INTA BINA GROUP BERHAD

Registration No. 201501009545 (1134880-W)

BUILT TO LAST

ANNUAL REPORT 2021

REVENUE

RM336

MILLION

FYE 2020: RM280 mil

TOTAL ASSETS

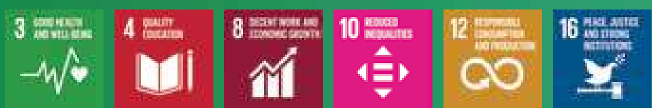
RM385

MILLION

FYE 2020: RM338 mil

P170 Two blocks of 32 storey service apartments at Eco Ardence, Setia Alam

ALIGNMENT TO UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS



Read our Sustainability Statement on page 46

PROFIT AFTER TAX

RM11.7

MILLION

FYE 2020: RM8.1 mil

UNBILLED ORDER BOOK OF

RM1.12

BILLION

FYE 2020: RM1.08 bil

RETURN ON EQUITY

8.0%

FYE 2020: 5.8%

P152 66 units semi-detached (Ph1b) Sunway Lenang Heights

NET ASSETS PER SHARE

27.4

SEN

FYE 2020: 26.1 sen

P167 and P170 Terrace houses and a service apartment at Eco Ardance, Setia Alam

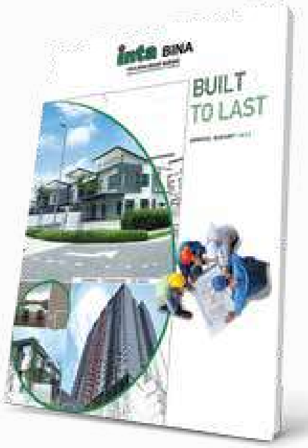
P161 Two apartment blocks for Southville, Bangi

OUR REPUTABLE CLIENTS

EcoWorld	GAMUDA	MahSing
UEM LAND (A member of UEM Group)	TROPICANA	SUNWAY
MITRALAND	Engtex (Engtex Group Berhad)	LUM CHANG
Plenitude	PARKCITY	SDB Selangor Dredging Berhad

With the economy reopening and operating environment being eased, we look forward to a better year and improved order book replenishment target for 2022. We remain optimistic on our outlook, supported by our ability to replenish the order book. The healthy unbilled order book, currently at RM1.12 billion, will provide us with earnings visibility over the next three years.

Paul Lim Ooi Joo,
Inta Bina Group Berhad managing director



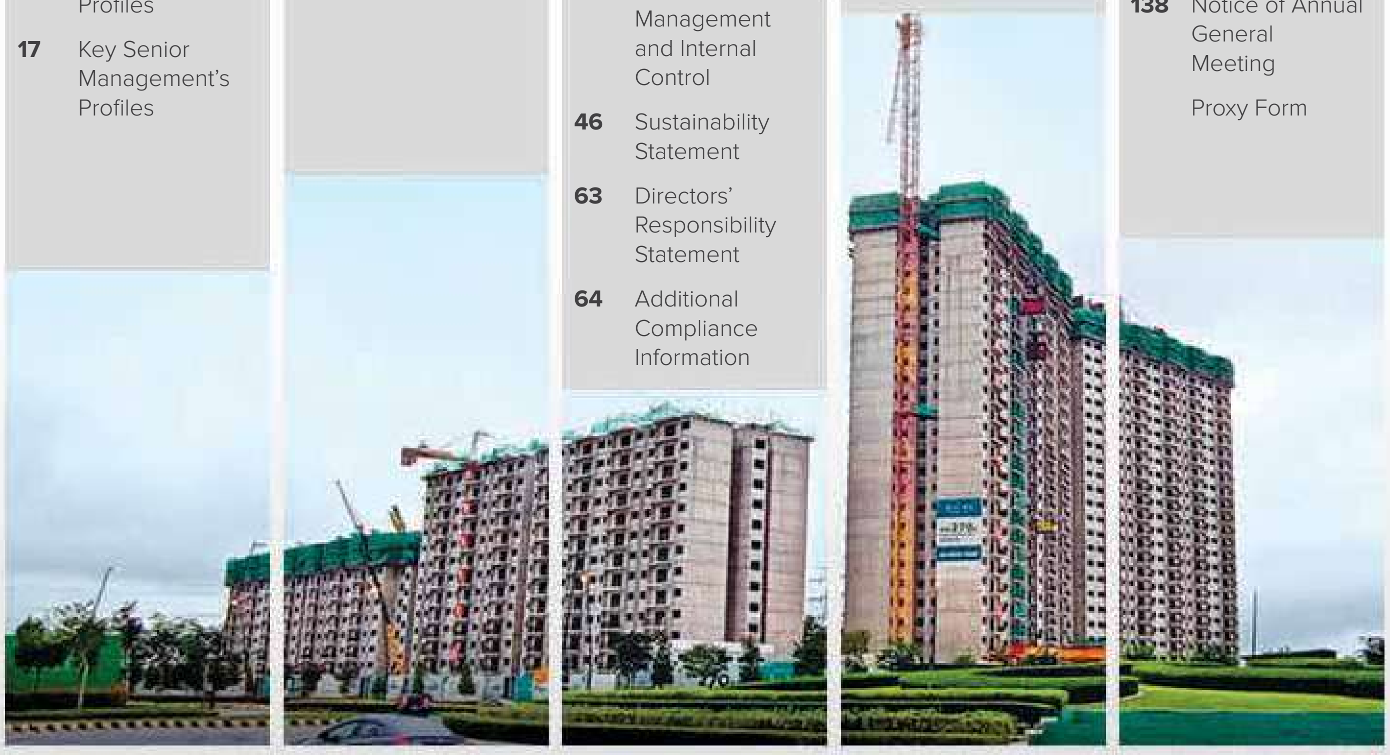
BUILT TO LAST

INTA BINA has had a dynamic year with a growing portfolio of projects. We have secured construction contracts worth RM393 million and continue to make sustainable headway through a focus on optimising resources and investing in greener solutions.

This year's cover uses the concept of a circular economy to show the focus on optimising resources and harnessing synergies. The words Co-Exist, Collaborate and Connect reflect our sustainable approach to business.

Scan here to view our Annual Report online

INSIDE THIS REPORT

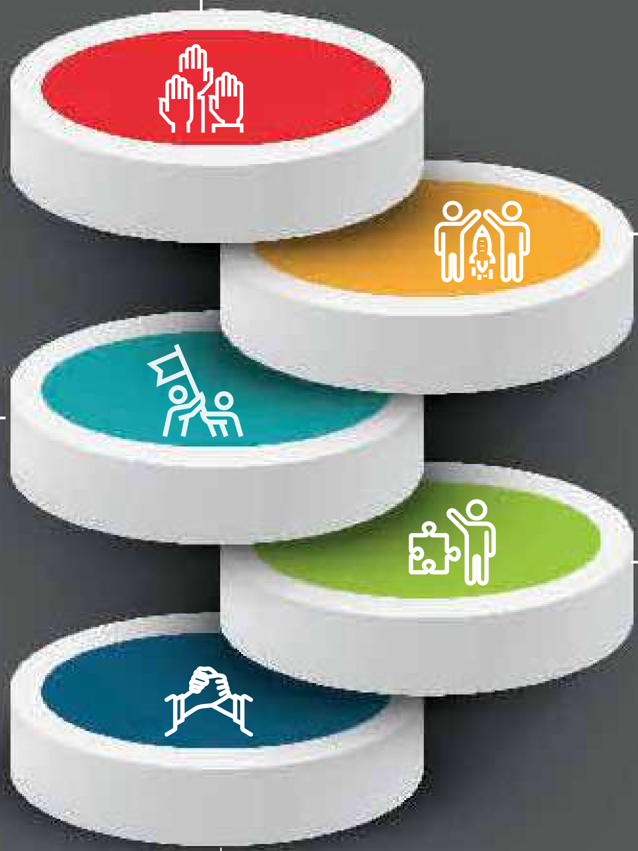


P170 Two blocks of 32 storey service apartments at Eco Ardence, Setia Alam

OUR CORE VALUES
& DECLARATION

OUR MOTTO

Your Partner in
Construction



OUR VISION

To be the preferred choice builder and to ensure sustainable returns to stakeholder.

OUR MISSION

- To embrace industry best practices, set standards of excellence, meet timelines and doing right the first time and everytime.
- To develop a dynamic team through effective communication, empowerment, enhanced cooperation and continuous equipping.
- To establish credibility by meeting goals, achieving growth, generating profits and meriting exceptional work.

OUR CORE VALUES

- Inta Bina is ours
- Passionate and proactive
- Innovative and immovable
- Considerate and compassionate
- Teachable and teamwork
- United and unafraid
- Respect and restore
- Excellent and effective

OUR DECLARATION

We aim to be:

- Passionate and proactive in everything we do
- Innovative and immovable in everything we encounter
- Considerate and compassionate to others
- Teachable and teamwork to always improve
- United and unafraid to face the future
- Respectful and restoring to the environment
- Excellent and effective in our approach to work

CORPORATE STRUCTURE

100%
INTA BINA GROUP BERHAD
Registration No. 201501009545 (1134880-W)

100%
INTA BINA SDN BHD
Registration No. 198701008160 (166877-X)

100%
ANGKASA SENURI SDN BHD
Registration No. 202001041134 (1397455-V)

55%
IBEE SDN BHD
Registration No. 202101008962 (1409261-W)

50%
LAGENDA INTA SDN BHD
Registration No. 202201003405 (1449102-U)
(A 50:50 JV company incorporated on 26 January 2022)

CORPORATE INFORMATION

BOARD OF DIRECTORS

DR LIM PANG KIAM
Independent Non-Executive Chairman

LIM OOI JOO
Managing Director

TEO HOCK CHOON
Deputy Managing Director

AHMAD BIN AWI
Executive Director

CHAU YIK MUN
Executive Director

YAP YOON KONG
Senior Independent Non-Executive Director

DATO' SIA THIAN SANG
Independent Non-Executive Director

DATO' LEANNE KOH LI ANN
Independent Non-Executive Director

AU FOONG YEE
Independent Non-Executive Director

AUDIT COMMITTEE
Yap Yoon Kong (Chairman)
Dr Lim Pang Kiam (Member)
Dato' Sia Thian Sang (Member)
Dato' Leanne Koh Li Ann (Member)

REMUNERATION COMMITTEE
Dato' Sia Thian Sang (Chairman)
Yap Yoon Kong (Member)
Dr Lim Pang Kiam (Member)

NOMINATING COMMITTEE
Yap Yoon Kong (Chairman)
Dr Lim Pang Kiam (Member)
Dato' Sia Thian Sang (Member)

RISK MANAGEMENT COMMITTEE
Lim Ooi Joo (Chairman)
Teo Hock Choon (Member)
Yap Yoon Kong (Member)
Dr Lim Pang Kiam (Member)
Dato' Sia Thian Sang (Member)

COMPANY SECRETARY
Siew Suet Wei
(MAICSA NO.: 7011254)
SSM Practicing
Certificate No. 202008001690
Lim Yen Teng (LS0010182)
SSM Practicing
Certificate No. 201908000028

HEAD OFFICE
13, 15 & 17 (1st Floor)
Jalan SS15/8A, Subang Jaya
47500 Petaling Jaya, Selangor
Tel : 03-5637 9093
Email : admin@intabina.com
Website : www.intabina.com

REGISTERED OFFICE
No. 5-9A, The Boulevard Offices
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur
Tel : 03-2282 6331
Fax : 03-2201 9331

SHARE REGISTRAR
Tricor Investor & Issuing House Services Sdn. Bhd.
Unit 32-01, Level 32, Tower A
Vertical Business Suite, Avenue 3
Bangsar South 8, Jalan Kerinchi
59200 Kuala Lumpur
Tel : 03-2783 9299
Fax : 03-2783 9222

PRINCIPAL BANKERS
Malayan Banking Berhad
Subang Business Centre
2nd Floor, B-13, Jalan USJ25/1
Garden Shoppe, One City
47650 Subang Jaya, Selangor
Tel : 03-5036 7252

AmBank (M) Berhad
Wholesale Banking
Level 18, Menara Dion
Jalan Sultan Ismail
50250 Kuala Lumpur
Tel : 03-2026 3939

AUDITORS
Baker Tilly Monteiro Heng PLT
201906000600 (LLP0019411-LCA) & AF 0117
Baker Tilly Tower
Level 10, Tower 1, Avenue 5
Bangsar South City
59200 Kuala Lumpur
Tel : 03-2297 1000

STOCK EXCHANGE LISTING
Main Market Listing of
Bursa Malaysia Securities Berhad
Stock Name : INTA
Stock Code : 0192

BOARD OF DIRECTORS

AU FOONG YEE Independent Non-Executive Director	**DATO' LEANNE KOH LI ANN** Independent Non-Executive Director	**YAP YOON KONG** Senior Independent Non-Executive Director	**TEO HOCK CHOON** Deputy Managing Director	**DR LIM PANG KIAM** Independent Non-Executive Chairman

LIM OOI JOO
Managing Director

AHMAD BIN AWI
Executive Director

DATO' SIA THIAN SANG
Independent Non-Executive Director

CHAU YIK MUN
Executive Director

DIRECTORS' PROFILES

DR LIM PANG KIAM

Independent Non-Executive Chairman

59

Male

Malaysian

Board meeting attendance in the financial year:

5/5

Date of Appointment:
15 April 2016

Declaration of conflict of interest or any family relationship with any other director and/or major shareholders:
He has no conflict of interest with the Group and has no family relationship with any Director and/or major shareholder of the Group.

Declaration on conviction of offences within the past 5 years:
He maintains a clean record with regards to convictions for offences (other than traffic offences, if any) within the past 5 years.

Qualifications:
- Doctor of Philosophy in Business Administration from SEGi University
- Master of Science in Planning from Universiti Sains Malaysia
- Bachelor of Science (Honours) in Housing, Building, and Planning from Universiti Sains Malaysia
- Certified Financial Planner, Financial Planning Association of Malaysia
- Certified Risk Professional from the Bank Administration Institute for Certification from USA
- Member of the Asian Institute of Chartered Bankers (formerly known as Institute of Bankers Malaysia)
- Member of the Malaysian Institute of Accountants (MIA) and ASEAN Chartered Professional Accountants (ASEAN CPA)
- Fellow Member of the Chartered Institute of Management Accountants (FCMA)
- Member of the Chartered Global Management Accountant (CGMA)
- Fellow Member of the Institute of Corporate Directors Malaysia

Membership in Board Committee(s):
- Member, Audit Committee
- Member, Nominating Committee
- Member, Remuneration Committee
- Member, Risk Management Committee

Directorship in other public companies:
- Engtex Group Berhad
- SDS Group Berhad
- Lagenda Properties Berhad

Experience:
Dr Lim obtained a Bachelor of Science (Honours) in Housing, Building and Planning and a Master of Science in Planning from Universiti Sains Malaysia in 1988 and 1989 respectively. In 2020, he also obtained a Doctor of Philosophy in Business Administration from SEGi University, Kota Damansara.

He is a Certified Financial Planner, a title by the Financial Planning Association of Malaysia which he has held since 2002. He is also a Credit Risk Management specialist whereby he was awarded the designation as a Certified Risk Professional from the Bank Administration Institute for Certification in USA in 2003. He has been a member of the Council of the Asian Institute of Chartered Bankers (formerly known as Institute of Bankers Malaysia) since 1999. He is a fellow member of the Chartered Institute of Management Accountants ("CIMA") and the Institute of Corporate Director Malaysia ("ICDM"). He is also a member of the MIA, the Chartered Global Management Accountant ("CGMA") and the ASEAN Chartered Professional Accountants ("ASEAN CPA").

He has been in the banking industry for over 15 years holding various senior positions which include banking operation, commercial and corporate banking and investment banking. He left the banking industry in 2004 to become business owner and held several executive and non-executive directorships in public and private limited companies in Malaysia.

He currently sits on the Board of Lagenda Properties Berhad, Engtex Group Berhad and SDS Group Berhad as an Independent Non-Executive Director. He was appointed as Chief Executive Officer in K. Seng Seng Corporation Berhad on 3 January 2022.

Dr Lim is also actively involved in NGO, serving as a Director and Council Member at the Tung Shin Hospital, Kuala Lumpur, a well-known private hospital in Malaysia.

69

Male

Malaysian

LIM OOI JOO

Managing Director

Board meeting attendance in the financial year:

5/5

Date of Appointment:
15 April 2016

Qualifications:
- Bachelor of Science in Civil Engineering from the University of Saskatchewan, Canada
- Member of The Institution of Engineers Malaysia

Membership in Board Committee(s):
- Chairman, Risk Management Committee

Directorship in other public companies:
None

Declaration of conflict of interest or any family relationship with any other director and/or major shareholders:
He has no conflict of interest with the Group and has no family relationship with any Director and/or major shareholder of the Group.

Declaration on conviction of offences within the past 5 years:
He maintains a clean record with regards to convictions for offences (other than traffic offences, if any) within the past 5 years.

Experience:
Mr Lim began his career in 1979 as an Assistant Resident Engineer with the Public Works Department under the Ministry of Health Malaysia, during which he was responsible for the supervision and monitoring of the foundation construction of several substructures in Klang and Kuala Terengganu. He left public service as the Assistant Resident Engineer to join Syarikat Manong Sdn Bhd in 1983 as a Site Agent with his last position there being Planning and Costing Engineer. In 1988, he decided to participate in his family business by joining Inta Bina Sdn Bhd (then known as Sungai Muhibah Sdn Bhd).

He is considered an industry veteran with more than 30 years of experience in the construction industry.

DIRECTORS' PROFILES

TEO HOCK CHOON

Deputy Managing Director

64

Male

Malaysian

Board meeting attendance in the financial year:

5/5

Date of Appointment:
15 April 2016

Qualifications:
- Diploma in Technology (Building) from Tunku Abdul Rahman College

Membership in Board Committee(s):
- Member, Risk Management Committee

Directorship in other public companies:
None

Declaration of conflict of interest or any family relationship with any other director and/or major shareholders:
He has no conflict of interest with the Group and has no family relationship with any Director and/or major shareholder of the Group.

Declaration on conviction of offences within the past 5 years:
He maintains a clean record with regards to convictions for offences (other than traffic offences, if any) within the past 5 years.

Experience:
Mr Teo is considered an industry veteran having accumulated more than 30 years of experience in the construction industry. He began his career in 1982 at Dindings Consolidated Sdn Bhd as a Project Coordinator. He left the company in 1986 to join Megaria Sdn Bhd as a Director and was attached to the company until 1990. He became Director of Autron Sdn Bhd in 1990 and left the company in 1995. In late 1995, he joined Inta Bina Sdn Bhd as Executive Director and has served the Company since then.

AHMAD BIN AWI

Executive Director

52

Male

Malaysian

Board meeting attendance in the financial year:

5/5

Date of Appointment:
15 April 2016

Qualifications:

- Certificate of Participation on OHSAS 18000/ISA 2000 for Effective Safety and Health Management Systems from Malaysian Society for Occupational Safety and Health

Membership in Board Committee(s):
None

Directorship in other public companies:
None

Declaration of conflict of interest or any family relationship with any other director and/or major shareholders:
He has no conflict of interest with the Group and has no family relationship with any Director and/or major shareholder of the Group.

Declaration on conviction of offences within the past 5 years:
He maintains a clean record with regards to convictions for offences (other than traffic offences, if any) within the past 5 years.

Experience:
En Ahmad began his career as a Tower Crane Coordinator for Kemas Construction Berhad in 1991 and was attached to the company until 1994. He subsequently joined Amseal Engineering Sdn Bhd in 1994 and left the company in 1995 to join PJ Development Holdings Berhad as a Tower Crane Operator. He left PJ Development Holdings Berhad in 1997 to join Inta Bina Sdn Bhd (then known as PJD Builders Sdn Bhd) also as a Tower Crane Operator. In Inta Bina Sdn Bhd, he was subsequently promoted to Safety Officer and Executive Director in 2000 and 2010 respectively.

En Ahmad has more than 20 years of experience in the field of safety practices in the construction industry.

DIRECTORS' PROFILES

CHAU YIK MUN

Executive Director

49

Male

Malaysian

Board meeting attendance in the financial year:

5/5

Date of Appointment:
15 April 2016

Qualifications:

- Bachelor of Engineering (Civil) from Universiti Teknologi Malaysia
- Diploma in Civil Engineering from Politeknik Port Dickson

Membership in Board Committee(s):
None

Directorship in other public companies:
None

Declaration of conflict of interest or any family relationship with any other director and/or major shareholders:
He has no conflict of interest with the Group and has no family relationship with any Director and/or major shareholder of the Group.

Declaration on conviction of offences within the past 5 years:
He maintains a clean record with regards to convictions for offences (other than traffic offences, if any) within the past 5 years.

Experience:
Mr Chau began his career in 1995 with APG Geo-Systems Sdn Bhd as Site Supervisor and later, upon completion of his diploma studies, he joined Sang Yong Engineering & Construction Co Ltd also as Site Supervisor. He then joined Suteraplex Sdn Bhd in 1998 as a Senior Site Supervisor while pursuing his undergraduate studies on a part time basis. In 1999, he joined Inta Bina Sdn Bhd (then known as PJD Builders Sdn Bhd) as a Senior Site Supervisor. Within Inta Bina Sdn Bhd, he was subsequently promoted to Assistant Site Agent in 2001, Site Engineer in 2002, Assistant Project Manager in 2005, Project Manager in 2007, Project Director in 2009 and Director (Project) in 2015.

Mr Chau has more than 20 years of site supervisory, civil engineering and managerial experience in the construction industry particularly on building construction.

YAP YOON KONG

Senior Independent Non-Executive Director

65

Male

Malaysian

Board meeting attendance in the financial year:

5/5

Date of Appointment:
15 April 2016

Qualifications:
- Bachelor of Accounting (Honours) from University Malaya
- Master of Business Administration from the Cranfield Institute of Technology, United Kingdom
- Chartered Accountant and Member of Malaysian Institute of Accountants
- Member of the Asian Institute of Chartered Bankers (formerly known as Institute of Bankers Malaysia)

Membership in Board Committee(s):
- Chairman, Audit Committee
- Chairman, Nominating Committee
- Member, Remuneration Committee
- Member, Risk Management Committee

Directorship in other public companies:
None

Declaration of conflict of interest or any family relationship with any other director and/or major shareholders:
He has no conflict of interest with the Group and has no family relationship with any Director and/or major shareholder of the Group.

Declaration on conviction of offences within the past 5 years:
He maintains a clean record with regards to convictions for offences (other than traffic offences, if any) within the past 5 years.

Experience:
Mr Yap has vast experience in the field of banking, financial and management accounting, financial analysis, corporate affairs, budgeting and cashflow forecasting and tax planning. He has held positions as Financial Controller of other public listed companies and Deputy Manager of a large commercial banking group. He was an Executive Director of a public company listed on the Main Board of Bursa Malaysia Securities Berhad before retiring in 2016.

DIRECTORS' PROFILES

DATO' SIA THIAN SANG

Independent Non-Executive Director

60

Male

Malaysian

Board meeting attendance in the financial year:

5/5

Date of Appointment:
15 April 2016

Qualifications:
- Bachelor of Law (Honours) [LLB (Hons)] from University Malaya

Membership in Board Committee(s):
- Chairman, Remuneration Committee
- Member, Audit Committee
- Member, Nominating Committee
- Member, Risk Management Committee

Directorship in other public companies:
None

Declaration of conflict of interest or any family relationship with any other director and/or major shareholders:
He has no conflict of interest with the Group and has no family relationship with any Director and/or major shareholder of the Group.

Declaration on conviction of offences within the past 5 years:
He maintains a clean record with regards to convictions for offences (other than traffic offences, if any) within the past 5 years.

Experience:
Dato' Sia Thian Sang was called to the Malaysian Bar in 1987 and is presently, the Managing Partner of Messrs Khaled Mutang Chan & Lim, a law firm situated in Kuala Lumpur with a branch office in Kajang, Selangor. He specialises in property conveyancing, banking, finance and land joint venture matters. He is a member of the Disciplinary Committee Panel of the Advocates & Solicitors Disciplinary Board pursuant to Section 96 of the Legal Profession Act 1976 from 1 March 2022 to 28 February 2024.

DATO' LEANNE KOH LI ANN

Independent Non-Executive Director

49

Female

Malaysian

Board meeting attendance in the financial year:

N/A

Date of Appointment:
3 January 2022

Qualifications:
- Bachelor of Laws, Australian National University
- Bachelor of Commerce, Australian National University
- Member, Chartered Tax Institute of Malaysia

Membership in Board Committee(s):
- Member, Audit Committee

Directorship in other public companies:
- Engtex Group Berhad

Declaration of conflict of interest or any family relationship with any other director and/or major shareholders:
She has no conflict of interest with the Group and has no family relationship with any Director and/or major shareholder of the Group.

Declaration on conviction of offences within the past 5 years:
She maintains a clean record with regards to convictions for offences (other than traffic offences, if any) within the past 5 years.

Experience:
Dato' Leanne Koh chambered with a Kuala Lumpur-based corporate and commercial law firm and was called to the Malaysian Bar in 1998. Following her chambering, Dato Leanne worked in the Litigation Department and thereafter the Corporate Department of the law firm at which she had chambered before joining KPMG Malaysia in June 2000.

As a member of KPMG Malaysia's corporate tax practice team for over 20 years, Dato' Leanne has provided corporate tax advice in relation to a variety of domestic and international transactions and exercises, including inbound and outbound investments, cross border and domestic regulatory issues, mergers and acquisitions, IPOs, international tax advice and tax due diligence, corporate tax diagnostic reviews and group tax planning and advising on structured finance products and structuring commercial contracts for tax efficiency. She held the position of Executive Director - Corporate Tax in KPMG Malaysia for about 15 years before retiring in June 2020.

During the course of her career, Dato' Leanne has amongst others served in an advisory capacity with the Securities Commission and Bank Negara Malaysia in respect of tax issues relating to ABS structures and Islamic financing. She has also addressed seminars and conferences in relation to tax issues relating to mergers and acquisitions and international tax planning.

Dato' Leanne also holds substantial legal experience in the areas of insolvency law and corporate and commercial restructurings, in particular receiverships and liquidations, banking litigation and administrative law matters.

Dato' Leanne returned to legal practice in 2020 as a corporate partner in the firm's Corporate and Mergers and Acquisitions Department.

DIRECTORS' PROFILES

65

Female

Malaysian

AU FOONG YEE

Independent Non-Executive Director

Board meeting attendance in the financial year:

N/A

Date of Appointment:
1 April 2022

Qualifications:
- Sijil Pelajaran Malaysia (SPM)

Membership in Board Committee(s):
–

Directorship in other public companies:
3Cnergy Limited

Declaration of conflict of interest or any family relationship with any other director and/or major shareholders:
She has no conflict of interest with the Group and has no family relationship with any Director and/or major shareholder of the Group.

Declaration on conviction of offences within the past 5 years:
She maintains a clean record with regards to convictions for offences (other than traffic offences, if any) within the past 5 years.

Experience:
Ms Au Foong Yee was the founding Managing Director and Editor-in-Chief of The Edge Property Sdn Bhd, which owns the EdgeProp.my (previously known as TheEdgeProperty.com) weekly publication and www.EdgeProp.my Malaysia's most relevant and empowering property portal. Ms Au retired in December 2021 and was appointed Editor Emeritus of The Edge Malaysia.

Ms Au has also been appointed a member of the Malaysian Ministry of Housing and Local Government's Panel of Experts (POE). She sits on the Board of LGM Properties Corporation (LGMPC), a corporation under the Malaysian Rubber Board Act 1996. She is also a Non-Independent Non-Executive Director of 3Cnergy Limited.

A pioneer member of The Edge Malaysia team, Ms Au was the founding editor of City & Country, the popular property pull-out in The Edge Malaysia weekly and Haven (the bimonthly design magazine) published by The Edge Malaysia. She went on to be an Executive Editor and Chief Marketing Officer before being promoted to Managing Director of The Edge Malaysia. In July 2016, Ms Au relinquished the role of Managing Director of The Edge Malaysia to helm and drive The Edge Property Sdn Bhd. Ms Au tracks closely and analyses the Malaysian real estate - something she has been doing since 1994. She conceptualised The Edge Malaysia Top Property Developers Awards, The Edge Malaysia Property Excellence Awards and the Haven My Dream Home Awards organised by The Edge Malaysia. In 2017, Ms Au conceptualised the EdgeProp Malaysia's Best Managed and Sustainable Property Awards to promote sustainable real estate and world-class property management practice. This Award is the first of its kind not only in Malaysia but in this region.

Ms Au is a regular speaker and moderator at property roundtables, symposiums and forums.

KEY SENIOR MANAGEMENT'S PROFILES

YEOW BOON CHIN

Financial Controller

Date appointment: **18 June 2020**

44

Male

Malaysian

Qualifications:

- Member of the Malaysian Institute of Accountant (MIA)
- Bachelor of Commerce from Curtin University of Technology, Australia

Experience:

Mr Yeow graduated with Bachelor of Commerce from Curtin University of Technology, Perth, Australia majoring in Accounting in year 2000. He is a Chartered Accountant of the Malaysian Institute of Accountant (MIA).

He has more than 20 years of experience in the field of auditing, accounting and financing. He began his career as an Audit Assistant with a public accounting firm in 2000 and later worked as Audit Senior, Accountant, Assistant Financial Controller, Deputy Group Financial Controller in various companies before joining the group.

ONG TIAU SIANG

General Manager

Date appointment: **1 November 2001**

44

Male

Malaysian

Qualifications:

- Bachelor of Civil Engineering (Honours), University Teknologi Malaysia

Experience:

Mr Ong has more than 20 years of experience in handling on-site construction works and technical expertise in working under demanding internationally recognized quality standards such as the ISO 9001:2008 and CONQUAS 21 and ensuring strict compliance to the requirement of these quality assessment systems. He started his career in 2000 as a Site Engineer with Psycon Sdn. Bhd. and joined Inta Bina Sdn. Bhd. in 2001 as our Site Engineer. Mr Ong has worked his way up to the present position of General Manager since 2015 and oversees all site and management operations for our projects at Johore.

KEY SENIOR MANAGEMENT'S PROFILES

SIM YIN JOON

General Manager (Special Projects)

Date appointment: **26 June 2000**

47

Male

Malaysian

Qualifications:

- Diploma in Architecture & Building

Experience:

Mr Sim has more than 25 years of work experience in the construction environment. He started his career with Ekias Sdn. Bhd. as Project Supervisor and subsequently joined PJD Builders (former company name for Inta Bina Sdn. Bhd.) as Site Supervisor in year 2000.

Mr Sim has worked his way up to the current position of General Manager (Special Project) since January 2019.

Mr Sim is assigned to oversee site projects and to contribute his invaluable knowledge to guide and further improve the management, operations and developments of our projects within the Klang Valley.

LEE YIH

General Manager (Contract Department)

Date appointment: **6 February 2021**

46

Male

Malaysian

Qualifications:

- Qualified Adjudicator on the Panel of Asian International Arbitration Centre (AIAC)
- Fellow (Pioneer Member) of the Asian Institute of Alternative Dispute Resolution
- BSc in Building Construction Management from Sheffield Hallam University, United Kingdom

Mr Lee Yih holds a Bachelor of Science in Building Construction Management from Sheffield Hallam University, United Kingdom and is a qualified Adjudicator on the panel of Asian International Arbitration Centre (AIAC) and Fellow Member of the Asian Institute of Alternative Dispute Resolution.

Experience:

Mr Lee Yih has about 22 years of experience in quantity surveying, cost estimation and contract administration. He had joined a leading Japanese construction company for 14 years and had 3 years of experience in another public listed company. He has been involved in various statutory adjudications and other means of dispute resolutions.

Mr Lee Yih joined Inta Bina Sdn. Bhd. on 16 February 2021 as Head of Contract. He is responsible for the tendering process and contract administration of existing and new projects undertaken by the group.

FOONG JYI CHYUAN
Assistant Senior Contract Manager
Date appointment: **16 September 2005**

40
Male
Malaysian

Qualifications:

- Diploma Technology (Building) and Advanced Diploma in Technology (Building) from Tunku Abdul Rahman College.
- Bachelor of Science in Building Economics and Quantity Surveying from Heriot-Watt University, UK.

Experience:

Mr Foong is responsible for supervising the day-to-day operations of our Contract Department under the direct supervision of Mr Teo Hock Choon, our Deputy Managing Director. He began his career with Inta Bina Sdn. Bhd. in 2005 as a Junior Contract Executive while he was studying part-time for his advanced diploma and his bachelor's degree. In 2008, he left Inta Bina Sdn. Bhd. for a short stint in Dinamik Cerdas Sdn. Bhd. as a Contract Executive. He re-joined Inta Bina Sdn. Bhd. in 2009 as a Senior Contract Executive. Mr Foong has worked his way up to his present position of Assistant Senior Contract Manager since 2018.

LEE KAM WENG
Assistant Finance Manager
Date appointment: **16 March 2015**

41
Male
Malaysian

Qualifications:

- Member of Malaysian Institute of Accountants
- Fellow Member of the Association of Chartered Certified Accountants, UK
- Master of Business Administration (majoring in Internal Auditing Engagement studies, University of Malaya)

Experience:

Mr Lee has more than 15 years of experience in the accounting and finance field. He began his career in 2006 as Audit & Assurance Associate with Messrs. Raki CS Tan & Ramanan where he was involved in various audit assignments. In 2008, he left the firm to join OYL Manufacturing Sdn. Bhd. as Internal Audit Executive, a position he held for a year where he was in charge of reviewing and auditing the internal controls of the company. In 2009, he joined IOI Corporation Bhd. as Finance Executive where he was responsible for the finance function in the plantation division and subsequently left in 2011 to join Rotary MEC (Mal) Sdn. Bhd. as Accountant, a position he held until 2013. In 2013, he joined KNM Group Bhd. as Accountant responsible for the accounting functions of several oil and gas construction projects. In 2015, he joined Inta Bina Sdn. Bhd. as our Accountant mainly in charge of the preparation and review of the company accounts, budgets and other related accounting and financial matters. He was promoted to his current position since 2018.

KEY SENIOR MANAGEMENT'S PROFILES

KUA KA CUN
Purchasing Manager
Date appointment: **20 December 2017**

37
Male
Malaysian

Qualifications:
- Degree in Business Administration, Universiti Utara Malaysia

Experience:
Mr Kua started his career in 2009 as Purchasing Executive with trading arm of Gamuda – Gamuda Trading Sdn. Bhd. Between 2010 to 2013, he was seconded to various divisions of Gamuda; namely MMC-Gamuda JV for Electrified Double Track Project (Ipoh to Padang Besar) and Gamuda Engineering oversea project, Sewerage Treatment Plant in Hanoi, Vietnam. Thereafter, in 2014, he joined Merpatih Trading Sdn. Bhd., the trading arm for Ikhasas Group of Companies as Senior Purchasing Executive and in charge of the material supply for mixed development projects namely Shaftsbury Square in Cyberjaya and Shaftsbury Avenue in Putrajaya. From March 2016, he was the Purchasing Executive in Muhibbah Engineering Bhd. and involved in few of Petronas projects such as:

1. Refinery and Petrochemical Integrated Development (RAPID) Project at Pengerang, Johor
2. Terengganu Gas Terminal Project (TGAST) at Kertih, Terengganu
3. Petronas Office Building Extension at Kota Kinabalu, Sabah

Mr Kua joined Inta Bina Sdn. Bhd. since December 2017 as Purchasing Manager. He is responsible for the management of the Purchasing Department and in-charge of the procurement of all site building materials for the project sites.

LOW MEI KEW
Administration Manager
Date appointment: **1 August 2001**

68
Female
Malaysian

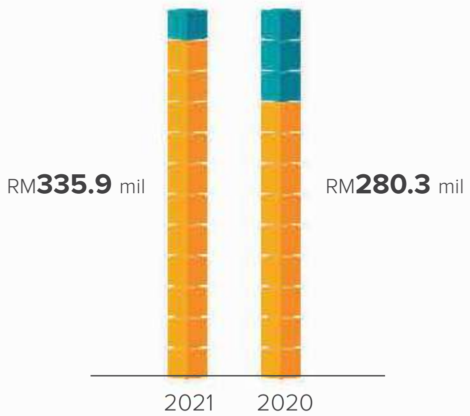
Qualifications:
- Diploma in Executive Secretaryship from Stamford College
- Certificate in Administrative Management from the Institute of Administrative Management, UK
- Diploma in Administration Management from the Institute of Administrative Management, UK

Experience:
Ms Low started her career as a Private Secretary of the Plant Manager at Palmco Holdings Sdn. Bhd. in 1979 and later as the Personal Assistant to the Group Deputy Managing Director till 1984. Between 1984 and 2001, she worked in a few multi-national companies; namely Boehringer Mannheim GmBH, Lim Kok Weng Institute of Technology as well as local companies in various secretarial and administrative management positions. She joined Inta Bina Sdn. Bhd. in 2001 as a Confidential Secretary and was subsequently promoted to her current position in 2009.

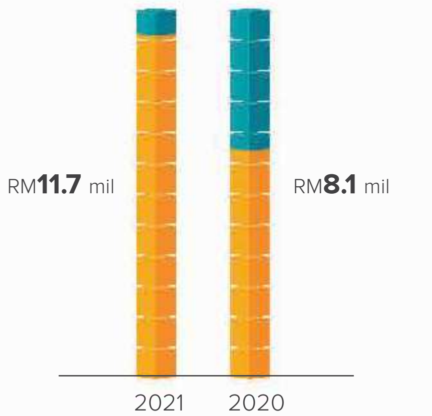
Notes:
None of the key senior management has:
(a) Any directorships in public companies and listed issuers;
(b) Any family relationship with any director and/or major shareholders of the Company;
(c) Any conflict of interest with the Company;
(d) Any conviction for offences (other than traffic offences) within the past 5 years; and
(e) Any public sanction or penalty imposed by the relevant regulatory bodies during the financial year

FINANCIAL HIGHLIGHTS

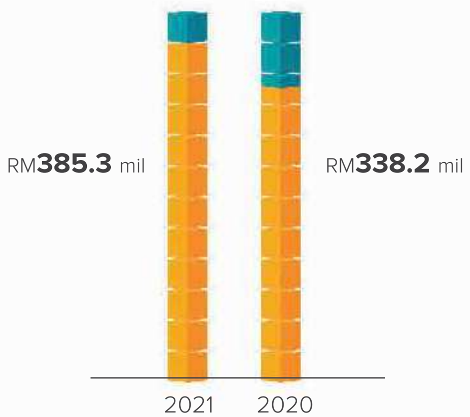
REVENUE
(RM Million)



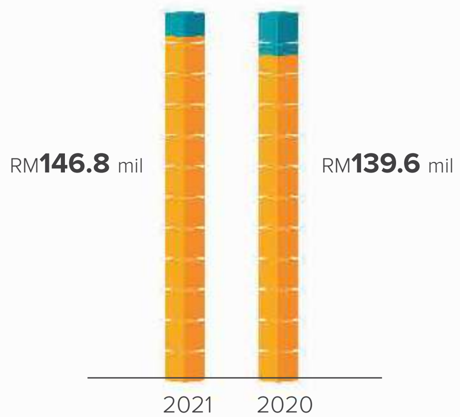
PROFIT AFTER TAX
(RM Million)



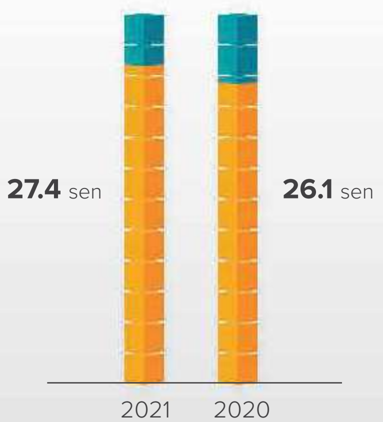
TOTAL ASSETS
(RM Million)



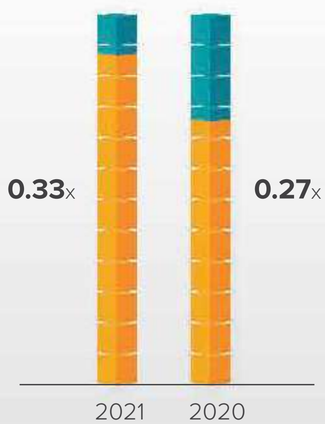
GROUP SHAREHOLDERS' FUND
(RM Million)



NET ASSETS PER SHARE
(Sen)



GEARING RATIO



MANAGEMENT & DISCUSSION ANALYSIS

We are pleased to present the Management Discussion and Analysis Report of Inta Bina Group Berhad (“the Company” or “the Group”) for the financial year ended 31 December 2021 (“FY2021”).

P143 Adria and Nordica Service Apartment @ Gravit 8, Klang

REVENUE

RM335.9 million

19.87% increase YoY

GROSS PROFIT

RM31.54 million

(FY2020:RM26.59 million)

PROFIT BEFORE TAX

RM17.85 million

37.95% increase

EARNINGS PER SHARE OF

2.22 sen in FY2021

(FY2020: 1.51 sen)

ECONOMIC REVIEW

Since the onslaught of the unprecedented COVID-19 pandemic, the global economy has been significantly derailed with notable disruptions to both the economic and social environment. The construction industry has not been spared and was adversely affected due to the stringent measures implemented, with high additional costs attached for construction activities, to curb the outbreak of the COVID-19 virus. In Year 2021, the construction sector has contracted by 5.0% in value of construction work done as compared to the same index in Year 2020, with a 9.3% contraction mainly contributed by the residential sub-sector.

MANAGEMENT DISCUSSION & ANALYSIS

P169 Two blocks of 30 storey service apartment at Eco Sanctuary, Kota Kemuning

The increase in revenue for the financial year was mainly due to the higher recognition of progress billings from ongoing projects as a result of the gradual lifting of MCO restrictions and the effective implementation of COVID-19 vaccination programme, which contributed to the resumption of a higher construction activity level as compared to FY2020.

With the easing of the pandemic-driven containment measures and the assistance and economic stimulus packages implemented by the government since the COVID-19 outbreak, Malaysian economy has seen a 3.6% year-on-year growth in Q4 of 2021, rebounding sharply from a 4.5% contraction in Q3. For the whole year of 2021, the economy has improved by 3.1%, recovering from a negative 5.6% in 2020.

For Year 2022, the Central Bank of Malaysia has anticipated that the Malaysian economy would continue to be on its recovery path. As the economy recuperates, the resumption of domestic demand and the efficacy in fiscal policies for economy stimulation, as well as the curbing of new virus variants are among the key factors to be closely monitored in determining the momentum of the recovery. Other factors which expect to support the economy's growth include the continued expansion in global demand and major investment programme in both public and private sectors, which are expected to create more opportunities for the local market. Nonetheless, the Group remains cautious on the overall global outlook in view of the hike in interest rates and the current Ukraine-Russia conflict which had caused increase oil prices. Albeit not foreseen to have direct significant impacts to Malaysia, these may lead to potential consequential impact to the increase in construction material prices and logistics arising due to disruptions in the global supply chain.

However, we do foresee that the increase in interest rates and hike in oil prices will directly impact the costs of our operation and reduce our profit margins.

FINANCIAL REVIEW

Financial Performance

In FY2021, the Group's revenue has increased from RM280.30 million to RM335.98 million, representing an increase of RM55.68 million or 19.87% year on year. The increase in revenue for the financial year was mainly due to the higher recognition of progress billings from ongoing projects such as Eco Ardence, Southville City, Kiara Kasih, Eco Sanctuary, Metropark, etc. This was a result of the gradual lifting of MCO restrictions and the effective implementation of COVID-19 vaccination programme, which have contributed to the resumption of a higher construction activity level as compared to FY2020.

The Group recorded a gross profit of RM31.54 million (FY2020:RM26.59 million). Despite a higher consolidated revenue recorded, the Group's gross profit margin reduced slightly from 9.48% in FY2020 to 9.39% in FY2021.

GROUP'S TOTAL ASSETS

RM385.37 increased **13.93%**

million as of FY2021

The Group's profit before tax ("PBT") for the FY 2021 was RM17.85 million, representing an increase of 37.95% from RM12.94 million in the preceding year while the administrative and other operating costs remain the same. This resulted in a higher earnings per share of 2.22 sen in FY2021 as compared to 1.51 sen in FY2020.

(Note: The earnings per share for both financial years are computed based on the profit attributable to the equity shareholders of the Company divided by the total number of ordinary shares in issue.)

Segmental Breakdown Analysis

Analyses on the Group's revenue for FY2021 and FY2020 are as follows:

Analysis of revenue by building segment

	FY2021		FY2020	
	RM'mil	%	RM'mil	%
Residential (Note 1)	295.7	88.0	271.9	97.00
Non-Residential (Note 2)	40.3	12.0	8.4	3.00
Total	336.0	100.0	280.3	100.00

	FY2021		FY2020	
	RM'mil	%	RM'mil	%
High-Rise	221.8	66.0	170.2	60.7
Low-Rise	114.2	34.0	110.1	39.3
Total	336.0	100.0	280.3	100.0

Note 1: Residential properties generally include the construction of terrace house, semi-detached house, bungalow, cluster house, town villa, and high-rise apartment.

Note 2: Non-residential properties generally include the construction of commercial suite, SOHO unit, hotel suite, shop, basement car park, clubhouse, and swimming pool.

Analysis of revenue by geographical location

	FY2021		FY2020	
	RM'mil	%	RM'mil	%
Klang Valley	325.9	97.0	265.5	94.7
Johor	10.1	3.0	14.8	5.3
Total	336.0	100.00	280.3	100.0

The Group's project revenues are mostly generated from Residential projects (representing 88.0% of total Group revenue), with a higher proportion of high-rise units of 66.0% as compared to FY2020. Similar to last year, these revenue-generating housing projects are mainly located in Klang Valley area, which had made up to approximately 97.0% of the Group Revenue in FY2021, with the remaining projects located in Johor.

MANAGEMENT DISCUSSION & ANALYSIS

Financial Position

Equity attributable to owners of the Company increased from RM139.57 million as of FY2020 to RM146.93 million as of FY2021, contributed by the retained earnings with positive comprehensive income generated in the current financial year.

The Group's total assets had increased by RM47.12 million or 13.93% to RM385.37 million as of FY2021 mainly due to acquisition of property, plant and equipment and an increase in the contract assets, set off by lower trade receivable balances as at the financial year end.

Similarly, the total liabilities of the Group had increased from RM198.67 million as of FY2020 to RM238.44 million as of FY2021, primarily contributed by higher balances in contract liabilities as well as loans and borrowings which are mainly arising from the increase in trade financing and hire purchase facilities.

Consolidating the above, the net assets per share of the Group had strengthened further from 26.08 sen to 27.45 sen.

(Note: Net assets per share is calculated based on total equity as at year-end divided by the total number of ordinary shares in issue)

The Group's current ratio, a yardstick that measures the Group's financial liquidity, had decreased from 1.51 times as of FY2020 to 1.39 times as of FY2021. On the other hand, the Group's gearing ratio has increased marginally to 0.33 times from 0.27 times in the preceding financial year due to the increase in the overall Group's borrowings.

(Note: The gearing ratio is calculated based on the total loans and borrowings over total equity as at year-end for each of the financial year.)

Cash Flow

For the FY2021, the Group reported a significantly higher net cash flow of RM30.12 million from operating activities as compared to RM4 million in FY2020, which is in line with the higher revenue and PBT recorded during the financial year.

Investing activities had increased tremendously with a net cash outflow of RM7.14 million as compared to the net cash used of RM3.69 million in the preceding financial year. This uptrend is mainly due to the purchase of construction equipment during the current financial year to support the expansion of operations.

With regards to financing activities, there was a increase in the net cash flows used from RM4.53 million in FY2020 to RM12.15 million in FY2021, which was a result of fixed deposits leadged for financing security purpose.

Overall, the closing cash and cash equivalents of the Group in FY2021 had increased by RM10.83 million or 77.21% as compared to FY2020. The Group will continue to perform financial planning to maintain an adequate level of liquidity and cash flows for working capital needs and to meet the financial obligations.

Dividends

For the FY2021, the Group has declared the first interim single tier dividend of 0.5 sen per share in November 2021 which was paid on 21 December 2021, followed by a second interim single tier dividend declared at 0.5 sen per share which was paid on 25 March 2022. In aggregate, a total dividend of 1.0 sen per share was declared for the financial year ended 31 December 2021.

Inta Bina has yet to adopt a formal dividend policy as the Group is still expanding and would continue our efforts to strike a balance with the immediate funding needs of the Group and the timing to reward the shareholders with regular dividend pay-outs in the future.

P168 A 39 storey service apartment at Taman Tropicana Metropark, Subang Jaya

Leveraging on our existing core competencies in the construction division, the Group has, at the point of writing, a total contract sum of RM1.6 billion for its on-going projects, out of which RM392.9 million was secured in FY2021.

P162 176 units of gated & guarded double storey terrace houses at Eco Majestic, Semenyih

SUSTAINABILITY AND GROWTH STRATEGIES

The Group has an established track record of over 30 years in the construction industry in Malaysia. To-date, we have completed more than 130 building construction projects valued over RM3.5 billion covering various types of building including residential and commercial properties.

During the year, we have ventured into property development and facility management as part of the Group's expansion plan via the incorporation of the new subsidiaries, namely Angkasa Senuri Sdn Bhd ("Angkasa") and IBEE Sdn Bhd ("IBEE"). A leasehold land measuring approximately 3.2 acres was acquired under Angkasa in preparation to kick start the Group's property development activities. The development plan for the acquired land is expected to generate a gross development value of about RM200 million high rise building within the next three years. In addition, IBEE was set up to carry out construction and engineering services in particular to supply, install and maintain elevators, escalators and dumbwaiters, which is expected to be a new recurring income stream to the Group by undertaking facility management projects.

In addition to the above, the Group secured a strategic alliance with Lagenda Properties Berhad ("Lagenda"), a listed property developer in Malaysia, and a joint venture company, Lagenda Inta Sdn Bhd ("LISB") was incorporated to undertake some of the construction activities of Lagenda's development projects. LISB will focus on the construction of Lagenda's affordable township development plan outside Perak. This will allow our Group's construction activities which is currently concentrated in Klang Valley, to scale and expand to other states such as in Kedah, Pahang and Johor with an estimated total construction value of RM1.3 billion for the next 5 to 7 years.

The expansion activities above are believed to be able to place the Group on a better footing for positive contributions in its future earnings and its medium-to-long-term growth.

Our Commitment in Quality

As the Group continues to build and strengthen its brand and presence in the local construction industry, we strongly believe the key to success lies in delivering superior quality service and products to meet our clients' requirement and to ensure their satisfaction. As a Grade 7 contractor registered with the Construction Industry Development Board (CIDB) for the categories of B04, CE21 as well as M15 (with the expansion into engineering services for lifts and escalators), we are committed in delivering the highest quality of service and work by setting the standards of excellence and meeting project timelines.

MANAGEMENT DISCUSSION & ANALYSIS

As part of our commitment in maintaining high standards in our construction work, the Group has continued to obtain accreditations from the Malaysian Construction Industry Development Board (CIDB) for the provision of construction services for high-rise and low-rise residential, commercial and industrial buildings. This includes the accreditation for ISO 9001:2015 which aims to enhance client satisfaction through the effective application of the system, including processes for continual improvement of the system and the assurance of conformity to client and applicable statutory and regulatory requirements. In addition, the Group had also participated in QLASSIC assessment for 4 projects during year and have achieved an average score of 79.5%, with the highest score achieved at 90.0%.

Our Team's Expertise

Under the strong leadership of our senior management team with more than 30 years of experience in civil and building construction, we have an experienced and dedicated team which is, amongst others, our strength for being the preferred choice builder and to remain competitive in the construction industry.

We continue to place high emphasis on human capital development including continuous training and updating of our employees' knowledge and technical skills. We are committed to enhance their personal skills and contribution to the organisation and to empower them through an array of training and development programmes as we understand that investment in our human resources is one of the key aspects to ensure sustainable growth for the Group.

Long Term Cost Management Strategy

Other than increasing the outstanding order book by securing higher value contracts to achieve long-term sustainability of the Group's earnings, we will continue to assess our cost structure to maintain an effective and efficient cost level, which would in turn improve the profit margins.

The key strategies in optimising our cost management include:

- Invest and engage in Industrialized Building System (IBS) with repeated use of aluminium formwork system in order to reduce reliance on skilled labour and increase speed and efficiency;
- Equip a full range of machinery and equipment to enhance our capability and efficiency, improve productivity and reduce the recurring cost of rental of machineries;
- Achieve economies of scale through procurement planning to reduce costs with bulk purchases; and
- Utilise the Building Information Modelling (BIM) system to analyse the sequence of work and perform clash analysis to ensure efficient workflow at construction site and low error rate.

PROSPECTS AND OUTLOOK

The construction industry has been wading through the challenges and setbacks arising from the COVID-19 pandemic since 2019. The industry has continued to be affected adversely in 2021, with stringent measures being imposed for construction activities amidst the economic recession, leading to a limited construction activity level at higher cost consumptions. While the high infection rates and new variants of the COVID-19 virus continue to be the headwinds to the recovery of the economy, we have seen an overall expansion in the nation's GDP of 3.1% in 2021, with a 3.6% year-on-year growth recorded in the final quarter of the year.

P172 264 units of gated & guarded CoHomes at Eco Grandeur, Puncak Alam

P173 A 30 storey service apartment at Gravit8 Klang [PH2C]

As Malaysia transitioned to the “endemic phase” of COVID-19 with effect from 1 April 2022, the construction industry is expected to rebound in Year 2022. This is supported with the allocation under the Budget 2021 which has placed emphasis on public infrastructure developments and would serve as a catalyst in driving the economy and creating more opportunities for players in the industry.

Leveraging on our existing core competencies in the construction division, the Group has, at the point of writing, a total contract sums of RM1.6 billion for its on-going projects, out of which RM392.9 million was secured in FY2021. These new projects are developed by renowned listed property developers in Malaysia, which include new phases under Eco Majestic, Eco Forest and Eco Grandeur (Regent Garden), Gravit8 Phase 2C, Jade Homes, Gamuda Cove (Phase 1C-1A&1B) and Sunway Artessa, a recently secured contract in Year 2022. As of 31 December 2021, the unbilled order of the on-going projects amounted to RM1.12 billion.

Whilst the FY2021 financial results has shown resilience in the Group’s business, we continue to explore opportunities for new business expansion and/or alliance to achieve synergies in complementing our construction activities, which remain the core expertise and focus of the Group. This has led to the incorporation of the new subsidiaries to support the Group’s venture into the property development and facility management segments. In addition, the strategic alliance with Lagenda to undertake construction activities for affordable township developments under the joint venture partner is also anticipated to help ensure sustainability in the Group’s earnings in the next five to seven years, while we expand our businesses into new geographical areas in Kedah, Pahang and Johor.

In view of the above, the Group expects a better financial performance in the forthcoming financial years as the industry rebounds and we believe we would be well-positioned to advance in our business growth and in moving towards achieving our goals to be the pioneer in the builder’s industry.

The Group has built a reputation for the quality of our workmanship and timely delivery of the projects which has enabled the Group to continuously secure new contracts from our existing clientele over the years. We will strive to uphold our corporate values in pursuit of our vision to be the preferred choice builder and to ensure sustainable returns to stakeholders.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

THE BOARD OF DIRECTORS ("BOARD") OF INTA BINA GROUP BERHAD ("INTA BINA" OR "COMPANY") PRESENTS THIS STATEMENT TO PROVIDE SHAREHOLDERS AND INVESTORS WITH AN OVERVIEW OF THE CORPORATE GOVERNANCE PRACTICES OF THE COMPANY DURING THE FINANCIAL YEAR 2021 ("FY 2021").

The Corporate Governance Overview Statement is made pursuant to Paragraph 15.25(1) of the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities") and guidance was drawn from Practice Note 9 of Bursa Securities' Listing Requirements and the Corporate Governance Guide (4th Edition) issued by Bursa Securities with reference to the following three (3) key principles under the leadership of the Board:

Principle A	Principle B	Principle C
Board leadership and effectiveness	Effective audit and risk management	Integrity in corporate reporting and meaningful relationship with stakeholders
• Board responsibilities • Board composition • Remuneration	• Audit Committee • Risk management and internal control	• Engagement with stakeholders • Conduct of general meetings

The overview statement is to be read together with the Corporate Governance Report 2021 ("CG Report") of the Company which is available at www.intabina.com.

1.0 BOARD'S LEADERSHIP

1.1 The Board takes full responsibility for the oversight and overall performance of the Company and provided leadership within a framework of prudence and effective controls which enables risks to be appropriately assessed and managed. The Board recognises the key role it plays in charting the strategic direction of the Group and has assumed the following principal responsibilities in discharging of its fiduciary duties:

(a) Reviewing and adopting a strategic plan for the Company, addressing the sustainability of the Group's business;

(b) Overseeing the conduct of the Group's businesses and evaluating whether its businesses are being properly managed;

(c) Identify principal business risks faced by the Company and ensuring the implementation of appropriate internal controls and mitigating measures to address such risks;

(d) Reviewing the adequacy and integrity of the Company's internal control and management information systems;

(e) Carrying out periodic review of the Group's financial performance and operating results and major capital commitments; and

(f) Reviewing and approving any major corporate proposals, new business ventures or joint ventures of the Company.

To ensure the effective discharge of its function and responsibilities, the Board has delegated specific responsibilities to the following Committees:

1) Audit Committee ("AC")
2) Nominating Committee ("NC")
3) Remuneration Committee ("RC")
4) Risk Management Committee ("RMC")

All committees have a written Terms of Reference ("TOR") to guide them to perform its roles and responsibilities respectively. The Chairman of the respective Committees will report to the Board of the outcome of the Committees meetings for the Board's considerations and approvals and extracts of such reports are incorporated in the minutes of the Board meetings. The Board retains full responsibility for the direction and control of the Company.

1.2 The Chairman leads the Board and is responsible for the effective performance of the Board. He ensures that all relevant issues and quality information to facilitate decision-making and effective running of the Company's business are included in the meeting agenda.

The Chairman of the Board, had during the year:

- demonstrated leadership to the Board in discharging his duties and responsibilities effectively without limiting the principle of collective responsibility for the Board decisions;
- through the Company Secretary, set the board agenda and ensure that board members receive complete and accurate information in a timely manner;
- led the conduct of the Board meetings and discussions in a manner that encouraged constructive discussions and effective contribution from each Director;
- led the Board in establishing and monitoring good corporate governance practices within the Group;
- reviewed the minutes of the Board meetings to ensure that the minutes accurately reflect the Board's deliberations, and matters arising from the minutes have been addressed properly; and
- chaired the general meetings of the Company and committed to answering queries from the shareholders

1.3 The positions of the Chairman and Managing Director are held by two (2) different individuals to promote accountability and facilitate the division of responsibilities between them. In this regard, no one individual can influence the Board's discussions and decision-making. Generally, the Chairman would lead the Board in its collective oversight of management, while the Managing Director focuses on the business and day-to-day management of the Company. The distinct and separate roles of the Chairman and Managing Director, with a clear division of responsibilities, ensure a balance of power and authority, such that no one individual has unfettered powers of decision-making, and are clearly defined in the Board Charter.

1.4 The Chairman of the Board is also a member of four (4) Board Committees, namely the AC, NC, RC and RMC.

The Board took cognisance that having the same person assume the position of Chairman of the Board and member of other board committees gives rise to the risk of self-review and may impair the objectivity of the chairman and the Board when deliberating on the observations and recommendations put forth by the board committees. However, Dr Lim Pang Kiam is not involved in the management and operational matters of the Company, and he always provides constructive ideas and opinions to the Board and Board Committees respectively based on different perspectives as a Board Chairman and member of the Board Committees.

1.5 The Board is supported by suitably qualified and competent Company Secretaries who are qualified secretaries under Section 235(2)(a) of the Companies Act 2016. The appointment of Company Secretaries is based on the capability and proficiency determined by the Board. The Constitution of the Company permits the removal of Company Secretaries by the Board. All members of the Board, whether as a whole or in their individual capacity, have access to the advice and services of the Company Secretaries on all matters relating to the Group to assist them in the furtherance of their duties. The Board is regularly updated and kept informed by the Company Secretaries and the Management of the requirements such as restrictions in dealing with the securities of the Company and updates as issued by the various regulatory authorities including the latest developments in the legislation and regulatory framework affecting the Group.

The Board is satisfied with the performance and support rendered by the Company Secretaries to the Board in the discharge of its function and duties.

1.6 The Notice of the Board and Board Committee meetings are served to the Directors and Board Committee members at least five (5) business days prior to the Board Meeting unless there is an exceptional case.

All meeting materials are circulated to Directors at least five (5) business days in advance of Board and Board Committee meetings via email to allow ample time for Directors to consider the relevant information.

The Minutes of the Board and Board Committee meetings are circulated to the respective Chairman/Chairperson in a timely manner for review before they are confirmed. All Board members reviewed and confirmed the minutes of meetings to ensure they accurately reflect the deliberations and decisions of the Board, including whether any Director abstained from voting or deliberation on a particular matter.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

2.0 DEMARCATION OF RESPONSIBILITIES

2.1 The Board is guided by a Board Charter which sets out the principles governing the Board of Directors of the Company and adopts the principles of good governance and practice in accordance with applicable laws, rules and regulations in Malaysia. The Board Charter also sets out the respective roles and responsibilities of the Board, board committees, individual directors and the Management and issues and decisions reserved for the Board.

The Board will review the Board Charter from time to time to ensure that the Board Charter remains consistent with the Board's objectives, current law and practices.

The Board Charter is published at www.intabina.com

All the Directors of the Company had objectively always discharged their duties and responsibilities as fiduciaries in the best interests of the Company. During the FY 2021, all the Directors of the Company had attended appropriate training/briefing programmes to update and enhance their knowledge to enable them to discharge their duties more effectively as Directors and to keep abreast of the development in the marketplace. Below are the training/briefing programmes attended by each of the Directors:

Director	Programme	Date
LIM OOI JOO	MAG Business Leaders (Chapter 25)	6 February 2021
	Executing Effective Mergers & Acquisitions (M&A)	18 August 2021
	ESG, RCEP, s17A (MACC Act) and Corporate Rescue Mechanism for Construction Industry	9 September 2021
	Eagles Leadership Convention 2021	7 – 10 September 2021
	Webinar on Transfer Pricing & Service Tax Updates in Construction Industry	28 September 2021
	FIDE - Intentional Integrity: How Smart Companies Can Lead an Ethical Revolution	28 October 2021
	BDO Tax Budget Webinar	10 November 2021
	Property's Developers' Sales & Marketing Summit	16 November 2021
TEO HOCK CHOON	Eagles Leadership Convention 2021	7 – 10 September 2021
	Webinar on Transfer Pricing & Service Tax Updates in Construction Industry	28 September 2021
	How Budget 2022 Can Drive Your Business Forward	5 November 2021
	Property's Developers' Sales & Marketing Summit	16 November 2021
AHMAD BIN AWI	MBAM Seminar on Enforcement of the Latest Amended Act 446 under The Emergency Ordinance	31 March 2021
	ESG, RCEP, s17A (MACC Act) and Corporate Rescue Mechanism for Construction Industry	9 September 2021
CHAU YIK MUN	MBAM Seminar on Enforcement of the Latest Amended Act 446 under The Emergency Ordinance	31 March 2021
	Practical Contractual Issues Pertinent to Contractors	18 October 2021

Director	Programme	Date
DR LIM PANG KIAM	KPMG Tax: Navigating Ways Through Tax Audit & Investigation	29 March 2021
	PIKOM Cybersecurity Chapter: Cybercrime Malware Attacks & Digital Forensic	29 June 2021
	Anti-Bribery and Corruption	14 July 2021
	AOB Conversation with Audit Committees	6 December 2021
YAP YOON KONG	BDO Tax Budget Webinar 2021	10 November 2021
DATO' SIA THIAN SANG	Sustainability Reporting Workshops: Scope & Materiality In Sustainability Reporting by SHEMSI	26 October 2021
	ICDM Post-Budget Powertalk	9 November 2021
	AOB Conversation with Audit Committees	6 December 2021

The directors will continue to undergo a periodic training in the relevant courses as well as attend seminars, conferences and similar events in keeping themselves abreast with the latest skills and knowledge to discharge their duties effectively.

NC

During the FY2021, the NC comprised four (4) Independent Non-Executive Directors as follows:

Name	Designation	Directorship
Yap Yoon Kong	Chairman	Senior Independent Non-Executive Director
Dr Lim Pang Kiam	Member	Independent Non-Executive Director
Dato' Sia Thian Sang	Member	Independent Non-Executive Director
Roshita Binti Sahadan (#)	Member	Independent Non-Executive Director

(#) Retired on 25 June 2021

Activities of the NC

- During the FY 2021, the NC met twice and performed the following activities in the discharge of its duties:
- Recommended the re-election of the directors who are to retire by rotation at the Sixth AGM of the Company
- Reviewed the contribution and performance of each individual director to assess the character, experience, integrity, and competence to effectively discharge their role as a director through a comprehensive assessment system
- Reviewed the required mix of skills and experience and other qualities of the Board
- Evaluated the performance of the Board and the Board committees
- Assessed the independence of the Independent Directors of the Company
- Reviewed the term of office of the AC and assessed its effectiveness as a whole
- Reviewed training programmes for year 2021 for the Board
- Recommended the appointment of an Independent Non-Executive Director

In recommending suitable candidates for directorships and Board committees to the Board, the NC takes into consideration the candidate's experience, competency, character, time commitment and potential contribution to the Group. Any new nomination received is recommended to the Board after a comprehensive assessment and the NC's endorsement.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The attendance of Directors who are members of Board Committees during the FY 2021 is set out below:

Directors	Board	AC	NC	RC	RMC
Lim Ooi Joo	5/5	-	-	-	1/1
Teo Hock Choon	5/5	-	-	-	1/1
Ahmad Bin Awi	5/5	-	-	-	-
Chau Yik Mun	5/5	-	-	-	-
Dr Lim Pang Kiam	5/5	5/5	2/2	1/1	1/1
Yap Yoon Kong	5/5	5/5	2/2	1/1	1/1
Dato' Sia Thian Sang	5/5	5/5	2/2	1/1	1/1
Roshita Binti Sahadan (#)	3/3	3/3	1/1	1/1	-

(#) Retired on 25 June 2021

■ Chairman

3.0 GOOD BUSINESS CONDUCT AND HEALTHY CORPORATE CULTURE

3.1 In discharging its responsibilities, the Board is also guided by a Code of Conduct for Directors whilst the Management and employees are guided by the Code of Conduct and Ethics in the Employees' Handbook which encompasses all aspects of its day-to-day business operations. Directors and employees of the Group are expected to conform and observe an appropriate decorum and behaviour that promote honesty and integrity when engaging with both employees and stakeholders.

A copy of the Code of Conduct and Ethics is available at www.intabina.com.

3.2 The Board has in place a Whistle-Blowing Policy and serves as a platform and laid out the procedures for employees to raise genuine concerns about any suspected and/or known unethical behaviour, malpractices, illegal acts or failure to comply with regulatory requirements that is taking place and/or has taken place and/or may take place in the future at the earliest opportunity, without being subject to victimisation, harassment or discriminatory treatment.

The Whistle-Blowing Policy sets out the protection to any reporting individual who has made the disclosure or report in good faith, the confidentiality and safeguarding in dealing with such disclosure or report, the communication channel and the procedurals flow of making the disclosure or report.

4.0 SUSTAINABILITY

4.1 Our Board of Directors is ultimately responsible in managing sustainability matters in our organisation. supported by the Sustainability Working Group, the Managing Directors oversee the sustainability efforts in place to ensure proper monitoring and reporting. The Board meets at least annually to discuss on Sustainability matters including reviewing the material matters to ensure they stay relevant and up to date.

4.2 In FY 2021, the Company continued to engage with our key stakeholders through various channels and platforms to obtain feedbacks on key areas of interest to them, gaining insights into emerging issues that are significant to both stakeholders and the organisation.

4.3 The Board through the NC assesses the training programmes attended by each Director during the FY 2021 to ensure that the Directors had and will continue to constantly keep them abreast on the relevant requirements and matters concerning the sustainability, including the latest development in industry as well as the sustainability issues relevant to the Group.

4.4 The Company has established a Sustainability Working Group to identify risks and opportunities related to sustainability factors. The functions of the Sustainability Working Group include establishing and reviewing objectives, strategies, action plans related to sustainability involving stakeholders' engagement which reports to the Managing Director on the status of sustainability activities. As part of the sustainability initiative, the Sustainability Working Group has also assigned responsibility to specific departments and individuals to track progress and compile results.

5.0 BOARD COMPOSITION

5.1 The NC oversees and reviews on an on-going basis, the overall composition of the Board in terms of size, the required mix of skills, experience and other qualities and core competencies for the Directors of the Company. The effectiveness of the Board as a whole and the contribution and performance of each individual Director to the effectiveness of the Board and the Board Committees will also be assessed by the NC on an annual basis.

5.2 For the FY 2021, the Board comprised eight (8) members, of which four (4) of them are Independent Non-Executive Directors. The Board's composition is in compliance with the provisions of the Listing Requirements of Bursa Securities for independent non-executive directors to make up at least one third (1/3) of the Board membership.

5.3 None of the Independent Directors has exceeded a cumulative term of nine (9) years in the Company as of the FY 2021.

5.4 The Board has not adopted a policy that limits the tenure of its Independent Directors to nine (9) years, being a step-up practice.

5.5 The Board is supportive of boardroom diversity as it can offer greater depth and breadth compared to non-diverse board. The Board practices no discrimination in terms of appointment of Directors as well as hiring employees wherein the Directors and Senior Management are recruited based on their merit, skills and experiences and not driven by age, cultural background and gender. For the FY 2021, there is one (1) female Director on the Board.

5.6 In searching for suitable candidates, the Board may receive suggestions from existing Board Members, Management, and major shareholders. The Board is also open to referrals from external sources available, such as industry and professional associations, as well as independent search firms. Where and when appropriate, the Board will prioritise the appointment of more female Directors to the Board and senior management, based on needs and merits.

5.7 The performance of retiring Directors who are recommended for re-election at the forthcoming AGM would be assessed through the Board and Board Committee evaluations which includes the independence of the Independent Non-Executive Director, if any.

5.8 The NC is chaired by Mr Yap Yoon Kong, the Senior Independent Director of the Board. The NC Chairman has led the annual review of Board effectiveness, ensuring that the performance of each individual Director is independently assessed and will lead the succession planning and appointment of future Board members.

5.9 The Board recognises that a gender-diverse Board could offer greater depth and breadth whilst the diversity at key senior management would lead to better decision-making. Puan Roshita binti Sahadan had retired at the Annual General Meeting of the Company on 25 June 2021. In line with promotion of gender diversity as recommended under the Malaysian Code of Corporate Governance ("MCCG"), the Board appointed two (2) female Directors, namely Dato' Leanne Koh Li Ann and Ms Au Foong Yee with effect from 3 January 2022 and 1 April 2022 respectively. The Board affirms that appointment of more woman representatives to the Board and senior management will be prioritised when vacancies arise and when suitable candidates are identified.

5.10 Although the Group does not have a written policy on gender diversity, the Board is supportive of diversity in gender, ethnicity and age as such diversification would enlarge the pool of skills, talents, perspectives, and ideas within the Board. The Group is an equal opportunity employer and does not practise discrimination of any form, whether based on age, gender, race, and religion, throughout the organisation.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

6.0 OVERALL EFFECTIVENESS OF THE BOARD

6.1 The Board has, through the NC, conducted the following annual assessments in FY 2021:

- Directors' self and peer assessment;
- Evaluation on the effectiveness of the Board as a whole and Board Committees;
- Assessment of Independent Directors; and
- Review of the term of office and performance of AC and each of its members.

Based on the outcome of the evaluation, the NC is:

- Satisfied with the performance of the individual Director;
- Satisfied with the effectiveness of the Board and Board Committees;
- Satisfied with the level of independence demonstrated by the Independent Directors and their ability to act in the best interest of the Company; and
- Satisfied with the performance of the AC and each of its members

All assessments and evaluations carried out will be documented by the Company Secretary. The results of all assessment and comments by Directors are summarised and deliberated at the NC meeting and thereafter reported to the Board.

The Board will consider engaging a professional, experienced and independent party to lend greater objectivity to the assessments as and when required.

7.0 LEVEL AND COMPOSITION OF REMUNERATION

7.1 The remuneration of Directors is determined at levels which enables the Company to attract and retain Directors with the relevant experience and expertise to manage the business of the Group effectively. The RC oversees the remuneration of directors. The remuneration for directors is in line with the Board's aim to retain, attract and reward talent based on industry benchmarks.

The remuneration package for executive directors is reviewed by the RC and recommended to the Board for approval. It is then decided by the Board without the respective executive directors' participation in determining their remuneration.

Bonuses payable to executive directors are performance-based and relate to the individual and the Company's as well as Group's achievement of specific goals. The non-executive directors do not receive any performance related remuneration.

7.2 During the FY 2021, the RC comprised of three (3) members, all of whom are Independent Non-Executive Directors. The RC is chaired by Dato' Sia Thian Sang. The TOR of RC is available at www.intabina.com

8.0 REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

8.1 The details of the remuneration of each Director for FY 2021 are provided in the CG Report.

8.2 The Board is of the view that the disclosure of the Senior Management's remuneration components will not be in the best interest of the Group given the competitive human resources environment as such disclosure may give rise to talent recruitment and retention issue. Also premised on the confidentiality of the remuneration package of our Senior Management, the Board has adopted a disclosure of our Senior Management remuneration in bands of RM50,000 on an unnamed basis.

8.3 The Company is of the view that the disclosure of the detailed remuneration of each member of senior management on a named basis would not derive any tangible benefits to the stakeholders.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

9.0 EFFECTIVE AND INDEPENDENT AC

9.1 The AC is chaired by Mr Yap Yoon Kong, the Senior Independent Non-Executive Director, which is a separate person from the Chairman of the Board.

He is responsible to ensure the overall effectiveness and independence of the AC. Together with other members of the AC, he had ensured among others that:

- The AC is fully informed about significant matters related to the Company's audit and its financial statements and addresses these matters;
- the AC appropriately communicates its insights, views and concerns about relevant transactions and events to internal and external auditors;
- the AC's concerns on matters that may have an effect on the financial or audit of the company are communicated to the external auditor; and
- there is co-ordination between internal and external auditors.

9.2 The TOR of the AC was updated on 25 August 2021 to include the recommendation of the MCCG 2021 for a former partner of the external audit firm of the Company to observe a cooling off period of at least three (3) years before being appointed as a member of the AC.

9.3 The AC has established policies and procedures to assess the suitability, objectivity and independence of external auditors and such assessment would be carried out annually.

During the FY 2021, the AC and the Board proposed and recommended that Baker Tilly Monteiro Heng PLT be reappointed as the external auditors of the Company and this was approved by the shareholders of the Company at the Sixth AGM of the Company based on the credentials and resources of Baker Tilly Monteiro Heng PLT, as well as their communication with the Audit Committee.

Baker Tilly Monteiro Heng PLT also provided its written assurance to the AC that they are, and have been, independent through the conduct of the audit engagement in accordance with By-Laws of the Malaysian Institute of Accountants ("MIA").

9.4 The AC comprises all Independent Directors.

9.5 As promulgated by the MCCG, the AC should collectively possess a wide range of necessary skills to discharge its duties, and all members should be financially literate and are able to understand matters under the purview of the AC including the financial reporting process. At least 2 members of the AC are Chartered Accountants and members of the MIA. The members of the AC collectively possess the accounting and related financial management expertise and experience required for the AC to discharge its responsibilities and assist the Board in its oversight over the financial reporting process.

All members of the AC have also undertaken and will continue to undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices, and rules as and when required.

10.0 RISK MANAGEMENT AND INTERNAL CONTROL

10.1 The Board has ultimate responsibility for reviewing the Company's risks, approving the risk management framework and policy and overseeing the Company's strategic risk management and internal control framework to achieve its objectives within an acceptable risk profile as well as safeguarding the interest of stakeholders and shareholders and the Group's assets.

The Board is supported by the RMC which reports to the Board regarding the Group's risk exposures, including a review of risk assessment model used to monitor the risk exposures and the Management's view on the acceptable and appropriate level of risks faced by the Group. The RMC will continue to evaluate, review and monitor the Group's risk management framework and activities on on-going basis to identify, assess and monitor the key business risks of the Company to safeguard shareholders' investment and Company's assets.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

10.2 The Company also engages the internal auditors to provide independent assessments on the adequacy, efficiency and effectiveness of the Company's internal control system. The internal auditors report directly to the AC and internal audit plans are tabled to the AC for review and approval by the Board to ensure adequate coverage.

The process of the risk management and internal control are ongoing , which are undertaken by each department within the Company. The Company will continuously enhance the existing system of risk management and internal control by taking into consideration the changing business environment.

Further details on the features of the risk management and internal control framework, and the adequacy and effectiveness of this framework, are disclosed in the Statement on Risk Management and Internal Control in this Annual Report.

10.3 The RMC is chaired by Mr Lim Ooi Joo and comprises a majority of Independent Directors.

11.0 EFFECTIVE GOVERNANCE, RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

11.1 The internal audit function of the Company is carried out by an outsourced professional service firm that assists the AC and the Board in managing the risks and establishment of the internal control system and processes of the Company by providing an independent assessment on the adequacy, efficiency and effectiveness of the Company's risk management and internal control system and processes.

The internal auditors report directly to both the AC and the Board. The internal auditors have and will continue to keep abreast with developments in the profession, relevant industry and regulations.

The internal audit function is independent of the operations of the Company and provides reasonable assurance that the Company's system of internal control is satisfactory and operating effectively. Further details of the internal audit function are set out in the Statement on Risk Management and Internal Control and the AC Report of this Annual Report.

11.2 The internal audit function is outsourced to BDO Governance Advisory Sdn. Bhd. and the internal audit staff on the engagement are free from any relationships or conflicts of interest, which could impair their objectivity and independence.

The Engagement Partner has a diverse professional experience in internal audit, risk management and corporate governance advisory. The staff involved in the internal audit reviews possess professional qualifications and/or members of the Institute of Internal Auditors Malaysia and MIA.

The internal audit was conducted using a risk-based approach and was guided by the International Professional Practice Framework (IPPF).

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

12.0 CONTINUOUS COMMUNICATION BETWEEN THE COMPANY AND STAKEHOLDERS

12.1 The Board is committed to provide effective, transparent and regular communication with its shareholders and other stakeholders regarding the business, operations and financial performance of the Group to enable them to make informed decisions.

Through its website www.intabina.com and its announcements on Bursa Malaysia's website, the Group shares mandatory public announcements as well as publishes its quarterly and annual results. The quarterly financial results are announced via Bursa LINK immediately after the Board's approval. This is important in ensuring equal and fair access to information by the investing public.

12.2 The Company is not categorised as "Large companies" and hence, have not adopted integrated reporting based on a globally recognised framework.

13.0 ENCOURAGE SHAREHOLDERS' PARTICIPATION AT GENERAL MEETINGS

13.1 The Notice for the Sixth AGM that was held on 25 June 2021 was issued on 30 April 2021 which is more than the 28 days recommended notice period. This gave shareholders sufficient time to read and consider the resolutions to be resolved and enable shareholders to make an informed decision in exercising their voting rights.

13.2 All the Directors of the Company attended the Sixth AGM of the Company held on 25 June 2021 on a fully virtual basis to engage with shareholders and proxies proactively. The said AGM included an avenue for questions and answers to shareholders and proxies. The Chairman had invited shareholders and proxies to raise their questions on the Company's financial statements and other items for approval at the said AGM via https://vps.megacorp.com.my provided by Mega Corporate Services Sdn. Bhd.

13.3 In view of the current COVID-19 pandemic during the FY 2021, the Company had taken the necessary precautions and preventive measures in complying with the directives issued by the Ministry of Health Malaysia. These include the option of remote shareholders and proxy participation at the AGM. At its virtual Sixth AGM held on 25 June 2021, the Company had continued to leverage on technology to facilitate remote shareholders' participation and electronic voting for the conduct of a poll on the resolution.

13.4 The Chairman of the Board ensured that sufficient opportunities were given to shareholders and proxies to raise questions relating to the affairs of the Company and that adequate responses were given.

13.5 The Board had ensured that the required infrastructure and tools were in placed to enable the smooth broadcast of the Sixth AGM and meaningful engagement with the shareholders. The questions posed by the shareholders were responded by the Directors. The Board would consider questions posed by shareholders are made visible to the participants for future general meetings.

13.6 The Minutes of the Sixth AGM, which includes the questions raised by shareholders together with the responses by the Company and outcome of the voting results, was made available to the shareholders within thirty (30) business days after the Sixth AGM at www.intabina.com

COMPLIANCE STATEMENT

Saved as disclosed above, the Board is satisfied that throughout the FY 2021, the Company has applied the principles and recommendations of the corporate governance set out in MCCG, where necessary and appropriate.

This Statement has been reviewed and approved by the Board on 18 April 2022.

AUDIT COMMITTEE REPORT

1. MEMBERSHIP AND MEETINGS

The Audit Committee ("AC") comprises of four (4) members of which all are Independent Non-Executive Directors, in compliance with Paragraph 15.09 of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities").

The members of the AC and details of their attendance at the AC Meetings during the financial year ended 31 December 2021 ("FY 2021") are as follows:

Name	Designation	Number of Meeting(s) Attended
Yap Yoon Kong ^	Chairman, Senior Independent Non-Executive Director	5/5
Dr Lim Pang Kiam ^	Member, Independent Non-Executive Director	5/5
Dato' Sia Thian Sang	Member, Independent Non-Executive Director	5/5
Roshita Binti Sahadan (#)	Member, Independent Non-Executive Director	3/3

(#) Retired on 25 June 2021
^ Member of the Malaysian Institute of Accountants

The AC met for five (5) times during the financial year under review. Other Executive Board members and senior management staff attended the AC meetings by invitation of the AC Chairman. The representatives of internal and external auditors were also present during deliberations on the subjects which required their input and advice as and when required.

2. TERMS OF REFERENCE

The Terms of Reference ("TOR") of the AC are aligned with the MMLR of Bursa Securities and recommendations of the Malaysian Code on Corporate Governance revised in 2021. The TOR was revised on 25 August 2021 to include the recommendation of the MCCG for a former partner of the external audit firm of the Company to observe a cooling off period of at least three (3) years before being appointed to the Board as its independent director. The TOR is available at www.intabina.com

3. SUMMARY OF ACTIVITIES

During the FY 2021, the AC carried out the following activities and had discharged its duties and responsibilities to the best of their abilities in accordance with its' TOR:

1. Financial Reporting

a) The AC had reviewed and ensured that the four (4) quarterly financial results of the Group complied with the Malaysian Financial Reporting Standards ("MFRS") and Appendix 9B of the MMLR.

b) The AC had reviewed and made recommendations to the Board in respect of the annual Audited Financial Statements of the Company and the Group for the financial year ended 31 December 2020 to ensure that it presented a true and fair view of the Company's financial position and performance for the year and in compliance with all the regulatory requirements.

The summary of the AC meetings held during the FY 2021 was as follows:

Date of Meeting	Subject
24 February 2021	Review of Fourth Quarter Results ended 31 December 2020
21 April 2021	Review of Audited Financial Statements for FY 2020
24 May 2021	Review of First Quarter Results ended 31 March 2021
25 August 2021	Review of Second Quarter Results ended 30 June 2021
24 November 2021	Review of Third Quarter Results ended 30 September 2021

2. Related Party Transactions

The AC had reviewed on a quarterly basis the report of Recurrent Related Party Transactions ("RRPTs") of the Group presented by Management and ensured that these transactions are undertaken in the best interest of the Company, fair, reasonable, and on normal commercial terms as well as not detrimental to the interest of the minority shareholders.

3. Annual Reporting

The AC had reviewed the AC Report, Statement on Risk Management & Internal Control and a Circular on the Proposed Renewal of Shareholders' Mandate for RRPTs to ensure adherence to legal and regulatory reporting requirements and recommended them to the Board for approval.

4. External Audit

a) The AC had reviewed and discussed the Audit Review Memorandum for the FYE 31 December 2020 with Baker Tilly Monteiro Heng PLT ("Baker Tilly") at the meeting held on 24 February 2021.

b) The AC also had a private session with Baker Tilly to discuss the areas of audit concern and recommendations regarding opportunities for improvement to the internal controls based on observations.

c) The AC evaluated the performance of the External Auditors covering areas such as caliber, quality processes, audit team, independence, audit scope and audit communication as well as the audit fees. Based on the evaluation, the AC had recommended to the Board for approval, the re-appointment of the External Auditors for the financial year of 31 December 2021 at its meeting held on 24 February 2021.

d) On 25 August 2021, the AC had reviewed the Audit Planning Memorandum for the financial year ended 31 December 2021 presented by Baker Tilly.

5. Internal Audit

a) The AC had reviewed the findings and results of the Internal Audit Reports together with the recommendations from BDO Governance Advisory Sdn. Bhd. ("BDOGA"). The AC considered BDOGA's recommendations and considered the Management's responses, and made appropriate advise to the management on issues which require adoption and improvement.

b) At the meeting held on 24 February 2021, the AC had undertaken an assessment of the performance of BDOGA and was satisfied with the competency, experience and resources of BDOGA and the Internal Audit Function for discharging its role and responsibilities.

AUDIT COMMITTEE REPORT

4.0 INTERNAL AUDIT FUNCTION

The Group's Internal Audit function is outsourced to BDOGA. They assist the AC and the Board in providing an independent assessment on the adequacy, efficiency and its effectiveness of the Group's internal control system. The IA audit processes were mainly:

- To review the adequacy and test the integrity of internal controls;
- To assess the compliance with policies and procedures and recommended best practices; and
- To review and identify any potential areas of weaknesses for improvement in the effectiveness and efficiency of the processes (if any)

The Internal Auditor reports directly to the AC. During the FY 2021, the Internal Auditors presented 2 Internal Control Reports to the AC:

Date of AC Meeting	Internal Control Report
24 May 2021	ICR on Project Management on Kiara Kasih
24 November 2021	ICR on Human Resource, Finance and IT General Controls

The Internal Auditor is guided by the Professional Practices Framework by the Institute of Internal Auditors. Observations and findings from the audit reviews, including the recommended corrective actions were discussed with the Management. The internal audit report together with the Management's response and proposed corrective action plans were then presented to the AC for their review during the quarterly meetings. Follow-up review was also conducted and monitored to ensure corrective actions have been implemented by the Management.

The fees incurred for the outsourcing of the internal audit function for the FY 2021 was RM63,000.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Statement on Risk Management and Internal Control (the "Statement") is prepared pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and in accordance with the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, a publication of Bursa Malaysia Securities Berhad.

RESPONSIBILITY OF THE BOARD

The Board of Directors ("the Board") acknowledges that it is their responsibility to review, in an ongoing manner, the risk management and internal control system for its adequacy, effectiveness and integrity. The Board maintains overall responsibility for risk oversight through its Audit and Risk Management Committee. The Board is also committed to maintaining a sound system of risk management and internal control within the Group.

The Board has established an Enterprise Risk Management framework ("ERM framework" or "framework") which is based on International accepted framework. The framework aids to the achievement of Group's objectives and strategies by instilling continuous process of identifying, evaluating, profiling, mitigating, reporting and monitoring significant business risks the Group may face.

There are inherent limitations in any system of risk management and internal control ("system"), thus, the system is designed to manage, rather than eliminate, the risk of failure to achieve the Group's business and corporate objectives. The system is therefore designed to only provide reasonable, but not absolute, assurance against any material misstatement, financial loss or fraudulent activity.

Management is responsible in developing procedures and processes as well as implement internal controls which will help identify, assess, mitigate and monitor business risks. Management also takes corrective actions as and when needed in order to assist the Board in discharging its duties and responsibilities in maintaining a sound system of risk management and internal control.

The Board has received assurance from the Managing Director and Financial Controller that the Group's risk management and internal control system is operating adequately and effectively, in all material aspects, based on the risk management and internal control system of the Group.

The Board is of the opinion that the risk management and internal control system in place for the year under review and up to the date of issuance of the financial statements is adequate and effective to safeguard the shareholders' investment, Group's assets and the interests of internal and external stakeholders.

RISK MANAGEMENT

The Group had embarked on risk management initiatives by establishing an Enterprise Risk Management Framework ("ERM"). A Risk Management Working Group ("RMWG") is in place.

The RMWG, comprises of the Head of Departments will have the overall responsibility to report on the current and emerging risks to the attention of the Managing Director, chairman of the RMWG.

The key responsibilities of the RMWG are to provide regular reporting and update to the Board on key risk management issues. The RMWG is also responsible to promote and ensure that the risk management process and culture are embedded throughout the Group.

The key features of the Group's ERM policy are:

- Sound risk management practice promotes effective governance which is integral to the achievement of business objectives.
- Embedding risk management into day-to-day management processes, decision-making and strategic planning.
- Every employee of the organisation is responsible to manage risks within their areas of responsibility.
- Periodic reporting and monitoring activities instils accountability and responsibility for managing risks.
- The risk management processes applied should aim to take advantage of opportunities, manage uncertainties and minimise threats.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTERNAL CONTROL SYSTEM

Internal control is embedded in the Group's operations as follows:

- Clear organisational structure with defined reporting lines;
- Clearly documented ISO procedures for construction operation and clearly defined job description for the purpose of succession planning;
- Defined level of authorities and lines of responsibilities from operating units up to the Board level to ensure accountabilities for risk management and internal control activities;
- Internal audit function provides assurance of the effectiveness of the system of internal control within the Group. Regular internal audit visits are undertaken to review the effectiveness of the control procedures;
- Review of internal audit reports and follow-up on findings by the Audit Committee;
- Regular Board and Audit Committee meetings to assess the Group's internal controls, performance and risks;
- Review of monthly project progress reports submitted to monitor the operations of all project sites.
- Review of quarterly management reports to deliberate on results and business strategies; and
- Human resource function sets out policies for recruitment, training and staff appraisal to ensure that staff is competent and adequately trained in carrying out their responsibilities.

INTERNAL AUDIT FUNCTION

The Internal Audit Function ("IAF") is carried out in accordance with the International Professional Practice Framework ("IPPF") by an independent professional firm, namely BDO Governance Advisory Sdn Bhd. The IAF team is headed by Executive Director who possesses the relevant qualification and experience is assisted by three (3) staff including a manager.

The internal audit reviews are performed based on an internal audit plan approved by the Audit Committee. Internal Audit reviews findings together with management's comments and action plans are presented and reviewed by the Audit Committee. Follow-up reviews will be conducted to report to the Audit Committee on the status of implementation of management action plans.

For the financial year ended 31 December 2021, the following 3 significant business units were identified and selected for internal audit with the Audit Committee's concurrence:

Business Unit	Department/Function	Areas covered
Inta Bina Sdn Bhd	Human Resources	• Manpower budgeting processes • Hiring and on boarding processes • Payroll processing including statutory deductions and remittance to the authorities • Staff claims, leaves and overtime • Procedures for resignations, terminations and retirement of employees • Employee performance appraisal and reward system • Staff training and succession planning • Maintenance and security controls over HR system and records • Compliance with Malaysia Employment Act 1955
	Finance and IT General Controls	• Budget monitoring • Control over receipts and payment processes • Financial closing and reporting procedures including accounts reconciliation • Compliance with Limits of Authority for the approval processes involved in accounting and finance functions

Business Unit	Department/Function	Areas covered
		• Refund and credit policies and procedures • Fixed asset management • Monitoring of debtors and creditors' aging • Treasury and banking management, including cash flows and funding arrangements • Controls over petty cash • Maintenance and security controls over accounting system and records • IT security and access controls over critical systems/data • Database backup & recovery • System change management (including user acceptance test) • IT disaster recovery and business continuity planning • Hardware inventory and management
	Project Management of Kiara Kasih Condominium	• Progress billings to client • Tendering and award procedures to subcontractors • Subcontractor claims and payments • Project cost, progress and quality monitoring • Health, safety and environment ("HSE") controls • Variation orders management

The total cost incurred for the outsourced internal audit function for the financial year under review amounted to RM63,063.67.

ISO AUDIT FUNCTION

As per requirement of the ISO 9001:2015 - QMS certifications, scheduled audits on yearly basis are conducted by the independent certification body, Lloyd's Register & Bureau Veritas. Management Review Committee reviews the issues arising from these audits, develop action plans and follow-up reviews are conducted to ensure all matters has been resolved.

CONCLUSION

In assisting the Board to assess the adequacy and operating effectiveness of the Group's risk management and internal control system, the Audit and Risk Management Committee conducted a review of the observations raised by the internal and external auditors. The Board is of the view that there have been no significant weaknesses identified in the risk management and internal control system.

REVIEW OF STATEMENT BY THE EXTERNAL AUDITORS

As required by paragraph 15.23 of the Bursa's Listing Requirements, the external auditors have performed a limited assurance engagement on this Statement on Risk Management and Internal Control for inclusion in the Annual Report for the financial year ended 31 December 2021. Their engagement was performed in accordance with the Audit and Assurance Practice Guide 3 ("AAPG 3") issued by the Malaysian Institute of Accountants which does not required the auditors to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system. Based on their procedures performed, the external auditors have reported that nothing has come to their attention that would cause them to believe that the Statement is not prepared, in all material respect, in accordance with the disclosures required by Paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers nor is factually inaccurate.

This Statement is made in accordance with the resolution of the Board of Directors dated 18 April 2022.

SUSTAINABILITY STATEMENT

ABOUT THIS REPORT

This is the forth Sustainability Statement of Inta Bina Group Berhad which provides an overview of the efforts and performance of the Group in working towards sustainability, focusing on the economic, environmental and social themes.

SCOPE

Our sustainability statement covers all divisions and entities within the Group, namely the Construction division and the newly expanded divisions in Property Development and Facility Management.

PRINCIPLE GUIDELINES

This report is guided by Bursa Malaysia's Sustainability Reporting Guide and is in line with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

REPORTING PERIOD

This Sustainability Statement covers the period from 1 January 2021 to 31 December 2021, unless otherwise stated.

GOVERNANCE STRUCTURE

Our Board of Directors is ultimately responsible in managing sustainability matters in our organisation. Supported by the Sustainability Working Group, the Managing Directors oversee the sustainability efforts in place to ensure proper monitoring and reporting. The Board meets at least annually to discuss on Sustainability matters including reviewing the material matters to ensure they stay relevant and up to date.

BOARD OF DIRECTOR

Ultimate responsibility in managing sustainability matters relating to the Group.

MANAGING DIRECTOR

Oversee the development and execution of sustainability strategies.

SUSTAINABILITY WORKING GROUP

The roles and responsibilities of the Sustainability Working Group are set out in following section.

OPERAT ING DIVISIONS

Led by the Heads of Division, each operating division is responsible to drive and implement the action plans to achieve the sustainability targets and to collect relevant data for reporting purposes.

The primary roles and responsibilities of the Sustainability Working Group include:

1. Recommending sustainability exposures, tolerance and other relevant matters to the Managing Director and the Board;
2. Aligning division priorities, tolerances and strategies;
3. Communicating and enforcing policies regarding sustainability;
4. Reviewing and monitoring effectiveness of sustainability treatment measures;
5. Providing the means and resources for the education and training toward sustainability goals;
6. Aggregating and reporting sustainability achievements;
7. Assisting Managing Director to conduct an annual review of Inta Bina's sustainability statements;
8. Reviewing the reports of sustainability management activities of the departments; and
9. Reviewing the sustainability exposures of the departments and the sufficiency of action plans to achieve sustainability targets.

SUSTAINABILITY STATEMENT

ENGAGING OUR STAKEHOLDERS

In year 2021, we have continued to engage with our key stakeholders through various channels and platforms to obtain feedbacks on key areas of interest to them, gaining insights into emerging issues that are significant to both stakeholders and the organisation.

The stakeholder groups identified and their areas of interest as well as the engagement methods adopted are set out in the table below:

PROJECT CLIENTS

Area of Interest and Material Topics

- Project completion with good quality, compliance with standards and on time delivery
- Competitive cost for construction work
- Safety and security at site
- Compliance with Environmental, Safety and Health regulations

Methods of Engagement & Frequency

- Progress reports – bi-weekly
- Regular project meetings
- Formal and informal communication channels via email and phone calls – as and when
- Customer survey forms – upon completion of project

EMPLOYEES

Area of Interest and Material Topics

- Competitive and fair remuneration and benefits
- Career development and progression
- Work-life balance
- Health and safety at work place

Methods of Engagement & Frequency

- Formal and informal meetings/discussion
- Training programmes
- Performance appraisals - annually
- Community projects and activities
- Induction programmes

SHAREHOLDERS AND INVESTORS

Area of Interest and Material Topics

- Group's performance and prospects
- Sustainable profitability and matters
- Corporate governance
- Compliance with relevant regulatory requirements

Methods of Engagement & Frequency

- Annual general meetings – annually
- Annual reports – annually
- Media conference - as and when
- Corporate announcements -quarterly or as and when key disclosure event arises
- Corporate website

VENDORS AND SUBCONTRACTORS

Area of Interest and Material Topics

- Business ethics and compliance
- Fair procurement practices
- Fair contract terms
- Timely payment

Methods of Engagement & Frequency

- Formal and informal engagement channels via regular meetings, emails and phone calls
- Performance feedback/ review
- Project site visits

REGULATORY AUTHORITIES

Area of Interest and Material Topics

- Compliance with local and government agenda

Methods of Engagement & Frequency

- Reports and compliance actions
- Certifications

SURROUNDING COMMUNITIES

Area of Interest and Material Topics

- Local community welfare and social development

Methods of Engagement & Frequency

- Community projects
- Social media

MATERIALITY ASSESSMENT

Materiality assessment is performed at least annually to ensure the relevance of our material matters, adopting a four-step approach outlined as follows:

- Identify the Group's key stakeholders

- Stakeholder Engagement
- Determine material sustainability concerns

- Categorise and prioritise key sustainability issues
- Action planning and reporting of issues identified

- Review materiality assessment process and improvise

Based on the reassessment undertaken in Year 2021, the material matters to our Group remains unchanged as they continue to be relevant to our current business. Among the key parameters used in this validation exercise include material matters reported in previous year, current and emerging Environmental, Economy and Social (EES) issues, industry peer benchmarking and other issues/concerns highlighted by the Board and the senior management team.

MATERIALITY MATTERS

Materiality assessment is performed at least annually to ensure the relevance of our material matters, adopting a four-step approach outlined as follows:

Main Topic	Key Sustainability Matters
Governance	Business ethics
	Corporate governance and compliance
	Combating bribery and corruption
Economy	Sustainable business growth
	Customer satisfaction
	Quality of product and services
	Sustainable procurement
Environment	Lowering pollution / carbon emissions
	Sustainable waste management
	Energy efficiency
Social	Health and safety
	Fair employment practices
	Empowering employees
	Talent management
	Community engagement

SUSTAINABILITY STATEMENT

MATERIALITY PERFORMANCE

In setting our goals and monitoring the progress of our sustainability journey, we have made reference to the Sustainability Development Goals developed by the United Nation's Department of Economic and Social Affairs. We have identified and adopt the following Sustainability Goals which we believe are most relevant to our business and where we can contribute to the EES sustainability in Malaysia.

The chart below provides an overview of the Sustainability Goals adopted by Inta Bina in measuring our sustainability performance:

ECONOMIC	**8.1** Sustaining per capita economic growth in accordance with national circumstances
	16.5 Substantially reducing corruption and bribery in all their forms
ENVIRONMENTAL	**12.2** Sustainable management and efficient use of natural resources
	12.5 Substantially reducing waste generation through prevention, reduction, recycling and reuse
SOCIAL	**3.0** Ensure healthy lives and promote well-being for all at all ages
	4.4 Increasing the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship
	8.6 Reducing the proportion of youth not in employment, education or training
	8.8 Promoting safe and secure working environments for all workers
	10.2 Empowering and promoting inclusion of all, irrespective of age, sex, disability, race, ethnicity etc

GOVERNANCE

At Inta Bina, we aim to drive good business governance and to foster a culture of ethical conduct and high integrity among our people.

BUSINESS ETHICS AND CONDUCT

It is the policy of the Group to conduct all of its business in an honest and ethical manner and to act in good faith. We are committed to ethical, transparent, fairness and integrity in all business practices and relationships, wherever we operate.

We conduct our activities in accordance with the applicable laws and regulations in which we operate as well as support our employees to consistently uphold the highest standards of integrity and accountability.

CORPORATE GOVERNANCE AND COMPLIANCE

The Group adopt the principles and best practices of corporate governance as laid out in the Malaysian Code on Corporate Governance to ensure that standards of corporate governance are being observed throughout the Group with the ultimate objective of enhancing long term shareholders value and returns to our stakeholders.

Details of our corporate governance framework and practices are elaborated in the Corporate Governance Overview Statement of this Annual Report as well as Corporate Governance Report for announcement and publication at www.intabina.com.

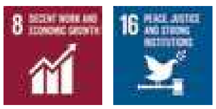
COMBATING BRIBERY AND CORRUPTION

Inta Bina has zero-tolerance for bribery and corruption, and we are committed to uphold good business ethics, transparency, fairness and integrity in all business practices and relationships, wherever we operate.

The Anti-Bribery and Anti-Corruption Policy and Guidelines which has been put in place since 2020 stipulates our stance on receiving and giving gifts, hospitality allowances and donations and sponsorships. It also spells out the procedures that we have set to ensure above board dealings with potential and existing business associates. Continuous efforts are put in place to strengthen our measures in combating bribery and corruption including clear communication to both internal and external stakeholders to raise awareness in our day-to-day business dealings.

To preserve and promote good governance culture in all the areas above, the Group has in place a whistleblowing policy which provides a channel to encourage reporting of any suspected misconduct, illegal acts or fraud, etc. for investigation and appropriate actions to be taken, where required. This whistleblowing policy is made publicly available on Inta Bina's website and can be located at the website link http://www.intabina.com/investor-relations/corporate-governance/.

SUSTAINABILITY STATEMENT



SDG GOALS APPLIED:

8.1
Sustaining per capita economic growth in accordance with national circumstances

16.5
Substantially reducing corruption and bribery in all their forms

SUSTAINABLE BUSINESS GROWTH

Based on the statistics collated by the Department of Statistics Malaysia on the nation's economic performance for 2021, the construction sector has recorded an overall contraction of 5% in total contract value work done for 2021 in comparison to the preceding year. Despite the challenges and headwinds arising from the COVID-19 driven restrictions in 2021, Inta Bina have successfully completed three (3) projects with a total contract value of RM173.5 million during the year. contributing a 19.86% increase in the revenue to the Group.

Demand for the Group's construction expertise remains optimistic with eight (8) new projects being secured in 2021 with contract values aggregated to RM392.9 million. As at 31 December 2021, Inta Bina has a total of eighteen (18) ongoing projects, which is expected to contribute to the business and financial performance of the Group in the coming years with a total of RM1.12 billion unbilled order book in hand.

Details of our completed projects during 2021 and ongoing projects as at 31 December 2021 are as follows:

Completed Projects

Project Code	Project Name
P129	44 units semi-detached & 5units Bungalows (Phase 4A) and 24 units semi-detached (Phase 3B-2) at Twin Palms, Kajang
P152	66 units semi-detached (PH 1b) Sunway Lenang Heights
P158	79 units Bungalow (Plat 6PH1) Eco Majestic, Semenyih

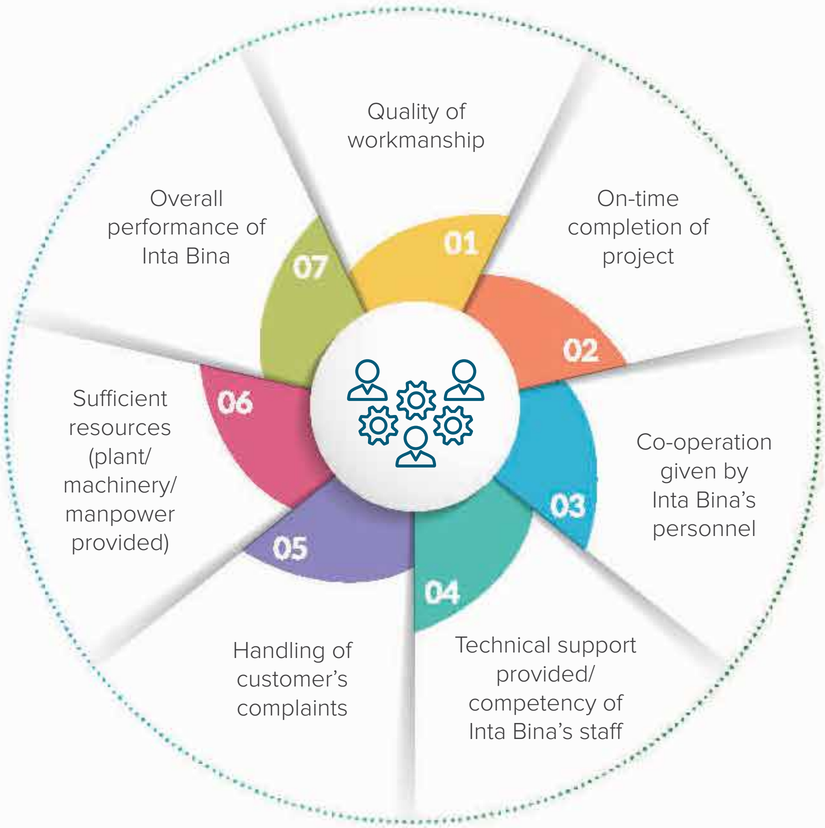
Ongoing Projects

Project Code	Project Name
P157	Apartment Saujana (PH2 & 3) at Damansara Damai
P159	1 block rumah mampu milik, Kiara Kasih at Mont Kiara [SMK2]
P160	148 units gated & guarded double storey terrace house at Eco Ardance, Setia Alam
P161	2 block apartment for Southville, Bangi
P162	176 units double storey terrace (Mellowood) at Eco Majestic, Semenyih
P164	78 units gated & guarded double storey bungalow (PH2A-5) at Eco Grandeur, Puncak Alam
P167	104 Units gated & guarded double storey terrace at Eco Ardence, Setia Alam
P168	1 block service apartment 39 storey at Tropicana Metropark, Subang Jaya
P169	2 block 30 storey service apartment (960 units) at Eco Sanctuary, Kota Kemuning
P170	2 block 32 storey service apartment (1728 units) at Eco Ardence, Setia Alam
P171	166 units gated & guarded double storey terrace at Eco Forest, Semenyih
P172	264 units gated & guarded Co-Home (PH-P2E-5) at Eco Grandeur, Puncak Alam
P173	1 Block Service Apartment (Gravit8) at Klang.
P174	175 units gated & guarded terrace (PH2) at Eco Majestic, Semenyih
P175	44 units gated & guarded double storey terrace at Jade Hills, Kajang
P176	116 units gated & guarded semi detached and 33 units bungalow at Eco Majestic, Semenyih
P177	203 units gated & guarded double storey terrace (PH1C-1A & 1B) at Gamuda Cove, Dengkil
P178	4 units show unit at Eco Forest, Semenyih

CUSTOMER SATISFACTION

We value feedbacks from our customers as well as the consultants in keeping track of our level of performance to ensure client's satisfaction and to establish long term business partner relationships with them.

Upon completion of projects, customer survey forms are circulated to the clients and consultants to identify areas where we have done well and where improvement is required. A set of criteria has been established as follows to help assess our performance and to be rated by our clients and consultants:



Average Customer Survey Score

2019	2020	2021
79%	83%	76%

(Based on customer survey results assessed by our project consultants and clients for completed projects in the year)

With continuous efforts from the local government in curbing the outspread of COVID-19, stringent measures were imposed on the level of construction such as restricted working hours, implementation of new health and safety standard operating procedures, etc. These have resulted in loss of productivity in construction activities, in addition to the overall shortage in workers which has been a persistent issue in the industry.

The above constraints had led to an overall lower score rated for 1 out of the 3 completed projects, lowering the average score for completed projects for 2021. Nonetheless, as the COVID-19 measures are gradually relaxed, our project team has managed to recoup the productivity and had completed the remaining projects with an average satisfaction rate of 82%, surpassing the internally targeted rate of 80%.

Based on the customer feedbacks collected, our management team will continue to assess and deliberate the necessary steps to be undertaken to continue improving our quality of service and deliverables.

P159 Rumah Mampu Milik at Mont Kiara [SMK2] - Kiara Kasih

SUSTAINABILITY STATEMENT

OUR COMMITMENT TO QUALITY

We believe that quality is key to sustainability in our business growth and we are committed in delivering superior quality products to our clients.

To this end, Inta Bina has been actively participating in quality assessment for our construction projects and obtaining accreditations from reputable bodies to keep track of our efforts in quality management and control. This enables us to be better positioned in delivering quality works and ultimately establishing our brand as a capable and reliable building contractor within the industry.

In 2021, we have successfully renewed our ISO certification until October 2024 in relation to the ISO 9001:2015 from Lloyd's Register Assurance Ltd for our Quality Management System, which aims to enhance client satisfaction through effective application of the quality management system, including processes for system improvements and assurance of meeting client's and applicable statutory and regulatory requirements.

In addition, our completed projects in 2021 have also undergone the assessment under Quality Assessment System in Construction (QLASSIC) by the Construction Industry Development Board Malaysia ("CIDB"), which is a system or method to measure and evaluate the workmanship quality of a building construction work based on Construction Industry Standard (CIS 7:2014), enabling the quality of workmanship between construction projects to be objectively compared through a scoring system. In this regard, we are proud to report that we have managed to maintain an average score of more than 75% consistently for our completed projects since 2018, with a highest score of 90% achieved this year for the Sunway Lenang Height Project (P152).

Average QLASSIC Score

2014 - 2019	2020	2021
80%	74%	80%

(For completed projects in the indicated years)

(*The target score of 75% is set with reference to the higher range of the baseline score under the QLASSIC certification scheme, as published in the Analysis Defect CIS 7 & QLASSIC Acceptable Score (2015-2018) Report by CIDB in Year 2020)

These accreditations accentuate our promise to provide excellent quality in our construction services. We will continue to review and strengthen the quality targets set to strive for higher achievements in elevating and maintaining our quality standards.

SUPPORTING LOCAL BUSINESSES THROUGH LOCAL PROCUREMENT

We support the local economy by sourcing and procuring our construction materials from the local vendors to encourage growth in the local businesses and to contribute, in the long run, in boosting the Gross Domestic Product (GDP) in Malaysia.

Certain major building materials have been sourced and purchased locally since Year 2018 in support of the above which includes:

- Timber
- Steel Bar
- Ready-mixed Concrete
- Bricks
- Reinforcing Fabrics of Steel (BRC)

The relationship with our suppliers is guided by our internal procurement policy and procedures to ensure independent, fair and transparent procurement practices for all parties. Internal control system is put in place to ensure independent evaluation and selection of suppliers are upheld at all times to promote fair business dealings.

Percentage of local procurement

2018 - 2021

100%

(For major building materials)

ENVIRONMENTAL

SDG GOALS APPLIED:

12.2
Sustainable management and efficient use of natural resources

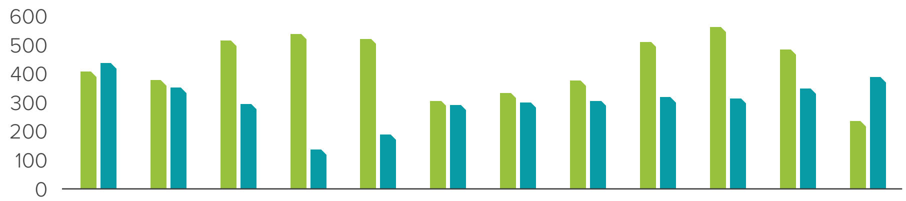
12.5
Substantially reducing waste generation through prevention, reduction, recycling and reuse

REDUCING CARBON EMISSIONS

In meeting the SDG target to achieve the sustainable management and efficient use of natural resources by 2030, we have continued our efforts in measuring carbon emissions from our project sites and head office to keep track of the environmental impacts from our business operation. The carbon emissions were computation based on 3 consumption inputs, namely the electricity usage, water usage and the transport fuel usage.

In meeting the SDG target to achieve the sustainable management and efficient use of natural resources by 2030, we have continued our efforts in measuring carbon emissions from our project sites and head office to keep track of the environmental impacts from our business operation. The carbon emissions were computation based on 3 consumption inputs, namely the electricity usage, water usage and the transport fuel usage.

Carbon Emission 2021 vs 2020 (tonne)



Reference: Data computed with Carbon Calculator by Malaysian Green Technology and Climate Change Centre at https://www.greentechmalaysia.my/carboncalculator

Total carbon emissions from our construction projects and head office in year 2021 was 5,194 Tonne CO_2 with an average of 433 Tonne CO_2 per month. The overall higher emissions this year in comparison to 2020 (i.e. higher by 40%) was largely due to the resumption in construction activities upon gradual relaxation of the Movement Control Order pursuant to the effective roll-out of the national vaccination programme.

Carbon Emissions

2019	2020	2021	2019	2020	2021
382	308	433	13.2^	11.1^	15.5
Average Tonne per month	Average Tonne per month	Average Tonne per month	Tonne per RM1mil revenue	Tonne per RM1mil revenue	Tonne per RM1mil revenue

^ Restated figures for Year 2019 and 2020

In view of the higher carbon emissions per RM1mil revenue in 2021, management will monitor more closely on the electricity, water and diesel usage at both construction site and head office and explore further measures to reduce the carbon emissions. Efficient use of electricity, water and diesel will continue to be promoted to raise awareness among our people in reducing such consumption where possible, e.g. switching off electrical equipment at offices when not in use, encourage usage of energy-saving equipment and shutting down machineries at site during idle times, etc.

SUSTAINABILITY STATEMENT

ENVIRONMENTAL MONITORING BY ENVIRONMENTAL CONSULTANT

We understand and acknowledge the impacts of our construction work to the environment, especially in the air and water quality as well as noise levels. Notwithstanding this, we aim to mitigate the level of damage to these important environment factors to our best ability in our operation.

In this regard, we have established an Environment Management System to help carry out our responsibilities to manage our construction impact to the environment. Our system has undergone certification assessment under the ISO 14001:2015 and had successfully obtained the accreditation during the year. This ISO standard specifies the requirements for an environmental management system that an organisation can use to enhance its environmental performance and this accreditation signifies Inta Bina's efforts in managing our environmental responsibilities in a systematic manner that contributes to the sustainability for the environmental aspect.

We continue to engage with an environmental consultant to monitor our water quality, ambient air quality and noise level for Project P159 in order to identify the extent of the environmental impact caused by our construction activities and the effectiveness of mitigation measures implemented at site. The key approaches and parameters used by the consultant, and the results of the assessment are summarised below:

Ambient Air Quality

Air quality around the project sites is monitored to ensure that the amount of Total Suspended Particulates (TSP) are below the permissible levels by Recommended Malaysian Ambient Air Quality Guidelines given by the Department of Environment (DOE) which is 260 μg/m³.

Water Quality

Water samples are collected from our project sites at various stations such as silt traps and workers' quarters. The samples are sent for analysis in the laboratory and the quality is assessed based on the National Water Quality Standards ("NWQS") Class II limit standards.

Noise Levels

Noise levels are measured for a period of 24 hours and a noise quality assessment is done based on the Maximum Permissible Sound Level (LAeq) by Receiving Land Use for Planning and New Development (Suburban Residential (Medium Density) areas, public spaces, parks, recreational).

Based on the Environmental Monitoring Reports received for P159 as at December 2021, we have achieved full compliance in all the environmental categories assessed:

Category	Results
Ambient Air Quality	Full compliance with the stipulated limit
Water Quality	All parameters are in compliance with the stipulate NWQS Class II.
Noise Levels	Noise levels during day time, evening time and night time in compliance with their respective recommended limits

The same measures adopted in P159 will be applied across all our other construction projects where practical to minimise the environmental damage from our construction operations as a whole.

RESPONSIBLE WASTE MANAGEMENT

While waste production is inevitable during construction work, Inta Bina has mitigated this by implementing a scheduled waste management plan where construction waste is collected and disposed at legal dumping areas to ensure compliance with Department of Environment ("DOE") requirements and standards regarding waste management.

Our waste management strategy abides by the 4Rs of environmental protection: "Reduce, Reuse, Recycle and Recover". Excess raw materials from each project are collected and segregated into reusable and non-reusable categories. Reusable items such as drums, containers and crates are kept for future usage while non-reusable items are assessed for their scrap value and sold wherever possible.

We are also utilising aluminium formworks instead of timber formworks for most of our projects, considering the high re-use cycle for aluminium formworks (up to 300 cycles as compared to timber formwork which is only up to 6 cycles). The repeated usage of aluminium formwork for our projects reduces the need for timber, leading to lower timber debris generated at the construction sites. In the long run, we would also reap the benefits of a lowered capital expenditure due to the increased reusability of formwork for future projects.

SOCIAL

SDG GOALS APPLIED:

3.0
Ensure healthy lives and promote well-being for all at all ages

4.4
Increasing the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship

8.6
Reducing the proportion of youth not in employment, education or training

8.8
Promoting safe and secure working environments for all workers

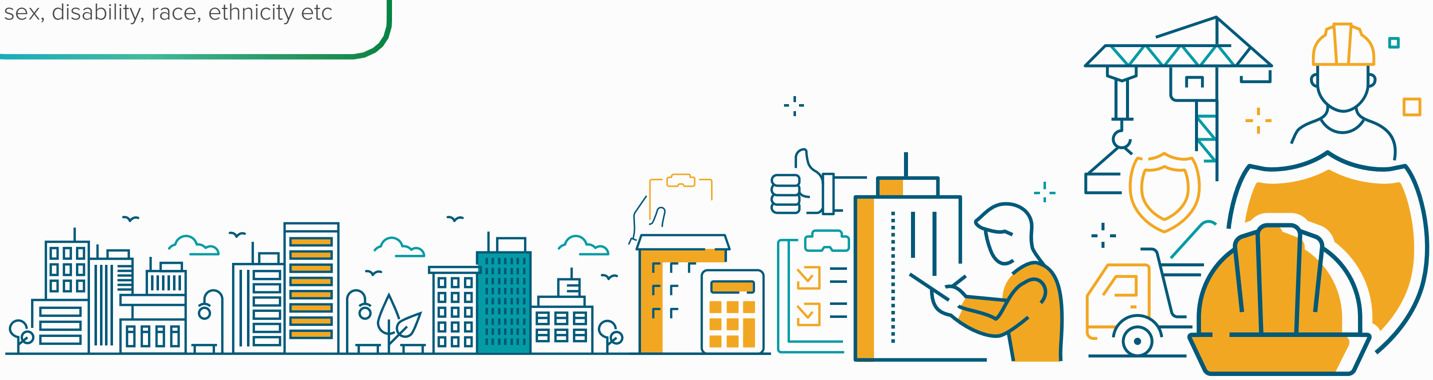
10.2
Empowering and promoting inclusion of all, irrespective of age, sex, disability, race, ethnicity etc

Health and safety at our workplace remains an utmost priority when it comes to enhancing our social sustainability efforts.

ZERO FATALITY PROGRAM - SAFETY COMES FIRST

At Inta Bina, we strive to achieve zero fatality rate at our construction sites. Despite safety measures are in place, we regret to report our first fatality accident since Year 2018 which involved falling of a worker from height. Management has taken swift action to investigate the root cause of the event and the site safety measures have been strengthen (e.g. enforcing the safety catch net with 3-layer protection and additional checklist has been put in place for platform checking) for further protection to prevent recurrence of such unfortunate incident.

P157 Apartment Suasana (Ph2 & 3) at Damansara Damai



SUSTAINABILITY STATEMENT

In ensuring good safety measures are practised at all sites in order to create a safe work environment for our workers as well as to minimise damage to the surrounding environment, our ongoing initiatives for Environment, Health and Safety are as shown below:

Inta Bina Health and Safety Initiatives 2021	Description
Conducting Hazard Identification, Risk Assessment and Risk Control (HIRARC)	Through the HIRARC exercise, we proactively manage the hazards and risks at our construction sites, so that we will be able to control the identified hazard before it become the root cause of the accident.
Health and Safety Weekly Inspection	This inspection is performed on health and safety measures at our workplace and offices including the inspection on machineries and equipment to reduce any risk exposure as well as conservation of energy.
Safety Toolbox Weekly Meeting	Our Weekly Safety Toolbox Meetings serve as a platform for our workers to have dialogues with the Safety Supervisors and Head on Site, and an avenue for communication on health and safety matters.
Fire Drill Training	Fire Drill trainings are conducted annually to educate our employees about the importance of fire safety, both on and off site.
Mosquito Management	Inta Bina takes the issue of dengue very seriously and understand that it is imperative to prevent an overpopulation of mosquitoes and other pests that may pose a health risk. In order to manage this, activities such as fogging, larviciding and pesticide operations are conducted on all vulnerable areas around the site on a weekly basis.

As a step taken in enhancing our health and safety, we have integrated our existing management system with ISO 45001:2018 which aims to combine our Occupation Health and Safety processes and procedures and our environmental management functions. We continue to observe and comply with the ISO standards to align our procedures with the internationally recognised best practices. This certification helps us in establishing policies, procedures and controls needed for our organisation to achieve a healthy and safe working condition at our workplace, especially the construction sites.

In addition, two of our ongoing projects P159 and P161 have also undergone the Health and Safety assessment under the Safety and Health Assessment System in Construction (SHASSIC) by CIDB and have achieved satisfactory ratings of 94% (a 5-star rating) and 85% (a 4-star rating) respectively.

FIGHTING THE OUTBREAK OF COVID-19

With emergence of the COVID-19 variants, efforts in curbing the virus remain relevant to safeguard the health and safety of the society at large. Strict control measures for COVID-19 continue to be practised at our construction sites and offices based on the SOP laid down by the authorities:

- Maintain social distancing at all times and avoid crowded places
- Ensure face masks are put on when entering office premises and construction sites
- Frequent hand wash and sanitisation
- Frequent temperature monitoring
- Regular sanitisation of work areas and offices
- Conduct self-diagnostic tests and to reconfirm with PCR or Antigen Test when in close contact with positive case or when infection is suspected
- Perform quarantine according to KKM rulings for positive cases

In support of the national vaccination programme, all of our employees (both site workers and administrative staff in our headquarters) is required to partake in the COVID-19 health screening and to be fully vaccinated before entering the work premises or project sites. With SOPs and strict monitoring in place, Inta Bina is playing an active role in keeping COVID-19 virus at bay from our workplace. Assistance in registration for vaccination programme and transportation to and from vaccination centres were also provided in support of achieving the desired vaccination rate by the government, in order to lower the health risk impact and the spreading of the virus.

SUSTAINABILITY STATEMENT

CELEBRATING DIVERSITY AT INTA BINA

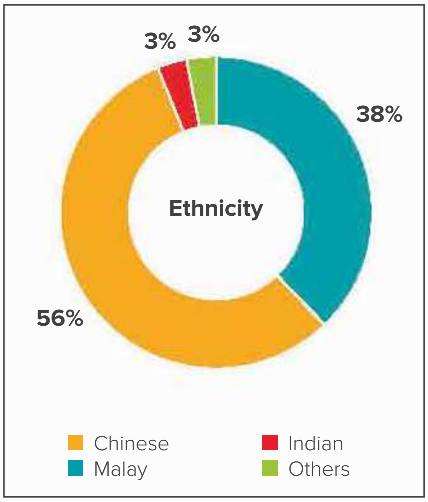
Being a home-grown Malaysian organisation, we embrace the beauty of diversity that multicultural communities can offer and strive to achieve inclusivity by providing equal opportunity to all employees based on their talents and potential for growth.

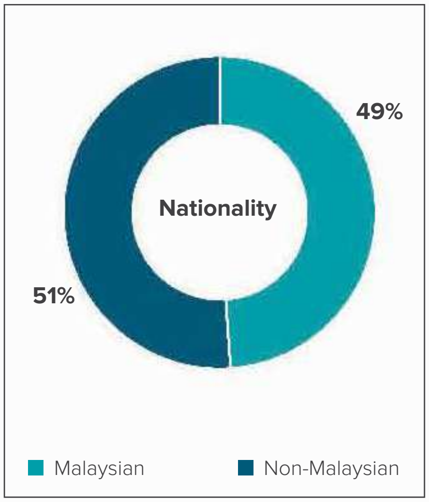
Despite the nature of our business activities in the construction sector, we were able to increase the proportion of female employees in our workforce to 22% as at 31 December 2021, representing an increase of 12% from Year 2020.

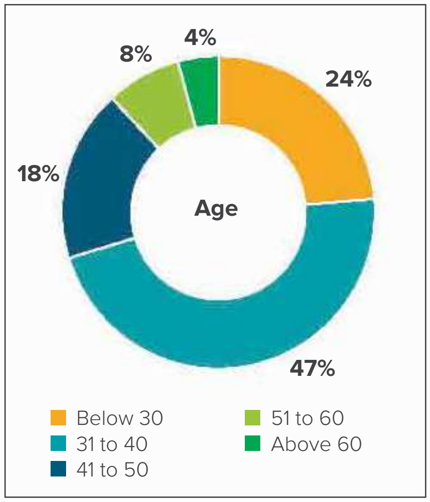
Percentage of female employees in total workforce:

2019	2020	2021
12%	**10%**	**22%**
Female Workforce	Female Workforce	Female Workforce

In addition, we embraced diversity in our workforce in terms of ethnicity, nationality and age group as detailed below:







FAIR EMPLOYMENT PRACTICES

Prohibition of harassment

We are committed to providing a conducive work environment from any form of harassment and unlawful discrimination. Inta Bina views sexual harassment as a serious violation of our Code of Conduct. To prevent discrimination, we have a sexual harassment policy and a grievance procedure available to all and we ensure that employees are briefed on these. Any employee found guilty of such misconduct will be subject to disciplinary actions that may include dismissal. During the reporting period, there was no record on instances of discrimination.

Prevention of Child Labour

We observe the Children and Young Persons (Employment) (Amendment) Act 2010 and only employ those who are at least 18 years old. This is in line with the policies of the International Labour Organisation.

EMPOWERING OUR EMPLOYEES

Our employees are key assets to the company and we understand the importance of continuous training and development to nurture talents within our organisation. Trainings and awareness courses were identified and provided to our employees to update their technical skills and knowledge with the latest developments in the industry as well as to build their leadership and personal skills as they progress in their career paths.

A summary of the training programs provided to our employees are shown as follows:

Functional Training

- Auditing Principles and Internal Practices For ISO 14001:2015 & ISO 45001:2018
- Forced Labour Issues in the Construction Industry
- Building Information Modeling Concept & Theory
- QLASSIC Assessment and Awareness
- Managing Disputes Among Contracting Parties Post Covid-19 and Way Forward
- Quota Approval for Foreign Workers Application
- Practical Contractual Issues Pertinent to Contractors

Health and Safety

- Annual Safety & Health Conference
- Scaffolding
- Site Health, Safety and Security: Threat and Mitigation
- Effective Accident Prevention
- Chemical Risk Assessment (SiRAC) and Control of Exposure
- 5S (Sort, Shine, Set in Order, Standardise and Sustain) Workplace Organisation
- Hearing Conservation Administrator
- Control of Covid-19 within the Construction Industry

Legal and Tax

- Enforcement on the latest amendment on Act 446 Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990
- Understanding of Anti-Bribery & Corruption
- Corporate Liability Provision of the MACC Act
- Transfer Pricing and Service Tax Updates in Construction Industry
- Tax Budget 2021

Personal Development

- Supervisor Accreditation Program

In addition to the career and personal development supports, we have also gone a step further in helping our employees who are facing livelihood difficulties such as those who were badly affected by the flood disaster in December 2021 and employees with family members in serious medical condition who are in need of financial assistance for the medical bills. Joint contributions from Inta Bina and our people were made to help them rebuild their homes as well as to reduce their financial burden while they weather through the hardships in their personal lives.

SUSTAINABILITY STATEMENT

PAVING THE WAY FOR OUR FUTURE LEADERS

Since Year 2018, we have been carrying out several educational initiatives such as providing internship and sponsorship to students pursuing their tertiary studies in the civil and environmental engineering, quantity surveying and construction management disciplines. This is in support of our beliefs that the investment in our youth today would help pave their ways to become our future leaders.

In 2021, we have carried on with our educational initiatives by providing education sponsorship to a selected student and have received eight (8) students from various universities and colleges such as TAR University College, UCSI University and Monash University under our internship programme.

During the course of training, our interns were exposed to both technical and practical development in their respective fields. They were also individually guided by our supervisors to apply the knowledge gained from their classroom learning at the work sites.

Number of students under internship/sponsorship

2018	2019	2020	2021
12 Students	26 Students	7 Students	9 Students

By having the initiatives above, we believe we had, not only helped these students fulfil their curriculum requirements, but also assisted in the development of future talents for the building and construction industry. Despite the current COVID-19 situation which had restricted us to reach out to more students to participate in our sponsorship/internship programme, we are aiming to reactivate these programmes in a more aggressive manner once the situation normalises.

GIVING BACK TO THE COMMUNITY

At Inta Bina, we proactively engage and give back to the communities we are operating in through our corporate social responsibility programme.

In view of the COVID-19 situation, we have participated in the Running & Cycling Virtual Fun Event which was held in conjunction with the Occupational Safety and Health Week, where the collections and donations are channelled to aid the Tabung Bantuan COVID-19 of PKS JKKP Selangor. We have also participated and contributed to an initiative of a business associate (i.e. Mitraland C.A.R.E), which aims to assist families whose lives were affected by COVID-19 and provide the basic necessities to them. In addition, a total of 12 hospital beds with metal drip stand was donated to Hospital Segamat to help with the shortage of hospital beds due to the surge in COVID-19 cases.

DIRECTORS' RESPONSIBILITY STATEMENT FOR THE AUDITED FINANCIAL STATEMENTS

The Directors are required by the Companies Act 2016 ("the Act") to prepare the financial statements for each financial year which have been made out in accordance with applicable Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards ("IFRSs"), the requirements of the Act in Malaysia and the MMLR.

The Directors are responsible to ensure that the financial statements give a true and fair view of the state of affairs of the Group and of the Company at the end of the financial year, and of the results and cash flows of the Group and of the Company for the financial year.

In preparing the financial statements, the Directors have:

(i) Adopted appropriate accounting policies and applied them consistently;

(ii) Made judgements and estimates that are reasonable and prudent; and

(iii) Prepared the financial statements on a going concern basis.

The Directors are responsible to ensure that the Group and the Company keep accounting records which disclose the financial position of the Group and of the Company with reasonable accuracy, enabling them to ensure that the financial statements comply with the Act.

The Directors are responsible for taking such steps as are reasonably open to them to safeguard the assets of the Group and of the Company and to detect and prevent fraud and other irregularities.

ADDITIONAL COMPLIANCE INFORMATION

AUDIT AND NON-AUDIT FEES

The amount of audit fees and non-audit fees paid or payable to the Company's External Auditors and a firm affiliated to the External Auditors' firm by the Group and the Company for the financial year ended 31 December 2021 are as follows:

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Auditors' remuneration				
- Statutory audit				
- current year	102,000	98,000	35,000	35,000
- Other services	5,000	5,000	-	-

MATERIAL CONTRACTS

There were no material contracts entered into by the Group involving Directors' and major shareholders' interest which were still subsisting as at the end of the financial year or which were entered into since the end of the previous financial period.

UTILISATION OF PROCEEDS

There were no proceeds raised from corporate proposals in the year under review.

RECURRENT RELATED PARTY TRANSACTIONS ("RRPT")

The breakdown of the aggregate value of the RRPT made during the financial year ended 31 December 2021 is as follows:

	Nature of RRPTs	Transacting companies		Related Parties	Relationship of Related Parties with Inta Bina Group Berhad	Aggregate value of RRPT for FYE 31 December 2021 (RM)
		Provider	Recipient			
(i)	Supply of construction materials such as timber and plywood and subcontract for supply of door leaves, timber door frames and timber railings to Inta Bina Sdn Bhd	Apexjaya Industries Sdn Bhd	Inta Bina Sdn Bhd	1. Lim Ooi Joo 2. Teo Hock Choon 3. Apexjaya Industries Sdn Bhd	Lim Ooi Joo and Teo Hock Choon are both Directors and Substantial Shareholders of IBGB Group and Apexjaya respectively.	6,057,000
(ii)	Rental income for the premise known as First Floor, No. 21, Jalan SS15/8A, 47500 Subang Jaya, Selangor	Inta Bina Sdn Bhd	Apexjaya Industries Sdn Bhd		Apexjaya Industries Sdn Bhd is a Substantial Shareholder of Inta Bina Group Berhad.	24,200
(iii)	Rental expense for the premise known as No. 13, Jalan SS15/8A, 47500 Subang Jaya, Selangor	Lim Yeong Kern	Inta Bina Sdn Bhd	Lim Ooi Joo	Lim Yeong Kern is the son of Lim Ooi Joo, a Director and Substantial Shareholder of Inta Bina Group Berhad.	60,000

FINANCIAL STATEMENTS

DIRECTORS' REPORT

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

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of its subsidiary are disclosed in Note 7 to the financial statements.

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

RESULTS

	Group RM	Company RM
Profit for the financial year	11,688,165	6,541,056
Attributable to:		
Owners of the Company	11,781,004	6,541,056
Non-controlling interests	(92,839)	–
	11,688,165	6,541,056

DIVIDENDS

The amount of dividend declared and paid by the Company since the end of the previous financial year were as follows:

	RM
Second interim single tier dividend of 0.35 sen per ordinary share in respect of the financial year then ended 31 December 2020, paid on 23 April 2021	1,873,406
First interim single tier dividend of 0.5 sen per ordinary share in respect of the financial year then ended 31 December 2021, paid on 21 December 2021	2,676,295

On 21 February 2022, the directors declared a Second interim singer tier final dividend of 0.50 sen per ordinary share amounting to RM2,676,295 in respect of the financial year ended 31 December 2021.

The financial statements for the current financial year do not reflect this interim dividend. This dividend will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 December 2022.

The directors do not recommend the payment of any final dividend for the financial year ended 31 December 2021.

RESERVES OR PROVISIONS

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

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were prepared, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and had satisfied themselves that all known bad debts had been written off and that no allowance needs to be made for doubtful debts.

At the date of this report, the directors are not aware of any circumstances which would require the writing off of bad debts or make any allowance for doubtful debts in the financial statements of the Group and of the Company.

CURRENT ASSETS

Before the financial statements of the Group and of the Company were prepared, the directors took reasonable steps to ensure that any current assets which were unlikely to be realised in the ordinary course of business including their values as shown in the accounting records of the Group and of the Company had been written down to an amount which they might be expected so to realise.

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

VALUATION METHODS

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

CONTINGENT AND OTHER LIABILITIES

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

(i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; and

(ii) any contingent liabilities in respect of the Group or of the Company which have arisen since the end of the financial year.

In the opinion of the directors, no contingent or other liability of the Group or of the Company has become enforceable, or is 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.

CHANGE OF CIRCUMSTANCES

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

ITEMS OF MATERIAL AND UNUSUAL NATURE

In the opinion of the directors,

(i) the results of the operations of the Group and of the Company for the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and

(ii) 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.

DIRECTORS' REPORT

ISSUE OF SHARES AND DEBENTURES

During the financial year, no new issue of shares or debentures were made by the Company.

EMPLOYEES' SHARE OPTION SCHEME ("ESOS")

At an Extraordinary General Meeting held on 25 June 2021, the Company's shareholders approved the establishment of an ESOS for directors and employees who meet the criteria of eligibility for participation. The ESOS was implemented on 25 November 2021 and shall be in force for a period of 5 years which will expire on 24 November 2026. As at reporting date, there were no ESOS granted.

The salient features and other details of the ESOS are disclosed in Note 12 to the financial statements.

WARRANTS

On 26 July 2021, a total of 133,814,745 free warrants were allotted and listed on the Main Market of Bursa Malaysia Securities under a deed poll dated 29 June 2021.

The salient terms of warrants are disclosed in Note 12 to the financial statements.

The movement in the Company's warrants during the financial year is as follows:

	Number of warrants				
	At 1 January 2021	Allotment	Exercised	Forfeited	At 31 December 2021
Warrants	–	133,814,745	–	–	133,814,745

DIRECTORS

The directors in office during the financial year and during the period from the end of the financial

year to the date of this report are:

Lim Ooi Joo*
Teo Hock Choon*
Ahmad Bin Awi*
Dr. Lim Pang Kiam
Chau Yik Mun
Yap Yoon Kong
Dato' Sia Thian Sang
Dato' Leanne Koh Li Ann — Appointed on 3 January 2022
Au Foong Yee — Appointed on 1 April 2022
Roshita Binti Sahadan — Retired on 25 June 2021

* Directors of the Company and its subsidiary

DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings required to be kept by the Company under Section 59 of the Companies Act 2016 in Malaysia, the interests of directors in office at the end of the financial year in shares in the Company and its related corporations during the financial year were as follows:

	Number of ordinary shares			
	At 1 January 2021	Bought	Sold	At 31 December 2021
The Company				
Direct interests:				
Lim Ooi Joo	49,038,050	–	–	49,038,050
Teo Hock Choon	47,302,850	–	–	47,302,850
Ahmad Bin Awi	67,442,600	–	–	67,442,600
Dr. Lim Pang Kiam	3,387,300	–	(1,500,000)	1,887,300
Chau Yik Mun	12,411,000	–	–	12,411,000
Yap Yoon Kong	11,994,500	2,200,000	–	14,194,500
Dato' Sia Thian Sang	5,466,500	–	–	5,466,500
The Company				
Indirect interests:				
Lim Ooi Joo	184,556,000	1,030,000	–	185,586,000

	Number of Warrants issued pursuant to the Deed Poll dated 29 June 2021 exercisable at any time from 25.11.2021 to 24.11.2026			
	At 1 January 2021	Alloted	Disposed	At 31 December 2021
The Company				
Direct interests:				
Lim Ooi Joo	–	12,259,512	–	12,259,512
Teo Hock Choon	–	11,825,712	–	11,825,712
Ahmad Bin Awi	–	16,860,650	–	16,860,650
Dr. Lim Pang Kiam	–	846,825	–	846,825
Chau Yik Mun	–	3,102,750	–	3,102,750
Yap Yoon Kong	–	3,098,625	(415,000)	2,683,625
Dato' Sia Thian Sang	–	1,366,625	–	1,366,625
The Company				
Indirect interests:				
Lim Ooi Joo	–	46,396,500	–	46,396,500

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

DIRECTORS' REPORT

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director of the Company has received or become entitled to receive any benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors as disclosed in Note 22 to the financial statements) 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 any deemed interest benefit which may arise from transaction as disclosed in Note 27 to the financial statements.

Neither during, nor at the end of the financial year, was the Company a party to any arrangements where the object is to enable the directors to acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate.

INDEMNITY TO DIRECTORS AND OFFICERS

The directors and officers of the Company and its subsidiaries are covered by Directors and Officers Liability Insurance ("D&O Insurance") for any liability incurred in the discharge of their duties, provided that they have not acted fraudulently or dishonestly or derived any personal profit or advantage. The total amount of D&O Insurance effected was RM10,000,000. The insurance premium for the D&O Insurance paid during the financial year amounted to RM15,910.

SUBSIDIARIES

The details of the Company's subsidiaries are disclosed in Note 7 to the financial statements.

SIGNIFICANT EVENT SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Details of significant events during and subsequent to the end of the financial year is disclosed in Note 32 to the financial statements.

AUDITORS

The auditors, Messrs Baker Tilly Monteiro Heng PLT, have expressed their willingness to continue in office.

The details of the auditors' remuneration are disclosed in Note 21 to the financial statements.

The Company has agreed to indemnify the auditors of the Company as permitted under Section 289 of the Companies Act 2016 in Malaysia.

This report was approved and signed on behalf of the Board of Directors in accordance with a resolution of the directors:

....

LIM OOI JOO
Director

....

TEO HOCK CHOON
Director

Date: 18 April 2022

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

		Group		Company	
		2021	2020	2021	2020
	Note	RM	RM	RM	RM
ASSETS					
Non-current assets					
Property, plant and equipment	5	35,808,288	26,293,394	–	–
Investment properties	6	24,441,644	22,669,990	–	–
Investment in subsidiaries	7	–	–	68,345,710	67,820,710
Inventories	8	10,212,027	–	–	–
Total non-current assets		70,461,959	48,963,384	68,345,710	67,820,710
Current assets					
Trade and other receivables	9	176,845,063	198,616,806	8,585,762	4,008,956
Current tax assets		121,629	117,970	121,629	117,970
Contract assets	10	73,772,393	41,040,741	–	–
Cash and short-term deposits	11	64,173,510	49,503,500	129,963	14,891
Total current assets		314,912,595	289,279,017	8,837,354	4,141,817
TOTAL ASSETS		385,374,554	338,242,401	77,183,064	71,962,527
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	12	69,429,011	69,429,011	69,429,011	69,429,011
Reorganisation reserve	13	(34,620,710)	(34,620,710)	–	–
Retained earnings		111,991,475	104,760,172	4,237,962	2,246,607
		146,799,776	139,568,473	73,666,973	71,675,618
Non-controlling interest		132,161	–	–	–
TOTAL EQUITY		146,931,937	139,568,473	73,666,973	71,675,618
Non-current liabilities					
Loans and borrowings	14	11,189,920	7,060,407	–	–
Deferred tax liabilities	15	1,112,513	499,963	–	–
Total non-current liabilities		12,302,433	7,560,370	–	–
Current liabilities					
Loans and borrowings	14	37,554,923	30,721,955	–	–
Current tax liabilities		2,001,823	734,354	–	–
Contract liabilities	10	27,280,299	8,074,772	–	–
Trade and other payables	16	159,303,139	151,582,477	3,516,091	286,909
Total current liabilities		226,140,184	191,113,558	3,516,091	286,909
TOTAL LIABILITIES		238,442,617	198,673,928	3,516,091	286,909
TOTAL EQUITY AND LIABILITIES		385,374,554	338,242,401	77,183,064	71,962,527

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

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

		Group		Company	
		2021	2020	2021	2020
	Note	RM	RM	RM	RM
Revenue	17	335,979,080	280,296,680	7,164,265	5,504,265
Cost of sales	18	(304,438,234)	(253,711,182)	–	–
Gross profit		31,540,846	26,585,498	7,164,265	5,504,265
Other income	19	1,680,764	1,933,354	67,267	61,600
Administrative expenses		(13,664,642)	(13,969,179)	(690,372)	(661,417)
Operating profit		19,556,968	14,549,673	6,541,160	4,904,448
Finance costs	20	(1,706,228)	(1,609,262)	(104)	(44)
Profit before tax	21	17,850,740	12,940,411	6,541,056	4,904,404
Income tax expense	23	(6,162,575)	(4,839,141)	–	(17,126)
Profit for the financial year		11,688,165	8,101,270	6,541,056	4,887,278
Other comprehensive income, net of tax		–	–	–	–
Total comprehensive income for the financial year		11,688,165	8,101,270	6,541,056	4,887,278
Profit attributable to:					
Owners of the Company		11,781,004	8,101,270	6,541,056	4,887,278
Non-controlling interests		(92,839)	–	–	–
		11,688,165	8,101,270	6,541,056	4,887,278
Total comprehensive income attributable to:					
Owners of the Company		11,781,004	8,101,270	6,541,056	4,887,278
Non-controlling interests		(92,839)	–	–	–
		11,688,165	8,101,270	6,541,056	4,887,278
Earnings per share (sen)					
– Basic	24	2.20	1.51		
– Diluted	24	2.20	1.51		

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

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

		Attributable to owners of the Company					
	Note	Share capital RM	Reorganisation reserve RM	Retained earnings RM	Sub-total RM	Non-controlling interests RM	Total equity RM
Group							
At 1 January 2020		69,429,011	(34,620,710)	102,011,492 1	36,819,793	–	136,819,793
Total comprehensive income for the financial year		–	–	8,101,270	8,101,270	–	8,101,270
Transaction with owners:							
Dividends paid on shares	25	–	–	(5,352,590)	(5,352,590)	–	(5,352,590)
At 31 December 2020		69,429,011	(34,620,710)	104,760,172	139,568,473	–	139,568,473
Total comprehensive income for the financial year		–	–	11,781,004	11,781,004	(92,839)	11,688,165
Transaction with owners:							
Non-controlling interest arsing from acquisition of subsidiary		–	–	–	–	225,000	225,000
Dividends paid on shares	25	–	–	(4,549,701)	(4,549,701)	–	(4,549,701)
At 31 December 2021		69,429,011	(34,620,710)	111,991,475	146,799,776	132,161	146,931,937

		Attributable to owners of the Company		
	Note	Share capital RM	Retained earnings RM	Total equity RM
Company				
At 1 January 2020		69,429,011	2,711,919	72,140,930
Total comprehensive income for the financial year		–	4,887,278	4,887,278
Transaction with owners:				
Dividends paid on shares	25	–	(5,352,590)	(5,352,590)
At 31 December 2020		69,429,011	2,246,607	71,675,618
Total comprehensive income for the financial year		–	6,541,056	6,541,056
Transaction with owners:				
Dividends paid on shares	25	–	(4,549,701)	(4,549,701)
At 31 December 2021		69,429,011	4,237,962	73,666,973

The accompanying notes form an integral part of 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 before tax	17,850,740	12,940,411	6,541,056	4,904,404
Adjustments for:				
Depreciation of property, plant and equipment	9,367,445	7,449,291	–	–
Depreciation of investment properties	552,144	571,992	–	–
Bad debt written off	–	11,200	–	–
Gain on disposal of property, plant and equipment	(38,000)	(155,414)	–	–
Gain on disposal of investment properties	(158,798)	(122,024)	–	–
Impairment losses on investment properties	–	2,062,395	–	–
Interest expense	1,706,228	1,467,042	–	–
Interest income	(625,810)	(1,001,292)	(67,217)	(61,600)
Dividend income	–	–	(7,000,000)	(5,300,000)
Operating profit before changes in working capital	28,653,949	23,223,601	(526,161)	(457,196)
Changes in working capital:				
Receivables	21,771,743	18,590,928	(4,576,806)	2,363,358
Payables	7,720,662	(8,425,169)	3,229,182	32,228
Contract assets/liabilities	(13,526,125)	(24,197,413)	–	–
Inventories	(10,212,027)	–	–	–
Net cash flows generated from operations	34,408,202	9,191,947	(1,873,785)	1,938,390
Interests received	–	–	67,217	61,600
Income tax refund	216,355	–	–	–
Income tax paid	(4,502,570)	(5,192,230)	(3,659)	(3,537)
Net cash flows from operating activities	30,121,987	3,999,717	(1,810,227)	1,996,453
Cash flows from investing activities				
Investment in subsidiary	–	–	(525,000)	–
Purchase of property, plant and equipment	(5,640,031)	(5,121,218)	–	–
Purchase of investment property	(2,915,000)	–	–	–
Proceeds from disposal of property, plant and equipment	38,000	228,600	–	–
Interest received	625,810	1,001,292	–	–
Proceeds from disposal of investment property	750,000	200,000	–	–
Dividen received	–	–	7,000,000	3,300,000
Net cash flows (used in)/from investing activities	(7,141,221)	(3,691,326)	6,475,000	3,300,000

	Group 2021 RM	Group 2020 RM	Company 2021 RM	Company 2020 RM
Cash flows from financing activities				
Interests paid	(1,706,228)	(1,201,707)	–	–
Fixed deposits pledged as security values	(3,839,301)	545,769	–	–
Net drawdown of short-term borrowings	5,830,040	3,144,000	–	–
Net repayment of Islamic term financing	(73,116)	(181,569)	–	–
Net repayment of term loans	(320,824)	(334,072)	–	–
Dividend paid	(4,549,701)	(5,352,590)	(4,549,701)	(5,352,590)
Net payment of lease liabilities	(7,715,927)	(1,153,701)	–	–
Subscription of shares by non-controlling interest	225,000	–	–	–
Net cash flows used in financing activities	(12,150,057)	(4,533,870)	(4,549,701)	(5,352,590)
Net (decrease)/increase in cash and cash equivalents	10,830,709	(4,225,479)	115,072	(56,137)
Cash and cash equivalents at the beginning of the financial year	14,028,211	18,253,690	14,891	71,028
Cash and cash equivalents at the end of the financial year (Note 11)	24,858,920	14,028,211	129,963	14,891

(a) Purchase of property, plant and equipment

	Group 2021 RM	Group 2020 RM
Purchase of property, plant and equipment	18,882,339	7,321,218
Financed by way of finance lease arrangements	(13,242,308)	(2,200,000)
Cash payments on purchase of property, plant and equipment	5,640,031	5,121,218

(b) Total cash outflows from leases

During the financial year, the Group had total cash outflows for leases of RM8,116,981 (2020: RM1,548,554)

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

(c) Reconciliation of liabilities arising from financing activities:

	1 January 2021 RM	Cash flows RM	Non-cash Acquisitions RM	31 December 2021 RM
Group				
Term loans	2,752,672	(320,824)	–	2,431,848
Islamic term financing	2,558,442	(73,116)	–	2,485,326
Lease liabilties	5,548,224	(7,715,927)	13,242,308	11,074,605
Banker's acceptance	18,317,000	(3,882,569)	–	14,434,431
Revolving credit	2,000,000	1,300,000	–	3,300,000
Invoice financing	6,606,024	8,412,609	–	15,018,633
	37,782,362	(2,279,827)	13,242,308	48,744,843

	1 January 2020 RM	Cash flows RM	Non-cash Acquisitions RM	31 December 2020 RM
Group				
Term loans	2,952,806	(200,134)	–	2,752,672
Islamic term financing	2,633,637	(75,195)	–	2,558,442
Lease liabilties	6,701,925	(3,353,701)	2,200,000	5,548,224
Banker's acceptance	16,756,000	1,561,000	–	18,317,000
Revolving credit	1,000,000	1,000,000	–	2,000,000
Invoice financing	3,798,000	2,783,000	25,024	6,606,024
	33,842,368	1,714,970	2,225,024	37,782,362

Company

Changes in liabilities arising from financing activities are changes arising from cash flows.

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Inta Bina Group Berhad ("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 5-9A, The Boulevard Offices, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur. The principal place of business of the Company is located at No. 15 & 17 (1st Floor), Jalan SS15/8A, Subang Jaya, 47500 Petaling Jaya, Selangor Darul Ehsan.

The principal activity of the Company is investment holding. The principal activities of its subsidiary are disclosed in Note 7 to the financial statements.

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

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 18 April 2022.

2. BASIS OF PREPARATION

2.1 Statement of Compliance

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

2.2 Adoption of amendments/improvements to MFRSs

The Group and the Company have adopted the following amendments/improvements to MFRSs for the current financial year:

Amendments/Improvements to MFRSs

MFRS 4	Insurance Contracts
MFRS 7	Financial Instruments: Disclosures
MFRS 9	Financial Instruments
MFRS 16	Leases
MFRS 139	Financial Instruments: Recognition and Measurement

* Early adopted the amendment to MFRS 16 Leases issued by the Malaysian Accounting Standards Board ("MASB") on 5 June 2020

The adoption of the above amendments/improvements to MFRSs did not have any significant effect on the financial statements of the Group and of the Company and did not result in significant changes to the Group's and the Company's existing accounting policies.

NOTES TO THE FINANCIAL STATEMENTS

2. BASIS OF PREPARATION (CONTINUED)

2.3 New MFRS and amendments/improvements to MFRSs that have been issued, but yet to be effective

The Group and the Company have not adopted the following new MFRS, and amendments/improvements to MFRSs that have been issued, but yet to be effective:

		Effective for financial financial periods beginning on or after
New MFRS		
MFRS 17	Insurance Contracts	1 January 2023
Amendments/Improvements to MFRSs		
MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards	1 January 2022^/ 1 January 2023#
MFRS 3	Business Combinations	1 January 2022/ 1 January 2023#
MFRS 5	Non-current Assets Held for Sale and Discontinued Operations	1 January 2023#
MFRS 7	Financial Instruments: Disclosures	1 January 2023#
MFRS 9	Financial Instruments	1 January 2022^/ 1 January 2023#
MFRS 10	Consolidated Financial Statements Deferred MFRS 15 Revenue from Contracts with Customers	1 January 2023#
MFRS 16	Leases	1 January 2022^
MFRS 17	Insurance Contracts	1 January 2023
MFRS 101	Presentation of Financial Statements	1 January 2023/ 1 January 2023#
MFRS 107	Statements of Cash Flows	1 January 2023#
MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2023
MFRS 112	Income Taxes	1 January 2023
MFRS 116	Property, Plant and Equipment	1 January 2022/ 1 January 2023#
MFRS 119	Employee Benefits	1 January 2023#
MFRS 128	Investments in Associates and Joint Ventures	Deferred/ 1 January 2023#
MFRS 132	Financial Instruments: Presentation	1 January 2023#
MFRS 136	Impairment of Assets	1 January 2023#
MFRS 137	Provisions, Contingent Liabilities and Contingent Assets	1 January 2022/ 1 January 2023#
MFRS 138	Intangible Assets	1 January 2023#
MFRS 140	Investment Property	1 January 2023#
MFRS 141	Agriculture	1 January 2022^

^ *The Annual Improvements to MFRS Standards 2018-2020*

\# *Amendments as to the consequence of effective of MFRS 17 Insurance Contracts*

2. BASIS OF PREPARATION (CONTINUED)

2.3 New MFRS and amendments/improvements to MFRSs that have been issued, but yet to be effective (Continued)

2.3.1 The Group and the Company plan to adopt the above applicable new MFRS and amendments/improvements to MFRSs when they become effective. A brief discussion on the above significant new MFRS and amendments/improvements to MFRSs that may be applicable to the Group and the Company are summarised below.

Amendments to MFRS 101 Presentation of Financial Statements

The amendments include specifying that an entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period; clarifying that classification of liability is unaffected by the likelihood of the entity to exercise its right to defer settlement of the liability for at least twelve months after the reporting period ; clarifying how lending conditions affect classification of a liability; and clarifying requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments.

The amendments require an entity to disclose its material accounting policy information rather than significant accounting policies. The amendments, amongst others, also include examples of circumstances in which an entity is likely to consider an accounting policy information to be material to its financial statements. To support this amendments, MFRS Practice Statement 2 was also amended to provide guidance on how to apply the concept of materiality to accounting policy information disclosures. The guidance and examples provided in the MFRS Practice Statement 2 highlight the need to focus on entity-specific information and demonstrate how the four-step materiality process can address standardised (or boilerplate) information and duplication of requirements of MFRSs in the accounting policy information disclosures.

2.4 Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which they operate ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency.

2.5 Basis of measurement

The financial statements of the Group and of the Company have been prepared on the historical cost basis, except as otherwise disclosed in Note 3 to the financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

Unless otherwise stated, the following accounting policies have been applied consistently to all the financial years presented in the financial statements of the Group and of the Company.

3.1 Basis of consolidation

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

(a) Subsidiaries

Subsidiaries is the entity over which the Group is exposed, or has rights, to variable returns from its involvement with the acquiree and has the ability to affect those returns through its power over the acquiree.

NOTES TO THE FINANCIAL STATEMENTS

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.1 Basis of consolidation (Continued)

(a) Subsidiaries (Continued)

The financial statements of the subsidiaries are included in the consolidated financial statements from the date the Group obtains control of the acquiree until the date the Group loses control of the acquiree.

Subsidiaries is the entity over which the Group is exposed, or has rights, to variable returns from its involvement with the acquiree and has the ability to affect those returns through its power over the acquiree.

The financial statements of the subsidiaries are included in the consolidated financial statements from the date the Group obtains control of the acquiree until the date the Group loses control of the acquiree.

Acquisition of entity under a reorganisation scheme does not result in any change in economic substance. Accordingly, the consolidated financial statements of the Company are a continuation of the acquired entity and is accounted for as follows:

- the assets and liabilities of the acquired entity is recognised and measured in the consolidated financial statements at the pre-combination carrying amounts, without restatement to fair value;
- tthe retained earnings and other equity balances of acquired entity immediately before the business combination are those of the Group; and
- tthe equity structure, however, reflects the equity structure of the Company and the differences arising from the change in equity structure of the Group will be accounted for in other reserves.

For a new acquisition, goodwill is initially measured at cost, being the excess of the following:

- tthe fair value of the consideration transferred, calculated as the sum of the acquisition date fair value of assets transferred (including contingent consideration), the liabilities incurred to former owners of the acquiree and the equity instruments issued by the Group. Any amounts that relate to pre-existing relationships or other arrangements before or during the negotiations for the business combination, that are not part of the exchange for the acquiree, will be excluded from the business combination accounting and be accounted for separately; plus
- tthe recognised amount of any non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets at the acquisition date (the choice of measurement basis is made on an acquisition-by-acquisition basis); plus
- tif the business combination is achieved in stages, the acquisition-date fair value of the previously held equity interest in the acquiree; less
- tthe net fair value of the identifiable assets acquired and the liabilities (including contingent liabilities) assumed at the acquisition date.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss at the acquisition date.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.1 Basis of consolidation (Continued)

(a) Subsidiaries (Continued)

If the business combination is achieved in stages, the Group remeasures the previously held equity interest in the acquiree to its acquisition-date fair value, and recognises the resulting gain or loss, if any, in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss or transferred directly to retained earnings on the same basis as would be required if the acquirer had disposed directly of the previously held equity interest.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the business combination occurs, the Group uses provisional fair value amounts for the items for which the accounting is incomplete. The provisional amounts are adjusted to reflect new information obtained about facts and circumstances that existed as of the acquisition date, including additional assets or liabilities identified in the measurement period. The measurement period for completion of the initial accounting ends as soon as the Group receives the information it was seeking about facts and circumstances or learns that more information is not obtainable, subject to the measurement period not exceeding one year from the acquisition date.

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the former subsidiary, any non-controlling interests and the other components of equity related to the former subsidiary from the consolidated statement of financial position. Any gain or loss arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the former subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an associate, a joint venture or a financial asset.

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The difference between the Group's share of net assets before and after the change, and the fair value of the consideration received or paid, is recognised directly in equity.

(b) Non-controlling interests

Non-controlling interests represent the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company and are presented separately in the consolidated statement of financial position within equity.

Losses attributable to the non-controlling interests are allocated to the non-controlling interests even if the losses exceed the non-controlling interests.

(c) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements.

3.2 Separate financial statements

In the Company's statement of financial position, investment in subsidiaries is measured at cost less any accumulated impairment losses, unless the investment is classified as held for sale or distribution. The cost of investment includes transaction costs. The policy for the recognition and measurement of impairment losses shall be applied on the same basis as would be required for impairment of non-financial assets is disclosed in Note 3.9(b) to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Financial instruments

Financial instruments are recognised in the statements of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument.

Except for the trade receivables that do not contain a significant financing component or for which the Group and the Company have applied the practical expedient, the financial instruments are recognised initially at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset and financial liability. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Trade receivables that do not contain a significant financing component or for which the Group and the Company have applied the practical expedient are measured at the transaction price determined under MFRS 15 *Revenue from Contracts with Customers*.

(a) Subsequent measurement

The Group and the Company categorise the financial instruments as follows:

(i) Financial assets

For the purposes of subsequent measurement, financial assets are classified financial assets at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

The Group and the Company reclassify financial assets when and only when their business models for managing those assets change.

<u>Debt instruments</u>

Subsequent measurement of debt instruments depends on the Group's and the Company's business model for managing the asset and the cash flow characteristics of the asset. The Group and the Company classify their debt instruments:

- **Amortised cost**

  Financial assets that are held for collection of contractual cash flows and those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.9 to the financial statements. Gains and losses are recognised in profit or loss when the financial asset is derecognised, modified or impaired.

(ii) Financial liabilities

The Group and the Company classifies its financial liabilities at amortised cost.

<u>Financial liabilities at amortised cost</u>

Subsequent to initial recognition, other financial liabilities are measured at amortised cost using effective interest method. Gains and losses are recognised in profit or loss when the financial liabilities are derecognised and through the amortisation process.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Financial instruments (Continued)

(b) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantee contracts are recognised initially as a liability at fair value, net of transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, the liability is measured at the higher of the amount of the loss allowance determined in accordance with Section 5.5 of MFRS 9 and the amount initially recognised, when appropriate, the cumulative amount of income recognised in accordance with the principles of MFRS 15.

(c) Regular way purchase or sale of financial assets

A regular way purchase or sale is a purchase or sale of a financial asset under a contract whose terms require delivery of the asset within the time frame established generally by regulation or convention in the marketplace concerned.

A regular way purchase or sale of financial assets shall be recognised and derecognised, as applicable, using trade date accounting (i.e. the date the Group and the Company commit themselves to purchase or sell an asset).

Trade date accounting refers to:

(i) the recognition of an asset to be received and the liability to pay for it on the trade date; and

(ii) derecognition of an asset that is sold, recognition of any gain or loss on disposal and the recognition of a receivable from the buyer for payment on the trade date.

Generally, interest does not start to accrue on the asset and corresponding liability until the settlement date when title passes.

(d) Derecognition

A financial asset or a part of it is derecognised when, and only when:

(i) the contractual rights to receive cash flows from the financial asset expire, or

(ii) the Group and the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party; and either

  (a) the Group and the Company has transferred substantially all the risks and rewards of the asset, or

  (b) the Group and the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The Group and the Company evaluates if, and to what extent, it has retained the risks and rewards of ownership. When they have neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group and the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group and the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group and the Company has retained.

NOTES TO THE FINANCIAL STATEMENTS

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Financial instruments (Continued)

(d) Derecognition (Continued)

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group and the Company could be required to repay.

On derecognition of a financial asset, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) 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 expired. On derecognition of a financial liability, the difference between the carrying amount and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

(e) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is presented in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

In accounting for a transfer of a financial asset that does not qualify for derecognition, the entity shall not offset the transferred asset and the associated liability.

3.4 Property, plant and equipment

(a) Recognition and measurement

Property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.9(b) to the financial statements.

Cost of assets includes expenditures that are directly attributable to the acquisition of the asset and any other costs that are directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

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

(b) Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the part will flow to the Group or the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the profit or loss as incurred.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.4 Property, plant and equipment (Continued)

(c) Depreciation

Freehold land has an unlimited useful life and therefore is not depreciated.

All other property, plant and equipment are depreciated on straight-line basis by allocating their depreciable amounts over their remaining useful lives.

Building	50 years
Furniture and fittings	12 years
Motor vehicles	5 years
Office equipment	5 to 8 years
Office renovations	8 years
Plant and machineries	4 to 5 years

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

(d) 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 derecognition of the asset is recognised in profit or loss.

3.5 Leases

Definition of lease

At inception of a contract, the Group and the Company assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group and the Company assess whether:

- the contract involves the use of an identified asset;
- tthe Group and the Company have the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- tthe Group and the Company have the right to direct the use of the asset.

(a) Lessee accounting

At the lease commencement date, the Group and the Company recognise a right-of-use asset and a lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets.

The Group and the Company present right-of-use assets that do not meet the definition of investment property in Note 6 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.5 Leases (Continued)

(a) Lessee accounting (Continued)

Right-of-use assets

The right-of-use asset is initially recognised 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 right-of-use asset is subsequently measured at cost less accumulated depreciation and any accumulated impairment losses, and adjust for any remeasurement of the lease liabilities. The right-of-use asset is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. If expects to exercise a purchase option, the right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts from the commencement date of the underlying asset. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.9 to the financial statements.

Lease liability

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

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- the exercise price of a purchase option, if the lessee is reasonably certain to exercise that option.

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

The Group and the Company remeasure the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

Variable lease payments that do not depend on an index or a rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line “other expenses” in the statements of comprehensive income.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.5 Leases (Continued)

(a) Lessee accounting (Continued)

Lease liability (Continued)

The Group and the Company have elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

Short-term leases and leases of low value assets

The Group and the Company have elected not to recognise right-of-use assets and lease liabilities for short-term leases and leases of low value assets. The Group and the Company recognise the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

(b) Lessor accounting

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. All other leases that do not meet this criterion are classified as operating leases.

If an entity in the Group is a lessor in an operating lease, the underlying asset is not derecognised but is presented in the statement of financial position according to the nature of the asset. Lease income from operating leases is recognised in profit or loss on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished.

3.6 Investment properties

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

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 Group and the Company use the cost model to measure their investment properties after initial recognition. Accordingly, investment properties are stated at cost less accumulated depreciation and any accumulated impairment losses. The policy for the recognition and measurement of the impairment losses is in accordance with Note 3.9(b) to the financial statements.

Investments in freehold lands are stated at cost and is not depreciated as it has indefinite useful life. Investments in leasehold lands are amortised over its remaining lease period.

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 gains and losses arising from derecognition of the asset is recognised in the profit or loss.

Transfers are made to or from investment property only when there is a change in use.

NOTES TO THE FINANCIAL STATEMENTS

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.7 Contract assets/(liabilities)

Contract asset is the right to consideration for goods or services transferred to the customers when that right is conditioned on something other than the passage of time (for example, the Company's future performance).

The policy for the recognition and measurement of impairment losses is in accordance with Note 3.9(a) to the financial statements.

Contract liability is the obligation to transfer goods or services to customer for which the Group has received the consideration or has billed the customer.

3.8 Cash and cash equivalents

For the purpose of the statements of cash flows, cash and cash equivalents comprise cash in hand, bank balances and fixed deposits placed with licensed banks that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change of value. Cash and cash equivalents are presented net of bank overdraft.

3.9 Impairment of assets

(a) Impairment of financial assets and contract assets

Financial assets measured at amortised cost, lease receivables, contract assets or a loan commitment and financial guarantee contracts will be subject to the impairment requirement in MFRS 9 which is related to the accounting for expected credit losses on the financial assets. Expected credit losses are the weighted average of credit losses with the respective risks of a default occurring as the weights.

The Group and the Company measures loss allowance at an amount equal to lifetime expected credit loss, except for the following, which are measured as 12-month expected credit loss:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

For trade receivables and contract assets, the Group and the Company applies the simplified approach permitted by MFRS 9 to measure the loss allowance at an amount equal to lifetime expected credit losses.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit loss, the Group and the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's and the Company's historical experience and informed credit assessment and including forward-looking information.

The Group and the Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group and the Company considers a financial asset to be in default when:

- the counterparty is unable to pay its credit obligations to the Group and the Company in full, without taking into account any credit enhancements held by the Company; or
- the contractual payment of the financial asset is more than 90 days past due unless the Group and the Company has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.9 Impairment of assets (Continued)

(a) Impairment of financial assets and contract assets (Continued)

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of lifetime expected credit losses that represent the expected credit losses that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

Expected credit losses are a probability-weighted estimate of credit losses (i.e. the present value of all cash shortfalls) over the expected life of the financial instrument. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

Expected credit losses are discounted at the effective interest rate of the financial assets.

At each reporting date, the Group and the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired include observable data about the following events:

- significant financial difficulty of the issuer or the counterparty;
- a breach of contract, such as a default of past due event;
- the lender(s) of the counterparty, for economic or contractual reasons relating to the debtors' financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the counterparty will enter bankruptcy or other financial reorganisation.

The amount of impairment credit losses (or reversal) shall be recognised in profit or loss, as an impairment gain or loss.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or source 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 Company's procedure for recovery of amounts due.

(b) Impairment of non-financial assets

The carrying amounts of non-financial assets (except for contract assets) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the Group and the Company make an estimate of the assets' recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.9 Impairment of assets (Continued)

(b) Impairment of non-financial assets (Continued)

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of non-financial assets or cash-generating units ("CGUs").

The recoverable amount of an asset or a CGU is the higher of its fair value less costs of disposal and its value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. In determining the fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Where the carrying amount of an asset exceeds its recoverable amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment losses recognised in respect of a CGU of groups of CGUs are allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit of groups of units on a pro-rata basis.

Impairment losses are recognised in profit or loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. An impairment loss is reversed only if there has been a change in the estimates used to determine the assets recoverable amount since the last impairment loss was recognised. Reversal of impairment loss is restricted by the asset's carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

3.10 Share capital

Ordinary shares

Ordinary shares are equity instruments. An equity instrument is a contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

3.11 Employee benefits

(a) Short-term employee benefits

Short-term employee benefit obligations in respect of wages, salaries, social security contributions, annual bonuses, paid annual leave, sick leave and non-monetary benefits are recognised as an expense in the financial year where the employees have rendered their services to the Group and the Company.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.11 Employee benefits (Continued)

(b) Defined contribution plans

As required by law, the Group and the Company contribute to the Employees Provident Fund ("EPF"), the national defined contribution plan. Such contributions are recognised as an expense in the profit or loss in the period in which the employees render their services.

The Group and the Company recognise revenue that depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Group and the Company expect to be entitled in exchange for those goods or services.

Revenue recognition of the Group and the Company are applied for each contract with a customer or a combination of contracts with the same customer (or related parties of the customer). For practical expedient, the Group and the Company applied revenue recognition to a portfolio of contracts (or performance obligations) with similar characteristics to the Group and the Company reasonably expect that the effects on the financial statements would not differ materially from recognising revenue on the individual contracts (or performance obligations) with that portfolio.

The Group and the Company measure revenue at its transaction price, being the amount of consideration to which the Group and the Company expect to be entitled in exchange for transferring promised good or service to a customer, excluding amounts collected on behalf of third parties, adjusted for the effects of any variable consideration, constraining estimates of variable consideration, significant financing components, non-cash consideration and consideration payable to customer. If the transaction price includes variable consideration, the Group and the Company use the expected value method by estimating the sum of probability-weighted amounts in a range or possible consideration amounts, or the most likely outcome method, depending on which method the Group and the Company expect to better predict the amount of consideration to which it is entitled.

For contract with separate performance obligations, the transaction price is allocated to the separate performance obligations on the relative stand-alone selling price basis. If the stand-alone selling price is not directly observable, the Group and the Company estimate it by using the costs plus margin approach.

Revenue from contracts with customers is recognised by reference to each distinct performance obligation in the contract with customer, i.e. when or as a performance obligation in the contract with customer is satisfied. A performance obligation is satisfied when or as the customer obtains control of the good or service underlying the particular performance obligation, which the performance obligation may be satisfied at a point in time or over time.

A contract modification is a change in the scope or price (or both) of a contract that is approved by the parties to the contract. A modification exists when the change either creates new or changes existing enforceable rights and obligations of the parties to the contract. The Group and the Company have assessed the type of modification and accounted for as either creates a separate new contract, terminates the existing contract and creation of a new contract; or forms a part of the existing contracts.

NOTES TO THE FINANCIAL STATEMENTS

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.12 Revenue and other income (Continued)

Financing components

The Group and the Company have applied the practical expedient for not to adjust the promised amount of consideration for the effects of a significant financing component if the Group and the Company expect that the period between the transfer of the promised goods or services to the customer and payment by the customer will be one year or less.

(a) Construction contracts

The Group and the Company construct residential, commercial and industrial properties under long-term contracts with customers. Construction service contracts comprise multiple deliverables that require significant integration service and therefore accounted as a single performance obligation.

Under the terms of the contracts, control of the residential, commercial and industrial properties is transferred over time as the Group and the Company create or enhance an asset that the customer controls as the asset is created or enhanced. Revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. The progress towards complete satisfaction of a performance obligation is determined by the proportion of construction costs incurred for work performed to date bear to the estimated total construction costs (an input method).

Sales are made with a credit term of 30 days, which is consistent with market practice, therefore, no element of financing is deemed present. The Group and the Company become entitled to invoice customers for construction of residential, commercial and industrial properties based on achieving a series of performance-related milestones.

The Group and the Company recognised a contract asset for any excess of revenue recognised to date over the billings-to-date. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point when invoice is issued or timing for billing is due to passage of time. If the milestone billing exceeds the revenue recognised to date and any deposit or advances received from customers then the Group and the Company recognise a contract liability for the difference.

(b) Interest income

Interest income is recognised using the effective interest method.

(c) Dividend income

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

(d) Rental income

Rental income from investment properties is recognised on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.13 Borrowing costs

Borrowing costs are interests and other costs that the Group incurs in connection with borrowing of funds.

Borrowing costs are recognised in profit or loss using the effective interest method.

3.14 Income tax

Income tax expense in profit or loss comprises current and deferred tax. Current and deferred tax are recognised in profit or loss, except to the extent that it relates to a business combination or items recognised directly in equity or other comprehensive income.

(a) Current tax

Current tax is the expected taxes payable or receivable on the taxable income or loss for the financial year, using the tax rates that have been enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous financial years.

(b) Deferred tax

Deferred tax is recognised using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts in the statements of financial position. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, unutilised tax losses and unused tax credits, to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

Deferred tax is not recognised if the temporary differences arise from the initial recognition of assets and liabilities in a transaction which is not a business combination and that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiary, except where the Group is able to control the reversal timing of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

NOTES TO THE FINANCIAL STATEMENTS

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.14 Income tax (Continued)

(b) Deferred tax (Continued)

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority on the same taxable entity, or on different tax entities, but they intend to settle their income tax recoverable and income tax payable on a net basis or their tax assets and liabilities will be realised simultaneously.

(c) Sales and services tax

Revenues, expenses and assets are recognised net of the amount of sales and services tax except:

- where the sales and services tax incurred in a purchase of assets or services is not recoverable from the taxation authority, in which case the sales and services tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with the amount of sales and service tax included.

The net amount of sales and services tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statements of financial position.

3.15 Earnings per share

The Group presents basic and diluted earnings per share data for its ordinary shares ("EPS"). Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by weighted average number of ordinary shares outstanding during the period, 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.

3.16 Operating segments

The Group and the Company have identified that it has only one operating segment as all its activities are based in Malaysia and it does not have other nature of product or services besides construction activities.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.17 Fair value measurements

Fair value of an asset or a liability, except for 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 value is 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 the 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.

3.18 Inventories

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

<u>Property under development</u>

Cost includes:

- freehold and leasehold rights for land
- amounts paid to contractors for construction
- borrowing costs, planning and design costs, costs for site preparation, professional fees for legal services, property transfer taxes, construction overheads and other related costs

The cost of inventory recognised in profit or loss is determined with reference to the specific costs incurred on the property sold and allocation of any non-specific costs based on the relative sale value of the property sold.

NOTES TO THE FINANCIAL STATEMENTS

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

Significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have significant effect in determining the amounts recognised in the financial statements include the following:

4.1 Impairment of receivables and contract assets

The impairment provisions for receivables and contract assets are based on assumptions about risk of default and expected credit loss. The Group uses judgement in making these assumptions based on the Group's past history, existing market conditions as well as forward-looking estimates including the possible impact of COVID-19 pandemic at the end of each reporting period.

The Group individually assessed impairment for trade receivables. This assessment requires the Group to use judgement in making assumptions which includes consideration such as, changes in financial capability of receivables, payments trends of the receivables and default or significant observed default rates calibrate to adjust the historical impairment experience with forward-looking information.

The assessment of the correlation between historical observed default rates, forward-looking estimates and expected credit losses is a significant estimate. The amount of expected credit loss is sensitive to changes in circumstances and of forecast economic conditions over the expected lives of the receivables and contract assets. The Group's historical credit loss experience may also not be representative of customer's actual default in the future.

The information about the impairment losses on the Group's financial assets and contract assets are disclosed in Note 29(b) to the financial statements.

4.2 Construction revenue

The Group recognised construction revenue in profit or loss by using the progress towards complete satisfaction of performance obligation. The progress towards complete satisfaction of performance obligation is determined by the proportion that construction cost incurred for work performed to date bear to the estimated total construction costs.

Significant judgement is required in determining the progress towards complete satisfaction of performance obligation, the extent of the construction costs incurred, the estimated total construction revenue and costs, as well as the recoverability of the construction projects. In making the judgement, the Group evaluate based on past experience and by relying on the work of specialists.

The carrying amounts of contract assets and liabilities are disclosed in Note 10 to the financial statements.

5. PROPERTY, PLANT AND EQUIPMENT

	Freehold land RM	Buildings RM	Furniture and fittings RM	Motor vehicles RM	Office equipment RM	Office renovation RM	Plant and machineries RM	Right-of use assets RM	Total RM
Group									
2021									
Cost									
At 1 January 2021	3,006,118	6,712,077	189,158	5,269,265	1,686,772	660,035	28,549,280	14,271,079	60,343,784
Additions	–	–	–	–	144,978	9,310	5,485,743	13,242,308	18,882,339
Disposals	–	–	–	(89,588)	–	–	–	–	(89,588)
Reclassification*	–	–	–	184,171	–	–	3,611,455	(3,795,626)	–
At 31 December 2021	3,006,118	6,712,077	189,158	5,363,848	1,831,750	669,345	37,646,478	23,717,761	79,136,535
Accumulated depreciation									
At 1 January 2021	–	957,542	122,276	4,225,760	1,162,843	299,876	21,147,247	6,134,846	34,050,390
Depreciation charge for the financial year	–	134,241	14,108	471,263	218,920	77,483	3,309,629	5,141,801	9,367,445
Disposals	–	–	–	(89,588)	–	–	–	–	(89,588)
Reclassification*	–	–	–	180,169	–	–	2,478,943	(2,659,112)	–
At 31 December 2021	–	1,091,783	136,384	4,787,604	1,381,763	377,359	26,935,819	8,617,535	43,328,247
Carrying amount									
At 31 December 2021	3,006,118	5,620,294	52,774	576,244	449,987	291,986	10,710,659	15,100,226	35,808,288

NOTES TO THE FINANCIAL STATEMENTS

5. PROPERTY, PLANT AND EQUIPMENT

	Freehold land RM	Buildings RM	Furniture and fittings RM	Motor vehicles RM	Office equipment RM	Office renovation RM	Plant and machineries RM	Right-of use assets RM	Total RM
Group									
2020									
Cost									
At 1 January 2020	2,340,084	4,780,448	189,158	5,245,884	1,577,552	660,035	15,575,768	20,323,713	50,692,642
Additions	–	–	–	291,120	109,220	–	4,170,878	2,750,000	7,321,218
Disposals	–	(100,280)	–	(267,739)	–	–	–	–	(368,019)
Reclassification*	666,034	2,031,909	–	–	–	–	8,802,634	(8,802,634)	2,697,943
At 31 December 2020	3,006,118	6,712,077	189,158	5,269,265	1,686,772	660,035	28,549,280	14,271,079	60,343,784
Accumulated depreciation									
At 1 January 2020	–	803,637	107,978	3,939,393	906,358	220,672	10,828,896	10,002,605	26,809,539
Depreciation charge for the financial year	–	94,606	14,298	554,106	256,485	79,204	3,841,298	2,609,294	7,449,291
Disposals	–	(27,094)	–	(267,739)	–	–	–	–	(294,833)
Reclassification*	–	86,393	–	–	–	–	6,477,053	(6,477,053)	86,393
At 31 December 2020	–	957,542	122,276	4,225,760	1,162,843	299,876	21,147,247	6,134,846	34,050,390
Carrying amount									
At 31 December 2020	3,006,118	5,754,535	66,882	1,043,505	523,929	360,159 7	,402,033	8,136,233	26,293,394

* *The reclassification is due to following event:*
(a) reclassification from right-of-use assets to plant and machineries is due to settlement of hire purchase
(b) reclassification from investment properties to property, plant and equipment is due to changes of purpose in use.

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(a) Assets pledged as security

Freehold land and buildings with a carrying amount of RM6,055,498 (2020: RM6,149,103) have been pledged to financial institutions for banking facilities granted to the Company as disclosed in Note 14 to the financial statements.

(b) Right-of-use assets

The Group leases several assets including motor vehicles and plant and machineries.

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

	Motor vehicles RM	Plant and machineries RM	Total RM
Group			
Cost			
At 1 January 2021	1,991,899	12,279,180	14,271,079
Additions	1,074,662	12,167,646	13,242,308
Reclassification	(184,171)	(3,611,455)	(3,795,626)
At 31 December 2021	2,882,390	20,835,371	23,717,761
Accumulated depreciation			
At 1 January 2021	1,103,860	5,030,986	6,134,846
Depreciation charge for the financial year	519,624	4,622,177	5,141,801
Reclassification	(180,169)	(2,478,943)	(2,659,112)
At 31 December 2021	1,443,315	7,174,220	8,617,535
Carrying amount			
At 31 December 2020	888,039	7,248,194	8,136,233
At 31 December 2021	1,439,075	13,661,151	15,100,226

The Group leases motor vehicles and plant and machineries with lease terms of 2 to 4 years and have options to purchase the assets at the end of the contract term.

NOTES TO THE FINANCIAL STATEMENTS

6. INVESTMENT PROPERTIES

	Freehold land RM	Leasehold land RM	Buildings RM	Total RM
Group				
2021				
Cost				
At 1 January 2021	886,429	2,451,043	24,054,796	27,392,268
Additions	–	–	2,915,000	2,915,000
Disposals	–	–	(653,262)	(653,262)
At 31 December 2021	886,429	2,451,043	26,316,534	29,654,006
Accumulated depreciation				
At 1 January 2021	–	178,383	2,481,500	2,659,883
Depreciation charges for the financial year	–	49,021	503,123	552,144
Disposals	–	–	(62,060)	(62,060)
At 31 December 2021	–	227,404	2,922,563	3,149,967
Accumulated impairment losses				
At 1 January/ 31 December 2021	–	–	2,062,395	2,062,395
Carrying amount				
At 31 December 2021	886,429	2,223,639	21,331,576	24,441,644

6. INVESTMENT PROPERTIES (CONTINUED)

	Freehold land RM	Leasehold land RM	Buildings RM	Total RM
2020				
Cost				
At 1 January 2020	1,552,463	2,451,043	26,169,219	30,172,725
Disposals	–	–	(82,514)	(82,514)
Reclassifications	(666,034)	–	(2,031,909)	(2,697,943)
At 31 December 2020	886,429	2,451,043	24,054,796	27,392,268
Accumulated depreciation				
At 1 January 2020	–	129,363	2,049,459	2,178,822
Depreciation charges for the financial year	–	49,020	522,972	571,992
Disposals	–	–	(4,538)	(4,538)
Reclassifications	–	–	(86,393)	(86,393)
At 31 December 2020	–	178,383	2,481,500	2,659,883
Accumulated impairment losses				
At 1 January 2020	–	–	–	–
Impairment for the financial year	–	–	2,062,395	2,062,395
At 31 December 2020	–	–	2,062,395	2,062,395
Carrying amount				
At 31 December 2020	886,429	2,272,660	19,510,901	22,669,990

(a) Land and buildings with carrying amount of RM21,791,263 (2020: RM21,218,375) have been pledged to financial institutions for banking facilities granted to a subsidiary of the Company as disclosed in note 14 to the financial statements.

Titles to certain leasehold land and building and freehold buildings with carrying amount of Nil (2020: RM1,417,663) and RM5,593,282 (2020: RM4,297,201) respectively are pending transfer of name to the subsidiary of the Company.

NOTES TO THE FINANCIAL STATEMENTS

6. INVESTMENT PROPERTIES (CONTINUED)

(b) The following are recognised in profit or loss in respect of investment properties:

	Group 2021 RM	Group 2020 RM
Rental income	478,600	595,265
Direct operating expenses:		
– depreciation of investment properties	552,144	571,992
– insurance costs	430	441
– finance costs	193,184	245,791
– quit rent and assessment	24,311	27,221

(c) The leasehold lands have lease periods of 99 years and expiring on 5 April 2110, 25 July 2111 and 1 October 2111 respectively.

(d) The fair value of investment properties of approximately RM26,795,000 (2020: RM24,546,360) is categorised at Level 3 of the fair value hierarchy.

There are no Level 1 and Level 2 investment properties or transfers between levels during the financial year (2020: no transfer in either direction).

Level 3 fair value

The following table shows the valuation techniques used in the determination of fair values within Level 3 as well as significant unobservable inputs used in the valuation models.

Description	Valuation technique	Significant unobservable inputs	Relationship of unobservable input to fair value
Land and buildings	Sales comparison approach	Price per square foot	The higher the price per square foot, the higher the fair value

Valuation processes applied by the Company

Fair value of investment properties were determined with reference to external independent property valuers. There has been no change to the valuation technique during the financial year. During the financial year, no impairment of investment properties will be provided based on the recoverable amount with reference to the valuation performed by the external independent valuers.

Highest and best use

In estimating the fair value of the properties, the highest and best use of the properties is their current use.

7. INVESTMENT IN A SUBSIDIARY

	Company 2021 RM	Company 2020 RM
Unquoted shares, at cost	68,345,710	67,820,710

Details of the subsidiaries are as follow

Name of company	Country of incorporation	Ownership interest 2021 %	Ownership interest 2021 %	Principal activities
Inta Bina Sdn. Bhd.	Malaysia	100	100	Securing and carrying out construction contracts
Angkasa Senuri Sdn. Bhd.	Malaysia	100	–	Property development and investment
IBEE Sdn. Bhd	Malaysia	55	–	Carry on contruction and engineering service to supply, install and maintain elevators, escalators, and dumbwaiter lifts

(a) Incorporation of subsidiary

On 12 March 2021, the Company subscribed for 55 ordinary shares in IBEE Sdn. Bhd. ("IBEE") for a total cash consideration of RM275,000, representing 55% equity interest in IBEE. Consequently, IBEE become a subsidiary of the Company.

(b) Acquisition of subsidiary

On 26 January 2021, the Company acquired the entire shareholding of Angkasa Senuri Sdn. Bhd. ("ASSB") for a consideration of RM1. Upon the acquisition, ASSB become a wholly-owned subsidiary of the Company.

8. INVENTORIES

	Group 2021 RM	Group 2020 RM
Non-current :		
Property held for development		
– Leasehold land	9,300,000	–
– Development costs	912,027	–
	10,212,027	–

NOTES TO THE FINANCIAL STATEMENTS

9. TRADE AND OTHER RECEIVABLES

		Group		Company	
	Note	2021 RM	2020 RM	2021 RM	2020 RM
Current:					
Trade					
Trade receivables	(a)	108,220,433	121,837,639	–	–
Retention sums		54,095,978	63,287,188	–	–
		162,316,411	185,124,827	–	–
Less: Impaiment for trade receivables		(867,149)	(867,149)	–	–
		161,449,262	184,257,678	–	–
Current:					
Non-trade					
Other receivables		9,157,239	8,098,301	–	–
Advances to subcontractors		3,026,794	3,154,603	–	–
Deposits		2,046,948	1,137,205	–	–
Prepayments		1,164,820	1,969,019	–	–
Amount owing by a subsidiaries	(b)	–	–	8,585,762	4,008,956
		15,395,801	14,359,128	8,585,762	4,008,956
Total trade and other receivables		176,845,063	198,616,806	8,585,762	4,008,956

(a) Trade receivables

Trade receivables are non-interest bearing and normal credit terms offered by the Group is 30 days (2020: 30 days) from the date of invoices. Other credit terms are assessed and approved on a case by case basis.

Receivables that are impaired

The Group's trade receivables that are impaired at the reporting date and the reconciliation of the movement in the impairment of trade receivables is as follows:

	2021 RM	2020 RM
At 1 January/31 December	867,149	867,149

Trade receivables that are individually determined to be impaired at the reporting date relate to receivables that are significant financial difficulties and have default on payments.

The information about the credit exposure are disclosed in Note 29(b) to the financial statements.

9. TRADE AND OTHER RECEIVABLES (CONTINUED)

(b) Amount owing by a subsidiaries

The amount owing by subsidiaries is unsecured, subject to interest at 3.00% (2020: 3.00%) per annum, repayable on demand and is expected to be settled in cash.

10. CONTRACT ASSETS/(LIABILITIES)

	Group 2021 RM	Group 2020 RM
Contract assets	73,772,393	41,040,741
Contract liabilities	(27,280,299)	(8,074,772)
	46,492,094	32,965,969

(a) Significant changes in contract balances

	2021		2020	
	Contract assets increase/ (decrease) RM	Contract liabilities increase/ (decrease) RM	Contract assets increase/ (decrease) RM	Contract liabilities increase/ (decrease) RM
Group				
Revenue recognised that was included in contract liability at the beginning of the financial year	–	8,074,772	–	25,354,421
Increases due to progress billings, but revenue not recognised	–	(21,920,372)	–	(8,074,772)
Increases as a result of changes in the measure of progress	66,619,968	–	42,280,827	–
Transfers from contract assets recognised at the beginning of the period to receivables	(39,248,239)	–	(35,363,063)	–

11. CASH AND SHORT-TERM DEPOSITS

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Cash and bank balances	12,858,920	14,028,211	129,963	14,891
Short-term deposits placed with licensed banks	51,314,590	35,475,289	–	–
	64,173,510	49,503,500	129,963	14,891

NOTES TO THE FINANCIAL STATEMENTS

11. CASH AND SHORT-TERM DEPOSITS (CONTINUED)

For the purpose of the statements of cash flows, cash and cash equivalents comprise of the following:

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Short-term deposits placed with licensed banks	51,314,590	35,475,289	–	–
Less: Pledged deposits	(39,314,590)	(35,475,289)	–	–
	12,000,000	–	–	–
Cash and bank balances	12,858,920	14,028,211	129,963	14,891
	24,858,920	14,028,211	129,963	14,891

The fixed deposits placed with licensed banks of the Group earns interest rates ranging from 1.38% to 1.70% (2020: 1.50% to 3.00%) per annum.

The fixed deposits placed with licensed banks of the Group has been pledged to licensed banks to secure credit facilities granted to the Group as disclosed in Note 14 to the financial statements.

12. SHARE CAPITAL

	Group and Company			
	Number of ordinary shares		Amounts	
	2021 Units	2020 Units	2021 RM	2020 RM
Issued and fully paid up (no par value):				
At 1 January/31 December	535,259,000	535,259,000	69,429,011	69,429,011

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

(a) Employees' Share Option Scheme ("ESOS")

The Company Employees' Share Option Scheme ('ESOS") is governed by the ESOS By-Laws approved by the shareholders of the Company at an Extraordinary General Meeting held on 25 June 2021. The main features of the ESOS are as follows:

(i) The maximum number of shares to be offered under the ESOS shall not exceed 15% total number of issued shares of the Company (excluding treasury shares, if any) at any point in time over the duration of the ESOS.

(ii) The maximum number of shares to be offered to an eligible person shall be determined at the discretion of the ESOS Committee after taking into consideration, amongst other relevant factors, the eligible person's performance, seniority, numbers of years in service and subject to the maximum allowable allotment of shares for each eligible person.

12. SHARE CAPITAL (CONTINUED)

(a) Employees' Share Option Scheme ("ESOS") (Continued)

(iii) The eligibility for participation in the ESOS is at the discretion of the ESOS Committee. It is open to any eligible directors of the Group (including non-executive directors) or employees of the Group. The criteria are set out as below:

(a) the director

- has attained the age of eighteen (18) years and is not an undischarged bankrupt or subject to any bankruptcy proceedings;
- has been appointed as a director of a company within the Group (excluding dormant subsidiaries);
- not a participant of any other ESOS implemented by the Group which is in force for the time being; and
- fulfils any criteria as may be determined by the ESOS Committee from time to time.

(b) the employees

- has attained the age of eighteen (18) years and is not an undischarged bankrupt or subject to any bankruptcy proceedings;
- has been confirmed in service and is in permanent of the Company within the Group with at least one (1) year of continuous services.
- fulfils the criteria as may be determine by the ESOS Committee from time to time.

(iv) The ESOS shall be in force for a period of five years from the date of implementation and may be extended or renewed (as the case may be) for a further period of five years at the sole and absolute discretion of the directors upon recommendation of the ESOS Committee provided that the initial period of five years and such extension made shall not in aggregate exceed a duration of ten years from the date of implementation.

(v) The subscription price for each share under the ESOS shall be based on the five day volume weighted average market price of the shares immediately preceding the date of offer, with a discount of not more than 10%, or any such other percentage of discounts as may be permitted by the authorities from time to time, as determined by the Board upon recommendation of the ESOS Committee.

(vi) The new shares to be allotted upon the exercise of the ESOS options shall rank pari passu with the existing issued ordinary shares of the Company.

(vii) The option granted under the ESOS to eligible directors who is a nonexecutive director of the Group shall not sell, transfer or assign the shares obtained through the exercise of the ESOS options offered within one (1) year from the date of offer.

During the financial year, no option have been granted by the Company to the eligible Directors, senior management and employees of the Group.

NOTES TO THE FINANCIAL STATEMENTS

12. SHARE CAPITAL (CONTINUED)

(b) Warrants

The Company allotted and issued 133,814,745 free warrants in connection with the Bonus Issue of free warrants constituted under the deed poll dated 29 June 2021.

The salient features of the warrants as follows:

(i) entitles its registered holders for one (1) free Warrant for every four (4) ordinary shares held;

(ii) each Warrant entitles the holder to subscribe for one (1) new ordinary share at the exercise price at time during the exercise period;

(iii) warrants are exercisable at any time for a tenure of five (5) years from the date of issuance of the Warrants; and

(iv) the new ordinary shares to be issued pursuant to the exercise of the Warrants will, upon allotment and issuance, rank equally in all aspect with the existing ordinary shares, save and except that they shall not be entitled to any dividends, right, allotments and/or other distributions, the entitlement date of which is priors to the date of the allotment of the new ordinary shares arising from the exercise of the Warrants.

The movement of the warrants during the year is as follows:

	Number of warrants				
	At 1 January 2021	Allotment	Exercised	Forfeited	At 31 December 2021
Warrants	–	133,814,745	–	–	133,814,745

13. REORGANISATION RESERVE

The reorganisation reserve was resulted from the difference between the carrying value of the investment in a subsidiary and the nominal value of the shares of the Company's subsidiary upon consolidation under the reorganisation scheme.

14. LOANS AND BORROWINGS

	Note	Group 2021 RM	2020 RM
Non-current:			
Term loans	(a)	2,112,391	2,451,645
Islamic term financing	(b)	2,410,448	2,488,659
Lease liabilities	(c)	6,667,081	2,120,103
		11,189,920	7,060,407
Current:			
Term loans	(a)	319,457	301,027
Islamic term financing	(b)	74,878	69,783
Lease liabilities	(c)	4,407,524	3,428,121
Bankers' acceptance	(d)	14,434,431	18,317,000
Revolving credit	(e)	3,300,000	2,000,000
Invoice financing	(f)	15,018,633	6,606,024
		37,554,923	30,721,955
		48,744,843	37,782,362
Total loans and borrowings			
Term loans		2,431,848	2,752,672
Islamic term financing		2,485,326	2,558,442
Lease liabilities		11,074,605	5,548,224
Bankers' acceptance		14,434,431	18,317,000
Revolving credit		3,300,000	2,000,000
Invoice financing		15,018,633	6,606,024
		48,744,843	37,782,362

(a) Term loans

Term loan 1 of RM333,709 (2020: RM362,734) bears floating interest at a rate of 5.22% (2020: 5.90%) per annum and is repayable via monthly instalments of RM4,137 each over 180 months commencing from March 2013 and is secured by way of:

(i) Legal charge over an investment property of the Group; and

(ii) Corporate guarantee by the Company.

NOTES TO THE FINANCIAL STATEMENTS

14. LOANS AND BORROWINGS (CONTINUED)

(a) Term loans (Continued)

Term loan 2 of RM280,971 (2020: RM433,970) bears floating interest at a rate of 1.87% (2020: 3.40%) per annum and is repayable via monthly instalments of RM13,781 each over 120 months commencing from April 2013 and is secured by way of:

(i) Legal charge over an investment property of the Group; and

(ii) Corporate guarantee by the Company.

Term loan 3 of RM238,467 (2020: RM321,261) bears floating interest at a rate of 4.51% (2020: 6.90%) per annum and is repayable via monthly instalments of RM8,530 each over 120 months commencing from November 2013 and is secured by way of:

(i) Legal charge over an investment property of the Group; and

(ii) Corporate guarantee by the Company.

Term loan 4 of RM1,578,701 (2020: RM1,634,707) bears floating interest at a rate of 3.92% (2020: 4.00%) per annum and is repayable via monthly instalments of RM9,989 each over 300 months commencing from May 2015 and is secured by way of:

(i) Legal charge over an investment property of the Group; and

(ii) Corporate guarantee by the Company.

(b) Islamic term financing

Islamic term financing of RM2,458,326 (2020: RM2,558,442) bear interest at a rate of 3.34% (2020: 3.64%) per annum and is repayable via monthly instalments of RM14,854 each over 360 months commencing from February 2013 and is secured by way of:

(i) Legal charge over an investment property of the Group; and

(ii) Corporate guarantee by the Company.

(c) Lease liabilities

Certain motor vehicles and plant and machineries of the Group as disclosed in Note 5(a) are pledged for lease liabilities. Such leases do not have terms for renewal which would give the Group an option to purchase at nominal values at the end of the lease term. The average interest rate implicit in the leases is 3.03% (2020: 3.30%).

14. LOANS AND BORROWINGS (CONTINUED)

(c) Lease liabilities (Continued)

Future minimum lease payments under finance leases together with the present value of net minimum lease payments are as follows:

	Group 2021 RM	2020 RM
Minimum lease payments		
– Not later than one year	4,848,714	3,648,366
– Later than one year but not later than five years	6,920,460	2,209,881
	11,769,174	5,858,247
Less: Future finance charges	(721,569)	(310,023)
Present value of minimum lease payments	11,047,605	5,548,224
Present value of minimum lease payables:		
– Not later than one year	4,407,524	3,428,121
– Later than one year but not later than five years	6,667,081	2,120,103
	11,074,605	5,548,224
Less: Amount due within 12 months	(4,407,524)	(3,428,121)
	6,667,081	2,120,103

(d) Invoice financing

Invoice financing of the Group bears interest at a rate of 3.11% to 4.12% (2020: 4.01% to 4.11%) per annum and is secured by way of a pledge of short-term deposits.

(e) Other bank borrowings

Other bank borrowing bear interests at rates as follows:

2021	Group 2020 % per annum	% per annum
Floating rates		
Revolving credit	4.16% to 4.35%	4.24% to 4.27%
Fixed rates		
Bankers' acceptance	2.24% to 4.03%	2.25% to 4.96%
Invoice financing	3.11% to 4.12%	4.01% to 4.11%

NOTES TO THE FINANCIAL STATEMENTS

15. DEFERRED TAX LIABILITIES

	Group	
	2021 RM	2020 RM
At the beginning of the financial year	499,963	571,453
Recognised in profit or loss (Note 23)	612,550	(71,490)
At the end of the financial year	1,112,513	499,963

Deferred tax liabilities comprise mainly the temporary differences between the carrying amounts and the corresponding tax written down values of property, plant and equipment.

	Group	
	2021 RM	2020 RM
Property, plant and equipment	1,112,513	499,963

16. TRADE AND OTHER PAYABLES

		Group		Company	
	Note	2021 RM	2020 RM	2021 RM	2020 RM
Current:					
Trade					
Trade payables	(a)	127,708,004	123,492,898	–	–
Retention sum		21,634,387	25,031,712	–	–
		149,342,391	148,524,610	–	–
Non-trade					
Other payables		8,971,449	1,996,421	35,006	36,509
Deposits received		259,445	253,345	–	–
Accruals		729,854	808,101	224,978	250,400
Amount due to related company		–	–	3,256,107	–
		9,960,748	3,057,867	3,516,091	286,909
Total trade and other payables		159,303,139	151,582,477	3,516,091	286,909

(a) Trade payables

The normal trade credit terms granted to the Company ranges from 30 to 60 days (2020: 30 to 60 days).

Included in trade payables is an amount of RM447,233 (2020: RM2,197,860) due to a corporate shareholder.

For explanations on the Group's and the Company's liquidity risk management processes, refer to Note 29(b)(ii) to the financial statements.

17. REVENUE

	Group		Company	
	2021	2020	2021	2020
	RM	RM	RM	RM
Revenue from contract customers:				
Construction contracts	335,941,088	280,296,680	–	–
Lift installation maintainance	37,992	–	–	–
Revenue from other sources:				
Dividend income	–	–	7,000,000	5,300,000
Management fee income	–	–	164,265	204,265
	335,979,080	280,296,680	7,164,265	5,504,265

(a) Disaggregation of revenue

Segment information is not presented as the Group is principally engaged in construction industry, which is substantially within a single business segment arising from construction services. For the purpose of disclosure for disaggregation of revenue, it disaggregates revenue into major goods and services and timing of revenue recognition.

	Group		Company	
	2021	2020	2021	2020
	RM	RM	RM	RM
Major goods or services				
Construction contracts	335,941,088	280,296,680	–	–
Lift installation and maintainance	37,992	–	–	–
Dividend income	–	–	7,000,000	5,300,000
Management fee income	–	–	164,265	204,265
	335,979,080	280,296,680	7,164,265	5,504,265
Timing of revenue recognition				
Over time	335,941,088	280,296,680	164,265	204,265
At a point in time	37,992	–	7,000,000	5,300,000
	335,979,080	280,296,680	7,164,265	5,504,265

(b) Transaction price allocated to the remaining performance obligation

As of 31 December 2021, the aggregate amount of the transaction price allocated to the remaining performance obligation is RM1.12 billion and the Company will recognise this revenue as the construction is completed, which is expected to occur over the next 12-36 months.

The Group applies the practical expedient in paragraph 121(a) of MFRS 15 not to disclose information about remaining performance obligations that have original expected durations of one year or less.

NOTES TO THE FINANCIAL STATEMENTS

18. COSTS OF SALES

	Group 2021 RM	Group 2020 RM
Contract costs	304,424,134	253,711,182
Lift installation and maintenance	14,100	–
	304,438,234	253,711,182

19. OTHER INCOME

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Fixed deposit interest income	625,341	982,651	–	–
Interest income from a subsidiary	–	–	66,932	61,377
Interest income from banks	469	18,641	285	223
Gain on disposal of property, plant and equipment	38,000	155,414	–	–
Gain on disposal of investment properties	158,798	122,024	–	–
Rental income from investment properties	704,696	595,264	–	–
Discount received	–	59,360	–	–
Sundry income	153,460	–	50	–
	1,680,764	1,933,354	67,267	61,600

20. FINANCE COSTS

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Interest expenses on:				
– Bank overdrafts	22,573	51,627	–	–
– Bankers' acceptance	522,774	563,629	–	–
– Lease liabilities	296,891	302,553	–	–
– Revolving credit	106,996	55,590	–	–
– Term loans	209,344	240,455	–	–
– Invoice financing	395,007	253,188	–	–
– Others	152,643	142,220	104	44
	1,706,228	1,609,262	104	44

21. PROFIT BEFORE TAX

Other than as disclosed elsewhere in the financial statements, the following items have been charged in arriving at profit before tax:

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Auditors' remuneration				
– Statutory audit				
– current year	102,000	98,000	35,000	35,000
– Other services	5,000	5,000	–	–
Depreciation of:				
– properties, plant and equipment	9,367,445	7,449,291	–	–
– investment properties	552,144	571,992	–	–
Impairment on investment properties	–	2,062,395	–	–
Employee benefits expenses (Note 21)	20,678,501	19,656,972	203,375	256,800
Expenses relating to short term leases	104,162	92,300	–	–
Bad debt written off	–	11,200	–	–

22. EMPLOYEE BENEFITS EXPENSES

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Salaries, allowances and bonuses	17,702,597	17,290,437	203,375	256,800
Employees' Provident Funds	1,989,731	1,726,657	–	–
Other staff related benefits	986,173	639,878	–	–
	20,678,501	19,656,972	203,375	256,800
Included in employee benefits expenses are:				
– Directors' remuneration	1,296,270	1,176,123	20,400	21,800
– Directors' fee	214,178	222,975	182,975	222,975
	1,510,448	1,399,098	203,375	244,775

NOTES TO THE FINANCIAL STATEMENTS

23. INCOME TAX EXPENSE

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Statement of comprehensive income				
Current income tax:				
– current year	5,493,052	3,783,927	–	14,785
– prior years	56,973	1,126,704	–	2,341
	5,550,025	4,910,631	–	17,126
Deferred tax (Note 15):				
– current year	470,650	328,064	–	–
– prior years	141,900	(399,554)	–	–
	612,550	(71,490)	–	–
Income tax expense recognised in profit or loss	6,162,575	4,839,141	–	17,126

Domestic income tax is calculated at the Malaysian statutory income tax rate of 24% (2020: 24%) of the estimated assessable profit for the financial year.

The reconciliation from the tax amount at the statutory income tax rate to the Group's and the Company's tax expense are as follows:

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Profit before tax	17,850,740	12,940,411	6,541,056	4,904,404
Tax at Malaysian statutory income tax rate of 24% (2020: 24%)	4,284,178	3,105,699	1,569,853	1,177,057
Adjustments:				
Income not subject to tax	(38,112)	(62,121)	(1,680,000)	(1,272,000)
Non-deductible expenses	1,717,636	1,068,413	110,147	109,728
Adjustment in respect of current income tax of prior years	198,873	727,150	–	2,341
Income tax expense for the financial year	6,162,575	4,839,141	–	17,126

24. BASIC EARNINGS PER ORDINARY SHARE

(a) Basic earnings per ordinary shares

The basic earnings per share are based on the profit for the financial year attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year, calculated as follows:

	Group	
	2021	**2020**
	RM	**RM**
Profit attributable to owners of the Company	11,781,004	8,101,270
Weighted average number of ordinary shares in issue	535,259,000	535,259,000
Basic earnings per ordinary share (sen)	2.20	1.51

(b) Diluted earnings per ordinary shares

Diluted earnings per share are based on the profit for the financial yea attributable to owners of the Company and the weighted average number of ordinary shares outstanding during the financial year plus the weighted average of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares, calculated as follows:

	Group	
	2021	**2020**
	RM	**RM**
Profit attributable to owners of the Company	11,781,004	8,101,270
Weighted average number of ordinary shares in issue	535,259,000	535,259,000
Effect of dilution from:		
– Warrants	^	–
	535,259,000	535,259,000
Diluted earnings per ordinary share (sen)	2.20	1.51

^ The potential ordinary shares are anti-dilutive for the financial year ended 31 December 2021.

NOTES TO THE FINANCIAL STATEMENTS

25. DIVIDENDS

	Group 2021 RM	Group 2020 RM
Recognised during the financial year:		
Second interim single tier dividend of 0.50 sen per ordinary share in respect of the financial year ended 31 December 2019, paid on 20 April 2020	–	2,676,295
First interim single tier dividend of 0.50 sen per ordinary share in respect of the financial year then ended 31 December 2020, paid on 21 December 2020	–	2,676,295
Second interim single tier dividend of 0.35 sen per ordinary share in respect of the financial year ended 31 December 2020, paid on 23 April 2021	1,873,406	–
First interim single tier dividend of 0.5 sen per ordinary share in respect of the financial year then ended 31 December 2021, paid on 21 December 2021	2,676,295	–
	4,549,701	5,352,590
Interim dividen declared subsequent to the reporting date(not recognised as a liability as at 31 December):		
Second interim singer tier final of 0.50 sen per ordinary share in respect of the financial year ended 31 December 2021, paid on 24 March 2022	2,676,295	–

The financial statements for the current financial year do not reflect this interim dividend. This dividend will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 December 2022.

26. COMMITMENTS

Capital commitments

The Group has made commitments for the following capital expenditures:

	Group 2021 RM	Group 2020 RM
Capital expenditure approved but not contracted for:		
– Investment properties	1,152,800	1,152,800
Capital expenditure approved and contracted for:		
– Investment properties	2,131,000	2,131,000
	3,283,800	3,283,800

27. RELATED PARTIES

(a) Identify of related parties

Parties are considered to be related to the Group and to the Company if the Group and the Company have the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operational decisions, or vice versa, or where the Group and the Company and the party are subject to common control. Related parties may be individuals or other entities.

Related parties of the Group and of the Company include:

(a) Subsidiaries;

(b) Entities in which directors have substantial financial interests; and

(c) Key management personnel, comprise persons (including directors) having the authority and responsibility for planning, directing and controlling the activities directly or indirectly.

(b) Significant related party transactions

Significant related party transactions other than disclosed elsewhere in the financial statements are as follows:

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Construction related cost charged by a substantial corporate shareholder	6,057,000	4,624,000	–	–
Rental income charged to a substantial corporate shareholder	24,200	24,200	–	–
Rental expense charged by a substantial corporate shareholder	60,000	55,000	–	–
Interest income received/receivable from a subsidiary	–	–	66,932	61,377
Management fee received/receivable from a subsidiary	–	–	164,265	204,265
Dividends received/receivable from a subsidiary	–	–	7,000,000	5,300,000

Significant outstanding balances with related parties at the end of the reporting period are as disclosed in Note 9 and Note 16 to the financial statements.

(c) Compensation of key management personnel

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Short-term employee benefits	1,747,163	1,250,371	203,375	256,800
Post-employment employee benefits	175,641	160,752	–	–
	1,922,804	1,411,123	203,375	256,800

NOTES TO THE FINANCIAL STATEMENTS

28. SEGMENT REPORTING

Segment information is not presented as the Group is principally engaged in construction industry, which is substantially within a single business segment and this is consistent with the current practice of internal reporting. The Group operates solely in Malaysia.

29. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

The following table analyses the financial instruments in the statements of financial position by the classes of financial instruments to which they are assigned as amortised cost.

	Carrying amount RM	Amortised cost RM
Group		
2021		
Financial assets		
Trade and other receivables *	172,653,449	172,653,449
Cash and short-term deposits	64,173,510	64,173,510
	236,826,959	236,826,959
Financial liabilities		
Loans and borrowings #	37,670,238	37,670,238
Trade and other payables	159,303,139	159,303,139
	196,973,377	196,973,377
2020		
Financial assets		
Trade and other receivables *	193,493,184	193,493,184
Cash and short-term deposits	49,503,500	49,503,500
	242,996,684	242,996,684
Financial liabilities		
Loans and borrowings #	32,234,138	32,234,138
Trade and other payables	151,582,477	151,582,477
	183,816,615	183,816,615

29. FINANCIAL INSTRUMENTS (CONTINUED)

(a) Categories of financial instruments (continued)

	Carrying amount RM	Amortised cost RM
Company		
2021		
Financial assets		
Trade and other receivables	8,585,762	8,585,762
Cash and short-term deposits	129,963	129,963
	8,715,725	8,715,725
Financial liabilities		
Trade and other payables	3,516,091	3,516,091
2020		
Financial assets		
Trade and other receivables	4,008,956	4,008,956
Cash and short-term deposits	14,891	14,891
	4,023,847	4,023,847
Financial liabilities		
Trade and other payables	286,909	286,909

* *Exclude prepayment, advances to subcontractors and GST receivable*
\# *Exclude lease liabilities.*

(b) Financial risk management

The Group's and the Company's activities are exposed to a variety of financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk and interest rate risk. The Group's and the Company's overall financial risk management objective is to optimise value for their shareholders. The Group and the Company do not trade in derivative.

The Board of Directors reviews and agrees to policies and procedures for the management of these risks, which are executed by the Group's and the Company's senior management. The audit committee provides independent oversight to the effectiveness of the risk management process.

NOTES TO THE FINANCIAL STATEMENTS

29. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(i) Credit risk

Credit risk is the risk of financial loss to the Group and the Company that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group and the Company are exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments. The Group and the Company has a credit policy in place and the exposure to credit risk is managed through the application of credit approvals, credit limits and monitoring procedures. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment.

Trade receivables and contract assets

As at the end of the reporting period, the maximum exposure to credit risk arising from trade and other receivables and contract assets is represented by their carrying amounts in the statements of financial position.

The carrying amount of trade and other receivables and contract assets are not secured by any collateral or supported by any other credit enhancements. In determining the recoverability of these receivables, the Group and the Company consider any change in the credit quality of the receivables from the date the credit was initially granted up to the reporting date. The Group and the Company have adopted a policy of dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults.

The Group applies the simplified approach to provide for impairment losses prescribed by MFRS 9 Financial Instruments, which permits the use of the lifetime expected loss provision for all trade receivables and contract assets. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The impairment losses also incorporate forward-looking information.

The information about the credit risk exposure on the Group's trade receivables and contract assets are as follows:

	2021 RM	2020 RM
Group		
Contract assets		
Current (Not past due)	73,772,393	41,040,741
Trade receivables		
Current (not past due)	43,727,823	35,829,529
1 – 30 days past due	14,490,300	23,633,651
31 – 60 days past due	4,241,536	7,718,442
61 – 90 days past due	3,852,318	9,870,819
> 90 days past due	40,174,158	35,339,490
Retention sums	54,095,978	70,998,598
Credit impaired	867,149	867,149
	161,449,262	184,257,678

For construction contracts, as there are only a few customers, the Group assessed the risk of loss of each customer individually based on their financial information, past trend of payments and external credit rating, where applicable.

29. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (Continued)

(i) Credit risk (Continued)

Other receivables and other financial assets

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

The Group and the Company consider the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group and the Company compare the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information.

The Group and the Company consider these financial assets to have low credit risk. The Group and the Company did not recognise any loss allowance for impairment for other receivables and other financial assets. Refer to Note 3.9(a) to the financial statements for the Group's and the Company's other accounting policies for impairment of financial assets.

(ii) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations when they fall due. The Group's and the Company's exposure to liquidity risk arise primarily from mismatches of the maturities between financial assets and liabilities. The Group's and the Company's exposure to liquidity risk arise principally from trade and other payables, loans and borrowings.

The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by facilities. The Group and the Company maintain sufficient liquidity and available funds to meet daily cash needs, while maintaining controls and security over cash movements. The Group and the Company use a series of processes to obtain maximum benefits from its flow of funds, such that they are efficiently managed to maximise income from investment and minimise cost on borrowed funds. The Group's and the Company's treasury department also ensure that there are sufficient unutilised stand-by facilities, funding and liquid assets available to meet both short-term and long-term funding requirements.

NOTES TO THE FINANCIAL STATEMENTS

29. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (Continued)

(ii) Liquidity risk (Continued)

Maturity analysis

The maturity analysis of the Group's and of the Company's financial liabilities by their relevant maturity at the reporting date based on contractual undiscounted repayment obligations are as follows:

	Carrying amount RM	<--- Contractual cash flows ---> On demand or within 1 year RM	Between 1 and 5 years RM	More than 5 years RM	Total RM
Group					
2021					
Trade and other payables	159,303,139	159,303,139	–	–	159,303,139
Loans and borrowings	48,744,843	38,017,126	7,906,233	3,569,057	49,492,416
	208,047,982	197,320,265	7,906,233	3,569,057	208,795,555
2020					
Trade and other payables	151,582,477	151,582,477	–	–	151,582,477
Loans and borrowings	37,782,362	31,189,502	4,172,892	5,272,376	40,634,770
	189,364,839	182,771,979	4,172,892	5,272,376	192,217,247
Company					
2021					
Trade and other payables	3,496,913	3,496,913	–	–	3,496,913
2020					
Trade and other payables	286,909	286,909	–	–	286,909

(iii) Interest rate risk

Interest rate risk is the risk of fluctuation in fair value or future cash flows of the Group's financial instruments as a result of changes in market interest rates. The Group's exposure to interest rate risk arises primarily from its long-term loans and borrowings with floating interest rates.

Sensitivity analysis for interest rate risk

The Group believe that the impact of interest rate fluctuation will not significantly affect the profitability of the Group and of the Company. As such, sensitivity analysis is not presented.

29. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Fair value measurement

The carrying amounts of cash and short-term deposits, short-term receivables and payables and short-term borrowings are reasonably approximate to their fair value due to relatively short-term nature of these financial instruments.

The carrying amount of long term borrowings with variable rates, the carrying amounts approximate fair values as they are repriced to market interest rates for liabilities with similar risk profiles.

Policy on transfer between levels

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

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to 3 based on the degree to which the fair value is observable:

(i) Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

(ii) Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

(iii) Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

During the financial year ended 31 December 2021 and 31 December 2020, there was no transfer between the fair value measurement hierarchy.

30. CAPITAL MANAGEMENT

The primary objective of the Group's and of the Company's capital management is to ensure that they maintain a strong credit rating and healthy capital ratio in order to support their business and maximise shareholder value. The Group and the Company manage its capital structure and make adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group and the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies and processes during the financial years ended 31 December 2021 and 31 December 2020.

The Group and the Company monitor capital using a gearing ratio, which is total bank borrowing over total equity.

The gearing ratio of the Group as at 31 December 2021 and 31 December 2020 is as follows:

		Group	
	Note	**2021 RM**	**2020 RM**
Loans and borrowings	14	48,744,843	37,782,362
Equity attributable to owners of the Company		146,931,937	139,568,473
Gearing ratio		0.33	0.27

NOTES TO THE FINANCIAL STATEMENTS

30. CAPITAL MANAGEMENT (CONTINUED)

The subsidiary is required to maintain a gearing ratio not more than 1.50 times and minimum tangible assets of RM55,000,000 to comply with bank covenants.

No gearing ratio is presented at Company level as the Company does not have any borrowings.

31. IMPACT OF THE CORONAVIRUS OUTBREAK

On 11 March 2020, the World Health Organisation declared the Coronavirus ("COVID-19") outbreak as a pandemic in recognition of its rapid spread across the globe. The Malaysian Government imposed the Movement Control Order ("MCO") and various level of MCOs to curb the spread of COVID-19 pandemic. The COVID-19 pandemic also resulted in travel restriction, lockdown and other precautionary measures imposed in various countries. The emergence of the COVID-19 pandemic since 2020 has brought significant economic uncertainties in Malaysia and around the world.

The Group and the Company have considered the impact of COVID-19 in the application of significant and estimates to determine amount recognised in the financial statements, including those disclosed in Note 4 above.

Given the fluidity of the situation, the Group and the Company will continue to monitor the impact of the pandemic and take appropriate and timely measures to minimise its impact on the Group and Company's operations.

32. SIGNIFICANT EVENT SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

On 26 January 2022, the Group had entered into a Shareholders' Agreement with Lagenda Properties Berhad ("Lagenda") to incorporate a joint venture company namely, Lagenda Inta Sdn. Bhd. ("LISB") to carry out construction activities of LISB.

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

We, **LIM OOI JOO** and **TEO HOCK CHOON**, being two of the directors of **INTA BINA GROUP BERHAD**, do hereby state that in the opinion of the directors, the accompanying financial statements set out on pages 71 to 126 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 the Company as at 31 December 2021 and of their financial performance and cash flows for the financial year then ended.

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

....
LIM OOI JOO
Director

....
TEO HOCK CHOON
Director

Petaling Jaya
18 April 2022

STATUTORY DECLARATION

(PURSUANT TO SECTION 251(1) OF THE COMPANIES ACT 2016)

I, **YEOW BOON CHIN**, being the officer primarily responsible for the financial management of **INTA BINA GROUP BERHAD**, do solemnly and sincerely declare that to the best of my knowledge and belief, the accompanying financial statements set out on pages 71 to 126 are 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.

....

YEOW BOON CHIN

MIA membership no: CA 36170

Subscribed and solemnly declared by the abovenamed at Petaling Jaya in the state of Selangor Darul Ehsan on 18 April 2022.

Before me,

Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF INTA BINA GROUP BERHAD (INCORPORATED IN MALAYSIA)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Inta Bina Group Berhad, which comprise the statements of financial position as at 31 December 2021 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including significant accounting policies, as set out on pages 71 to 126.

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 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 the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the 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.

Group

Trade receivables and contract assets (Note 4.1, Note 9 and Note 10 to the financial statements)

Risk:

As at 31 December 2021, the Group's trade receivables and contract assets amounted to RM161.45 million and RM73.77 million respectively.

We focused on this area because the Group made significant judgements over assumption about risk of default and excepted loss. In making these assumptions, the Group selected inputs to the impairment calculation which was based on the Group's past history, as well as forward-looking estimates at the end of the reporting period.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF INTA BINA GROUP BERHAD (INCORPORATED IN MALAYSIA)

Key Audit Matters (Continued)

Our audit response:

Our audit procedures included, among others:

- understanding the design and implementation of controls associated with monitoring of outstanding receivables and contract assets and impairment calculation;
- developing an understanding of significant credit exposures which were significantly overdue or deemed to be in default through analysis of ageing reports;
- checking subsequent receipts, customer correspondence, considering level of activity with the customer and the management on recoverability with significantly past due balances; and
- assessing the calculation of expected credit losses as at the end of the reporting period.

Revenue recognition for construction activities (Note 4.2 and Note 17 to the financial statements)

Risk:

The amount of revenue of the Group's construction activities is recognised over the period of contract by reference to the progress towards complete satisfaction of that performance obligation. The progress towards complete satisfaction of performance obligation is determined by reference to proportion of construction cost incurred for works performed to date bear to the estimated total costs for each project (input method). We focused on this area because significant Group's judgement is required, in particular with regards to determining the progress towards satisfaction of performance obligation, the extent of the construction costs incurred, the estimated total construction contracts revenue and costs, as well as recoverability of the construction contracts projects. The estimated total revenue and costs are aggected by a variety of uncertainties that depend on the outcome of future events

Our audit response:

Our audit procedure included, among others:

- reading the terms and conditions of agreements with customers;
- understanding the Group's process in preparing project budget and the calculation of the progress towards anticipated satisfaction of performance obligation;
- comparing the Group's major assumptions to contractual terms, our understanding gathered from the analysis of changes in the assumption from previous financial year and discussing with project manager;
- assessing the reasonableness progress towards complete satisfaction of performance obligation for identified projects against architect certificate or consultant certificate; and
- checking the mathematical computation of recognised revenue and corresponding costs for the projects during the financial year.
- assessing the potential deduction to revenue arising liquidated and ascertained damages against the contractual delivery dates and estimated delivery dates, progress reports and interview of relevant projects personnel.

Company

We have determined that there are no key audit matters to communicate in our report which arose from the audit of the financial statements of the Company.

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.

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 Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

The directors of the Company are responsible for overseeing the Group's financial reporting process.

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.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF INTA BINA GROUP BERHAD (INCORPORATED IN MALAYSIA)

Auditors' Responsibilities for the Audit of the Financial Statements (Continued)

- 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 or 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 of the Group and of the Company 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, actions taken to eliminate threats or safeguards applied.

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

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 contents of this report.

Baker Tilly Monteiro Heng PLT
201906000600 (LLP0019411-LCA) & AF 0117
Chartered Accountants

Andrew Choong Tuck Kuan
No. 03264/04/2023 J
Chartered Accountant

Kuala Lumpur
Date: 18 April 2022

LIST OF PROPERTIES

Address	Description of property/Existing Use	Tenure/ Expiry of lease (if any	Category of land use (if any)	Approximate age of the buildings	Net book value@ 31/12/2021	Date of last revaluation
No.15, Jalan SS15/8A 47500 Subang Jaya Selangor	4-storey shop office/ Ground floor – Rented out 1st to 3rd floors – Own use as IBGB's operational headquarters	Freehold	N/A	>28 years	RM4,682,878	N/A
No.17, Jalan SS15/8A 47500 Subang Jaya Selangor	4-storey shop office/ Ground floor – Rented out 1st to 3rd floors – Own use as IBGB's operational headquarters	Freehold	N/A	>28 years		N/A
A-01-08 to A-03-08, Pusat Komersial Setapak, No. 68, Jalan Taman Ibu Kota, Setapak, 53300 Kuala Lumpur	3-storey shop office/ Rented out	Freehold	N/A	>9 years	RM2,404,340	31.12.2021
A4-2, No. 6, Amarin Wickham, Jalan Wickham, 55000 Kuala Lumpur	Condominium unit on ground floor/Rented out	Freehold	N/A	11 years	RM2,254,000	31.12.2021
A1-2, No. 6, Amarin Wickham, Jalan Wickham, 55000 Kuala Lumpur	Condominium unit on ground floor/Rented out	Freehold	N/A	11 years	RM2,254,000	31.12.2021
A5-3, No. 6, Amarin Wickham, Jalan Wickham, 55000 Kuala Lumpur	Condominium unit on ground floor/Rented out	Freehold	N/A	11 years	RM3,699,873	31.12.2021
No. 27, Jalan 3/9, Taman Residen Tiara, Bandar Baru Selayang, 68100 Batu Caves, Selangor	4-storey terrace house/ Vacant	Leasehold of 99 years expiring on 1 October 2111	N/A	7 years	RM1,547,310	31.12.2021
No. 61, Kuarza 16, Jalan Melawati 7B, Taman Kuarza 16, 53100 Gombak, Kuala Lumpur	Zero lot villa/Vacant/	Leasehold of 99 years expiring on 25 July 2111	N/A	8 years	RM2,432,429	31.12.2021
No. 62, Kuarza 16, Jalan Melawati 7B, Taman Kuarza 16, 53100 Gombak, Kuala Lumpur	Zero lot villa/Rented out/	Leasehold of 99 years expiring on 25 July 2111	N/A	8 years	RM2,537,624	31.12.2021
L006, Estuari Gardens @ Puteri Harbour, Bandar Nusajaya	Double storey terrace house/Vacant	Freehold	N/A	3 years	RM1,927,054	N/A

ANALYSIS OF SHAREHOLDINGS

AS AT 31 MARCH 2022

Number of Shares Issued	:	535,259,000
Voting rights	:	One vote for one ordinary share
No. of Shareholders	:	2,514

DISTRIBUTION OF SHAREHOLDINGS

Category	No. of Holders	%	No. of Shares	%
Less than 100	10	0.40	214	0.00
100 - 1,000	381	15.15	218,400	0.04
1,001 - 10,000	1,029	40.93	6,201,386	1.16
10,001 - 100,000	887	35.28	33,647,300	6.29
100,001 to less than 5% of issued shares	202	8.04	154,860,250	28.93
5% and above of issued shares	5	0.20	340,331,450	63.58
TOTAL	**2,514**	**100.00**	**535,259,000**	**100.00**

THIRTY (30) LARGEST SHAREHOLDERS

Nos.	Name of Shareholder	No. of Shares	%
1	APEXJAYA INDUSTRIES SDN BHD	150,286,000	28.08
2	AHMAD BIN AWI	67,442,600	12.60
3	TEO HOCK CHOON	47,302,850	8.84
4	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT – AMBANK (M) BERHAD FOR LIM OOI JOO	40,000,000	7.48
5	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT- AMBANK (M) BERHAD FOR APEXJAYA INDUSTRIES SDN BHD	35,300,000	6.59
6	CHAU YIK MUN	12,411,000	2.32
7	MAYBANK NOMINEES (TEMPATAN) SDN BHD MAYBANK PRIVATE WEALTH MANAGEMENT FOR YAP YOON KONG (PW-M01051) (423017)	11,332,800	2.12
8	FOONG JYI CHYUAN	10,915,200	2.04
9	ONG TIAU SIANG	9,122,700	1.70
10	LIM OOI JOO	9,038,050	1.69
11	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR YAP CHEE KHENG (8055840)	6,600,000	1.23
12	DATO' SIA THIAN SANG	5,466,500	1.02
13	LIM LAY LING	3,140,100	0.59
14	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LOH TECK WAH (8090542)	3,100,000	0.58
15	CHUAH THEONG YEE	3,096,300	0.58
16	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ALEXANDER YAP CHEE ENG (7003186)	3,056,900	0.57
17	YAP YOON KONG	2,661,700	0.50

Nos.	Name of Shareholder	No. of Shares	%
18	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHIAU BENG TEIK	2,177,400	0.41
19	WONG THIM FATT	2,121,400	0.40
20	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHANG TIANG POW (E-BCG)	1,859,800	0.35
21	CHUNG HUN SHEN	1,830,700	0.34
22	CHIA SEONG POW	1,509,200	0.28
23	LIM SOON TIONG @ LIM SOON CHONG	1,500,000	0.28
24	MAYBANK NOMINEES (TEMPATAN) SDN BHD YAP SIEW HONG	1,500,000	0.28
25	HLB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHANG SEN SIANG	1,479,700	0.28
26	JASPAL SINGH A/L SURJAN SINGH	1,430,300	0.27
27	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIM PANG KIAM (8085241)	1,387,300	0.26
28	KOK CHIN SEOW	1,307,000	0.24
29	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KOH KWEE CHOO	1,300,000	0.24
30	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TEH SHIOU CHERNG (J D B TUNGGAL BR-CL)	1,250,000	0.23

SUBSTANTIAL SHAREHOLDERS

		SHAREHOLDINGS			
		Direct Interest	%	Deemed interest	%
1	APEXJAYA INDUSTRIES SDN BHD	185,586,000	34.67	-	-
2	AHMAD BIN AWI	67,442,600	12.60	-	-
3	LIM OOI JOO	49,038,050	9.16	185,586,000 [(a)]	34.67
4	TEO HOCK CHOON	47,302,850	8.84	-	-
5	KOK CHIN SEOW	1,307,000	0.24	185,586,000 [(a)]	34.67

DIRECTORS' SHAREHOLDINGS

		SHAREHOLDINGS			
		Direct Interest	%	Deemed interest	%
1	LIM OOI JOO	49,038,050	9.16	185,586,000 [(a)]	34.67
2	TEO HOCK CHOON	47,302,850	8.84	-	-
3	AHMAD BIN AWI	67,442,600	12.60	-	-
4	CHAU YIK MUN	12,411,000	2.32	-	-
5	YAP YOON KONG	14,194,500	2.65	-	-
6	DATO' SIA THIAN SANG	5,466,500	1.02	-	-
7	DR LIM PANG KIAM	1,887,300	0.35	-	-
8	DATO' LEANNE KOH LI ANN	-	-	-	-

Note:
(a) Deemed interested by virtue of their interests in Apexjaya Industries Sdn Bhd pursuant to Section 8(4) of the Companies Act 2016.

ANALYSIS OF WARRANT HOLDINGS

AS AT 31 MARCH 2022

Number of Warrants Issued	:	133,814,745 Warrants 2021/2026 ("Warrant A")
Exercise Price of Warrants	:	RM0.40
Expiry Date of Warrants	:	18/07/2026
No. of Warrant Holders	:	2,279

DISTRIBUTION OF WARRANT A HOLDINGS

Size of Holdings	No. of Holders	%	No. of Shares	%
Less than 100	256	11.23	10,383	0.01
100 - 1,000	574	25.19	298,474	0.22
1,001 - 10,000	1,012	44.40	3,897,414	2.91
10,001 - 100,000	371	16.28	11,836,775	8.85
100,001 to less than 5% of issued shares	61	2.68	32,688,837	24.43
5% and above of issued shares	5	0.22	85,082,862	63.58
TOTAL	**2,279**	**100.00**	**133,814,745**	**100.00**

THIRTY (30) LARGEST WARRANT A HOLDERS

Nos.	Name of Warrant A Holders	No. of Warrants	%
1	APEXJAYA INDUSTRIES SDN BHD	37,571,500	28.08
2	AHMAD BIN AWI	16,860,650	12.60
3	TEO HOCK CHOON	11,825,712	8.84
4	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT – AMBANK (M) BERHAD FOR LIM OOI JOO	10,000,000	7.47
5	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT- AMBANK (M) BERHAD FOR APEXJAYA INDUSTRIES SDN BHD	8,825,000	6.59
6	CHAU YIK MUN	3,102,750	2.32
7	MAYBANK NOMINEES (TEMPATAN) SDN BHD MAYBANK PRIVATE WEALTH MANAGEMENT FOR YAP YOON KONG (PW-M01051) (423017)	2,633,200	1.97
8	ONG TIAU SIANG	2,274,425	1.70
9	LIM OOI JOO	2,259,512	1.69
10	FOONG JYI CHYUAN	2,168,800	1.62
11	CGS-CIMB NOMINEES (ASING) SDN BHD PIONEER UNITED LIMITED (JS 803)	2,070,200	1.55
12	KENANGA NOMINEES (TEMPATAN) SDN BHD LIM SOH WOON	1,496,000	1.12
13	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR YAP CHEE KHENG (8055840)	1,472,500	1.10
14	DATO' SIA THIAN SANG	1,366,625	1.02
15	LIM LAY LING	785,025	0.59

Nos.	Name of Warrant A Holders	No. of Warrants	%
16	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LOH TECK WAH (8090542)	775,000	0.58
17	CHUAH THEONG YEE	595,525	0.45
18	WONG THIM FATT	530,350	0.40
19	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIM PANG KIAM	500,000	0.37
20	HLB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SINAR MAJU ENTERPRISE SDN BHD	486,700	0.36
21	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHANG TIANG POW (E-BCG)	464,950	0.35
22	CHUNG HUN SHEN	457,675	0.34
23	CHIA SEONG POW	377,300	0.28
24	LIM SOON TIONG @ LIM SOON CHONG	375,000	0.28
25	HLB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHANG SEN SIANG	369,925	0.28
26	JASPAL SINGH A/L SURJAN SINGH	357,575	0.27
27	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIM PANG KIAM (8085241)	346,825	0.26
28	KOK CHIN SEOW	326,750	0.24
29	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KOH KWEE CHOO	325,000	0.24
30	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TEH SHIOU CHERNG (J D B TUNGGAL BR-CL)	312,500	0.23

DIRECTORS' INTERESTS IN WARRANT A

		WARRANT HOLDINGS			
		Direct Interest	%	Deemed interest	%
1	LIM OOI JOO	12,259,512	9.16	46,396,500 [(a)]	34.67
2	TEO HOCK CHOON	11,825,712	8.84	-	-
3	AHMAD BIN AWI	16,860,650	12.60	-	-
4	CHAU YIK MUN	3,102,750	2.32	-	-
5	YAP YOON KONG	2,683,625	2.01	-	-
6	DATO' SIA THIAN SANG	1,366,625	1.02	-	-
7	DR LIM PANG KIAM	846,825	0.63	-	-
8	DATO' LEANNE KOH LI ANN	-	-	-	-

Note:

(a) Deemed interested by virtue of their interests in Apexjaya Industries Sdn Bhd pursuant to Section 8(4) of the Companies Act 2016.

NOTICE OF ANNUAL GENERAL MEETING

INTA BINA GROUP BERHAD
Registration No. 201501009545
(1134880-W)

NOTICE IS HEREBY GIVEN THAT the 7th Annual General Meeting ("AGM") of Inta Bina Group Berhad ("the Company") will be held at Zamrud Room 2, The Saujana Hotel, Kuala Lumpur, Jalan Lapangan Terbang Subang, Saujana, 40150 Shah Alam, Selangor on Tuesday, 28 June 2022 at 10.00 a.m for the following purposes:

AGENDA

AS ORDINARY BUSINESS

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 Explanatory Note 1)**

2. To approve the payment of Directors' Fees totalling RM214,178 for the financial year ended 31 December 2021. **RESOLUTION 1**

3. To approve the payment of Directors' Benefit up to an amount of RM50,000 for the period from the conclusion of the 7th AGM of the Company scheduled on 28 June 2022 until the following AGM of the Company in 2023. **RESOLUTION 2**

4. To re-elect the following Director, who retires in accordance with Article 16.2 of the Company's Constitution and being eligible, has offered himself for re-election:

   (i) Chau Yik Mun **RESOLUTION 3**

   Dato' Sia Thian Sang who retires by rotation in accordance with Article 16.2 of the Company's Constititution, has expressed his intention not to seek for re-election and shall retain office until the conclusion of the 7th AGM.

5. To re-elect the following Directors, who retire in accordance with Article 16.9 of the Company's Constitution and being eligible, have offered themselves for re-election:

   (i) Dato' Leanne Koh Li Ann **RESOLUTION 4**

   (ii) Au Foong Yee **RESOLUTION 5**

6. To re-appoint Messrs Baker Tilly Monteiro Heng PLT (AF 0117) as Auditors of the Company and to authorise the Directors to fix their remuneration. **RESOLUTION 6**

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following Resolutions:

7. **ORDINARY RESOLUTION - AUTHORITY UNDER SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016 FOR THE DIRECTORS TO ALLOT AND ISSUE SHARES**

   "THAT subject always to the Companies Act 2016 ("the Act"), the Constitution of the Company and the approvals from Bursa Malaysia Securities Berhad ("Bursa Securities") and any other relevant governmental and/or regulatory authorities, the Directors of the Company be and are hereby empowered pursuant to the Act, to allot and issue shares in the capital of the Company from time to time at such price and upon such terms and conditions, for such purposes and to such person or persons whomsoever the Directors of the Company may in their absolute discretion, deem fit, provided always that the aggregate number of shares issued pursuant to this resolution does not exceed twenty percent (20%) of the total number of issued shares (excluding treasury shares, if any) of the Company for the time being to be utilised until 31 December 2022 as empowered by Bursa Securities pursuant to its letter 23 December 2021 to grant an extension for the additional temporary relief measures to listed issuers and thereafter does not exceed ten percent (10%) of the total number of issued shares (excluding treasury shares, if any) of the Company for the time being as stipulated under Paragraph 6.03(1) of the Bursa Securities Main Market Listing Requirements ("hereinafter referred to as the "General Mandate"); **RESOLUTION 7**

AND THAT the Directors of the Company be and are also empowered to obtain the approval for the listing of and quotation on Bursa Securities for the additional shares so issued pursuant to the General Mandate;

AND FURTHER THAT such authority shall commence immediately upon the passing of this Resolution and continue to be in force until the conclusion of the next AGM of the Company."

8. **ORDINARY RESOLUTION - PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

"THAT approval be and is hereby given to the Company and its subsidiaries ("Group") to enter into and give effect to the recurrent related party transactions of a revenue or trading nature particulars with the specified classes of related parties as specified in Section 2.6 of Part A of the Circular to Shareholders dated 29 April 2022, provided that: **RESOLUTION 8**

(a) such arrangements and/or transactions are necessary for the Group's day-to-day operations;

(b) such arrangements and/or transactions undertaken are in the ordinary course of business, at arm's length basis and on normal commercial terms which are not more favourable to the related parties than those generally available to third party;

(c) such arrangements and/or transactions are not detrimental to the minority shareholders of the Company; and

(d) the disclosure is made in the annual report on the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year in relation to:

    (i) the related transacting parties and their respective relationship with the Company; and

    (ii) the nature of the recurrent transactions.

THAT such authority shall continue to be in force until:

(a) the conclusion of the next AGM, unless the authority is renewed by a resolution passed at the next AGM; or

(b) the expiration of the period within which the next AGM is required to be held pursuant to Section 340(2) of the Act (but will not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or

(c) revoked or varied by resolution passed by the shareholders in general meeting,

whichever is the earlier.

AND THAT the Directors be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution."

NOTICE OF ANNUAL GENERAL MEETING

9. **ORDINARY RESOLUTION - PROPOSED ALLOCATION OF EMPLOYEES' SHARE OPTION SCHEME ("ESOS") OPTIONS TO THE DIRECTORS**

"THAT pursuant to the ESOS of the Company approved by the shareholders of the Company at the Extraordinary General Meeting held on 25 June 2021, approval be and is hereby given to the Board to authorise the ESOS Committee, at any time and from time to time throughout the duration of the ESOS ("ESOS Period"), to offer and grant to the following Directors of the Company, ESOS Options to subscribe for new ordinary shares of the Company under the ESOS:

(i) Dato' Leanne Koh Li Ann **RESOLUTION 9**

(ii) Au Foong Yee **RESOLUTION 10**

Provided always that:

(a) she must not participate in the deliberation or discussions of her own allocation;

(b) the allocation to her, who either individually or collectively, through persons connected with her, holds 20% or more of the total number of issued shares of the Company (excluding treasury shares, if any), must not exceed 10% of the total number of new ordinary shares to be issued under the ESOS; and

(c) subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provisions of the By-laws of the ESOS, the Listing Requirements, or any prevailing guidelines issued by Bursa Malaysia Securities Berhad or any other relevant authority, as amended from time to time.

THAT at any one time during the ESOS Period, not more than 60% of the total number of ESOS Options available under the ESOS could be allocated, in aggregate to the executive Directors, non-executive Directors and senior management of the Company and/or its subsidiary companies, other than subsidiary companies which are dormant, pursuant to the ESOS.

AND THAT the Board is also authorised to allot and issue the corresponding number of new ordinary shares arising from the exercise of the ESOS Options that may be granted to her under the ESOS."

10. To transact any other business for which due notice shall have been given.

FURTHER NOTICE IS HEREBY GIVEN THAT for the purpose of determining a member who shall be entitled to attend and vote at the 7th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Article 14.8 of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act 1991 ("SICDA"), to issue a General Meeting Record of Depositors as at 20 June 2022. Only a depositor whose name appears on the Record of Depositors as at 20 June 2022 shall be entitled to attend the said meeting or appoint proxies to attend and/or vote on his/her behalf.

BY ORDER OF THE BOARD
SIEW SUET WEI (MAICSA 7011254)
SSM Practicing Certificate No. 202008001690
LIM YEN TENG (LS0010182)
SSM Practicing Certificate No. 201908000028
Company Secretaries

Kuala Lumpur
Date: 29 April 2022

NOTES:

1. In respect of deposited securities, only members whose names appear on the Record of Depositors on 20 June 2022 (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his behalf.
2. A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote in his stead. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy.
3. Where a member appoints more than one (1) proxy but not more than two (2) proxies, the appointments shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
4. 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") as defined under the Securities Industry (Central Depositories) Act 1991, there shall be no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.
5. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its Common Seal or signed by an officer or attorney so authorised.
6. The duly completed and executed Proxy Form must be deposited at the Company's Share Registrar's office at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, Tricor Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than 48 hours before the time appointed for holding the Meeting or any adjournment thereof.
7. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("MMLR"), voting at the AGM of the Company will be conducted by poll. Poll Administrator and Independent Scrutineers will be appointed respectively to conduct the polling and to verify the results of the poll.

EXPLANATORY NOTES ON ORDINARY BUSINESS

1. **Audited Financial Statements for the financial year ended 31 December 2021**

   This Agenda item is meant for discussion only as under the provisions of Section 340(1)(a) of the Companies Act 2016, the audited financial statements do not require the approval of the shareholders. As such, this matter will not be put forward for voting.

2. **Ordinary Resolution No. 1 & 2: Payment of Directors' Fees & Benefits**

   Pursuant to Section 230(1) of the Companies Act 2016, the shareholders' approval is sought for the proposed payment of Directors' Fees for financial year ended 31 December 2021 and Benefits to the Non-Executive Directors ("NEDs") for the period from 28 June 2022 until the conclusion of the next AGM of the Company to be held in 2023. The calculation of the benefits which include meeting allowance is based on the estimated number of scheduled and/or special Board and Board Committees' meetings and on the assumption that the number of NEDs in office until the next AGM remains the same.

3. **Ordinary Resolution No. 3, 4 and 5: Re-election of Directors**

   Article 16.2 of the Company's Constitution provides that an election of Directors shall take place each year at the annual general meeting of the Company where one third (1/3) of the Directors for the time being, or, if their number is not three (3) or a multiple of three (3), then the number nearest to one third (1/3) shall retire from office and be eligible for re-election. PROVIDED ALWAYS THAT all Directors shall retire from office once at least in each three (3) years but shall be eligible for re-election.

   The Board through its Nominating Committee had assessed the Directors and agreed that they meet the criteria as prescribed by Paragraph 2.20A of the MMLR of Bursa Securities on character, experience, integrity, competence and time to effectively discharge their roles as Directors. Mr Chau Yik Mun is standing for re-election as Director of the Company by rotation in accordance with Article 16.2 of the Company's Constititution, and being eligible, has offered himself for re-election.

   Dato' Sia Thian Sang who retires by rotation in accordance with Article 16.2 of the Company's Constititution, has expressed his intention not to seek for re-election and shall retain office until the conclusion of the 7th AGM.

   Article 16.9 of the Company's Constitution provides that any Director appointed as an addition to the existing board of Directors shall hold office only until the next following annual general meeting and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at that meeting. Dato' Leanne Koh Li Ann and Ms Au Foong Yee were appointed as Directors on 3 January 2022 and 1 April 2022 respectively.

   The profiles of the Directors standing for re-election are set out in the Annual Report 2021.

NOTICE OF ANNUAL GENERAL MEETING

4. **Ordinary Resolution No. 6: Re-appointment of Auditors**

   The Board and Audit Committee had at their respective meetings on 21 February 2022 recommended the re-appointment of Messrs Baker Tilly Monteiro Heng PLT for the financial year ending 31 December 2022. Messrs Baker Tilly Monteiro Heng PLT have met the criteria prescribed under the Paragraph 15.21 of the MMLR and indicated their willingness to continue their services for the next financial year.

5. **Ordinary Resolution No. 7: Authority under Sections 75 and 76 of the Companies Act 2016 for the Directors to allot and issue shares**

   The proposed Resolution 7 is intended to renew the authority granted to the Directors of the Company at the 6th AGM of the Company held on 25 June 2021 to allot and issue shares at any time to such persons in their absolute discretion without convening a general meeting provided that the aggregate number of the shares issued does not exceed:

   i. twenty percent (20%) of the total number of issued shares of the Company for the time being (for allotment and issuance until 31 December 2022 as empowered by Bursa Securities pursuant to Bursa Malaysia Berhad's letter dated 23 December 2021 to grant an extension of additional temporary relief measures to listed issuers); and

   ii. ten percent (10%) of the total number of issued shares of the Company for the time being (for issuance and allotment after 31 December 2021 as stipulated under Paragraph 6.03(1) of the Bursa Malaysia Securities Berhad Main Market Listing Requirements).

   The authority to issue shares granted by the members at the 6th AGM of the Company had not been utilised and hence, no proceeds were raised therefrom. The renewed authority to issue shares will enable the Directors to take swift action for allotment of shares for any possible fund-raising activities, including but not limited to further placing of shares, for the purpose of funding future project(s), working capital and/ or acquisition(s) and to avoid delay and cost in convening general meetings to approve such issue of shares.

6. **Ordinary Resolution No. 8: Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature**

   The proposed Ordinary Resolution 8, if passed, will renew the authority for the Company and/or its subsidiary companies to enter into recurrent related party transactions of a revenue or trading nature are undertaken in the ordinary course of business which are necessary for the day-today operations on arm's length basis, on normal commercial terms which are not more favourable to the related party than those generally available to the public and are not to the detrimental to the minority shareholders of the Company and shall lapse at the conclusion of the next AGM unless authority for its renewal is obtained from shareholders of the Company at the next general meeting. Please refer to the Circular to Shareholders dated 29 April 2022 which is despatched together with Annual Report 2021 for further information.

7. **Ordinary Resolution No. 9 and 10: Proposed Allocation of ESOS Options to the Directors**

   The proposed Ordinary Resolutions 9 and 10 are to seek shareholders' approval for the Company to offer and grant ESOS options to Dato' Leanne Koh Li Ann and Ms Au Foong Yee, Independent Directors of the Company to participate in the ESOS in accordance with the By-laws of the ESOS of the Company.

   Dato' Leanne Koh Li Ann and Ms Au Foong Yee, being the interested parties shall abstain from deliberation and voting in respect of their direct and indirect shareholdings in the Company on this resolution. They will also ensure that persons connected to them will abstain from voting on their direct and/or indirect shareholdings in the Company, if any, on this resolution.

STATEMENT ACCOMPANYING NOTICE OF 7TH ANNUAL GENERAL MEETING
(pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

1. **Details of individual who are standing for election as Directors (excluding Directors standing for re-election)**

   No individual is seeking election as a Director at the 7th AGM of the Company.

2. **General mandate for issue of securities in accordance with Paragraph 6.03(3) of the Listing Requirements of Bursa Securities**

   The Company will seek shareholders' approval at the AGM for issue of securities in accordance with Paragraph 6.03(3) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. Please refer to Note 5 above for details

PROXY FORM

No. of shares held	
CDS Account No.	

INTA BINA GROUP BERHAD
Registration No. 201501009545
(1134880-W)

I/We ____ of ______________________

____

being a member of **INTA BINA GROUP BERHAD**, hereby appoint:

(1) Mr/Ms ______________________________________ (NRIC No. ______________________) OR

failing whom, Mr/Ms ______________________________________ (NRIC No. ______________________)

(the next name and address should be completed where it is desired to appoint two proxies)

*(2) Mr/Ms ______________________________________ (NRIC No. ______________________) OR

failing whom, Mr/Ms ______________________________________ (NRIC No. ______________________)

OR failing him/her, the Chairman of the meeting, as *my/our proxy, to vote for *me/us and on *my/our behalf at the Seventh (7th) Annual General Meeting ("AGM") of the Company to be held at Zamrud Room 2, The Saujana Hotel, Kuala Lumpur, Jalan Lapangan Terbang Subang, Saujana, 40150 Shah Alam, Selangor on Tuesday, 28 June 2022 at 10.00 a.m and, at every adjournment thereof *for/against the resolutions to be proposed thereat.

Please indicate with a cross (X) in the space whether you wish your votes to be cast for or against the resolution. In the absence of such specific directions, your proxy will vote or abstain as he thinks fit.

		For	Against
RESOLUTION 1	To approve the payment of Directors' Fees totalling RM214,178 for the financial year ended 31 December 2021		
RESOLUTION 2	To approve the payment of Directors' Benefit up to an amount of RM50,000 for the period from the conclusion of the 7th AGM of the Company scheduled on 28 June 2022 until the following AGM of the Company in 2023		
RESOLUTION 3	To re-elect Chau Yik Mun who retires pursuant to Article 16.2 of the Company's Constitution		
RESOLUTION 4	To re-elect Dato' Leanne Koh Li Ann who retires pursuant to Article 16.9 of the Company's Constitution		
RESOLUTION 5	To re-elect Au Foong Yee who retires pursuant to Article 16.9 of the Company's Constitution		
RESOLUTION 6	To re-appoint Messrs Baker Tilly Monteiro Heng PLT (AF 0117) as Auditors of the Company and to authorise the Directors to fix their remuneration		
RESOLUTION 7	Authority under Sections 75 and 76 of the Companies Act 2016 for the Directors to allot and issue shares		
RESOLUTION 8	Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature		
RESOLUTION 9	Proposed allocation of ESOS Options to Dato' Leanne Koh Li Ann		
RESOLUTION 10	Proposed allocation of ESOS Options to Au Foong Yee		

Dated this ____________________ day of ______________ 2022

____
Signature(s)/Common Seal of Member

NOTES: -

1. In respect of deposited securities, only members whose names appear on the Record of Depositors on 20 June 2022 (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his behalf.
2. A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote in his stead. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy.
3. Where a member appoints more than one (1) proxy but not more than two (2) proxies, the appointments shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
4. 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") as defined under the Securities Industry (Central Depositories) Act 1991, there shall be no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.
5. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its Common Seal or signed by an officer or attorney so authorised.
6. The duly completed and executed Proxy Form must be deposited at the Company's Share Registrar's office at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, Tricor Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than 48 hours before the time appointed for holding the Meeting or any adjournment thereof.

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"SEVENTH ANNUAL GENERAL MEETING"

AFFIX STAMP

The Share Registrar of
INTA BINA GROUP BERHAD Registration No. 201501009545 (1134880-W)
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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BINA

INTA BINA GROUP BERHAD Registration No. 201501009545 (1134880-W)

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Email : admin@intabina.com