incurred are expensed and included in administrative expenses.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes in the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in accordance with MFRS 9 either in profit or loss or a change to other comprehensive income. If the contingent consideration is classified as equity, it will not be remeasured. Subsequent settlement is accounted for within equity. In instances where the contingent consideration does not fall within the scope of MFRS 9, it is measured in accordance with the appropriate MFRS.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

Notes To The Financial Statements (Cont'd)

31 December 2021

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(a) Basis of consolidation (Cont'd)

Business combination (Cont'd)

Business combinations under common control are accounted using the predecessor method of merger accounting where the profit or loss and other comprehensive income include the results of each of the combining entities from the earliest date presented or from the date when these entities came under the control of the common controlling party (if later).

The assets and liabilities of the combining entities are accounted for based on the carrying amounts from the perspective of the common controlling party, or the combining entities if the common controlling party does not prepare consolidated financial statements.

The difference in cost of acquisition over the aggregate carrying value of the assets and liabilities of the combining entities as of the date of the combination is taken to equity. Transaction cost for the combination is recognised in profit or loss.

Similar treatment applies in the Company's separate financial statements when assets and liabilities representing the underlying businesses under common control are directly acquired by the Company. In accounting for business combinations in the Company's separate financial statements, the excess of the cost of acquisition over the aggregate carrying amounts of assets and liabilities as of the date of the combination is taken to equity.

Subsidiaries

In the Company's separate financial statements, investment in subsidiaries are accounted for at cost less accumulated impairment losses. On disposal of such investments, the difference between the net disposal proceeds and their carrying amounts is recognised in profit or loss.

Non-controlling interests

Non-controlling interests represents the equity in subsidiaries not attributable directly or indirectly, to owners of the Company, and is presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position, separately from equity attributable to owners of the Company.

Changes in the Group's ownership interests in subsidiaries that do not result in the group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interest and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. The resulting difference is recognised directly in equity and attributed to owners of the Company.

Losses within a subsidiary are attributed to the non-controlling interests even if that results in a deficit balance.

Transactions eliminated on consolidation

Intragroup balances and transactions, and any unrealised income and expenses arising from intragroup transactions between subsidiaries in the Group, are eliminated in preparing the consolidated financial statements.

(b) Revenue and other income recognition

(i) Revenue from contracts with customers

Revenue is recognised when or as a performance obligation ("PO") in the contract with customer is satisfied, i.e. when the "control" of the goods or services underlying the particular PO is transferred to the customer.

A PO is a promise to transfer a distinct goods or services (or a series of distinct goods or services that are substantially the same and that have the same pattern of transfer) to the customer that is explicitly stated in the contract and implied in the Group's customary business practices.

Notes To The Financial Statements (Cont'd)

31 December 2021



3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(b) Revenue and other income recognition (Cont'd)

(i) Revenue from contracts with customers (Cont'd)

Revenue is measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring the promised goods or services to the customers, excluding amounts collected on behalf of third parties such as sales taxes or goods and services taxes. If the amount of consideration varies due to discounts, rebates, refunds, credits, incentives, penalties or other similar items, the Group estimates the amount of consideration to which it will be entitled based on the expected value or the most likely outcome. If the contract with customer contains more than one PO, the amount of consideration is allocated to each PO based on the relative stand-alone selling prices of the goods or services promised in the contract.

The revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

The control of the promised goods or services may be transferred over time or at a point in time. The control over the goods or services is transferred over time and revenue is recognised over time if:

- The customer simultaneously received and consumes the benefits provided by the Group's performance as the Group performs;
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- The Group's performance does not create an asset with an alternative use and the Group has an enforceable right to payment for performance completed to date.

Revenue for PO that is not satisfied over time is recognised at the point in time at which the customer obtains control of the promised goods or services.

Operation of public transportation

(a) Bus fare income

The Group provides public bus services that primarily encompass public express bus and stage bus services. Revenue recognition is based on bus fare received from the services that are rendered to the passengers. The PO is satisfied at a point in time and payment is generally due upon completion of services rendered.

(b) Government support fund

The government support fund accrued to the Group are to address the shortfalls of revenues for certain unprofitable routes, improve operator viability and expand bus route coverage by migrating from fare-box revenue collection to the gross-cost service delivery model.

Each of the services are not distinct and are unable to be performed separately. Accordingly, contracts with customer are considered as a single PO and are not separately identifiable. The PO is satisfied upon completing the necessary bus routes and fulfilling the necessary requirements imposed, followed by the submission of the monthly report to the relevant government authority for its approval.

Revenue recognition is based on the accrual basis. The Group has enforceable right to payment upon fulfilment of the PO. Any price differences will be adjusted against revenue in the period of approval.

Notes To The Financial Statements (Cont'd)

31 December 2021

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(b) Revenue and other income recognition (Cont'd)

(i) Revenue from contracts with customers (Cont'd)

Operation of public transportation (Cont'd)

(c) Bus charter and advertising income

The Group provides bus charter services and advertisement spaces on the operating buses to customers. Revenue recognition is based on daily, weekly or monthly rental fee receivable for services rendered.

The contracts with the customers are considered as a single PO and are not separately identifiable. The PO is satisfied over time as the services are rendered.

The customer simultaneously receives and consumes all of the benefits of services provided by the Group. Therefore, revenue is recognised over time based on the period for which services have been rendered.

Integrated public transportations terminal ("IPTT") operations

(a) Rental income

The Group leases out commercial space at its terminals to retail tenants. Revenue recognition is based on the monthly rental fee receivable for services rendered and payment is generally due within 90 days from invoice date.

(b) Project facilitation fee

The Group provides services and rental of facilities to potential customers in relation to the development of new terminals. Revenue is based on the agreed proportion of gross development cost on each respective proposed project. The PO is satisfied at a point in time and payment is generally due within 120 days from invoice date.

(c) Entrance fee

The Group is involved in bus terminal management. The Group derives entrance fee revenue from two sources, which are collection of monthly charges from customers and sales of coupon tickets. Revenue recognition is based on the monthly charges collected from the customers and coupon tickets sold.

The PO of the Group is to allow taxis and buses to enter the terminal and pick up passengers upon payment of the monthly charges and the presentation of coupon tickets respectively. The PO is satisfied upon the grant of the right to enter the terminal.

Revenue is recognised at a point in time for both the monthly charges and sales of coupon tickets whenever proceeds are collected and the rights to enter the terminal are granted.

(d) Car park fee

The Group derives revenue of car park fee from two sources, which are parking tickets and monthly season passes. For car park fee from parking tickets, the customers obtain their parking tickets when they enter the car park and the Group receives payment based on fixed rates upon their exit. Revenue from monthly season passes is derived from monthly car park fees collected from the customers.

The PO of the Group is to provide the parking lots to the customers. The PO is satisfied upon the services were rendered.

Notes To The Financial Statements (Cont'd)

31 December 2021



3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(b) Revenue and other income recognition (Cont'd)

(i) Revenue from contracts with customers (Cont'd)

Integrated public transportations terminal ("IPTT") operations (Cont'd)

(d) Car park fee (Cont'd)

(i) Parking tickets

The revenue is recognised at the point of which the services were rendered upon the customers use the car park and the Group has the right to the payment.

(ii) Monthly season pass

The revenue is recognised at the point of which the monthly season pass is renewed and the right to use is granted to the customers.

(e) Profit sharing from terminal management

The Group is involved in bus terminal management. The Group outsourced the operation and maintenance of terminal management systems to a third-party vendor. The Group derives revenue based on pre-agreed profit-sharing rates.

The PO of the Group is to manage the overall daily operation and activities of the terminals. The PO is satisfied over time as the services are provided.

Revenue is recognised over time based on the period for which services are rendered based on pre-agreed profit-sharing rates and payment is generally due within 90 days from invoice date.

(f) Management fee

The Group entered into a collaboration agreement with a third party, whereby the Group provides management services of a bus terminal to the third party. The Group derives revenue based on a fixed monthly management fee. The PO of the Group is to manage the terminal, to oversee the premises and the terminal, to maintain the goodwill and image of the terminal and to secure potential clients for the terminal. The services represent a series of distinct services rendered over time and such services are satisfied over time as the Group transfers the benefit of the services to the customer as it performs. However, the management fee is charged on monthly basis and there is no stand-alone price for each of the distinct PO. Allocation of transaction price is not necessary due to the services are provided concurrently. Revenue is recognised over time based on the period for which services are rendered and payment is generally due within 60 days from invoice date.

Petrol station operations

Petrol station operations comprise service stations and convenience stores. The petrol service station supplies motor fuels, lubricating oils and other petroleum products while convenience store supplies retail mart products. Revenue is recognised when the control over the products or services have been transferred and rendered to the customer. The PO is satisfied at a point in time and payment is generally due upon completion of services rendered.

Income from mining management operations

During the previous financial year, the Group has entered into a Joint Venture Agreement with a third party, whereby the Group provides project management services which include identifying, negotiating and securing limestone and silica sand resources purchase contracts with buyers. The Group derives revenue based on monthly pre-agreed profit-sharing rates.

Notes To The Financial Statements (Cont'd)

31 December 2021

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(b) Revenue and other income recognition (Cont'd)

(i) Revenue from contracts with customers (Cont'd)

Income from mining management operations (Cont'd)

The PO of the Group is to provide project management services in the mining operations. The services represent a series of distinct services rendered over time and such services are satisfied over time as the Group transfers the benefit of the services to the customers as it performs. However, the profit-sharing rate is charged on monthly basis and there is no stand-alone price for each of the distinct PO. Allocation of transaction price is not necessary due to the services are provided concurrently.

Revenue is recognised over time based on the period for which services are rendered based on the pre-agreed profit-sharing rates and payment is generally due within 60 days from invoice date.

(ii) Rental income

Rental income is recognised on a straight-line basis over the term of relevant lease.

(iii) Dividend income

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

(iv) Interest income

Interest income is recognised on an accrual basis using the effective interest method.

(v) Government grants

Grants from the government are recognised at their fair values where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs they are intended to compensate.

Government grants relating to construction of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on the straight-line basis over the expected lives of the related assets.

(vi) Subsidies income from the government

Income from subsidies is recognised when services stipulated in the contracts entered are provided. Subsidies receivable is accrued on a timely basis, by reference to the contracts entered and is recognised as a contract asset on the statement of financial position.

(c) Employee benefits

(i) Short term employee benefits

Wages, salaries, social security contributions and bonuses are recognised as an expense in the financial year in which the associated services are rendered by employees of the Group and of the Company. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences, and short term non-accumulating compensated absences such as sick leave are recognised when absences occur.

The expected cost of accumulating compensated absences is measured as additional amount expected to be paid as a result of the unused entitlement that has accumulated at the end of the reporting period.

Notes To The Financial Statements (Cont'd)

31 December 2021



3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(c) Employee benefits (Cont'd)

(ii) Defined contribution plans

As required by law, companies in Malaysia make contributions to the national pension scheme, the Employees Provident Fund ("EPF"). Such contributions are recognised as an expense as incurred. Once the contributions have been paid, the Group and the Company have no further payment obligations.

(d) Borrowing costs

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method. Other borrowing costs i.e. bank and finance charges, are recognised as expenses in the period in which they are incurred.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

(e) Government assistance

Assistance from government is recognised when there is a reasonable assurance that the grant will be received by the Group and the Company will comply with all the attached conditions.

Government assistance relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs they are intended to compensate.

Government assistance related to assets are presented in the statements of financial position as deferred revenue and recognised in profit or loss on a systematic basis over the useful life of the asset.

(f) Income taxes

Current tax

Tax expense represents the aggregate amount of current and deferred tax. Current tax is the expected amount payable in respect of taxable income for the financial year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustments recognised for prior years' tax. When an item is recognised outside profit or loss, the related tax effect is recognised either in other comprehensive income or directly in equity.

Deferred tax

Deferred tax is recognised using the liability method, on all temporary differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is not recognised if the temporary difference arises from the initial recognition of an asset or liability in a transaction, which is not a business combination and at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to apply in the period in which the assets are realised or the liabilities are settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised only to the extent that there are sufficient taxable temporary differences relating to the same taxable entity and the same taxation authority to offset or when it is probable that future taxable profits will be available against which the assets can be utilised.

Notes To The Financial Statements (Cont'd)

31 December 2021

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(f) Income taxes (Cont'd)

Deferred tax (Cont'd)

Deferred tax assets are reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that the related tax benefits will be realised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will be available for the assets to be utilised.

Deferred tax assets relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transactions either in other comprehensive income or directly in equity and deferred tax arising from business combination is adjusted against goodwill on acquisition or the amount of any excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the acquisition cost.

(g) Leases

As a lessee

The Group recognises a right-of-use ("ROU") asset and a lease liability at the lease commencement date. The ROU asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The ROU assets are presented within property, plant and equipment in the statements of financial position.

The ROU asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term. The estimated useful lives of ROU assets are determined on the same basis as those of property, plant and equipment as follows:

Leasehold land	Between 34 - 99 years
Motor vehicles	5 years
Plant and machinery	10 years

In addition, the ROU asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. The Group applies MFRS 136 to determine whether a ROU asset is impaired and accounts for any identified impairment loss as described in Note 3(q)(ii).

The lease liability, if any, is initially measured at the present value of the future lease payments at the commencement date, discounted using the Group's incremental borrowing rates. Lease payments included in the measurement of the lease liability include fixed payments, any variable lease payments, amount expected to be payable under a residual value guarantee, and exercise price under an extension option that the Group is reasonably certain to exercise.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, or if the Group changes its assessment of whether it will exercise an extension or termination option.

Lease payments associated with short term leases and leases of low value assets are recognised on a straight-line basis as an expense in profit or loss. Short term leases are leases with a lease term of 12 months or less. Low value assets are those assets valued at RM20,000 or less for each new purchase.

As a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance or an operating lease.

Notes To The Financial Statements (Cont'd)

31 December 2021



3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(g) Leases (Cont'd)

As a lessor (Cont'd)

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease.

If an arrangement contains lease and non-lease components, the Group applies MFRS 15 to allocate the consideration in the contract based on the stand-alone selling prices.

The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term either as part of “revenue” or “other operating income”.

(h) Earnings per share

Basic earnings per share (“EPS”) is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the financial year, adjusted for own shares held.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise free warrants granted to shareholders.

(i) Property, plant and equipment

Property, plant and equipment are measured at cost/valuation less accumulated depreciation and accumulated impairment losses.

(i) Recognition and measurement

Cost includes expenditures that are directly attributable to the acquisition of the assets and any other costs directly attributable to bringing the asset to working condition for its intended use, cost of replacing component parts of the assets, and the present value of the expected cost for the decommissioning of the assets after their use. The cost of self-constructed assets also includes the cost of materials and direct labour. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs. All other repair and maintenance costs are recognised in profit or loss as incurred.

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

The Group revalues its properties comprising land and buildings once every 5 years or at shorter intervals whenever the fair value of the revalued assets is expected to differ materially from their carrying values. Surpluses arising from revaluation are dealt with in the revaluation reserve account within equity. Any deficit arising is offset against the revaluation reserve to the extent of a previous increase for the same property. In all other cases, a decrease in carrying amount is recognised in profit or loss. When revalued assets are sold, the amounts included in the revaluation surplus reserve are transferred to retained earnings.

(ii) Subsequent costs

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

Notes To The Financial Statements (Cont'd)

31 December 2021

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(i) Property, plant and equipment (Cont'd)

(iii) Depreciation

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

Depreciation is recognised in profit or loss on straight-line basis over its estimated useful life of each component of an item of property, plant and equipment at the following annual rates:

Plant and machinery	10% - 20%
Commercial vehicles	6% - 20%
Motor vehicles	20%
Computer and software, renovation, office equipment, signboard and closed-circuit television ("CCTV")	10% - 20%

Leasehold land are amortised evenly over the remaining lease periods of 34 to 99 years. Buildings, including IPTT are amortised evenly over the remaining useful lives of 9.84 to 50 years.

Capital work-in-progress is stated at cost less any accumulated impairment losses and includes borrowing cost incurred during the period of construction.

No depreciation is provided on capital work-in-progress and upon completion of construction, the cost will be transferred to property, plant and equipment.

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

Fully depreciated property, plant and equipment are retained in the financial statements until they are no longer in use and no further charge for depreciation is made in respect of these property, plant and equipment.

(iv) Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the disposal is determined as the difference between the disposal proceeds and the carrying amount of the asset and is recognised in profit or loss.

(j) Investment properties

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both.

The Group uses the cost model to measure its investment properties after initial recognition. Accordingly, investment properties are stated at cost less accumulated depreciation and accumulated impairment losses.

Cost includes purchase price and any directly attributable costs incurred to bring the property to its present location and condition intended for use as an investment property. The cost of a self-constructed investment property includes the cost of material, direct labour and any other direct attributable costs. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs.

Buildings and IPTT are depreciated on straight-line basis over its remaining useful life of 50 years.

An investment property is derecognised on its disposal or when it is permanently withdrawn from use and no future economic benefits are expected from its disposal. Any gain or loss arising from derecognition of such property is recognised in profit or loss.

Notes To The Financial Statements (Cont'd)

31 December 2021



3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(j) Investment properties (Cont'd)

Transfers are made to or from investment property only when there is a change in use. When an entity uses the cost model, transfers between investment property and owner-occupied property do not change the carrying amount of the property transferred and they do not change the cost of that property for measurement or disclosure purposes.

(k) Goodwill

Goodwill is initially measured at cost, being excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

(l) Contract costs

Contract costs include the following:

(i) Incremental cost of obtaining a contract

The Group recognises incremental costs of obtaining contracts when the Group expects to recover these costs.

(ii) Cost to fulfil a contract

The Group recognises a contract cost that relates directly to a contract or to an anticipated contract as an asset when the cost generates or enhances resources of the Group, will be used in satisfying PO in the future and it is expected to be recovered.

These contract costs are initially measured at cost and amortised on a systematic basis that is consistent with the pattern of revenue recognition to which the asset relates. An impairment loss is recognised in profit and loss when the carrying amount of the contract cost exceeds the expected revenue less expected cost that will be incurred. Where the impairment condition no longer exists or has improved, the impairment loss is reversed to the extent that the carrying amount of the contract cost does not exceed the amount that would have been recognised had there been no impairment loss recognised previously.

(m) Inventories

Inventories are measured at the lower of cost and net realisable value.

The cost of inventories is measured based on *first-in, first-out (FIFO)*, and includes expenditures incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition.

Inventories are stated at the lower of cost and net realisable value. Costs are accounted for as follows:

- Cost of petrol and diesel comprises the original purchase price; and
- Cost of spare parts and groceries comprises the original purchase price plus cost incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Notes To The Financial Statements (Cont'd)

31 December 2021

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(n) Cash and cash equivalents

Cash and cash equivalents consist of cash at bank and on hand and fixed deposits with licensed banks that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. For the purpose of the statements of cash flows, cash and cash equivalents are presented net of bank overdraft and pledged deposits, if any.

(o) Financial instruments

(i) Initial recognition and measurement

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

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

(ii) Financial instrument categories and subsequent measurement

The Group and the Company categorise financial instruments as follows:

Financial assets

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

Amortised cost

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

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

All financial assets are subject to impairment assessment in accordance with Note 3(q)(i).

Financial liabilities

Amortised cost

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

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

Notes To The Financial Statements (Cont'd)

31 December 2021



3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(o) Financial instruments (Cont'd)

(iii) Offsetting of financial instruments

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

(iv) Derecognition

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

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged, cancelled or expires. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

(p) Contract assets

Contract asset is the right to consideration in exchange for goods or services transferred to the customers. The Group's contract asset is the excess of cumulative revenue earned over the billings to-date.

When there is objective evidence of impairment, the amount of impairment losses is determined by comparing the contract asset's carrying amount and the present value of estimated future cash flows to be generated by the contract asset.

Contract asset is reclassified to trade receivables at the point at which invoices have been billed to customers.

(q) Impairments

(i) Financial assets

The Group and the Company recognise loss allowances for expected credit losses ("ECLs") on financial assets measured at amortised cost, contract assets and lease receivables. ECLs are a probability-weighted estimate of credit losses.

Loss allowance of the Group and the Company are measured on either of the following bases:

- (a) 12-month ECLs - represents the ECLs that result from default events that are possible within the next 12 months after the end of the reporting period (or for a shorter period if the expected life of the instrument is less than 12 months); or
- (b) Lifetime ECLs - represents the ECLs that will result from all possible default events over the expected life of a financial instrument or contract asset.

The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Notes To The Financial Statements (Cont'd)

31 December 2021

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(q) Impairments (Cont'd)

(i) Financial assets (Cont'd)

Simplified approach - trade receivables, lease receivables and contract assets

The Group and the Company apply the simplified approach to provide ECLs for all trade receivables, lease receivables and contract assets as permitted by MFRS 9. The simplified approach required expected lifetime losses to be recognised from initial recognition of the receivables. The ECLs on these financial assets are estimated using a provision matrix based on the Group's and the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the end of the reporting period, including time value of money where applicable.

General approach - other financial instruments

The Group and the Company apply the general approach to provide for ECLs on all other financial instruments, which requires the loss allowance to be measured at an amount equal to 12-months ECLs at initial recognition.

At the end of each reporting period, the Group and the Company assess whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs. In assessing whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group and the Company consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's and the Company's historical experience and informed credit assessment and including forward looking information, where available.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The Group and the Company consider the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that a financial asset to be in default when:

- The borrower is unlikely to pay its credit obligations to the Group and the Company in full, without recourse by the Group and the Company to actions such as realising security (if any is held); or
- The financial asset is more than 1 year past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group and the Company are exposed to credit risk.

Credit impaired financial assets

At the end of each reporting period, the Group and the Company assess whether financial assets carried at amortised cost is credit impaired. A financial asset is credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit impaired includes the observable data about the following events:

- Significant financial difficulty of the borrower or issuer;
- A breach of contract such as a default or significant past due event (i.e. being more than 360 days past due);
- The lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower or a concession that the lender would not otherwise consider (eg. the restructuring of a loan or advance by the Group and the Company on terms that the Group and the Company would not consider otherwise);
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- The disappearance of an active market for security because of financial difficulties.

Notes To The Financial Statements (Cont'd)

31 December 2021



3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(q) Impairments (Cont'd)

(i) Financial assets (Cont'd)

Write-off policy

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

(ii) Non-financial assets

The carrying amounts of non-financial assets (excepts for inventories and deferred tax assets) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised immediately in profit or loss, unless the asset is carried at a revalued amount, in which such impairment loss is recognised directly against any revaluation surplus for the asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same asset. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups.

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

Except for goodwill, previously recognised impairment losses are assessed at the end of each reporting period whether there is any indication that the loss has decreased or no longer exist. An impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the assets does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for assets in prior years. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase. An impairment loss recognised for goodwill is not reversed.

(r) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group and of the Company after deducting all of their liabilities. Ordinary shares are equity instruments.

Ordinary shares

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

Warrants

The issuance of the ordinary shares upon exercise of warrants is treated as new subscription of ordinary shares for the consideration equivalent to the exercise price of the warrants. Upon exercise of warrants, the proceeds are credited to share capital.

There were no proceeds received by the Company arising from the bonus issue of warrants, accordingly, no allocation of proceeds is required to account for the fair value of warrants issued.

Notes To The Financial Statements (Cont'd)

31 December 2021

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(r) Equity instruments (Cont'd)

Treasury shares

When issued shares of the Company are repurchased, the consideration paid, including any attributable transaction cost is presented as a change in equity. Repurchased shares that have not been cancelled are classified as treasury shares and presented as a deduction from equity. No gain or loss is recognised in profit or loss on the sale, re-issuance or cancellation of treasury shares.

When treasury shares are re-issued by resale, the difference between the sales consideration and the carrying amount of the treasury shares is shown as a movement in equity.

(s) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

(t) Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the chief operating decision maker, which in this case is the Board of Directors of the Company, to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

(u) Fair value measurements

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

For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

When measuring the fair value of an asset or a liability, the Group and the Company use observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group and the Company can access at the measurement date.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Unobservable inputs for the asset or liability.

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

Notes To The Financial Statements (Cont'd)

31 December 2021



4. REVENUE

Revenue represents the Group's and the Company's revenue from contracts with customers which are recognised at a point in time and over time. The accounting policies for revenue recognition are detailed in Note 3(b) to the financial statements.

		Group		Company	
	Note	2021 RM	2020 RM	2021 RM	2020 RM
Income from:					
Operation of public transportation	(i)	24,174,156	25,510,276	-	-
Dividend income		-	-	23,036,557	19,076,120
IPTT operations	(ii)	89,576,621	70,954,842	-	-
Petrol station operations		24,756,265	22,901,174	-	-
Mining management operations		65,667	27,481	-	-
		138,572,709	119,393,773	23,036,557	19,076,120
Timing of recognition:					
- At a point in time		65,201,096	66,605,269	23,036,557	19,076,120
- Over time		73,371,613	52,788,504	-	-
		138,572,709	119,393,773	23,036,557	19,076,120

(i) Operation of public transportation

	Group	
	2021 RM	2020 RM
Bus fare income	1,352,452	3,964,275
Government support fund	14,397,439	13,109,434
Bus charter and advertising income	8,424,265	8,436,567
	24,174,156	25,510,276

Included in government support fund is government subsidy amounting to RM2,251,666 (2020: RM2,020,326).

(ii) IPTT operations

	Group	
	2021 RM	2020 RM
Rental income	49,165,499	30,857,607
Project facilitation fee	39,000,000	39,550,000
Entrance fee	15,000	33,300
Car park fee	77,379	156,520
Profit sharing from terminal management	218,743	357,415
Management fee	1,100,000	-
	89,576,621	70,954,842

Notes To The Financial Statements (Cont'd)

31 December 2021

5. INVESTMENT REVENUE

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Interest income from:				
Fixed deposits	200,752	315,753	180,504	264,635
Other investments	1,265	2,378	1,265	2,378
	<u>202,017</u>	<u>318,131</u>	<u>181,769</u>	<u>267,013</u>

6. OTHER OPERATING INCOME/(EXPENSES) AND EMPLOYEE BENEFITS EXPENSE

Included in other operating income/(expenses) are the following:

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Auditors' remuneration:				
- statutory audit	(141,000)	(140,000)	(52,000)	(52,000)
- other services	(5,000)	(5,000)	(5,000)	(5,000)
Amortisation of contract costs	(430,648)	(65,096)	-	-
Deposits forfeited	37,169	86,176	-	-
Expenses related to leases				
- short-term leases	(699,272)	(465,194)	-	-
- leases of low-value assets	(19,320)	(18,735)	-	-
Interest income from current account	279,051	183,393	261,462	96,754
Property, plant and equipment written off	-	(300)	-	-
Realised gain on foreign exchange	75	-	75	-
Rental income from investment property				
- building, machinery and spaces	4,543,674	4,017,556	-	-
Wage subsidy	<u>1,492,200</u>	<u>1,692,600</u>	<u>6,000</u>	<u>6,000</u>

Included in employee benefits expense of the Group and of the Company are contributions made to EPF of RM737,162 (2020: RM839,319) and RM Nil (2020: RM3,900) respectively.

Notes To The Financial Statements (Cont'd)

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7. DIRECTORS' REMUNERATION

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Salaries, allowances and bonuses	1,106,250	1,201,750	183,000	186,000
EPF contribution	149,940	169,892	13,990	17,140
Fees	277,171	228,000	277,171	228,000
	1,533,361	1,599,642	474,161	431,140
Analysed as:				
Present Directors	1,509,472	1,599,642	450,272	431,140
Past Director	23,889	-	23,889	-
	1,533,361	1,599,642	474,161	431,140

The estimated monetary value of benefits-in-kind received and receivable by the Directors other than in cash from the Group and from the Company amounted to RM59,900 (2020: RM45,404) and RM5,300 (2020: RM5,304) respectively.

8. FINANCE COSTS

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Bank charges, commitment fees and commission charges	1,658	999	316	470
Bank guarantee charges	6,334	6,641	-	-
Lease liabilities interest	250,699	366,364	-	-
Sukuk Murabahah interest:				
- Gross interest	9,592,490	12,609,829	9,592,490	12,609,829
- Less: Back-to-back charged to subsidiaries	-	-	(9,129,929)	(11,901,309)
	9,592,490	12,609,829	462,561	708,520
	9,851,181	12,983,833	462,877	708,990
Less: Capitalised to property, plant and equipment	(998,239)	-	-	-
	8,852,942	12,983,833	462,877	708,990

Notes To The Financial Statements (Cont'd)

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9. TAX (EXPENSE)/CREDIT

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Tax (expense)/credit comprise:				
Current tax:				
- Current year	(5,364,290)	(1,932,641)	-	-
- (Under)/Over provision in prior year	(9,077)	389,952	-	47,400
	<u>(5,373,367)</u>	<u>(1,542,689)</u>	<u>-</u>	<u>47,400</u>
Deferred tax (Note 17):				
Relating to origination and reversal of temporary differences:				
- Current year	(12,025,465)	(4,178,764)	-	-
- Over/(Under) provision in prior year	2,583,884	(1,475,912)	-	-
	<u>(9,441,581)</u>	<u>(5,654,676)</u>	<u>-</u>	<u>-</u>
Relating to crystallisation of deferred tax liabilities on revaluation surplus of properties:				
- Current year	232,623	226,510	-	-
	<u>(9,208,958)</u>	<u>(5,428,166)</u>	<u>-</u>	<u>-</u>
	<u>(14,582,325)</u>	<u>(6,970,855)</u>	<u>-</u>	<u>47,400</u>

The tax reconciliation from the tax amount at statutory income tax rate to the Group's and to the Company's tax (expense)/credit is as follows:

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Profit before tax	<u>67,807,704</u>	<u>49,017,250</u>	<u>20,798,969</u>	<u>16,981,350</u>
Tax at the Malaysian statutory income tax rate of 24%	(16,273,849)	(11,764,140)	(4,991,753)	(4,075,524)
Income not subject to tax	325,023	311,611	5,529,077	4,578,840
Expenses not deductible for tax purposes	(1,437,856)	(1,455,287)	(537,324)	(503,316)
Investment allowance claimed during the year	-	6,800,587	-	-
Deferred tax assets not recognised	(3,073)	(4,176)	-	-
Crystallisation of deferred tax liabilities on revaluation surplus of properties	232,623	226,510	-	-
Over/(Under) provision of deferred tax in prior year	2,583,884	(1,475,912)	-	-
(Under)/Over provision of current tax in prior year	(9,077)	389,952	-	47,400
Tax (expense)/credit for the financial year	<u>(14,582,325)</u>	<u>(6,970,855)</u>	<u>-</u>	<u>47,400</u>

Notes To The Financial Statements (Cont'd)

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9. TAX (EXPENSE)/CREDIT (Cont'd)

The Group has the following estimated unutilised tax losses, unutilised capital allowances and unutilised investment allowance available for set-off against future taxable profits as follows (stated at gross):

	Group		Company	
	2021 RM	(Restated) 2020 RM	2021 RM	2020 RM
Unutilised investment allowance	152,881,000	192,248,501	-	-
Unutilised tax losses	30,000	28,590	-	-
Unutilised capital allowances	-	440	-	-
	152,911,000	192,277,531	-	-

The deferred tax assets not recognised of the Group relate to unutilised tax losses of RM30,000 (2020: RM17,198).

The availability of tax losses will be subject to the Inland Revenue Board's discretion and approval to offset against future taxable profit.

As announced in the Malaysian Budget 2022, the unutilised tax losses will be allowed to be carried forward for 10 consecutive years of assessment ("YA") (previously 7 YAs) deemed to be effective from YA 2019.

10. EARNINGS PER ORDINARY SHARE

Basic earnings per ordinary share

Basic earnings per ordinary share for the financial year is calculated by dividing the profit after tax attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year, excluding treasury shares.

	Group	
	2021	2020
Profit after tax attributable to the owners of the Company (RM)	53,204,221	41,817,077
Weighted average number of ordinary shares (unit) ^		
Issued ordinary shares at 1 January	634,733,573	473,926,784
Effects of:		
Exercise of warrants	-	58,073,653
Shares buyback	-	(3,330,775)
	-	54,742,878
Weighted average number of ordinary shares at 31 December	634,733,573	528,669,662
Basic earnings per ordinary share (sen)	8.38	7.91

Diluted earnings per ordinary share

Diluted earnings per ordinary share for the financial year is calculated by dividing the profit after tax attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year, excluding treasury shares and adjusted for the effects of dilutive potential ordinary shares.

Notes To The Financial Statements (Cont'd)

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10. EARNINGS PER ORDINARY SHARE (Cont'd)

	Group	
	2021	2020
Profit after tax attributable to the owners of the Company (RM)	53,204,221	41,817,077
Weighted average number of ordinary shares (unit) ^		
Issued ordinary shares at 1 January	634,733,573	473,926,784
Effects of:		
Exercise of warrants	-	58,073,653
Shares buyback	-	(3,330,775)
	-	54,742,878
Effect of dilution:		
Conversion/Exercise of warrants	-#	-*
Weighted average number of ordinary shares at 31 December	634,733,573	528,669,662
Diluted earnings per ordinary share (sen)	8.38	7.91

^ Weighted average number of ordinary shares in issue has been adjusted to reflect the adjustments arising from the share consolidation, which was completed on 18 January 2021 (Note 23a) with the comparatives being restated accordingly.

* Not applicable as all unexercised Warrants 19/09/2020 have expired on 18 September 2020.

The Warrants B are anti-dilutive in nature.

31 December 2021



Notes To The Financial Statements (Cont'd)

31 December 2021

11. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

	<----- At Valuation ----->			<----- At Cost ----->							
	Leasehold land RM	Buildings^ RM	IPTT-TMR RM	Leasehold land RM	IPTT-KPS* RM	Plant and machinery RM	Commercial vehicles RM	Motor vehicles RM	Computer and software, renovation, office equipment, signboard and CCTV RM	Capital work-in-progress RM	Total RM
Group											
2020											
At cost/valuation											
At 1 January	62,065,000	16,524,094	193,500,000	-	49,494,479	10,302,521	55,176,420	2,839,368	4,632,180	174,526,932	569,060,994
Additions	-	-	54,887,500	2,561,844	-	3,882,684	-	-	9,056	63,331,098	124,672,182
Written off	-	-	-	-	-	-	-	(476,429)	(988)	-	(477,417)
Transfer to investment properties (Note 12)	-	-	-	-	(79,116,887)	-	-	-	-	-	(79,116,887)
Reclassification	-	-	-	-	230,930,160	-	-	-	-	(230,930,160)	-
At 31 December	62,065,000	16,524,094	248,387,500	2,561,844	201,307,752	14,185,205	55,176,420	2,362,939	4,640,248	6,927,870	614,138,872
Accumulated depreciation											
At 1 January	324,734	184,512	1,872,387	-	-	3,883,118	22,140,195	1,986,130	1,272,270	-	31,663,346
Charge for the financial year	779,362	536,467	5,057,594	25,877	1,677,565	2,008,007	4,477,914	207,169	464,703	-	15,234,658
Written off	-	-	-	-	-	-	-	(476,426)	(691)	-	(477,117)
At 31 December	1,104,096	720,979	6,929,981	25,877	1,677,565	5,891,125	26,618,109	1,716,873	1,736,282	-	46,420,887
Carrying amount											
At 31 December	60,960,904	15,803,115	241,457,519	2,535,967	199,630,187	8,294,080	28,558,311	646,066	2,903,966	6,927,870	567,717,985

[^] As at 31 December 2020, the title of a building of the Group with carrying amount of RM7,352,400 is in the process of being registered in the name of its subsidiary.

* The completion of the construction of the IPTT-KPS is near to financial year end which the Directors opined that the market value is not expected to differ materially from the carrying amount.

Notes To The Financial Statements (Cont'd)

31 December 2021



11. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

	Motor vehicle RM
Company	
2021	
At cost	
At 1 January/31 December	<u>166,970</u>
Accumulated depreciation	
At 1 January/31 December	<u>166,969</u>
Carrying amount	<u>1</u>
2020	
At cost	
At 1 January/31 December	<u>166,970</u>
Accumulated depreciation	
At 1 January/31 December	<u>166,969</u>
Carrying amount	<u>1</u>

Right-of-use assets

The Group leases several assets and the information about leases of the Group as lessee is presented below:

	Leasehold land RM	Motor vehicles RM	Plant and machinery RM	Total RM
2021				
Carrying amount				
At 1 January	63,496,871	645,080	4,718,889	68,860,840
Addition	-	346,059	-	346,059
Depreciation	(805,239)	(266,614)	(550,966)	(1,622,819)
At 31 December	<u>62,691,632</u>	<u>724,525</u>	<u>4,167,923</u>	<u>67,584,080</u>
2020				
Carrying amount				
At 1 January	61,740,266	848,252	1,329,117	63,917,635
Addition	2,561,844	-	3,880,624	6,442,468
Written off	-	(1)	-	(1)
Depreciation	(805,239)	(203,171)	(490,852)	(1,499,262)
At 31 December	<u>63,496,871</u>	<u>645,080</u>	<u>4,718,889</u>	<u>68,860,840</u>

Notes To The Financial Statements (Cont'd)

31 December 2021

11. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

Right-of-use assets (Cont'd)

The leasehold land generally have lease terms between 34 to 99 years. Motor vehicles and plant and machinery have lease terms of 10 years.

The motor vehicles and plant and machinery are acquired under lease arrangement and are pledged as security for the related lease liabilities (Note 26).

Assets pledged as security

As at 31 December 2021, leasehold land and both IPTT at TMR and KPS of the Group with carrying amount of RM516,221,365 (2020: RM479,968,205) are pledged to a financial institution for banking facility granted to the Company as disclosed in Note 26.

Assets held in trust

The Group has commercial vehicles with carrying amount of RM5,359,861 (2020: RM6,035,318) being registered under the names of other permit holders who hold the commercial vehicles in trust for the Group. The Group has been granted the rights to use the Operators' Licenses held by other permit holders to operate certain bus routes.

Capitalisation of borrowing costs

Included in additions of the Group during the financial year are capitalised borrowing costs amounting to RM998,239 (2020: RM Nil).

Revaluation of leasehold land, buildings and IPTT-TMR

Leasehold land, buildings and IPTT were last revalued on 31 July 2019 based on valuations performed by registered independent valuers having an appropriate recognised professional qualification and recent experience in the location and category of the properties being valued.

Leasehold land and a building's revaluation amounts were arrived at by reference to market evidence of transaction prices for similar properties.

The revaluation amounts of buildings other than the building stated above were determined based on depreciated replacement cost method where there is a building erected upon the land by estimating the cost of constructing a new similar building and deducting therefrom all the depreciation due to physical, design and economic obsolescence.

The IPTT-TMR's revaluation amount was arrived at using the profit method by converting future income and expenses to a single discounted amount and taking into consideration the remaining lease period of the property.

The revaluation amounts of the leasehold land, buildings and IPTT-TMR are categorised at Level 3 of the fair value hierarchy and were estimated using observable inputs for the properties.

Notes To The Financial Statements (Cont'd)

31 December 2021



11. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

Revaluation of leasehold land, buildings and IPTT-TMR (Cont'd)

If the leasehold land, buildings and IPTT-TMR currently carried at valuation were measured using the cost model, the carrying amounts would have been as follows:

	Group	
	2021 RM	2020 RM
Leasehold land:		
At cost	18,159,073	18,159,073
Less: Accumulated depreciation	(1,662,160)	(1,432,740)
	<u>16,496,913</u>	<u>16,726,333</u>
Buildings:		
At cost	13,796,516	13,796,516
Less: Accumulated depreciation	(1,917,110)	(1,609,554)
	<u>11,879,406</u>	<u>12,186,962</u>
IPTT-TMR:		
At cost	204,998,041	204,998,041
Less: Accumulated depreciation	(31,050,300)	(26,884,160)
	<u>173,947,741</u>	<u>178,113,881</u>

12. INVESTMENT PROPERTIES

	IPTT-KPS RM	Building RM	Total RM
Group			
2021			
At cost			
At 1 January/31 December	<u>79,116,887</u>	<u>6,636,056</u>	<u>85,752,943</u>
Accumulated depreciation			
At 1 January	659,307	401,475	1,060,782
Charge for the financial year	1,582,337	132,721	1,715,058
At 31 December	<u>2,241,644</u>	<u>534,196</u>	<u>2,775,840</u>
Carrying amount	<u>76,875,243</u>	<u>6,101,860</u>	<u>82,977,103</u>
At fair value	<u>83,000,000</u>	<u>6,900,000</u>	<u>89,900,000</u>

Notes To The Financial Statements (Cont'd)

31 December 2021

12. INVESTMENT PROPERTIES (Cont'd)

	IPTT-KPS RM	Building RM	Total RM
Group			
2020			
At cost			
At 1 January	-	6,636,056	6,636,056
Transfer from property, plant and equipment (Note 11)	79,116,887	-	79,116,887
At 31 December	<u>79,116,887</u>	<u>6,636,056</u>	<u>85,752,943</u>
Accumulated depreciation			
At 1 January	-	297,174	297,174
Charge for the financial year	659,307	104,301	763,608
At 31 December	<u>659,307</u>	<u>401,475</u>	<u>1,060,782</u>
Carrying amount	<u>78,457,580</u>	<u>6,234,581</u>	<u>84,692,161</u>
At fair value	<u>78,732,005</u>	<u>6,526,000</u>	<u>85,258,005</u>

The investment properties are held to earn rental income and for capital appreciation.

The strata titles of the building are still in the process of registering in the name of the Group.

The following are the operating income and expenses in respect of the investment properties:

	Group	
	2021 RM	2020 RM
Rental income:		
- IPTT-KPS	8,180,288	-
- Building	480,000	480,000
Direct operating expenses	<u>365,306</u>	<u>80,701</u>

As at 31 December 2021, IPTT-KPS with carrying amount of RM76,875,243 (2020: RM78,457,580) are pledged to a licensed financial institution for banking facilities granted to the Company as disclosed in Note 26.

The fair values of the investment properties were determined based on the Directors' best estimate and categorised at Level 3 of the fair value hierarchy.

Notes To The Financial Statements (Cont'd)

31 December 2021



13. CONTRACT COSTS

	Costs to obtain contracts	
	2021 RM	2020 RM
Group		
At cost		
At 1 January	600,000	-
Addition	3,050,000	600,000
At 31 December	<u>3,650,000</u>	<u>600,000</u>
Accumulated amortisation		
At 1 January	65,096	-
Current charge	430,648	65,096
At 31 December	<u>495,744</u>	<u>65,096</u>
Carrying amount	<u>3,154,256</u>	<u>534,904</u>

The Group incurred costs to obtain several contracts and can be further analysed into the following operations:

	Note	Group	
		2021 RM	2020 RM
Carrying amount:			
Mining management operation		414,904	534,904
Terminal management system operation	37(a)	<u>2,739,352</u>	<u>-</u>
		<u>3,154,256</u>	<u>534,904</u>

The costs to obtain contracts are amortised over the period of 5 - 9 years according to the tenure of the agreements with the relevant parties.

14. INVESTMENT IN SUBSIDIARIES

	Company	
	2021 RM	2020 RM
Unquoted shares at cost:		
At 1 January	151,937,447	135,772,347
Additions	2	16,165,100
At 31 December	<u>151,937,449</u>	<u>151,937,447</u>

Notes To The Financial Statements (Cont'd)

31 December 2021

14. INVESTMENT IN SUBSIDIARIES (Cont'd)

Details of the subsidiaries are as follows:

Name of Company	Country of Incorporation	Effective equity interest		Principal activities
		2021 %	2020 %	
CKS Labur Sdn. Bhd.	Malaysia	100	100	Petrol station operator.
Ipoh Link Sdn. Bhd.	Malaysia	100	100	Providing management services for bus operation.
Syarikat Sumber Manusia Sdn. Bhd.	Malaysia	100	100	Providing human resource management services.
Terminal Urus Sdn. Bhd. ("TUSB")	Malaysia	100	100	Bus terminal management.
The Combined Bus Services Sdn. Bhd. ("TCBS")	Malaysia	99.96	99.96	Operators of bus terminal, petrol station, public transportation and leasing of plant and equipment.
Star Kensington Sdn. Bhd. ("SKSB")	Malaysia	100	99.99	Petrol station operator.
CKS Bumi Sdn. Bhd. ("CKSB")	Malaysia	100	99.99	Bus operator, operator of petrol station and providing management services.
PTRANS Resources Sdn. Bhd. ("PRSB")	Malaysia	100	100	Project management services in mining management operations.

2021

Acquisition of additional interest in subsidiaries

On 23 April 2021, the Company had:

- acquired 1 ordinary share in SKSB, representing 0.01% equity interest in SKSB from a non-controlling interest for a total consideration of RM1, and
- acquired 1 ordinary share in CKSB, representing 0.01% equity interest in CKSB from a non-controlling interest for a total consideration of RM1.

Consequently, both companies became wholly-owned subsidiaries of the Company

2020

(a) Incorporation of a subsidiary

On 15 April 2020, the Company incorporated a subsidiary, PRSB with a paid-up capital of 100 ordinary shares, totalling RM100 of which the Company holds 100% equity interest.

b) Additional subscription of shares in a subsidiary

The Company has on 31 December 2020 subscribed for an additional 16,000,000 new ordinary shares in TCBS as satisfaction of RM16,000,000 owing from TCBS.

Notes To The Financial Statements (Cont'd)

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14. INVESTMENT IN SUBSIDIARIES (Cont'd)

2020 (Cont'd)

(c) Acquisition of additional interest in subsidiaries

On 8 October 2020, the Company acquired 15,000 ordinary shares in SKSB, representing 4.28% equity interest in SKSB from a non-controlling interest for a total consideration of RM15,000.

On 31 December 2020, the Company acquired 150,000 ordinary shares in CKSB, representing 30% equity interest in CKSB from a non-controlling interest for a total consideration of RM150,000.

The non-controlling interests ("NCI") at the end of the reporting period comprise the following:

	TCBS	SKSB	CKSB	Total
2021				
NCI percentage of ownership and voting interest	0.04%	-	-	
Carrying amount of NCI (RM)	142,234	-	-	142,234
Profit allocated to NCI (RM)	21,158	-	-	21,158
Total comprehensive income allocated to NCI (RM)	21,158	-	-	21,158
2020				
NCI percentage of ownership and voting interest	0.04%	0.01%	0.01%	
Carrying amount of NCI (RM)	129,519	333	512	130,364
Profit allocated to NCI (RM)	16,768	(786)	213,336	229,318
Total comprehensive income allocated to NCI (RM)	16,768	(786)	213,336	229,318

Summarised financial information before intragroup elimination

	TCBS RM	SKSB RM	CKSB RM
At 31 December 2021			
Non-current assets	703,408,364	-	-
Current assets	51,549,432	-	-
Non-current liabilities	(214,057,939)	-	-
Current liabilities	(185,448,287)	-	-
Net assets	355,451,570	-	-
For the financial year ended 31 December 2021			
Revenue	112,956,707	-	-
Profit for the financial year	52,894,654	-	-
Total comprehensive income	52,894,654	-	-
Cash flows from/(used in):			
Operating activities	103,137,837	-	-
Investing activities	(83,977,069)	-	-
Financing activities	(9,223,090)	-	-
Dividends to NCI	8,443	-	-

Notes To The Financial Statements (Cont'd)

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14. INVESTMENT IN SUBSIDIARIES (Cont'd)

	TCBS RM	SKSB RM	CKSB RM
At 31 December 2020			
Non-current assets	630,068,899	3,297,119	10,204,897
Current assets	55,419,827	1,862,766	1,737,338
Non-current liabilities	(186,592,572)	(1,608,488)	(2,643,310)
Current liabilities	(175,099,238)	(224,957)	(4,181,412)
Net assets	<u>323,796,916</u>	<u>3,326,440</u>	<u>5,117,513</u>
For the financial year ended 31 December 2020			
Revenue	96,702,486	4,925,018	11,680,609
Profit for the financial year	41,919,545	39,128	711,119
Total comprehensive income	41,919,545	39,128	711,119
Cash flows from/(used in):			
Operating activities	55,905,725	331,940	1,045,694
Investing activities	(119,180,404)	8,420	2,702
Financing activities	<u>53,892,384</u>	<u>(382,489)</u>	<u>(813,815)</u>
Dividends to NCI	<u>7,880</u>	<u>-</u>	<u>-</u>

15. AMOUNTS DUE FROM SUBSIDIARIES

	Company	
	2021 RM	2020 RM
Interest bearing at KLIBOR + 1.85% per month	244,414,024	233,203,561
Non-interest bearing	113,994,181	105,270,455
	<u>358,408,205</u>	<u>338,474,016</u>
Analysed as:		
Repayable within one year	165,818,170	157,913,502
Repayable between one and two years	50,782,644	39,497,613
Repayable between two and five years	109,345,296	129,777,868
Repayable more than five years	32,462,095	11,285,033
	<u>192,590,035</u>	<u>180,560,514</u>
	<u>358,408,205</u>	<u>338,474,016</u>

The interest bearing portion is related to the advances extended to certain subsidiaries for the purpose of redemption of the subsidiaries' borrowings in the previous financial years and to finance a subsidiary's capital expenditure requirement at terminals and the subsidiary's working capital requirement by using the proceeds from issuance of Sukuk Murabahah (Note 26).

Non-interest bearing portion is repayable on demand whereas the interest bearing portion is repayable over 7 years. Both balances are non-trade and unsecured.

Notes To The Financial Statements (Cont'd)

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16. GOODWILL

	Group	
	2021 RM	2020 RM
At cost		
1 January/31 December	1,622,631	1,622,631

Goodwill acquired in a business combination is allocated, at acquisition date, to the cash-generating units ("CGUs") that are expected to benefit from the business combinations. The Group considers each subsidiary acquired as a single CGU and the carrying amounts of goodwill were allocated to the respective subsidiaries.

Goodwill on consolidation arose from the acquisition of four (4) direct subsidiaries, namely Ipoh Link Sdn. Bhd., CKS Bumi Sdn. Bhd., CKS Labur Sdn. Bhd. and Terminal Urus Sdn. Bhd. because the consideration paid for the combination included a control premium. In addition, the consideration paid for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth, future market development and the assembled workforce of the subsidiaries. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

None of the goodwill arising on these acquisitions is deductible for tax purposes.

During the financial year, the Group performed goodwill impairment testing and no impairment loss is required to be recognised as the recoverable amounts are higher than the respective carrying amounts.

The recoverable amounts of the CGUs were based on value-in-use calculations. The calculations were determined using projected cash flows for a five-year period and by extrapolation using the growth rate based on historical experience, management's assessment of future trends and expectation of market development in the respective industries.

The key assumptions used in the preparation of the projected cash flows are as follows:

- (i) Pre-tax discount rates is 10.60% (2020: 8.59%);
- (ii) There will be no material changes in the structure and principal activities of the subsidiaries;
- (iii) Subsidiaries currently operating petrol stations will continue to operate under respective agreements entered with fuel producers for the duration of the forecast;
- (iv) Projected growth rate of 2% - 5% (2020: 2%) per annum;
- (v) There will not be any significant changes in the prices and supply of raw materials, wages and other related costs, resulting from industrial dispute, adverse changes in economic conditions or other abnormal factors, which will adversely affect the operations of the Group; and
- (vi) Receivables and payables turnover periods are estimated to be consistent with the current financial year.

17. DEFERRED TAX ASSETS/(LIABILITIES)

	Group	
	2021 RM	2020 RM
Deferred tax assets	-	1,515,536
Deferred tax liabilities	(10,265,699)	(2,572,277)
	(10,265,699)	(1,056,741)

Notes To The Financial Statements (Cont'd)

31 December 2021

17. DEFERRED TAX ASSETS/(LIABILITIES) (Cont'd)

The movement of net deferred tax assets/(liabilities) are as follows:

	Group	
	2021 RM	2020 RM
At 1 January	(1,056,741)	4,371,425
Recognised in profit or loss (Note 9)	(9,208,958)	(5,428,166)
At 31 December	<u>(10,265,699)</u>	<u>(1,056,741)</u>

The recognised deferred tax assets/(liabilities) before offsetting are as follows:

	Unutilised investment allowance RM	Unutilised tax losses and unutilised capital allowances RM	Property, plant and equipment RM	Revaluation surplus of properties RM	Total RM
Group					
2021					
At 1 January	43,773,659	2,804	(31,243,231)	(13,589,973)	(1,056,741)
Recognised in profit or loss	(7,082,154)	(2,804)	(2,356,623)	232,623	(9,208,958)
At 31 December	<u>36,691,505</u>	<u>-</u>	<u>(33,599,854)</u>	<u>(13,357,350)</u>	<u>(10,265,699)</u>
2020					
At 1 January	39,547,101	-	(21,359,193)	(13,816,483)	4,371,425
Recognised in profit or loss	4,226,558	2,804	(9,884,038)	226,510	(5,428,166)
At 31 December	<u>43,773,659</u>	<u>2,804</u>	<u>(31,243,231)</u>	<u>(13,589,973)</u>	<u>(1,056,741)</u>

Deferred tax assets and liabilities are offset above where there is legally enforceable right to set off current tax assets against current tax liabilities and where the deferred taxes relate to the same taxation authority.

The Group has recognised the deferred tax assets based on the current level of operations of a subsidiary and the probability that sufficient taxable profit will be generated in the future against which the deferred tax assets can be utilised.

18. INVENTORIES

	Group	
	2021 RM	2020 RM
At cost:		
Spare parts	106,031	121,431
Trading goods:		
Petrol and diesel fuel	570,476	544,961
Groceries	172,917	204,738
	<u>849,424</u>	<u>871,130</u>

The Group recognised inventories as cost of sales amounted to RM23,553,164 (2020: RM21,491,012).

Notes To The Financial Statements (Cont'd)

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19. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Trade receivables	32,288,970	44,809,262	-	-
Other receivables	965,641	770,117	1,200	-
	33,254,611	45,579,379	1,200	-

Trade receivables of the Group comprise amounts receivables for the sales of goods and services rendered. The trade transactions are either on cash term or credit terms which ranged from 30 to 120 days (2020: 60 to 120 days).

Included in other receivables is lease receivables with credit period of 90 days (2020: 90 days).

In the previous financial year, included in other receivables was a non-interest bearing deposit amounting to RM115,000 placed with a licensed bank for the Group's bank guarantee facility.

20. CONTRACT ASSETS

	Group	
	2021 RM	2020 RM
Government support fund	360,000	304,500

The contract assets relate to the Group's rights to the government support fund arising from the stage bus services provided up to the end of the reporting period but yet to be approved by the government.

21. OTHER ASSETS

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Refundable deposits	1,099,318	1,362,317	4,500	4,500
Non-refundable deposits	28,354	290,368	-	-
Prepayments	1,624,806	1,388,932	114,381	120,200
Dividend receivable	-	-	5,803,292	4,394,030
	2,752,478	3,041,617	5,922,173	4,518,730

As at 31 December 2021, included in refundable deposits are non-interest bearing deposits paid for bank guarantee amounting to RM495,000 (2020: RM497,000).

Notes To The Financial Statements (Cont'd)

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22. FIXED DEPOSITS WITH LICENSED BANKS

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Encumbered	13,452,932	9,759,206	12,678,010	8,997,954
Unencumbered	347,528	519,980	29,078	29,078
	13,800,460	10,279,186	12,707,088	9,027,032

The encumbered fixed deposits are pledged to licensed banks as security for bank guarantee facilities granted to certain subsidiaries and the Sukuk Murabahah facility granted to the Company.

The effective interest rates of the Group's and of the Company's deposits range from 1.55% to 1.95% (2020: 1.55% to 3.00%) per annum.

23. SHARE CAPITAL

	Group and Company			
	Number of ordinary shares with no par value		Amount	
	2021 Unit	2020 Unit	2021 RM	2020 RM
Issued and fully paid:				
At 1 January	1,935,400,717	1,422,780,350	287,556,892	167,092,924
Exercise of warrants	-	512,620,367	-	120,465,786
Transaction costs of share issue	-	-	-	(1,818)
Share consolidation	(1,290,267,145)	-	-	-
At 31 December	645,133,572	1,935,400,717	287,556,892	287,556,892

(a) Ordinary shares

On 18 January 2021, the Company has completed the proposed share consolidation which involves the consolidation of every three (3) existing shares in the Company into one (1) share following the listing of and quotation for 645,133,572 consolidated shares (inclusive of 10,399,999 consolidated treasury shares).

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 and rank equally with regards to the Group's and the Company's residual assets.

(b) Detachable Warrants

Warrants B

The Company has issued 158,682,251 free warrants ("Warrants B") on the basis of 1 warrant for every 4 existing ordinary shares in the Company pursuant to the bonus issue of free warrants and completed the exercise following the listing of and quotation for the warrants on the Main Market of Bursa Malaysia Securities Berhad on 11 August 2021.

All the warrants issued are constituted under a Deed Poll executed by the Company.

Notes To The Financial Statements (Cont'd)

31 December 2021



23. SHARE CAPITAL (Cont'd)

(b) Detachable Warrants (Cont'd)

Warrants B (Cont'd)

The movement in Warrants B is as follows:

	Group and Company	
	2021 Unit	2020 Unit
At 1 January	-	-
Bonus issue	158,682,251	-
At 31 December	158,682,251	-

The salient features of the Warrants B are as follows:

- (i) Each warrant entitles the registered holder, at any time during the exercise period to subscribe for one (1) ordinary share at an exercise price of RM0.75 each, subject to adjustments in accordance with the provisions of the Deed Poll;
- (ii) The warrants may be exercisable at any time within a period of five (5) years commencing from and including the date of issuance of the warrants and ending at 5pm on the expiry date i.e. 2 August 2026. The expiry date is a day falling immediately before the 5th anniversary of the date of issuance of the warrant and if such date is not a market day, then on the preceding market day; and
- (iii) The warrant holders are not entitled to any voting rights or to participate in any form of distribution and/or offer of securities in the Company other than on winding-up, compromise or arrangement of the Company until and unless such warrant holders exercise their warrants into new ordinary shares of the Company.

Warrants 19/09/2020

All the Warrants 19/09/2020 issued are constituted under a Deed Poll executed by the Company. The outstanding unexercised warrants have expired on 18 September 2020.

The movement in Warrants 19/09/2020 is as follows:

	Group and Company	
	2021 Unit	2020 Unit
At 1 January	-	531,436,450
Addition	-	(512,620,367)
Exercised	-	(18,816,083)
At 31 December	-	-

The salient features of the Warrants 19/09/2020 were as follows:

- (i) Each warrant entitles the registered holder, at any time during the exercise period to subscribe for one (1) ordinary share at an exercise price of RM0.235 each, subject to adjustments in accordance with the provisions of the Deed Poll;
- (ii) The warrants may be exercisable at any time within a period of three (3) years commencing from and including the date of issuance of the warrants and ending at 5pm on the expiry date i.e. 19 September 2020. The expiry date is a day falling immediately before the 3rd anniversary of the date of issuance of the warrant and if such date is not a market day, then on the preceding market day; and
- (iii) The warrant holders are not entitled to any voting rights or to participate in any form of distribution and/or offer of securities in the Company other than on winding-up, compromise or arrangement of the Company until and unless such warrant holders exercise their warrants into new ordinary shares of the Company.

Notes To The Financial Statements (Cont'd)

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24. TREASURY SHARES

This amount represents the acquisition cost of treasury shares.

The shareholders of the Company, by a resolution passed at the Annual General Meeting held on 24 September 2020, approved the renewal of the Company's plan and mandate to authorise the Directors of the Company to buy back its own shares up to 10% of the existing total issued and paid-up share capital.

During the previous financial year, the Company has repurchased 30,200,000 of its issued ordinary shares from the open market at an average price of RM0.2554 per ordinary share.

The repurchase transactions were financed by internally generated funds. The shares repurchased are being held as treasury shares in accordance with Section 127(4)(b) of the Companies Act 2016 in Malaysia.

As at 31 December 2021, the Company held a total of 10,399,999 (2020: 31,200,000) treasury shares out of its 645,133,572 (2020: 1,935,400,717) issued ordinary shares. The treasury shares are held at a carrying amount of RM7,943,806 (2020: RM7,943,806). Following the share consolidation exercise as disclosed in Note 23(a), the treasury shares held had been adjusted accordingly.

Treasury shares have no rights to voting, dividends and participation in other distribution.

25. PROPERTY REVALUATION RESERVE

The revaluation reserve represents increases in fair value of property, plant and equipment, net of tax and is non-distributable by way of dividend payment.

26. BORROWINGS

		Group		Company	
	Note	2021 RM	2020 RM	2021 RM	2020 RM
Secured:					
Lease liabilities	(a)	3,032,559	3,875,505	-	-
Sukuk Murabahah (“Sukuk”)	(b)	292,000,000	222,000,000	292,000,000	222,000,000
		295,032,559	225,875,505	292,000,000	222,000,000
Analysed as:					
Current liabilities					
- within one year		43,136,338	31,049,210	42,000,000	30,000,000
Non-current liabilities					
- one to two years		54,655,001	43,043,332	54,000,000	42,000,000
- two to five years		102,241,220	103,681,714	101,000,000	102,000,000
- more than five years		95,000,000	48,101,249	95,000,000	48,000,000
		251,896,221	194,826,295	250,000,000	192,000,000
		295,032,559	225,875,505	292,000,000	222,000,000

Notes To The Financial Statements (Cont'd)

31 December 2021



26. BORROWINGS (Cont'd)

At the end of the reporting period, the effective profit/interest rates per annum of the borrowings are as follows:

	Group		Company	
	2021 %	2020 %	2021 %	2020 %
Lease liabilities	3.09 - 7.34	3.09 - 7.34	-	-
Sukuk	3.74	3.70 - 4.79	3.74	3.70 - 4.79

(a) Lease liabilities

	Group	
	2021 RM	2020 RM
Minimum lease payments:		
Repayable within one year	1,321,729	1,291,717
Repayable between one and two years	768,869	1,222,213
Repayable between two and five years	1,344,886	1,895,489
Repayable more than five years	-	102,178
	3,435,484	4,511,597
Less: Future finance charges	(402,925)	(636,092)
Present value of lease liabilities	3,032,559	3,875,505
Present value of lease liabilities:		
Repayable within one year (current)	1,136,338	1,049,210
Repayable between one and two years	655,001	1,043,332
Repayable between two and five years	1,241,220	1,681,714
Repayable more than five years	-	101,249
Repayable after one year (non-current)	1,896,221	2,826,295
	3,032,559	3,875,505

(b) Sukuk

In the financial year ended 31 December 2019, the Company established a Sukuk Murabahah Programme ("Sukuk") with a total nominal value of RM500 million, which is structured based on the Shariah Principle of Murabahah (via a Tawarruq arrangement) and has a tenure of fifteen (15) years from the date of the first issuance of the Sukuk. In the same financial year, the Company had issued the first tranche unrated Sukuk in nominal value totalling RM300 million.

On 20 August 2021, the Company has issued the second tranche unrated Sukuk in nominal value totalling RM100 million.

The Sukuk is secured by the following:

- (i) First legal charge over certain properties of the Group (Notes 11 and 12);
- (ii) Charge over the shares of TCBS;
- (iii) All monies debenture over present and future assets and properties of TCBS;
- (iv) Pledge of the Company's fixed deposits (Note 22);

Notes To The Financial Statements (Cont'd)

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26. BORROWINGS (Cont'd)

(b) Sukuk (Cont'd)

- (v) Assignment over the first 50% proceeds received upon exercise of the remaining warrants to be utilised towards the repayment of the Sukuk;
- (vi) Assignment over the present and future rental proceeds from the customers of IPTT; and
- (vii) Assignment over the rights, titles, interests and benefits in and under the insurance policies taken up in relation to pledged assets (Notes 11 and 12).

27. DEFERRED CAPITAL GRANTS

	Group	
	2021 RM	2020 RM
At 1 January	8,383,200	8,582,800
Add: Government grant received during the year	8,014,000	-
	16,397,200	8,582,800
Less: Amortised for the financial year	(359,880)	(199,600)
At 31 December	16,037,320	8,383,200
Analysed as:		
Deferred capital grants	16,037,320	8,383,200
Less: Amount due within one year (shown under current liabilities)	(359,880)	(199,600)
Non-current portion	15,677,440	8,183,600

Deferred capital grants are in respect of a government grant provided to the Group for the construction of both the IPTT at TMR and KPS. The grants are recognised in profit or loss on a systematic basis over the useful life of the IPTT, which is 50 years.

28. TRADE AND OTHER PAYABLES

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Trade payables	993,040	747,171	-	-
Other payables	8,104,602	8,320,843	108,754	358,495
	9,097,642	9,068,014	108,754	358,495

Trade payables of the Group comprised amount outstanding for trade purchases. The terms granted to the Group for trade purchases are either on cash term or credit terms which ranged from 30 to 90 days (2020: 30 to 90 days). These amounts are non-interest bearing. The Group and the Company have financial risk management policies to ensure that all payables are paid within the pre-agreed credit terms.

The other payables of the Group comprised mainly the balance of cost to obtain a contract owing to the collaboration partner pertaining to terminal management system operation (Note 13), additional costs for upgrading IPTT-TMR, service tax payables and balance payment to the vendor of land acquired.

The other payables are unsecured and non-interest bearing.

Notes To The Financial Statements (Cont'd)

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29. OTHER LIABILITIES

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Rental received in advance	-	5,000	-	-
Refundable deposits	8,577,158	7,113,351	-	-
Dividend payable				
- owners of the Company	5,236,553	4,760,501	5,236,553	4,760,501
- non-controlling interests	2,308	1,970	-	-
Accruals	1,752,580	1,681,400	160,244	137,100
	15,568,599	13,562,222	5,396,797	4,897,601

Deposits received of the Group comprise mainly refundable deposits received from certain trade receivables of the Group as security deposits for trade transactions. Accruals include the unbilled cost to obtain a contract pertaining to mining management operation (Note 13).

30. DIVIDENDS

	Per ordinary share Sen	Total amount RM	Date of payment
2021			
In respect of financial year ended 31 December 2021:			
- First interim single tier dividend	0.80	5,077,850	21 May 2021
- Second interim single tier dividend	0.80	5,077,850	23 August 2021
- Third interim single tier dividend	0.80	5,077,850	18 November 2021
- Fourth interim single tier dividend	0.825	5,236,553	15 February 2022
		20,470,103	
2020			
In respect of financial year ended 31 December 2020:			
- First interim single tier dividend	0.25	3,549,450	20 May 2020
- Special single tier dividend	0.25	4,352,357	15 September 2020
- Second interim single tier dividend	0.25	4,768,501	9 November 2020
- Third interim single tier dividend	0.25	4,760,501	12 January 2021
		17,430,809	

31. RELATED PARTIES DISCLOSURES

(a) Identity of related parties

For the purpose of these financial statements, parties are considered to be related to the Group and the Company if the Group and the Company have the ability to directly control the parties or exercise significant influence over the parties in making financial and operating decision, or vice versa, or where the Group and the Company and the parties are subject to common control or common significant influence. Related parties may be individuals or other entities.

Notes To The Financial Statements (Cont'd)

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31. RELATED PARTIES DISCLOSURES (Cont'd)

(a) Identity of related parties (Cont'd)

The Group and the Company have related party relationships with their subsidiaries, persons connected to a Director of the Company and key management personnel. The subsidiaries balances are shown in Note 15. The related party transactions of the Group and of the Company are shown below.

(b) Related party transactions

In addition to the transactions detailed elsewhere in the financial statements, the Group and Company have the following related party transactions during the financial year:

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
With subsidiaries:				
Dividends received/ receivable	-	-	23,036,557	19,076,120
Back-to-back interest charged	-	-	9,129,929	11,901,309
With persons connected to a Director of the Company				
Proceeds from disposal of property, plant and equipment	3,366	-	-	-

(c) Compensation of key management personnel

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly. The key management personnel include all the Directors of the Company and its subsidiaries, and certain members of senior management of the Group and of the Company.

The remuneration of the Directors of the Group and of the Company (excluding Directors of subsidiaries) are disclosed in Note 7.

The remuneration of other members of key management personnel of the Group and of the Company, including Directors of subsidiaries during the financial year are as follows:

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Salaries, allowances and bonuses	356,278	477,354	-	30,000
Fees	73,500	42,000	-	-
EPF contribution	36,671	51,420	-	3,900
	466,449	570,774	-	33,900

32. CAPITAL COMMITMENTS

As at the end of the reporting period, the Group has the following commitments in respect of property, plant and equipment:

	Group	
	2021 RM	2020 RM
Approved and contracted for	85,316,195	96,433

Notes To The Financial Statements (Cont'd)

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33. SEGMENT INFORMATION

(a) Reporting format

Segment information is presented in respect of the Group's business segments. Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

For management purposes, the Group is organised into the following five (5) operating segments:

- | | |
|---|--|
| (i) Operation of IPTT | - Operator of IPTT. |
| (ii) Operation of public transportation | - Operator of public transportation. |
| (iii) Operation of petrol station | - Operator of petrol station. |
| (iv) Operation of mining management | - Project management services in mining operations |
| (v) Others | - Investment holding or having principal activities unrelated to operators of integrated public transportation terminal, public transportation, petrol station and project management services in mining operations. |

Segment revenue and results

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 3(t). Segment results represent profit or loss before finance costs and tax of the segment. Inter-segment transactions are entered in the ordinary course of business based on terms mutually agreed upon by the parties concerned.

Segment assets

Segment assets are measured based on all assets of the segment, excluding deferred tax assets and tax recoverable.

Segment liabilities

Segment liabilities are measured based on all liabilities of the segment, excluding deferred tax liabilities and tax payable.

(b) Allocation basis and transfers

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets, liabilities and expenses.

Segment revenue, expenses and results include transfers between business segments. These transfers are eliminated on consolidation.

(c) Geographical information

No geographical segment information is presented as the Group's activities and customers are all based in Malaysia.

(d) Major customer information

Revenue from external customers contributing more than 10% of the total revenue are as follows:

		Group	
		2021 RM	2020 RM
Customer A	- Operation of IPTT	39,000,000	39,550,000
Customer B	- Operation of IPTT	22,377,215	17,740,415
Customer C	- Operation of public transportation	14,397,439	13,109,434
Customer D	- Operation of IPTT	15,471,419	12,493,819
		91,246,073	82,893,668

Notes To The Financial Statements (Cont'd)

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33. SEGMENT INFORMATION (Cont'd)

	Operation of IPTT RM	Operation of public transportation RM	Operation of petrol station RM	Mining management operations RM	Others RM	Total RM	Elimination RM	Consolidated RM
2021								
Revenue								
External revenue	89,576,621	24,174,156	24,756,265	65,667	-	138,572,709	-	138,572,709
Inter-segment revenue	-	878,400	643,722	-	23,036,557	24,558,679	(24,558,679)	-
Total revenue	89,576,621	25,052,556	25,399,987	65,667	23,036,557	163,131,388	(24,558,679)	138,572,709
Results								
Segment result	73,533,108	3,800,556	913,691	(135,857)	21,084,637	99,216,135	(23,036,557)	76,179,578
Investment revenue	6,468	13,670	110	-	181,769	202,017	-	202,017
Interest income	14,761	830	1,998	-	261,462	279,051	-	279,051
Finance costs	(7,955,905)	(291,090)	(143,040)	(30)	(462,877)	(8,852,942)	-	(8,852,942)
Profit/(Loss) before tax	65,618,432	3,523,966	772,759	(135,887)	21,064,991	90,844,261	(23,036,557)	67,807,704
Tax expense								<u>(14,582,325)</u>
Profit for the financial year								<u>53,225,379</u>
Other information								
Capital expenditure:								
Property, plant and equipment	94,257,350	391,309	5,228	-	-	94,653,887	-	94,653,887
Depreciation of property, plant and equipment and investment properties	14,314,532	5,548,571	604,093	-	132,721	20,599,917	-	20,599,917
Amortisation of deferred capital grants	359,880	-	-	-	-	359,880	-	359,880

Notes To The Financial Statements (Cont'd)

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33. SEGMENT INFORMATION (Cont'd)

	Operation of IPTT RM	Operation of public transportation RM	Operation of petrol station RM	Mining management operations RM	Others RM	Total RM	Elimination RM	Consolidated RM
2021								
Assets and liabilities								
Segment assets	713,187,530	46,717,116	19,747,332	432,121	229,463,513	1,009,547,612	(160,480,523)	849,067,089
Current and deferred tax assets								107,803
Total assets								<u>849,174,892</u>
Segment liabilities	38,152,661	5,916,962	3,639,667	686,984	297,505,551	345,901,825	(10,165,705)	335,736,120
Current and deferred tax liabilities								11,194,866
Total liabilities								<u>346,930,986</u>

Notes To The Financial Statements (Cont'd)

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33. SEGMENT INFORMATION (Cont'd)

	Operation of IPTT RM	Operation of public transportation RM	Operation of petrol station RM	Mining management operations RM	Others RM	Total RM	Elimination RM	Consolidated RM
2020								
Revenue								
External revenue	70,954,842	25,510,276	22,901,174	27,481	-	119,393,773	-	119,393,773
Inter-segment revenue	-	986,500	396,463	-	19,076,120	20,459,083	(20,459,083)	-
Total revenue	70,954,842	26,496,776	23,297,637	27,481	19,076,120	139,852,856	(20,459,083)	119,393,773
Results								
Segment result	58,391,467	3,662,441	985,933	(85,733)	17,621,571	80,575,679	(19,076,120)	61,499,559
Investment revenue	17,529	20,766	12,823	-	267,013	318,131	-	318,131
Interest income	79,986	3,098	3,555	-	96,754	183,393	-	183,393
Finance costs	(11,610,392)	(445,328)	(219,108)	(15)	(708,990)	(12,983,833)	-	(12,983,833)
Profit before tax	46,878,590	3,240,977	783,203	(85,748)	17,276,348	68,093,370	(19,076,120)	49,017,250
Tax expense								(6,970,855)
Profit for the financial year								42,046,395
Other information								
Capital expenditure:								
Property, plant and equipment	120,781,186	3,885,172	5,824	-	-	124,672,182	-	124,672,182
Depreciation of property, plant and equipment and investment properties	9,794,449	5,486,389	613,127	-	104,301	15,998,266	-	15,998,266
Amortisation of deferred capital grants	199,600	-	-	-	-	199,600	-	199,600

Notes To The Financial Statements (Cont'd)

31 December 2021



33. SEGMENT INFORMATION (Cont'd)

	Operation of IPTT RM	Operation of public transportation RM	Operation of petrol station RM	Mining management operations RM	Others RM	Total RM	Elimination RM	Consolidated RM
2020								
Assets and liabilities								
Segment assets	633,749,093	51,401,702	20,857,788	561,937	179,073,078	885,643,598	(159,163,206)	726,480,392
Current and deferred tax assets								2,615,604
Total assets								<u>729,095,996</u>
Segment liabilities	28,835,627	4,881,870	4,110,439	653,299	227,256,096	265,737,331	(8,848,390)	256,888,941
Current and deferred tax liabilities								2,709,980
Total liabilities								<u>259,598,921</u>

Notes To The Financial Statements (Cont'd)

31 December 2021

34. FINANCIAL INSTRUMENTS

Categories of financial instruments

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Financial assets				
<u>Amortised cost</u>				
Trade and other receivables	33,254,611	45,579,379	1,200	-
Other assets	1,099,318	1,362,317	5,807,792	4,398,530
Amount due from subsidiaries	-	-	358,408,205	338,474,016
Fixed deposits with licensed banks	13,800,460	10,279,186	12,707,088	9,027,032
Cash and bank balances	66,812,479	11,836,899	48,431,329	2,900,927
	114,966,868	69,057,781	425,355,614	354,800,505
Financial liabilities				
<u>Amortised cost</u>				
Trade and other payables	9,097,642	9,068,014	108,754	358,495
Other liabilities	15,568,599	13,562,222	5,396,797	4,897,601
Borrowings	295,032,559	225,875,505	292,000,000	222,000,000
	319,698,800	248,505,741	297,505,551	227,256,096

Financial risk management objectives and policies

The Group and the Company are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, interest rate risk and liquidity risk.

The Group's and the Company's financial risk management policy is to ensure that adequate financial resources are available for the development of the Group's and of the Company's operations whilst managing these financial risks. The Group and the Company operate within clearly defined guidelines that are approved by the Board and the Group's and the Company's policy is not to engage in speculative transactions.

The following sections provide details regarding the Group's and the Company's exposure to the abovementioned financial risks and the objectives, policies and processes for the management of these risks.

(i) Credit risk

Credit risk is the risk of financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from the individual characteristics of each customer. The Company's exposure to credit risk arises principally from loans and advances to subsidiaries. There are no significant changes as compared to prior periods.

Trade receivables and contract assets

Risk management objectives, policies and processes for managing the risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit risk is minimised and monitored via strictly limiting the Group's associations to business partners with good credit rating.

At the end of each reporting period, the Group assesses whether any of the trade receivables and contract assets are credit impaired.

There are no significant changes as compared to the previous financial year.

Notes To The Financial Statements (Cont'd)

31 December 2021



34. FINANCIAL INSTRUMENTS (Cont'd)

Financial risk management objectives and policies (Cont'd)

(i) Credit risk (Cont'd)

Trade receivables and contract assets (Cont'd)

Credit risk concentration profile

As at 31 December 2021, the Group has significant concentration of credit risk arising from the amounts owing from 3 customers (2020: 2 customers) constituting 66% (2020: 80%) of trade receivables of the Group.

The contract assets are solely related to government support fund for stage bus services.

Exposure to credit risk

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables and contract assets is represented by the carrying amounts in the statements of financial position and notes to the financial statements.

In managing the exposure to credit risk, the Group holds security deposits from certain major customers as collateral, totalling RM7,733,625 (2020: RM6,391,125), which is 24% (2020: 14%) of the total receivable balance. The remaining balance of trade receivables are not secured by any collateral or supported by any other credit enhancement.

Recognition and measurement of impairment loss

The Group has applied the simplified approach in MFRS 9 to measure the loss allowance at lifetime ECLs. The Group determines the ECLs on these items by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the credit risk profile of these assets is presented based on their past due status in terms of the provision matrix. Consistent with the debt recovery process, invoices which are past due more than credit term granted will be considered as credit impaired.

The Group will initiate appropriate debt recovery procedures on past due balances which are monitored by the management team. Where necessary, the Group will also commence legal proceeding against the customers.

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency.

Loss rates are based on actual credit loss experienced over the prior years. The Group also consider differences between (a) economic conditions during the period over which the historic data has been collected, (b) current conditions and (c) the Group's view of economic conditions over the expected lives of the receivables. Nevertheless, the Group believe that these factors are negligible for the purpose of impairment calculation for the year.

The following table provides information about the exposure to credit risk and ECLs for trade receivables and contract assets as at the end of the reporting period which are grouped together as they are expected to have similar risk nature.

Notes To The Financial Statements (Cont'd)

31 December 2021

34. FINANCIAL INSTRUMENTS (Cont'd)

Financial risk management objectives and policies (Cont'd)

(i) Credit risk (Cont'd)

Trade receivables and contract assets (Cont'd)

Recognition and measurement of impairment loss (Cont'd)

	Contract assets RM	Trade receivables		
		Gross RM	Loss allowances RM	Net RM
Group				
2021				
Neither past due nor impaired	360,000	31,737,382	-	31,737,382
Past due but not impaired:				
Less than 30 days	-	29,896	- [^]	29,896
31 to 60 days	-	28,233	- [^]	28,233
61 to 90 days	-	27,212	- [^]	27,212
More than 90 days	-	466,247	- [^]	466,247
	-	551,588	-	551,588
	360,000	32,288,970	-	32,288,970
2020				
Neither past due nor impaired	304,500	43,074,867	-	43,074,867
Past due but not impaired:				
Less than 30 days	-	77,184	- [^]	77,184
31 to 60 days	-	89,053	- [^]	89,053
61 to 90 days	-	1,151,711	- [^]	1,151,711
More than 90 days	-	416,447	- [^]	416,447
	-	1,734,395	-	1,734,395
	304,500	44,809,262	-	44,809,262

[^] the expected credit loss is not material

Cash and cash equivalents

The cash and cash equivalents are held with licensed banks. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position. These licensed banks have low credit risks. Hence, a loss allowance is not necessary.

Other receivables and deposits

Other receivables and deposits are neither past due nor impaired. The Group believes that generally no allowance for impairment is necessary in respect of other receivables and deposits that are neither past due nor impaired as these receivables and deposits are mainly arising from debtors that have good records of payment in the past.



34. FINANCIAL INSTRUMENTS (Cont'd)

Financial risk management objectives and policies (Cont'd)

(i) Credit risk (Cont'd)

Intercompany loans and advances

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured loans and advances to its subsidiaries. The Company monitors the ability of the subsidiaries to repay the loans and advances on an individual basis.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the Company's statement of financial position. Loans and advances provided are not secured by any collateral or supported by any other credit enhancements.

Recognition and measurement of impairment loss

Generally, the Company considers the loans and advances to subsidiaries have low credit risk. The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. As the Company is able to determine the timing of payments of the subsidiaries' loans and advances when they are payable, the Company considers the loans and advances to be in default when the subsidiaries are not able to pay when demanded.

The Company determines the probability of default for these loans and advances individually using internal information available.

As at the end of the reporting period, there were no indications of impairment in respect of these loans and advances.

(ii) Liquidity risk

Liquidity risk is the risk that the Group and the Company will encounter difficulty in meeting financial obligations associated with financial liabilities. The Group's and the Company'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 use of stand-by credit facilities.

The Group's and the Company's liquidity risk management policy is to manage their debt maturity profile, operating cash flows and the availability of funding so as to ensure that refinancing, repayment and funding needs are met. In addition, the Group and the Company maintain sufficient levels of cash and available banking facilities at a reasonable level to its overall debt position to meet their working capital requirement.

The Group and the Company practice prudent risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.

Notes To The Financial Statements (Cont'd)

31 December 2021

34. FINANCIAL INSTRUMENTS (Cont'd)

Financial risk management objectives and policies (Cont'd)

(ii) Liquidity risk (Cont'd)

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Company's financial liabilities at the end of each reporting period based on contractual undiscounted repayment obligations.

		< Contractual cash flows >				
	Carrying amount RM	Contractual cash flows RM	On demand / Within 1 year RM	1 to 2 years RM	2 to 5 years RM	Over 5 years RM
Group						
2021						
Non-derivative financial liabilities						
Trade and other payables	9,097,642	9,097,642	9,097,642	-	-	-
Other liabilities	15,568,599	15,568,599	15,568,599	-	-	-
Lease liabilities	3,032,559	3,435,484	1,321,729	768,869	1,344,886	-
Sukuk	292,000,000	326,738,884	52,070,847	62,254,436	111,780,655	100,632,946
	319,698,800	354,840,609	78,058,817	63,023,305	113,125,541	100,632,946
2020						
Non-derivative financial liabilities						
Trade and other payables	9,068,014	9,068,014	9,068,014	-	-	-
Other liabilities	13,557,222	13,557,222	13,557,222	-	-	-
Lease liabilities	3,875,505	4,511,597	1,291,717	1,222,213	1,895,489	102,178
Sukuk	222,000,000	244,114,143	37,632,436	48,277,930	109,082,239	49,121,538
	248,500,741	271,250,976	61,549,389	49,500,143	110,977,728	49,223,716

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Financial risk management objectives and policies (Cont'd)

(ii) **Liquidity risk (Cont'd)**

Analysis of financial instruments by remaining contractual maturities (Cont'd)

The table below summarises the maturity profile of the Group's and the Company's financial liabilities at the end of each reporting period based on contractual undiscounted repayment obligations. (Cont'd)

		<----- Contractual cash flows ----->					
		Carrying amount RM	Contractual cash flows RM	On demand / Within 1 year RM	1 to 2 years RM	2 to 5 years RM	Over 5 years RM
Company							
2021							
Non-derivative financial liabilities							
Other payables	108,754	108,754	108,754	-	-	-	-
Other liabilities	5,396,797	5,396,797	5,396,797	-	-	-	-
Sukuk	292,000,000	326,738,884	52,070,847	62,254,436	111,780,655	100,632,946	
	297,505,551	332,244,435	57,576,398	62,254,436	111,780,655	100,632,946	
2020							
Non-derivative financial liabilities							
Other payables	358,495	358,495	358,495	-	-	-	-
Other liabilities	4,897,601	4,897,601	4,897,601	-	-	-	-
Sukuk	222,000,000	244,114,143	37,632,436	48,277,930	109,082,239	49,121,538	
	227,256,096	249,370,239	42,888,532	48,277,930	109,082,239	49,121,538	

Notes To The Financial Statements (Cont'd)

31 December 2021

34. FINANCIAL INSTRUMENTS (Cont'd)

Financial risk management objectives and policies (Cont'd)

(iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's and Company's exposure to interest rate risk arises mainly from interest-bearing financial assets and liabilities.

Exposure in interest rate risk

The interest rate profile of the Group's and the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period are as follows:

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Fixed rate instrument:				
Financial assets	79,517,199	21,195,530	61,126,397	11,926,257
Financial liabilities	(3,032,559)	(3,875,505)	-	-
	<u>76,484,640</u>	<u>17,320,025</u>	<u>61,126,397</u>	<u>11,926,257</u>
Floating rate instrument:				
Financial assets	-	-	244,414,024	233,203,561
Financial liabilities	(292,000,000)	(222,000,000)	(292,000,000)	(222,000,000)
	<u>(292,000,000)</u>	<u>(222,000,000)</u>	<u>(47,585,976)</u>	<u>11,203,561</u>

Interest rate risk sensitivity analysis

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets at fair value through profit or loss, and the Group does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments

The following table details the sensitivity analysis on the floating rate instruments to a reasonably possible change in the interest rates as of the end of the reporting period, with all other variables held constant:

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Effects on profit after tax				
Increase by 25 (2020: 25) basis points	(554,800)	(421,800)	(90,413)	21,287
Decrease by 25 (2020: 25) basis points	<u>554,800</u>	<u>421,800</u>	<u>90,413</u>	<u>(21,287)</u>
Effects on equity				
Increase by 25 (2020: 25) basis points	(554,800)	(421,800)	(90,413)	21,287
Decrease by 25 (2020: 25) basis points	<u>554,800</u>	<u>421,800</u>	<u>90,413</u>	<u>(21,287)</u>

Notes To The Financial Statements (Cont'd)

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35. FAIR VALUE INFORMATION

Assets and liabilities carried at fair value

The fair value measurement hierarchies used to measure non-financial assets at fair value in the statements of financial position are disclosed in Note 11.

There were no material transfer between Level 1, Level 2 and Level 3 during the financial year.

Financial instrument other than those carried at fair value

Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The carrying amounts of the short term receivables and payables, cash and cash equivalents and short-term borrowings approximate their fair value due to the relatively short term nature of these financial instruments and insignificant impact of discounting.

The carrying amount of the long term floating rate loans approximates their fair value as the loans will be re-priced to market interest rate on or near the end of the reporting period.

The fair values of lease liabilities are determined by discounting the relevant cash flows using current interest rates for similar instruments as at the end of the reporting period.

The following table provides the fair value measurement hierarchy of the Group's financial instruments:

	Fair value of financial instruments not carried at fair value				
	Level 1 RM	Level 2 RM	Level 3 RM	Total fair value RM	Carrying amount RM
2021					
Financial liability					
Lease liabilities (non-current)	-	-	1,539,362	1,539,362	1,896,221
2020					
Financial liability					
Lease liabilities (non-current)	-	-	2,253,712	2,253,712	2,826,295

Notes To The Financial Statements (Cont'd)

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36. CAPITAL MANAGEMENT

The Group's and the Company's objectives when managing capital are to maintain a strong capital base and safeguard the Group's and Company's ability to continue as a going concern. The Group and the Company monitor and maintain optimal debt-to-equity ratio, gearing ratio and financial service coverage ratio ("FSCR") that complies with debt covenants and regulatory requirements.

(a) The net debt-to-equity and consolidated gearing ratios at end of the reporting period are as follows:

		Group		Company	
		2021 RM	2020 RM	2021 RM	2020 RM
Borrowings	A	295,032,559	225,875,505	292,000,000	222,000,000
Less:					
Fixed deposits		(13,800,460)	(10,279,186)	(12,707,088)	(9,027,032)
Cash and bank balances		(66,812,479)	(11,836,899)	(48,431,329)	(2,900,927)
Net debts	B	<u>214,419,620</u>	<u>203,759,420</u>	<u>230,861,583</u>	<u>210,072,041</u>
Total equity	C	<u>502,243,906</u>	<u>469,497,075</u>	<u>279,976,369</u>	<u>279,647,503</u>
Debts-to-equity ratio	B/C	43%	43%	82%	75%
Consolidated gearing ratio [^]	A/C	<u>0.59 times</u>	<u>0.48 times</u>	<u>NA</u>	<u>NA</u>

[^] The consolidated gearing ratio is a covenant imposed by a financial institution during the previous financial year following the issuance of Sukuk. It shall not at any time exceed 1.50 times.

(b) The FSCR is a covenant imposed by a financial institution during the previous financial year following the issuance of Sukuk. It shall not at any time be less than 1.25 times.

		Group	
		2021 RM	2020 RM
Earnings before interest, tax, depreciation and amortisation		97,691,211	78,064,445
Opening cash and cash equivalents		12,356,879	65,938,659
	A	<u>110,048,090</u>	<u>144,003,104</u>
Total financial service	B	<u>38,594,251</u>	<u>90,609,829</u>
FSCR (A / B)		<u>2.85 times</u>	<u>1.59 times</u>

There were no changes in the Group's approach to capital management during the financial year as compared to the previous financial year.

The Group and the Company are in compliance with all externally imposed capital requirements.

Notes To The Financial Statements (Cont'd)

31 December 2021



37. SIGNIFICANT EVENTS

(a) Collaboration Agreement with Energetic Point Sdn. Bhd. ("Energetic Point")

On 14 January 2021, the Group has via TUSB, entered into a Collaboration Agreement with Energetic Point to collaborate and cooperate in the concession granted by Majlis Perbandaran Kuantan to Energetic Point for managing the terminal management system of a bus terminal known as Terminal Sentral Kuantan located in Kuantan, Pahang Darul Makmur. The Collaboration Agreement shall be effective from 1 February 2021 to 31 January 2030, for a total period of 9 years, with the initial collaboration period of 3 years and may be renewed for another two terms for each of the consecutive 3 years, subject to the mutual agreement by both parties.

The total investment cost for the concession amounted to RM6,100,000 of which TUSB and Energetic Point shall equally bear the investment cost of RM3,050,000 each as disclosed in Note 13. All revenue generated and operating costs incurred shall be recognised and borne by Energetic Point and in return, Energetic Point shall pay TUSB a fixed monthly management fee of RM100,000 and is entitled to annual increment of at least 3% per year, subject to the mutual agreement by both parties.

(b) Collaboration Agreement with NSS IT Solution Sdn. Bhd. ("NSSIT")

On 23 February 2021, the Group, has via TUSB entered into a Collaboration Agreement with NSSIT to collaborate and cooperate in the concession granted by Majlis Bandaraya Alor Setar to NSSIT for managing a bus terminal known as Terminal Bas Shahab Perdana ("TBSP") located in Alor Setar, Kedah Darul Aman. The Collaboration Agreement shall be effective for a total period of 15 years, commencing from 1 April 2022 or upon the completion of the renovation works in TBSP, whichever is earlier, with the initial collaboration period of 3 years, renewable at each of the consecutive 3 years ("Term") for a total 5 Terms, subject to the mutual agreement by both parties.

The total investment cost for the concession amounted to RM9,000,000 of which the Group and NSSIT shall each bear RM6,500,000 and RM2,500,000 respectively. Pursuant to the Collaboration Agreement, TUSB is required to construct and complete the renovation work of the commercial area in TBSP and responsible to maintain and manage the commercial area. In return, TUSB is entitled to all the income generated from the commercial area. In contrast, NSSIT is required to renovate, maintain and manage the terminal area of TBSP and is entitled to receive all income generated from operating the terminal area.

In addition, TUSB shall pay a monthly management fee of RM20,000 to NSSIT and is subject to an increment of 7% for every Term completed.

As at the date of this report, the new project has yet to commence pending the completion of renovation at TBSP.

(c) Facilitation fund for development of Kampar Putra Sentral

On 2 April 2021, the Group has entered into a Facilitation Fund Agreement ("FFA") with the Government of Malaysia represented by the Public Private Partnership Unit, Prime Minister's Department and Bank Pembangunan Malaysia Berhad in relation to a grant provided to the Group for the development of Kampar Putra Sentral ("Project") amounting to RM8,014,000 or an amount equivalent to 6.24% of the actual construction costs of the Project, whichever is lower, to facilitate the development of the Project.

During the financial year, the Group has received the grant amounted to RM8,014,000 as disclosed in Note 27.

(d) Coronavirus ("Covid-19")

The Group did not foresee that the Covid-19 pandemic would prolong more than a year with Movement Control Order ("MCO") 2.0 and full MCO were enforced on 13 January 2021 and 1 June 2021 respectively during the current financial year.

The Group's stage bus operation, being an essential service, continues to operate as usual. Further to the lifting of interstate and international travel restrictions for residents who are fully vaccinated against Covid-19 on 11 October 2021, the Group had witnessed higher passenger movement for the bus operations.

In regard to the IPTT operations, despite the ongoing MCO implementation, the Group managed to generate higher revenue from higher rental yield as well as new revenue stream from Energetic Point as discussed in Note 37(a) above.

Notes To The Financial Statements (Cont'd)

31 December 2021

37. SIGNIFICANT EVENTS (Cont'd)

(d) Coronavirus ("Covid-19") (Cont'd)

As for the Group's petrol stations operations, the Group sees an improvement in business following the lifting of interstate and international travel restrictions, coupled with the increase in retail fuel prices during the current financial year.

The Group is of the view that public transportation will remain as essential need for the general public. With the completion of IPTT – KPS and its direction to expand its business into new third party terminal management services out of Perak state, the Group believes that it will compliment to the demand for public transportation which is set to grow in the foreseeable future, as the Malaysian economy gets back on course and the government embarks on initiatives to develop and improve the public transportation system further. However, since the situation is still evolving and there is considerable uncertainty over the scale and duration of the impact arising from Covid-19, the Group will continuously monitor the impact of Covid-19 on its operations and its financial performance.

Analysis Of Shareholdings

As At 31 March 2022



Total number of issued shares	:	634,734,406 (Excluding 10,399,999 Treasury Shares)
Class of shares	:	Ordinary shares
Voting rights	:	One vote per ordinary share held

DISTRIBUTION OF SHAREHOLDERS

Size of shareholdings	No. of shareholders	%	No. of shares	%
1 to 99	759	8.291	30,357	0.005
100 to 1,000	916	10.007	529,846	0.083
1,001 to 10,000	4,273	46.679	22,637,901	3.567
10,001 to 100,000	2,727	29.790	86,791,078	13.674
100,001 to 31,736,719	477	5.211	455,595,224	71.777
31,736,720* and above	2	0.022	69,150,000	10.894
	9,154	100.000	634,734,406	100.000

Note:

* Denotes 5% of the issued shares.

SUBSTANTIAL SHAREHOLDERS

Name of Shareholders	No. of shares held			
	Direct	%	Indirect	%
1. Dato' Sri Cheong Kong Fitt	100,663,167 ^{*1}	15.859	94,352,332 ^{*2}	14.865
2. CBS Link Sdn Bhd	57,606,833 ^{*3}	9.076	-	-
3. Datin Sri Lim Sow Keng	36,745,499	5.789	158,270,000 ^{*4}	24.935

Notes:

*1 Including 100,221,167 shares held through nominee companies.

*2 Deemed interested through his spouse and his interest held in a corporation by virtue of Section 8 of the Companies Act 2016.

*3 Shares held through nominee companies.

*4 Deemed interested through her spouse and her interest held in a corporation by virtue of Section 8 of the Companies Act 2016.

DIRECTORS' SHAREHOLDINGS

Name of Directors	No. of shares held			
	Direct	%	Indirect	%
1. Dato' Sri Cheong Kong Fitt	100,663,167 ^{*1}	15.859	94,352,332 ^{*2}	14.865
2. Dato' Cheong Peak Sooi	6,802,198	1.072	-	-
3. Dato' Haji Mohd Gazali Bin Jalal	86,266	0.014	-	-
4. Tan Sri Dato' Chang Ko Youn	-	-	-	-
5. Ng Wai Luen	-	-	-	-
6. Azian Binti Kassim	-	-	-	-
7. Zalinah Binti A Hamid	-	-	-	-

Notes:

*1 Including 100,221,167 shares held through nominee companies.

*2 Deemed interested through his spouse and his interest held in a corporation by virtue of Section 8 of the Companies Act 2016.

Analysis Of Shareholdings (Cont'd)

As At 31 March 2022

THIRTY LARGEST SHAREHOLDERS

	No. of shares held	%
1. Datin Sri Lim Sow Keng	36,378,833	5.731
2. Kenanga Nominees (Tempatan) Sdn Bhd • Pledged Securities Account for Dato' Sri Cheong Kong Fitt	32,404,501	5.105
3. AMSEC Nominees (Tempatan) Sdn Bhd • Ambank (M) Berhad for CBS Link Sdn Bhd (5371-1502)	29,396,833	4.631
4. Kenanga Capital Sdn Bhd • Pledged Securities Account for CBS Link Sdn Bhd	28,210,000	4.444
5. Alliancegroup Nominees (Tempatan) Sdn Bhd • Pledged Securities Account for Dato' Sri Cheong Kong Fitt (6000149)	23,150,000	3.647
6. HLB Nominees (Tempatan) Sdn Bhd • Pledged Securities Account for Dato' Sri Cheong Kong Fitt	19,000,000	2.993
7. Maybank Nominees (Tempatan) Sdn Bhd • Pledged Securities Account for Dato' Sri Cheong Kong Fitt	16,500,000	2.600
8. Citigroup Nominees (Tempatan) Sdn Bhd • Kumpulan Wang Persaraan (Diperbadankan) (Kenanga)	16,155,666	2.545
9. CGS-CIMB Nominees (Tempatan) Sdn Bhd • Pledged Securities Account for Koh Kin Lip (MY0502)	10,740,866	1.692
10. Alliancegroup Nominees (Tempatan) Sdn Bhd • Pledged Securities Account for Koh Kin Lip (7003423)	10,033,333	1.581
11. CGS-CIMB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Kim Heung (MY1989)	10,000,000	1.575
12. CIMB Group Nominees (Tempatan) Sdn Bhd • CIMB Commerce Trustee Berhad for Kenanga Shariah Growth Opportunities Fund (50156 TR01)	9,657,766	1.522
13. RHB Nominees (Tempatan) Sdn Bhd • Pledged Securities Account for Maksima Timur Sdn Bhd	9,442,966	1.488
14. CIMB Group Nominees (Tempatan) Sdn Bhd • CIMB Commerce Trustee Berhad - Kenanga Growth Fund	9,256,633	1.458
15. RHB Nominees (Tempatan) Sdn Bhd • Pledged Securities Account for Lai Chee Chong	9,160,000	1.443
16. AMSEC Nominees (Tempatan) Sdn Bhd • Pledged Securities Account for Dato' Sri Cheong Kong Fitt	8,166,666	1.287
17. CIMB Group Nominees (Tempatan) Sdn Bhd • CIMB Commerce Trustee Berhad for Kenanga Growth Opportunities Fund (50154 TR01)	7,320,833	1.153
18. Dato' Cheong Peak Sooi	6,802,198	1.072
19. Senandung Asas Sdn Bhd	6,499,500	1.024
20. CGS-CIMB Nominees (Tempatan) Sdn Bhd • Pledged Securities Account for Num Siew Yoke (MY3576)	5,995,166	0.945
21. HSBC Nominees (Asing) Sdn Bhd • Quintet Luxembourg for Samarang UCITS – Samarang Asian Prosperity	5,936,800	0.935
22. Citigroup Nominees (Tempatan) Sdn Bhd • Great Eastern Life Assurance (Malaysia) Berhad (LPF)	5,018,800	0.791
23. Citigroup Nominees (Tempatan) Sdn Bhd • Great Eastern Life Assurance (Malaysia) Berhad (LGF)	4,853,400	0.765
24. Maybank Nominees (Tempatan) Sdn Bhd • Maybank Trustees Berhad for BIMB I Growth Fund (940160)	4,613,333	0.727
25. Citigroup Nominees (Tempatan) Sdn Bhd • Great Eastern Life Assurance (Malaysia) Berhad (DR)	4,000,000	0.630

Analysis Of Shareholdings (Cont'd)

As At 31 March 2022



THIRTY LARGEST SHAREHOLDERS (Cont'd)

	No. of shares held	%
26. Yayasan Guru Tun Hussein Onn	3,666,666	0.578
27. Yayasan Guru Tun Hussein Onn	3,666,666	0.578
28. Num Siew Yoke	3,572,766	0.563
29. Tiara Moden Sdn Bhd	3,392,308	0.534
30. Maybank Nominees (Tempatan) Sdn Bhd	3,128,400	0.493
• Maybank Trustees Berhad for Kenanga ONEPRS Growth Fund (420119)		
	346,120,899	54.530

Analysis Of Warrant Holdings

As At 31 March 2022

Total number of warrants issued	:	158,682,251
Total number of unexercised warrants	:	158,681,418
Exercise price of warrants	:	RM0.75
Expiry date	:	2 August 2026

DISTRIBUTION OF WARRANT HOLDERS

Size of holdings	No. of holders	%	No. of warrants	%
1 to 99	1,428	21.745	46,889	0.030
100 to 1,000	1,750	26.648	957,454	0.603
1,001 to 10,000	2,411	36.714	8,582,170	5.408
10,001 to 100,000	793	12.076	26,055,007	16.420
100,001 to 7,934,069	182	2.771	91,350,691	57.569
7,934,070* and above	3	0.046	31,689,207	19.970
	6,567	100.000	158,681,418	100.000

Note:

* Denotes 5% of the warrants issued.

DIRECTORS' WARRANT HOLDINGS

Name of Directors	No. of warrants held			
	Direct	%	Indirect	%
1. Dato' Sri Cheong Kong Fitt	24,805,291 ^{*1}	15.632	23,588,082 ^{*2}	14.865
2. Dato' Cheong Peak Sooi	1,700,549	1.072	-	-
3. Dato' Haji Mohd Gazali Bin Jalal	-	-	-	-
4. Tan Sri Dato' Chang Ko Youn	-	-	-	-
5. Ng Wai Luen	-	-	-	-
6. Azian Binti Kassim	-	-	-	-
7. Zalinah Binti A Hamid	-	-	-	-

Notes:

*1 Warrants held through nominee companies.

*2 Deemed interested through his spouse and his interest held in a corporation by virtue of Section 8 of the Companies Act 2016.

Analysis Of Warrant Holdings (Cont'd)

As At 31 March 2022



THIRTY LARGEST WARRANT HOLDERS

	No. of warrants held	%
1. AMSEC Nominees (Tempatan) Sdn Bhd • Ambank (M) Berhad for CBS Link Sdn Bhd (5371-1502)	14,401,708	9.076
2. Datin Sri Lim Sow Keng	9,094,708	5.731
3. Kenanga Nominees (Tempatan) Sdn Bhd • Pledged Securities Account for Dato' Sri Cheong Kong Fitt	8,101,125	5.105
4. CGS-CIMB Nominees (Tempatan) Sdn Bhd • Pledged Securities Account for Yap Koon Teck (Penang-CL)	6,427,800	4.051
5. Alliancegroup Nominees (Tempatan) Sdn Bhd • Pledged Securities Account for Dato' Sri Cheong Kong Fitt (6000149)	5,787,500	3.647
6. HLB Nominees (Tempatan) Sdn Bhd • Pledged Securities Account for Dato' Sri Cheong Kong Fitt	4,750,000	2.993
7. Maybank Nominees (Tempatan) Sdn Bhd • Pledged Securities Account for Dato' Sri Cheong Kong Fitt	4,125,000	2.600
8. Lai Chee Chong	3,363,500	2.120
9. RHB Nominees (Tempatan) Sdn Bhd • Pledged Securities Account for Maksima Timur Sdn Bhd	2,485,741	1.566
10. Senandung Asas Sdn Bhd	2,149,875	1.355
11. AMSEC Nominees (Tempatan) Sdn Bhd • Pledged Securities Account for Dato' Sri Cheong Kong Fitt	2,041,666	1.287
12. CGS-CIMB Nominees (Tempatan) Sdn Bhd • Pledged Securities Account for Num Siew Yoke (MY3576)	2,000,041	1.260
13. Kenanga Nominees (Tempatan) Sdn Bhd • Pledged Securities Account for Yong Kwee Lian	2,000,000	1.260
14. Dato' Cheong Peak Sooi	1,700,549	1.072
15. Ng Swee Mee	1,679,100	1.058
16. Public Nominees (Tempatan) Sdn Bhd • Pledged Securities Account for Tang Tong Seng (E-TSA)	1,520,000	0.958
17. Citigroup Nominees (Asing) Sdn Bhd • Exempt An for OCBC Securities Private Limited (Client A/C-NR)	1,295,433	0.816
18. Lee Poh Oon	1,200,000	0.756
19. Kenanga Nominees (Tempatan) Sdn Bhd • Rakuten Trade Sdn Bhd for Tay Tai Zhi	1,178,600	0.743
20. Maybank Nominees (Tempatan) Sdn Bhd • Ong Kok Cheng	1,000,000	0.630
21. Yayasan Guru Tun Hussein Onn	916,666	0.578
22. Yayasan Guru Tun Hussein Onn	916,666	0.578
23. HLB Nominees (Tempatan) Sdn Bhd • Pledged Securities Account for Ser Kong Lam	854,200	0.538
24. Chew Piak Tat	800,400	0.504
25. Chew Chee Peng	770,000	0.485
26. Liew Ly Chen	750,083	0.473
27. Chan Kok San	750,000	0.473
28. Tokio Marine Life Insurance Malaysia Bhd • As Beneficial Owner (TMEF)	713,333	0.450
29. Phua Lik Chin	700,000	0.441
30. Citigroup Nominees (Tempatan) Sdn Bhd • Great Eastern Takaful Berhad (Mekar)	679,000	0.428
	84,152,694	53.032

List Of Properties

As at 31 December 2021

Registered owner	Location / postal address	Date of Acquisition/ Valuation	Description and existing use	Tenure	Age of Building	Land area (sq m)	Gross built up area (sq m)	Audited Net Book Value as at 31 December 2021 (RM'000)
The Combined Bus Services Sdn Bhd	Lot 506802, PN 354609, Mukim Hulu Kinta, Daerah Kinta, Perak Darul Ridzuan / No. 1, Persiaran Meru Raya 5, Meru Raya, 30020 Ipoh, Perak	31 July 2019 (Date of Valuation)	Commercial land with building (Terminal Meru Raya) and petrol station comprising: a three (3)-storey integrated public transportation terminal including a basement car park Petrol station with building comprising a petrol kiosk cum office with six (6) fuel islands and six (6) underground fuel storage tanks The buildings' Certificate of Fitness ("CF") was dated August 2012.	Leasehold for 99 years, expiring in 2109	10 years	33,740	19,398	313,140
The Combined Bus Services Sdn Bhd	Lot 407007 & 407008, PN 408550 & 408551, Mukim Kampar, Daerah Kampar, Perak Darul Ridzuan / PT 53493 & PT 53494, Jalan Putra Permata 9, 31900 Kampar, Perak	31 July 2019 (Date of Valuation)	Commercial land with building (Kampar Putra Sentral) The buildings' CF was dated August 2020.	Leasehold for 99 years, expiring in 2115	2 years	15,033	116,425	277,446
The Combined Bus Services Sdn Bhd	Lot 107639, PN 395091, Bandar Ipoh (U), Daerah Kinta, Perak Darul Ridzuan / E-6-2A, SOHO Ipoh 2, Jalan Sultan Idris Shah, 30000 Ipoh, Perak	31 July 2019 (Date of Valuation)	Commercial land with building comprising: Three (3)-storey corporate office and six (6)-storey leased out The building's CF was dated March 2017.	Leasehold for 99 years, expiring in 2113	5 years	6,076	2,934	13,298

List Of Properties (Cont'd)

As at 31 December 2021



Registered owner	Location / postal address	Date of Acquisition/ Valuation	Description and existing use	Tenure	Age of Building	Land area (sq m)	Gross built up area (sq m)	Audited Net Book Value as at 31 December 2021 (RM'000)
The Combined Bus Services Sdn Bhd	PT 18688 & 18689, Mukim Belanja, Daerah Kinta, Perak Darul Ridzuan	31 July 2019 (Date of Valuation)	Vacant commercial land. Intended to construct an integrated public transportation terminal	Leasehold for 99 years, expiring in 2115	-	67,327	-	10,592
The Combined Bus Services Sdn Bhd	PT 11387, Mukim Bidor, Daerah Batang Padang, Perak Darul Ridzuan	1 July 2020 (Date of Acquisition)	Vacant commercial land. Intended to construct an integrated public transportation terminal	Leasehold for 99 years, expiring in 2118	-	19,834	-	2,510
CKS Bumi Sdn Bhd	Lot 3590, PN 341612, Mukim Lubok Merbau, Kuala Kangsar, Perak Darul Ridzuan / Lot 3590, Jalan Industrial Satu, Kawasan Perindustrial Miel, Lubok Merbau, 33010 Kuala Kangsar, Perak	31 July 2019 (Date of Valuation)	Petrol station with building comprising a petrol kiosk cum office with four (4) fuel islands and five (5) underground fuel storage tanks The building's CF was dated June 2015.	Leasehold for 99 years, expiring in 2101	7 years	4,092	926	5,261
CKS Bumi Sdn Bhd	Lot 207436, PN 115497, Mukim Hulu Kinta, Tempat Hulu Kinta, Daerah Kinta, Perak Darul Ridzuan / Lot 207436, Jalan Chepor 11/5, Pusat Industri Seramik, 31200 Chemor, Ipoh, Perak	31 July 2019 (Date of Valuation)	Vacant industrial land. Intended to be used as headquarters for bus operation (control room), workshop and parking spaces for buses	Leasehold for 60 years, expiring in 2053	-	21,690	-	840

List Of Properties (Cont'd)

As at 31 December 2021

Registered owner	Location / postal address	Date of Acquisition/ Valuation	Description and existing use	Tenure	Age of Building	Land area (sq m)	Gross built up area (sq m)	Audited Net Book Value as at 31 December 2021 (RM'000)
CKS Bumi Sdn Bhd	Lot 207437, PN 115498, Mukim Hulu Kinta, Tempat Hulu Kinta, Daerah Kinta, Perak Darul Ridzuan / Lot 207437, Jalan Chepor 11/5, Pusat Industri Seramik, 31200 Chemor, Ipoh, Perak	31 July 2019 (Date of Valuation)	Vacant industrial land. Intended to be used for headquarters for bus operation (control room), workshop and parking spaces for buses	Leasehold for 60 years, expiring in 2053	-	12,338	-	478
CKS Bumi Sdn Bhd	Lot 207438, PN 115499, Mukim Hulu Kinta, Tempat Hulu Kinta, Daerah Kinta, Perak Darul Ridzuan / Lot 207438, Jalan Chepor 11/5, Pusat Industri Seramik, 31200 Chemor, Ipoh, Perak	31 July 2019 (Date of Valuation)	Vacant industrial land. Intended to be used for headquarters for bus operation (control room), workshop and parking spaces for buses	Leasehold for 60 years, expiring in 2053	-	9,187	-	356
CKS Labur Sdn Bhd	Lot 397936, PN 346083, Mukim Ulu Kinta, Daerah Kinta, Perak Darul Ridzuan / PT 234516, Mukim Hulu Kinta, Lebuhraya Ipoh-Lumut, 31500 Lahat, Perak	31 July 2019 (Date of Valuation)	Petrol station with building comprising a petrol kiosk cum office with five (5) fuel islands and five (5) underground fuel storage tanks The building's CF was dated July 2010.	Leasehold for 99 years, expiring in 2109	12 years	4,064	908	6,238

List Of Properties (Cont'd)

As at 31 December 2021



Registered owner	Location / postal address	Date of Acquisition/ Valuation	Description and existing use	Tenure	Age of Building	Land area (sq m)	Gross built up area (sq m)	Audited Net Book Value as at 31 December 2021 (RM'000)
Ipoh Link Sdn Bhd	Lot 213097, PN 214575, Mukim Sungai Raya, Daerah Kinta, Perak Darul Ridzuan / Lot PT 3100, Jalan Industri 2/2, Gopeng Industrial Park, 31600 Gopeng, Perak	31 July 2019 (Date of Valuation)	Industrial land with building comprising: a single (1)-storey workshop factory with a double (2)-storey office The building's CF was dated March 2001.	Leasehold for 60 years, expiring in 2055	21 years	8,124	1,368	3,313
Star Kensington Sdn Bhd	Lot 227884, PN 210177, Mukim Hulu Kinta, Daerah Kinta, Perak Darul Ridzuan / PT 136632, Jalan Tambun, Taman Tanjung Mewah, 31250 Tanjung Rambutan, Perak	31 July 2019 (Date of Valuation)	Petrol station with building comprising a petrol kiosk cum office with five (5) fuel islands and five (5) underground fuel storage tanks The building's CF was dated May 2009.	Leasehold for 60 years, expiring in 2056	13 years	2,244	652	2,759

Notice Of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Thirteenth Annual General Meeting (“**AGM**”) of Perak Transit Berhad (“**Company**”) will be conducted fully virtual through live streaming at the online meeting platform provided by Tricor Investor & Issuing House Services Sdn Bhd in Malaysia via its TIIH Online website at <https://tiih.online> or <https://tiih.com.my> (Domain registration number with MYNIC: D1A282781) on Monday, 23 May 2022 at 9.00 a.m. to transact the following businesses:

AGENDA

1. To receive the Audited Financial Statements for the financial year ended 31 December 2021 together with the Reports of the Directors and Auditors thereon. [Please refer to Note j]
2. To approve the payment of Directors’ fees and benefits up to an amount of RM310,000 to be paid on a monthly basis from the date of the conclusion of this AGM until the conclusion of the next AGM. Resolution 1
3. To re-elect the following Directors who retire by rotation in accordance with Clause 19.3 of the Constitution of the Company:
 - a. Dato’ Cheong Peak Sooi Resolution 2
 - b. Mr Ng Wai Luen Resolution 3
4. To re-elect Puan Zalinah Binti A Hamid who retires in accordance with Clause 19.9 of the Constitution of the Company. Resolution 4
5. To re-appoint Messrs Moore Stephens Associates PLT as Auditors of the Company for the financial year ending 31 December 2022 and to authorise the Directors to determine their remuneration. Resolution 5

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolutions with or without modifications:

6. **ORDINARY RESOLUTION
AUTHORITY TO ISSUE AND ALLOT SHARES** Resolution 6

“**THAT**, pursuant to Sections 75 and 76 of the Companies Act 2016 (“**Act**”), and subject always to the Constitution of the Company and the approval of the relevant authorities, the Directors be and are hereby authorised to issue and allot shares in the Company at any time until the conclusion of the next AGM and to such person or persons, upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deemed fit, provided that the aggregate number of shares to be issued does not exceed 10% of the total number of issued shares of the Company (excluding treasury shares, if any) for the time being and that the Directors are also empowered to obtain the approval from the Bursa Malaysia Securities Berhad (“**Bursa Securities**”) for the listing of and quotation for the additional shares to be issued.”
7. **ORDINARY RESOLUTION
PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY** Resolution 7

“**THAT** subject to the Act, the provisions of the Constitution of the Company, the Main Market Listing Requirements of Bursa Securities (“**Listing Requirements**”) and the approval of all relevant and/or regulatory authorities, the Company be and is hereby authorised to purchase such amount of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities, upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company (“**Proposed Share Buy-Back**”), provided that:

 - (a) the aggregate number of ordinary shares which may be purchased and/or held by the Company as treasury shares shall not exceed 10% of the total number of issued shares of the Company as at the point of purchase; and
 - (b) the maximum funds to be allocated by the Company for the purpose of purchasing its own shares shall not exceed the Company’s audited retained profits at any point of time;

Notice Of Annual General Meeting (Cont'd)



7. ORDINARY RESOLUTION

PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY (Cont'd)

Resolution 7

THAT upon completion of the purchase(s) of its own shares by the Company pursuant to the Proposed Share Buy-Back, the Directors be and are hereby authorised to deal with the shares purchased in their absolute discretion in the following manner:

- (a) cancel all the shares so purchased; or
- (b) retain the shares so purchased as treasury shares (of which may be dealt with in accordance with Section 127(7) of the Act); or
- (c) retain part of the shares so purchased as treasury shares and cancel the remainder; or

in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the Listing Requirements and any other relevant authority for the time being in force,

THAT such authority conferred by this resolution shall commence upon the passing of this resolution and shall continue to be in force until:

- (a) the conclusion of the next AGM, at which time the said authority shall lapse, unless by an ordinary resolution passed at a meeting of members, the authority is renewed, either unconditionally or subject to conditions; or
- (b) the expiration of the period within which the next AGM after that date is required by law to be held; or
- (c) the authority is revoked or varied by ordinary resolution passed by the shareholders of the Company in a meeting of members,

whichever occur first;

AND THAT the Directors be and are hereby authorised to take all such steps as are necessary or expedient in the interest of the Company to implement, finalise and give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, variations and/or amendments as may be imposed by the relevant authorities.”

- 8. To transact any other business of which due notice shall have been given in accordance with the Act and the Constitution of the Company.

By order of the Board of Directors

CHEAI WENG HOONG
BENEDETTE LIM LANG SIU
Company Secretaries

Ipoh
22 April 2022

NOTES:

- a. The AGM will be conducted fully virtual through live streaming at the online meeting platform provided by Tricor Investor & Issuing House Services Sdn Bhd (“**Tricor**”) in Malaysia via its TIIH Online website at <https://tiah.online>. Members are to attend, speak (including posing questions to the Board of Directors (“**Board**”) of the Company via real time submission of typed texts) and vote (collectively, “**Participate**”) remotely at this AGM via Remote Participation and Voting (“**RPV**”) facilities provided by Tricor. Members are advised to follow the procedures of RPV as stated in the Administrative Guide.
- b. According to the Revised Guidance Note and FAQs on the Conduct of General Meetings for Listed Issuers issued by the Securities Commission Malaysia on 7 April 2022, an online meeting platform located in Malaysia is recognised as the meeting venue and all meeting participants of a fully virtual general meeting are required to participate in the meeting online.
- c. A member of the Company entitled to Participate at the meeting may appoint any person to be his/her proxy to Participate in his/her stead. A proxy may but need not be a member of the Company and there shall be no restriction as to the qualification of the proxy. A proxy shall have the same rights as the member to Participate at the meeting. A member who has appointed a proxy to Participate at the meeting must request his/her proxy to register himself/herself for the RPV at Tricor’s TIIH Online website at <https://tiah.online>.

Notice Of Annual General Meeting (Cont'd)

NOTES: (Cont'd)

- d. Where a member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- e. When a member appoints more than one proxy the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding to be represented by each proxy.
- f. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his/her attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation's seal or under the hand of two (2) authorised officers of his/her attorney duly authorised.
- g. The instrument appointing a proxy may be made via hardcopy or by electronic means in the following manner and must be received by the Company's Share Registrar, Tricor, not less than forty-eight (48) hours before the time appointed for holding the meeting or at any adjournment thereof:
 - (a) Lodgement of Form of Proxy in hardcopy - To be deposited at Tricor's office at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia, or alternatively, at Tricor's Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia; OR
 - (b) Electronic lodgement of Form of Proxy - The Form of Proxy can be lodged electronically via TIIH Online website at <https://tiih.online>. Please refer to the Administrative Guide for further information on electronic submission.
- h. Only members whose names appear on the Record of Depositors as at 13 May 2022 will be entitled to Participate at the meeting.
- i. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the resolution set out in the Notice of the AGM of the Company shall be put to vote by way of a poll.
- j. **Audited Financial Statements for financial year ended 31 December 2021**
The audited financial statements under Agenda 1 are meant for discussion only, as the provision of Section 340(1)(a) of the Act does not require a formal approval of the members and hence, Agenda 1 is not put forward for voting.
- k. **Resolution 1**
The Board through the Nomination and Remuneration Committee has assessed the proposed fees and benefits payable to non-executive Directors at their respective meetings held on 16 November 2021 and agreed that the basis of payment of the Directors' fees and benefits shall remain unchanged.

Resolution 1, if passed, will allow the Company to pay the Directors' fees and benefits as set out below in a timely manner, on a monthly basis at the end of each month, for services rendered during the course of the period from the conclusion of the date of this AGM until the conclusion of the next AGM.

	Director's fee per month (RM)	Director's fee per annum (RM)
Non-Executive Chairman	5,500	66,000
Each Non-Executive Director	4,500	54,000

The benefits payable to the Directors up to the amount of RM36,000 comprise meeting allowances.

In the event the Directors' fees and benefits proposed are insufficient (e.g. due to enlarged Board size or additional Board meetings to be convened), approval will be sought at the next AGM for additional fees or benefits to meet the shortfall.

I. Resolutions 2 to 4

The profiles of the Directors standing for re-election ("**Retiring Directors**") are disclosed under the Profile of Directors on pages 6 to 9 of this Annual Report and the details of their interest in the securities of the Company are disclosed under Analysis of Shareholdings and Warrant Holdings on pages 141 to 145 of this Annual Report.

The Retiring Directors, being eligible for re-election, have given their consent to seek for re-election at the AGM.

Notice Of Annual General Meeting (Cont'd)



NOTES: (Cont'd)

l. Resolutions 2 to 4 (Cont'd)

The Board through the Nomination and Remuneration Committee has deliberated on the suitability of the Retiring Directors to be re-elected as Directors at their respective meetings held on 22 February 2022. Upon deliberation, the Board (except for the Retiring Directors) collectively agreed that the Retiring Directors have appropriate mix of skill and experience as well as have sufficient level of involvement and deliberation of relevant issues as in line with the Group's strategy. In addition, the performance and contribution of the Retiring Directors to the Company are highly satisfactory to discharge their respective roles as Directors of the Company and the Board recommended the Retiring Directors to be re-elected as the Directors of the Company.

m. Resolution 5

The Board through the Audit Committee has assessed and is satisfied with the quality of audit and services, adequacy of resources, performance, competency and independence of the external auditors, Messrs Moore Stephens Associates PLT, which are in accordance with the Paragraph 15.21 of the Listing Requirements, had at their respective meetings on 22 February 2022 and recommended the re-appointment of Messrs Moore Stephens Associates PLT.

Messrs Moore Stephens Associates PLT have indicated their willingness to continue their services for the ensuing year.

n. Resolution 6

Ordinary Resolution 6, if passed, will give authority to the Directors of the Company to allot and issue shares of the Company up to and not exceeding 10% of the total number of issued shares of the Company (excluding treasury shares, if any) for the time being for such purposes as the Directors consider would be in the best interest of the Company without convening a meeting of members. The general mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for purpose of funding future investment project(s), working capital, repayment of bank borrowings and/or acquisition(s).

This general mandate, unless revoked or varied at a meeting of members, will expire at the conclusion of the next AGM.

o. Resolution 7

Ordinary Resolution 7, if passed, will allow the Company to purchase its own shares up to 10% of the total number of issued shares of the Company. Please refer to the Statement to Shareholders in relation to the Proposed Renewal of Share Buy-Back Authority dated 22 April 2022 for further details.

**ADMINISTRATIVE GUIDE OF THE
THIRTEENTH ANNUAL GENERAL MEETING (“AGM”)**

Date : 23 May 2022, Monday
Time : 9.00 a.m.
Online Meeting platform : <https://tiih.online>

MODE OF MEETING

In view of the COVID-19 outbreak and as part of the safety measures, the AGM will be conducted fully virtual through live streaming at the Online Meeting Platform as provided above.

According to the Revised Guidance Note and FAQs on the Conduct of General Meetings for Listed Issuers issued by the Securities Commission Malaysia on 7 April 2022, an online meeting platform located in Malaysia is recognised as the meeting venue and all meeting participants of a fully virtual general meeting are required to participate in the meeting online.

REMOTE PARTICIPATION AND VOTING (“RPV”) FACILITIES

The RPV facilities are available on Tricor Investor & Issuing House Services Sdn Bhd’s (“Tricor”) **TIIH Online** website at <https://tiih.online>.

Shareholders are to attend, speak (in the form of real time submission of typed texts) and vote (collectively, “**participate**”) remotely at the AGM using RPV facilities from Tricor.

Kindly refer to Procedures for RPV as set out below for the requirements and procedures.

Procedures to Remote Participation and Voting via RPV Facilities

- Please read and follow the procedures below to engage in remote participation through live streaming and online remote voting at the AGM using the RPV facilities:

Before the AGM Day

Procedure	Action
i. Register as a user with TIIH Online	<ul style="list-style-type: none"> • Using your computer, access to website at https://tiih.online. Register as a user under the “e-Services”, select the “Sign Up” button and followed by “Create Account by Individual Holder”. Refer to tutorial guide posted on the homepage for assistance. • Registration as a user will be approved within one (1) working day and you will be notified via e-mail. • If you are already a user with TIIH Online, you are not required to register again. You will receive an e-mail to notify you that the remote participation is available for registration at TIIH Online.
ii. Submit your request to attend AGM remotely	<ul style="list-style-type: none"> • Registration is open from Friday, 22 April 2022 until the day of AGM on Monday, 23 May 2022. Shareholder(s) or proxy(ies) or corporate representative(s) or attorney(s) are required to pre-register their attendance for the AGM to ascertain their eligibility to participate the AGM using the RPV. • Login with your user ID (i.e. email address) and password and select the corporate event: “(REGISTRATION) PTRANS 2022 AGM”. • Read and agree to the Terms & Conditions and confirm the Declaration. • Select “Register for Remote Participation and Voting”. • Review your registration and proceed to register. • System will send an email to notify that your registration for remote participation is received and will be verified.

Procedures to Remote Participation and Voting via RPV Facilities (Cont'd)

Before the AGM Day (Cont'd)

Procedure	Action
ii. Submit your request to attend AGM remotely (Cont'd)	<ul style="list-style-type: none"> After verification of your registration against the Record of Depositors as at 13 May 2022, the system will send you an e-mail on or after 21 May 2022 to approve or reject your registration for remote participation. (Note: Please allow sufficient time for approval of new user of TIIH Online and registration for the RPV.)

On the AGM Day

Procedure	Action
i. Login to TIIH Online	<ul style="list-style-type: none"> Login with your user ID and password for remote participation at the AGM at any time from 8.00 a.m. i.e. 1 hour before the commencement of meeting at 9.00 a.m. on Monday, 23 May 2022.
ii. Participate through Live Streaming	<ul style="list-style-type: none"> Select the corporate event: “(LIVE STREAM MEETING) PTRANS 2022 AGM” to engage in the proceedings of the AGM remotely. If you have any question for the Chairman/Board, you may use the query box to transmit your question. The Chairman/Board will try to respond to questions submitted by remote participants during the AGM. If there is time constraint, the responses will be e-mailed to you at the earliest possible, after the meeting.
iii. Online remote voting	<ul style="list-style-type: none"> Voting session commences from 9.00 a.m. on Monday, 23 May 2022 until a time when the Chairman announces the end of the session. Select the corporate event: “(REMOTE VOTING) PTRANS 2022 AGM” or if you are on the live stream meeting page, you can select “GO TO REMOTE VOTING PAGE” button below the Query Box. Read and agree to the Terms & Conditions and confirm the Declaration. Select the CDS account that represents your shareholdings. Indicate your votes for the resolutions that are tabled for voting. Confirm and submit your vote.
iv. End of remote participation	Upon the announcement by the Chairman on the conclusion of the AGM, the Live Streaming will end.

Notes to users of the RPV facilities:

- Should your registration for RPV be approved, we will make available to you the rights to join the live stream meeting and to vote remotely. Your login to TIIH Online on the day of meeting will indicate your presence at the virtual meeting.
- The quality of your connection to the live broadcast is dependent on the bandwidth and stability of the internet at your location and the device you use.
- In the event you encounter any issues with logging-in, connection to the live stream meeting or online voting on the meeting day, kindly call Tricor Help Line at 011-40805616 / 011-40803168 / 011-40803169 / 011-40803170 for assistance or e-mail to tiih.online@my.tricorglobal.com for assistance.

Entitlement to Participate and Appointment of Proxy

- Only members whose names appear on the Record of Depositors as at 13 May 2022 shall be eligible to attend, speak and vote at the AGM or appoint a proxy(ies) and/or the Chairman of the Meeting to attend and vote on his/her behalf.
- In view that the AGM will be conducted on a virtual basis, a member can appoint the Chairman of the Meeting as his/her proxy and indicate the voting instruction in the Form of Proxy.
- If you wish to participate in the AGM yourself, please do not submit any Form of Proxy for the AGM. You will not be allowed to participate in the AGM together with a proxy appointed by you.

Entitlement to Participate and Appointment of Proxy (Cont'd)

- Accordingly, Form of Proxy and/or documents relating to the appointment of proxy/corporate representative/attorney for the AGM whether in hard copy or by electronic means shall be deposited or submitted in the following manner not later than **Saturday, 21 May 2022 at 9.00 a.m.:**

(i) In Hard copy:

By hand or post to the office of the Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur;

(ii) By Electronic form:

All shareholders can have the option to submit Form of Proxy electronically via TIIH Online and the steps to submit are summarised below:

Procedure	Action
i. Steps for Individual Shareholders	
Register as a User with TIIH Online	<ul style="list-style-type: none"> Using your computer, please access the website at https://tiih.online. Register as a user under the "e-Services". Please refer to the tutorial guide posted on the homepage for assistance. If you are already a user with TIIH Online, you are not required to register again.
Proceed with submission of Form of Proxy	<ul style="list-style-type: none"> After the release of the Notice of Meeting by the Company, login with your user name (i.e. email address) and password. Select the corporate event: "PTRANS 2022 AGM - SUBMISSION OF PROXY FORM". Read and agree to the Terms and Conditions and confirm the Declaration. Insert your CDS account number and indicate the number of shares for your proxy(s) to vote on your behalf. Appoint your proxy(s) and insert the required details of your proxy(s) or appoint the Chairman as your proxy. Indicate your voting instructions – FOR or AGAINST, otherwise your proxy will decide on your votes. Review and confirm your proxy(s) appointment. Print the Form of Proxy for your record.
ii. Steps for Corporation or Institutional Shareholders	
Register as a User with TIIH Online	<ul style="list-style-type: none"> Access TIIH Online at https://tiih.online. Under e-Services, the authorised or nominated representative of the corporation or institutional shareholder selects the "Sign Up" button and followed by "Create Account by Representative of Corporate Holder". Complete the registration form and upload the required documents. Registration will be verified, and you will be notified by email within one (1) to two (2) working days. Proceed to activate your account with the temporary password given in the email and re-set your own password. <p><i>(Note: The representative of a corporation or institutional shareholder must register as a user in accordance with the above steps before he/she can subscribe to this corporate holder electronic proxy submission. Please contact our Share Registrar if you need clarifications on the user registration.)</i></p>

Entitlement to Participate and Appointment of Proxy (Cont'd)

(ii) By Electronic form: (Cont'd)

Procedure	Action
ii. Steps for Corporation or Institutional Shareholders (Cont'd)	
Proceed with submission of Form of Proxy	<ul style="list-style-type: none"> • Login to TIIH Online at https://tiih.online. • Select the corporate exercise name: "PTRANS 2022 AGM - SUBMISSION OF PROXY FORM". • Agree to the Terms & Conditions and Declaration. • Proceed to download the file format for "Submission of Proxy Form" in accordance with the Guidance Note set therein. • Prepare the file for the appointment of proxies by inserting the required data. • Submit the proxy appointment file. • Login to TIIH Online, select corporate exercise name: "PTRANS 2022 AGM - SUBMISSION OF PROXY FORM". • Proceed to upload the duly completed proxy appointment file. • Select "Submit" to complete your submission. • Print the confirmation report of your submission for your record.

PRE-MEETING SUBMISSION OF QUESTION TO THE BOARD OF DIRECTORS

Shareholders may submit questions for the Board in advance of the AGM via Tricor's TIIH Online website at <https://tiih.online> by selecting "e-Services" to login, pose questions and submit electronically no later than Saturday, 21 May 2022 at 9.00 a.m. The Board will endeavour to answer the questions received at the AGM.

NO DOOR GIFT/FOOD VOUCHER

There will be no distribution of door gifts or food vouchers for the AGM since the meeting is being conducted on a fully virtual basis.

The Company would like to thank all its shareholders for their kind co-operation and understanding in these challenging times.

ENQUIRY

If you have any enquiries on the above, please contact the following persons during office hours on Mondays to Fridays from 8.30 a.m. to 5.30 p.m. (except on public holidays):

Tricor Investor & Issuing House Services Sdn Bhd

General Line	: +603-2783 9299
Fax Number	: +603-2783 9222
Email	: is.enquiry@my.tricorglobal.com
Contact Persons	: Amier Arief +603-2783 9250 (Amier.Arief@my.tricorglobal.com)
	: Eric Low +603-2783 9267 (Eric.Low@my.tricorglobal.com)

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PERAK TRANSIT BERHAD

Registration No.: 200801030547 (831878-V)
(Incorporated in Malaysia)

PeraKTransit

KEPUASAN ANDA, KEUTAMAAN KAMI
YOUR SATISFACTION, OUR PRIORITY

Form Of Proxy

(Before completing the form please refer to the notes below)

No. of shares held	CDS Account No. of Authorised Nominee

I/We NRIC/Passport/Co. No.
(FULL NAME IN BLOCK LETTERS)

of Tel No.
(ADDRESS)

being a member of **PERAK TRANSIT BERHAD**, hereby appoint:

Proxy 1 - Full Name in Block Letters	NRIC/Passport No.	No. of shares	% of shareholdings
Address:			

And

Proxy 2 - Full Name in Block Letters	NRIC/Passport No.	No. of shares	% of shareholdings
Address:			

or failing him/her, the Chairman of the Meeting, as my/our proxy(ies) to vote for me/us and on my/our behalf at the Thirteenth Annual General Meeting ("**AGM**") of the Company to be conducted fully virtual through live streaming at the online meeting platform provided by Tricor Investor & Issuing House Services Sdn Bhd in Malaysia via its TIIH Online website at <https://tjih.online> on Monday, 23 May 2022 at 9.00 a.m. or at any adjournment thereof. My/our proxy(ies) shall vote as follows:

Resolutions relating to:	For	Against
1. Approve payment of Directors' fees and benefits		
2. Re-elect Dato' Cheong Peak Soo		
3. Re-elect Mr Ng Wai Luan		
4. Re-elect Puan Zalinah Binti A Hamid		
5. Re-appoint Messrs Moore Stephens Associates PLT as Auditors and to authorise Directors to determine their remuneration		
6. Authorise Directors to Issue and Allot Shares		
7. Proposed Renewal of Share Buy-Back Authority		

(Please indicate with an "X" in the space provided how you wish your vote to be cast on the resolutions specified in the Notice of the AGM. If you do not do so, the proxy(ies) will vote or abstain from voting at his/her/their discretion.)

Dated this day of 2022
Signature/Seal of Shareholder

NOTES:

- The AGM will be conducted fully virtual through live streaming at the online meeting platform provided by Tricor Investor & Issuing House Services Sdn Bhd ("**Tricor**") in Malaysia via its TIIH Online website at <https://tjih.online>. Members are to attend, speak (including posing questions to the Board of Directors of the Company via real time submission of typed texts) and vote (collectively, "**Participate**") remotely at this AGM via Remote Participation and Voting ("**RPV**") facilities provided by Tricor. Members are advised to follow the procedures of RPV as stated in the Administrative Guide.
- According to the Revised Guidance Note and FAQs on the Conduct of General Meetings for Listed Issuers issued by the Securities Commission Malaysia on 7 April 2022, an online meeting platform located in Malaysia is recognised as the meeting venue and all meeting participants of a fully virtual general meeting are required to participate in the meeting online.
- A member of the Company entitled to Participate at the meeting may appoint any person to be his/her proxy to Participate in his/her stead. A proxy may but need not be a member of the Company and there shall be no restriction as to the qualification of the proxy. A proxy shall have the same rights as the member to Participate at the meeting. A member who has appointed a proxy to Participate at the meeting must request his/her proxy to register himself/herself for the RPV at Tricor's TIIH Online website at <https://tjih.online>.
- Where a member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- When a member appoints more than one proxy the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding to be represented by each proxy.
- The instrument appointing a proxy shall be in writing under the hand of the appointor or of his/her attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation's seal or under the hand of two (2) authorised officers of his/her attorney duly authorised.
- The instrument appointing a proxy may be made via hardcopy or by electronic means in the following manner and must be received by the Company's Share Registrar, Tricor, not less than forty-eight (48) hours before the time appointed for holding the meeting or at any adjournment thereof:
 - Lodgement of Form of Proxy in hardcopy - To be deposited at Tricor's office at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia, or alternatively, at Tricor's Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia; OR
 - Electronic lodgement of Form of Proxy - The Form of Proxy can be lodged electronically via TIIH Online website at <https://tjih.online>. Please refer to the Administrative Guide for further information on electronic submission.
- Only members whose names appear on the Record of Depositors as at 13 May 2022 will be entitled to Participate at the meeting.
- Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the resolution set out in the Notice of the AGM of the Company shall be put to vote by way of a poll.

Please fold across the line and close

STAMP
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The Share Registrar
Tricor Investor & Issuing House Services Sdn Bhd
Registration No.: 197101000970 (11324-H)

Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur

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PERAK TRANSIT BERHAD

Registration No.: 200801030547 (831878-V)

E-6-2A, SOHO Ipoh 2,
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30000 Ipoh, Perak, Malaysia.

Tel: (+605) 255 1128 Fax: (+605) 255 3399

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