WARISAN TC HOLDINGS BERHAD
[Registration No. 199701009338 (424834-W)]

ANNUAL REPORT 2020

TABLE OF CONTENTS

Corporate Information ---- 2
Business Divisions ---- 3
Corporate Structure ---- 4
President's Statement ---- 5
Management Discussion and Analysis ---- 7
Financial Charts ---- 16
5-Year Financial Highlights ---- 17
Profile of Directors ---- 18
Profile of Key Senior Management ---- 21
Sustainability Statement ---- 25
Corporate Governance Overview Statement ---- 35
Audit Committee Report ---- 44
Statement on Risk Management and Internal Control ---- 48
Additional Compliance Information ---- 53
Analysis of Shareholdings ---- 54
Group Properties ---- 57
Statement on Directors' Responsibility for preparing the Annual Audited Financial Statements ---- 58

FINANCIAL STATEMENTS

Directors' Report ---- 59
Independent Auditors' Report ---- 64
Consolidated Statement of Financial Position ---- 68
Consolidated Statement of Profit or Loss and Other Comprehensive Income ---- 70
Consolidated Statement of Changes in Equity ---- 72
Consolidated Statement of Cash Flows ---- 74
Statement of Financial Position ---- 77
Statement of Profit or Loss and Other Comprehensive Income ---- 78
Statement of Changes in Equity ---- 79
Statement of Cash Flows ---- 80
Notes to the Financial Statements ---- 81
Statement by Directors ---- 151
Statutory Declaration ---- 151
Notice of Annual General Meeting ---- 152
Administrative Notes ---- 159
Form of Proxy
Personal Data Protection Notice

CORPORATE INFORMATION

DIRECTORS

DATO' TAN HENG CHEW
President

TAN KENG MENG
Chief Executive Officer

DATUK ABDULLAH BIN ABDUL WAHAB
Senior Independent Non-Executive Director

SOH ENG HOOI
Independent Non-Executive Director

LEE MIN ON
Independent Non-Executive Director

CHIN TEN HOY
Non-Independent Non-Executive Director

AUDIT COMMITTEE

Soh Eng Hooi
Chairman

Datuk Abdullah bin Abdul Wahab

Lee Min On

NOMINATING AND REMUNERATION COMMITTEE

Datuk Abdullah bin Abdul Wahab
Chairman

Soh Eng Hooi

Lee Min On

COMPANY SECRETARY

Ang Lay Bee

REGISTERED OFFICE

62-68, Jalan Sultan Azlan Shah
51200 Kuala Lumpur
Malaysia
Tel : +603 4047 8888
Fax : +603 4047 8636

CORPORATE OFFICE

No. 15-3, Tingkat 3
Jalan Ipoh Kecil
50350 Kuala Lumpur
Malaysia
Tel : +603 4047 9733
Fax : +603 4047 9722
Email : corporate@warisantc.com
Website : www.warisantc.com.my

SHARE REGISTRARS

Tricor Investor & Issuing House Services Sdn Bhd
Unit 32-01, Level 32, Tower A
Vertical Business Suite, Avenue 3
Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Malaysia
Tel : +603 2783 9299
Fax : +603 2783 9222
Email : is.enquiry@my.tricorglobal.com

AUDITORS

Mazars PLT
Wisma Golden Eagle Realty
11th Floor, South Block
142-A, Jalan Ampang
50450 Kuala Lumpur
Malaysia

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad
(Listed on 15 December 1999)

BUSINESS DIVISIONS

1 AUTOMOTIVE

- Light commercial truck
- Heavy commercial truck
- Pick-up truck
- Used vehicle auction

2 TRAVEL & CAR RENTAL

- Inbound and outbound tour
- Corporate travel
- Airline ticketing
- One-stop online travelling solution
- Car and coach rental
- Chauffeur service
- On demand car sharing platform via GoCar mobile application

3 MACHINERY

- Material handling equipment, forklift, factory scrubber and sweeper
- Construction equipment (road, earthwork, quarry and mining)
- Off-road dump truck
- Agricultural tractor, golf and turf equipment
- Engine and generator
- Air compressor

4 OTHERS

- Property Investment
- Assembly of passenger vehicle
- Cosmetics
- Lingerie

CORPORATE STRUCTURE
AS AT 6 APRIL 2021

WARISAN TC HOLDINGS BERHAD
[Registration No. 199701009338 (424834-W)]

TRAVEL & CAR RENTAL

100%	Mayflower Car Rental Sdn Bhd
100%	Mayflower Holidays Sdn Bhd
100%	Mayflower-My 2nd Home (MM2H) Sdn Bhd
100%	Mayflower Corporate Travel Services Sdn Bhd
100%	Discovery Tours (Sabah) Sdn Bhd
100%	M A T Tours And Travel (Cambodia) Pte Ltd
100%	MAT Transportation Solution (Myanmar) Company Limited
99.48%	Gocar Mobility Sdn Bhd
100%	Mayflower Online Sdn Bhd
49%	Mayflower Saha Travel (Thailand) Co., Ltd

OTHERS

100%	Warisan Captive Incorporated
100%	Tan Chong Apparels Manufacturer Sdn Bhd
100%	MUV Solutions Sdn Bhd
100%	Warisan TC Management Services Sdn Bhd
100%	Warisan TC Automotive Manufacturers (M) Sdn Bhd
75.5%	Comit Communication Technologies (M) Sdn Bhd
50%	Shiseido Malaysia Sdn Bhd
50%	Wacoal Malaysia Sdn Bhd

MACHINERY

100%	TCIM Sdn Bhd
100%	Jentrakel Sdn Bhd

AUTOMOTIVE

100%	Angka-Tan Motor Sdn Bhd
84.21%	MUV Marketplace Sdn Bhd
70%	Kereta Komersil Seladang (M) Sdn Bhd

Note: Inactive and dormant companies are excluded from the corporate structure.

PRESIDENT'S STATEMENT

Dear Shareholders,

On behalf of the Board, I am pleased to present the Annual Report of Warisan TC Holdings Berhad for the financial year ended 31 December 2020 ("FY2020").

The year 2020 has seen the global economy plunged into turmoil as the COVID-19 pandemic rapidly impacted economies globally, through lockdowns, which stymied economic activities and caused an unprecedented curtailment of demand significantly. The business landscape in Malaysia too, was not spared from the impact of the pandemic, affecting everyone out there on the street. The prolonged period of COVID-19 measures and restrictions had stretched even the best run companies. The Malaysian economy shrank 8.3% in the first half of 2020, with a decline of 17.1% in the second quarter. Only in the second half of the year, the economy started to pick up in line with the reopening of the economy but was again dampened by the resurgence of the COVID-19 cases towards late Quarter 3 2020, culminating in the Malaysian economy contracting by 5.6% in year 2020.

In order to weather this difficult operating environment, the Group undertook various actions and measures, which included cost cutting and cost reduction measures, and in some business units restructuring and consolidating of businesses. Other key actions included right sizing the business staffing level, and looking at opportunity of deployment of technology to increase productivity and operational efficiency. Cash-flow management and cash collections remained a top priority to ensure that we emerge stronger from this crisis.

On the other hand, the COVID-19 pandemic has hastened the need of adoption and acceptance of digitalization, as can be observed from the move of consumers to online marketplace and digital payment. This has given the Group an opportunity to continue embarking and improving on its digital adoption via MUV Marketplace Sdn Bhd ("MUV Marketplace") which provides e-bidding vehicle service auction, Gocar Mobility Sdn Bhd ("GoCar") which operates a Malaysian homegrown on-demand car sharing mobile application/platform and Mayflower Online Sdn Bhd ("Mayflower Online") which provides multiple travel products and services via our one-stop electronic and web platform.

PRESIDENT'S STATEMENT
cont'd

FINANCIAL PERFORMANCE

Financial Year 2020 was a most disruptive year for the Group. The impact of the COVID-19 pandemic has led our travel business, one of the main divisions, to almost a total standstill. Likewise, the Group's Consumer Division as in Shiseido and Wacoal was severely impacted for the first time in many years. The Group's other divisions as in Machinery and Automotive were not spared but were able to stage some recovery in the 2nd half of the year. Resulting from that, the Group Revenue declined from RM439.8 million in FY2019 to RM295.3 million in the current year with loss before tax escalating to RM58.9 million from RM4.3 million a year ago.

Notwithstanding the above, the Group's financial position remained healthy with shareholders' funds at RM274.5 million (2019: RM324.0 million), cash and bank balances of RM48.6 million (2019: RM51.1 million) and net gearing ratio of 0.35 (2019: 0.49) times of shareholders' funds as at 31 December 2020.

DIVIDENDS

As the global environment remains uncertain and that the COVID-19 pandemic has not been effectively contained, the Board has not recommended any declaration of dividend for FY2020 (2019: nil). At this juncture, the Board sees the necessity to conserve cash to ensure sustainability of the business.

OUTLOOK

Moving forward, risk to the global outlook lies in the containment effort and severity of the COVID-19 crisis, and the uncertainty over the efficacy of a reliable and effective vaccine, and the roll out of the immunization, as vaccine becomes available. Until such time, measures such as closure of borders and imposition of travel restrictions will likely continue.

Amidst these backdrops, the Malaysian National COVID-19 Immunization programme was announced in February 2021 by the Malaysian Government. Malaysia has also received its first batch of vaccines and following that the first phase of vaccination (from February to April 2021) has already started. The success of the National vaccination programme is important to the gradual normalization of our lives.

Additionally, the Malaysian Government had provided further cushion to the impact of the COVID-19 pandemic by the various stimulus packages implemented by the government starting from the prior year and also recently in early part of 2021. These programmes should have spillover effects to prime pump the resumption of trade and production activities, and providing an additional boost to the economy in 2021.

The Ministry of Finance's (MoF) Economic Outlook 2021 report projected that Malaysia's gross domestic product (GDP) is expected to rebound between 6.5% and 7.5% in 2021, driven mainly by the anticipated improvement in global growth and international trade.

The Group will remain cautious and continue to chart out various strategies in managing and diversifying the businesses during 2021. Focus on efforts to increase revenue and market presence, increase productivity and efficiency, and steadfastly maintain cost control are keys to counter any further negative impact that may arise in the coming years. We will continue our efforts to prepare and realign the Group for the challenges ahead, and I believe, with the strong foundation that we have laid over the years, and under the capable leadership of our management, the Group will navigate and weather the challenges in 2021.

APPRECIATION

On behalf of the Board, I would like to extend my sincere appreciation to our loyal shareholders, valued customers, suppliers, financiers, business partners and the relevant authorities whom we have been dealing with over the years for their unwavering support to the Group.

I would also like to take this opportunity to welcome Ms. Soh Eng Hooi to the Board of Warisan TC Holdings Berhad and meanwhile, on behalf of the Board, I would like to extend my heartfelt appreciation to Dato' Chong Kwong Chin who recently resigned after being with us for many years.

Last but not least, my heartfelt thanks go to all employees and my fellow Board members for their dedication and contributions throughout the years.

Thank you.

Dato' Tan Heng Chew JP, DJMK
President

6 April 2021

MANAGEMENT DISCUSSION AND ANALYSIS

2020 HIGHLIGHTS

EVENTS

The following are the events that the Group was able to roll out during a very challenging year in 2020.

July 2020

On 1 July 2020, Angka-Tan Motor Sdn Bhd ("ATM") entered into a Vehicle Technology Licensing Contract with Jiangling Motors Corporation Ltd ("JMC") to formalise the collaboration between ATM and JMC, whereby JMC has granted ATM a sole and non-transferable right to manufacture, assemble and sell JMC YUHU pick-up vehicle model and its components in Malaysia.

November 2020

In November 2020, MUV Marketplace Sdn Bhd ("MUVM") teamed up with Fundaztic, a peer-to-peer financing platform, to offer RM1 billion in total financing to car dealers. In this financing program, car dealers registered with MUVM can receive a credit line of up to RM200,000 to finance the purchase of used vehicles via MUVM's bidding platform. This programme can benefit up to 5,000 authorised used car dealers.

MANAGEMENT DISCUSSION AND ANALYSIS
cont'd

December 2020

On 22 December 2020, Angka-Tan Motor Sdn Bhd launched the latest Foton light commercial vehicle Aumark S in Malaysia via a virtual online event. This latest Foton vehicle which has 2 variants is based on "Foton Super Truck Global Innovation Alliance" platform. Sales are expected to start in January 2021.

MANAGEMENT DISCUSSION AND ANALYSIS
cont'd

OVERVIEW OF GROUP'S BUSINESS AND OPERATIONS

Warisan TC Holdings Berhad was incorporated in Malaysia on 26 March 1997 with the main activities grouped under 4 main divisions as follows:

TRAVEL & CAR RENTAL	MACHINERY	AUTOMOTIVE	OTHERS
• Inbound & outbound tour • Corporate travel • Airline ticketing • One-stop online travelling solution • Car & coach rental • Chauffeur service • On demand car sharing platform via GoCar mobile application	• Material handling equipment, forklift, factory scrubber and sweeper • Construction equipment (road, earthwork, quarry and mining) • Off-road dump truck • Agricultural tractor, golf & turf equipment • Engine & generator • Air compressor	• Light commercial truck • Heavy commercial truck • Pick-up truck • Used vehicle auction and trading	• Property investment • Assembly of passenger vehicle • Cosmetics • Lingerie

The Group's objectives are to deliver consistent growth to our shareholders and stakeholders by adopting a relentless pursuit for excellence via introduction of new innovative business ideas and providing unmatched products and service quality to our valued customers at all time.

The Group's abilities to identify, source for and market quality products at competitive pricing, coupled with improving customer satisfaction through our well-trained staff and customer service are among the keys to achieving its objectives.

OVERVIEW

The outbreak of COVID-19 pandemic in early of the year has a devastating impact to the global economy. In the second quarter of the year, the lockdown and control movement, including travel restrictions, were widely implemented. This led to contraction in economic activities and heightened levels of market stress. The global economy started to recover in the third quarter of the year and the resumption in production and trade activities led to an improvement in the market condition which was the contributor to the rebound of private consumption. However, the market remained volatile more so in late third quarter of the year with the resurgence of COVID-19 cases across major economies, particularly in US and Europe. Looking at the severity of the impact to the economic activities, the International Monetary Fund projected that the global economy would contract sharply by 4.4% in 2020.

Similarly, on the local front, the economy succumbed to the same fate and Malaysian economy shrank by 5.6% for the year 2020, the biggest contraction since the 1998 Asian Financial Crisis. Overall, recovery was seen in the second half of the year across most economic sectors, particularly manufacturing.

MANAGEMENT DISCUSSION AND ANALYSIS

cont'd

GROUP FINANCIALS

Revenue **RM295.3 mil**	Loss Before Tax **RM58.9 mil**
Total Assets **RM685.2 mil**	Net Assets Per Share **RM4.22**

Against this backdrop, the Group recorded revenue of RM295.3 million, a decrease of approximately 33% compared to RM439.8 million in the previous year with all segments recording a drop in revenue. Accordingly, the Group posted higher loss before tax of RM58.9 million against RM4.3 million in 2019, resulting from subdued performance of all segments of business, particularly the travel division which grounded to a halt attributed to the imposition of movement control order in various phases and the closed border following the prolonged COVID-19 outbreak.

The financial position of the Group, nevertheless remained healthy with shareholders' funds at RM274.5 million (2019: RM324.0 million), cash and bank balances of RM48.6 million (2019: RM51.1 million) and net gearing ratio of 0.35 (2019: 0.49) times of shareholders' funds as at 31 December 2020.

Net cash generated from operating activities of RM97.4 million (2019: RM137.0 million) was recorded during the year as a result of prudent and efficient financial management policies.

SEGMENT RESULTS AND ANALYSIS

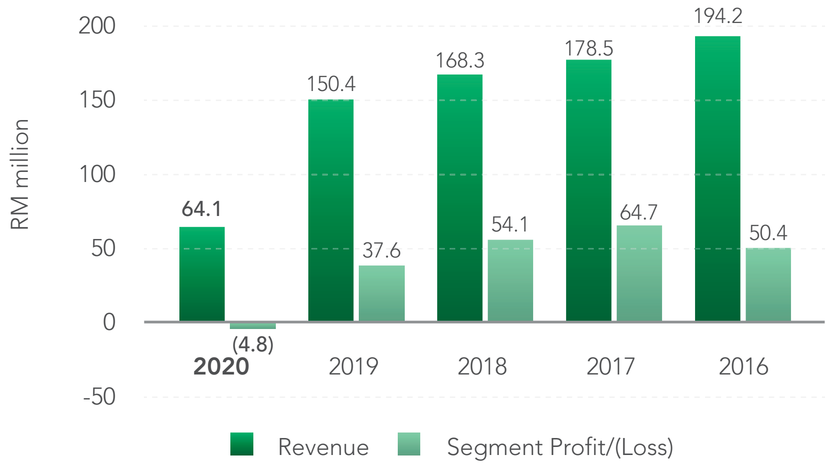
Travel & Car Rental

The Travel and Car Rental Division was dealt a severe blow as business activities almost came to a standstill, resulting from the implementation of movement control, travel restrictions and physical social distancing following the outbreak of COVID-19 pandemic. This is further aggravated by the spillover effects of trade sanctions imposed by USA against China, Europe and India, which have resulted in global economic uncertainties.

For the financial year ended 31 December 2020, this Division recorded substantially lower revenue of RM64.1 million as compared to RM150.4 million in 2019. Accordingly, the Division posted loss of RM4.8 million in 2020, as opposed to profit of RM37.6 million in 2019. To mitigate the loss, the Division had undertaken various measures during the year, which included restructuring and re-strategizing its business operations, right sizing its workforce, implementing cost cutting measures and downsizing its fleet of vehicles, whilst focusing on engaging with existing and potential customers as part of brand building exercise and for future business opportunities.

MANAGEMENT DISCUSSION AND ANALYSIS
cont'd

TRAVEL AND CAR RENTAL DIVISION



This Division operates 2 major strategic business units under the Mayflower brand, namely the Travel subdivision ("Mayflower Travel") and Car Rental subdivision ("Mayflower Car Rental").

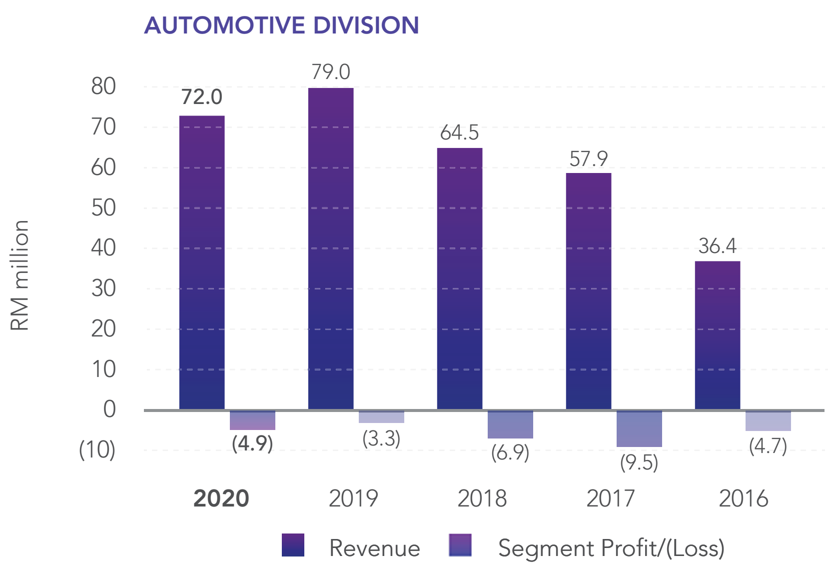
Mayflower Travel provides a range of travel and tours services, which includes inbound, outbound, corporate incentive tours, medical tourism, education tourism and air ticketing services with offices in Malaysia, Cambodia and Thailand. In line with the market demand, Mayflower Travel has also embarked on the technology trend by providing its customers the option to perform online transactions on its Mayflower Online platform.

Mayflower Car Rental provides car leasing and rental, coach and chauffeur services in Malaysia and Myanmar. As the business was affected by the unprecedented outbreak of COVID-19 and as measures to counter the impact, Mayflower Car Rental Sdn Bhd has continued to right size its fleet to optimize fleet utilsation. Further cost cutting measures were also implemented.

On a positive note, the car rental business in Myanmar, vide MAT Transportation Solution (Myanmar) Company Limited ("MATTS"), has chalked better performance with deployment of additional cars.

Gocar Mobility Sdn Bhd ("GoCar"), which is Mayflower Car Rental Sdn Bhd's 99.48% owned subsidiary, is the pioneer in revolutionising the car sharing platform. GoCar too was affected by the pandemic and to ensure sustainability, it has also reviewed its business model by reducing its fleet of cars to optimize utilization rate, as well as its operating parking bays, and improving operation efficiency and cost.

MANAGEMENT DISCUSSION AND ANALYSIS
cont'd



Automotive

Angka-Tan Motor Sdn Bhd ("ATM") is mainly involved in the distribution of Foton Chinese vehicles under the brand name Foton with Auman (for heavy commercial vehicles), and Aumark (for light commercial vehicles). MUV Marketplace Sdn Bhd ("MUVM"), which was previously reported under the "Others" segment, has been reclassified to Automotive Division pursuant to MFRS 8 Operating Segments as its reported revenue (external and inter-segment) is more than 10% of the combined revenue of all operating segments. Accordingly, the comparative figures of the Division have been restated to reflect the same. MUVM provides online vehicle auction services in addition to trading of second hand and pre-owned vehicles.

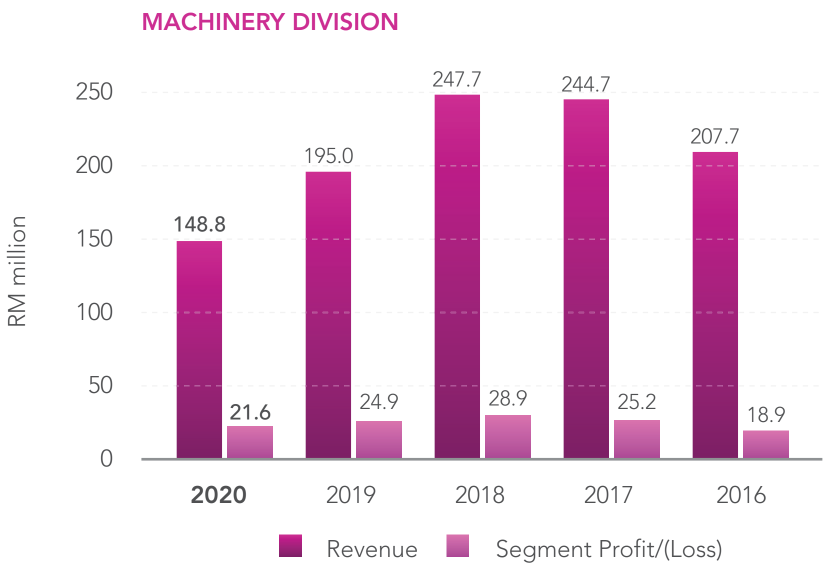
The Division recorded lower segmental revenue of RM72.0 million, down from RM79.0 million recorded in previous year as most of the economic sectors came to a virtual halt during the year. Despite the lower revenue, the Automotive Division has managed to contain its losses at RM4.9 million (2019: RM3.3 million) due to different product-mix and cost control measures implemented throughout the year.

The Group's automotive segment is involved in the retailing of the Chinese brand Foton commercial vehicles. The commercial vehicles industry in Malaysia sees gradual improvement in the near future, driven mainly by the government's decision to revive some mega projects, namely MRT 2, LRT 3, Pan Borneo and Coastal highways and ECRL projects. Given these developments, the Division is planning to launch new models and products in 2021 in addition to improving and upgrading its after sales service network and maintenance package.

On 1 July 2020, Warisan announced that ATM entered into a Vehicle Technology Licensing Contract with Jiangling Motors Corporation Ltd. ("JMC") whereby JMC has granted ATM a sole and non-transferable right to manufacture, assemble and sell JMC YUHU pick up vehicle and its components in Malaysia. In addition, ATM has, on 22 December 2020, launched the New Foton Aumark S LCV 6-wheeler through a virtual platform. This vehicle, targeted to be launched officially in the second quarter of 2021, boasts of Europe's leading technologies which meet logistic efficiency while optimizing operating cost.

In the first half of the year, the performance of MUVM was affected by lockdown implemented by the government following outbreak of the pandemic. MUVM saw gradual growth in its sales in the second half of the year when the government gradually reopened the economy in phases, and support from the public who not preferred travelling in public transport for fear of contracting the COVID-19 viruses and brought vehicles for use in ahead. During the year, MUVM posted total revenue of RM53.5 million, marginally higher than the previous year of RM51.3 million. However, its loss before tax slightly inched up to RM5.8 million compared to RM5.4 million in 2019.

MANAGEMENT DISCUSSION AND ANALYSIS
cont'd

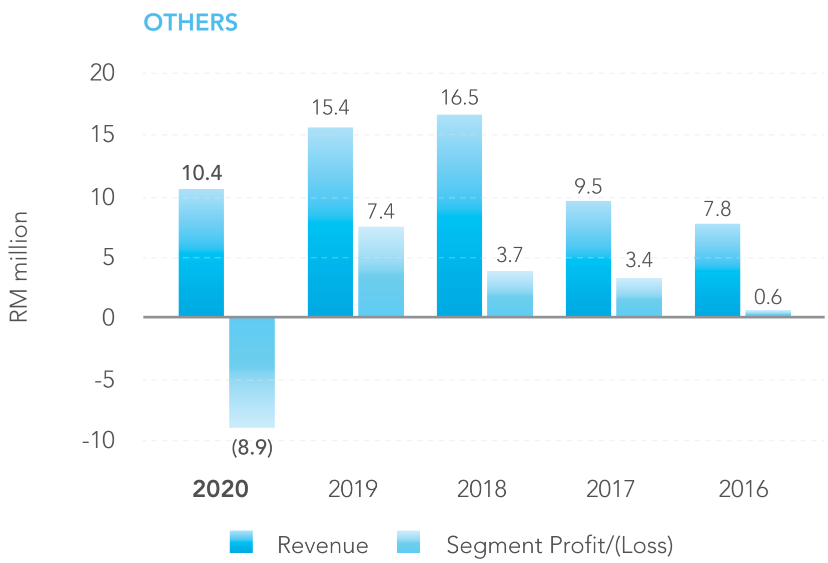


Machinery

This Division distributes a wide range of equipment and machinery including, but not limited to; Sumitomo excavators, SDLG wheel loaders, Sakai compactors, Gehl backhoe loaders, John Deere tractors, golf and turf equipment, Tonly off-road trucks, Unicarriers forklifts and Dulevo sweepers. Headquartered in Shah Alam, it has branches in major cities and towns throughout Malaysia, namely Butterworth, Ipoh, Seremban, Melaka, Kluang, Johor Bahru, Kuantan, Kota Bharu, Kuching, Miri, Bintulu, Lahad Datu. Sibu, Kota Kinabalu and Sandakan.

Revenue of the Division reduced to RM148.8 million from RM195.0 million, a year ago, primarily attributed to the impact of COVID-19 pandemic with lockdowns and Movement Control Order, which practically affected economy of all sectors. As result of lower sales, the Division reported a segmental profit of RM21.6 million, compared to a profit of RM24.90 million in 2019.

MANAGEMENT DISCUSSION AND ANALYSIS
cont'd



Others

Other businesses include captive insurance services, consumer products, assembly of motor vehicles and property investments.

The Group's performance was further dampened by the share of losses from its joint venture companies, namely Wacoal Malaysia Sdn Bhd ("Wacoal Malaysia") and Shiseido Malaysia Sdn Bhd ("Shiseido Malaysia") of RM6.5 million, compared to profit after tax of RM6.8 million in the preceding year. Retail business was adversely affected by the various phases of lockdown and the strict social distancing enforced by the government; hindering shopping malls and retailers from operating at full capacity. Moving forward, outlook of the retail segment remains bleak and its recovery is very much dependent on the efficacy of the COVID-19 vaccines. As a mitigating measure, the joint venture entities are actively enhancing and promoting their digital platforms.

MANAGEMENT DISCUSSION AND ANALYSIS
cont'd

Outlook and Prospects

2021 holds optimism as a year of recovery as economies are emerging from the pandemic beatdown and starting to gain momentum. Global trade is projected to turn around by 8.3% as opposed to a decline of 10.4% in 2020 (Source: Economic Outlook 2021 by Ministry of Finance). However, there are still uncertainties circling this projection as the recovery is predicated on a vaccine-led return to normal business activities, as well as the volatile commodity market and escalating trade and trade-related tensions, particularly between United States and China.

The Ministry of Finance has projected the Malaysian economy to rebound between 6.5% and 7.5% in 2021, supported by strong economic fundamentals and a well-diversified economy. The stimulus package, totaling RM305 billion, comprising fiscal and non-fiscal measures which was introduced by the government in the second half of 2019 are expected to have spillover effects and contribute more than 4% to the growth of gross domestic product ("GDP"). The construction sector is expected to rebound by 13.9% on account of the acceleration and revival of major infrastructure projects, which include LRT 3, MRT 2, West Coast Expressway and Pan Borneo and Coastal highways, coupled with affordable housing projects.

On the other hand, the tourism market is expected to remain weak, clouded by uncertainties on the efficacy of the COVID-19 vaccine. Stringent travel restrictions are still being observed locally and internationally. To soften the impact, the government has introduced various initiatives. Efforts have also been made to promote travel bubbles with more destinations which are anticipated to further support the recovery. The government's latest stimulus package of RM20 billion, dubbed the People and Economic Strategic Empowerment Programme (Pemerkasa), is expected to accelerate recovery across several key economic sectors, particularly construction, food and beverages, retail and tourism related sectors that have been affected following the second round of movement control order that began in January 2021.

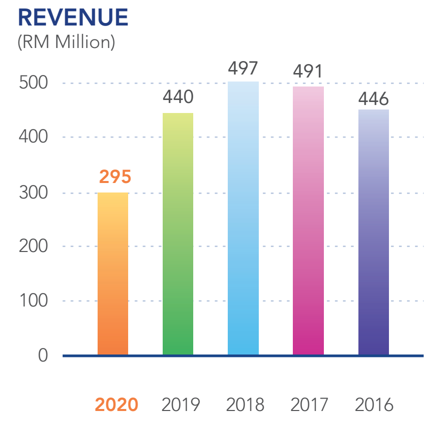
The Group recognizes the risks associated with uncertainties surrounding the COVID-19 pandemic which have yet abated and the initiatives implemented by the government as means to contain the impact of the outbreak. In relation thereto, the Group will remain vigilant on its operation; focusing on its strategy to enhance operational efficiency, contain costs, preserve profitability and safeguard our balance sheet strength and cash flow to withstand this difficult time and emerge stronger when the economy recovers.

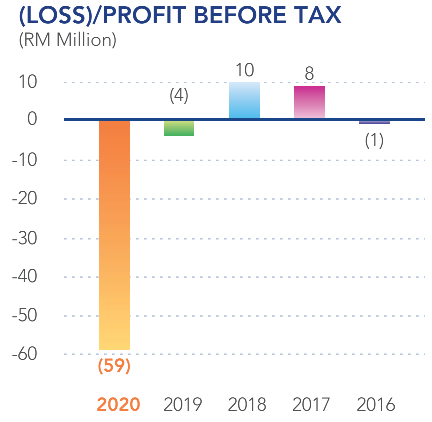
Dividend Policy

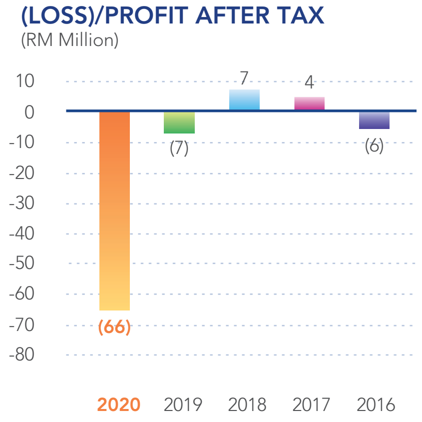
The Group does not intend to establish a fixed dividend policy at this point in time due to the Group's nature of relying on identifying and nurturing new business prospects to supplement our existing business. Hence, the quantum of our dividend pay-out will be determined by the cash flow requirements and business expansion plan on yearly basis.

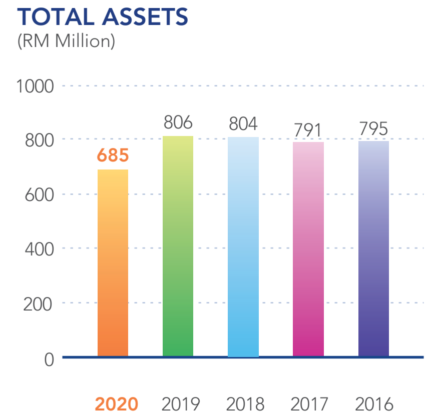
The global economic recovery remains fragile and hinges on the successful containment of the virus. In order to ensure sustainability amid the uncertainties, the Board has not recommended any declaration of dividend for the financial year ended 31 December 2020 (2019: nil).

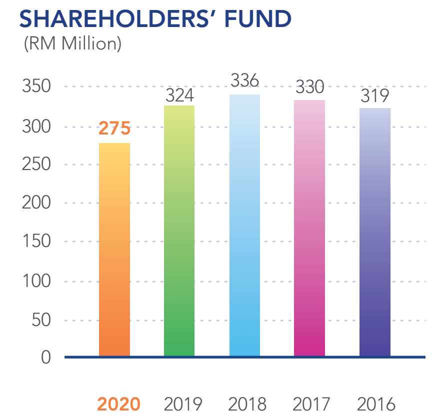
FINANCIAL CHARTS

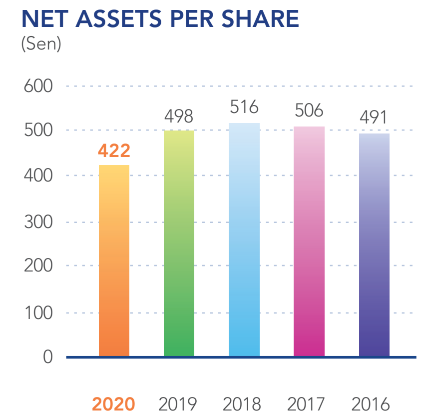


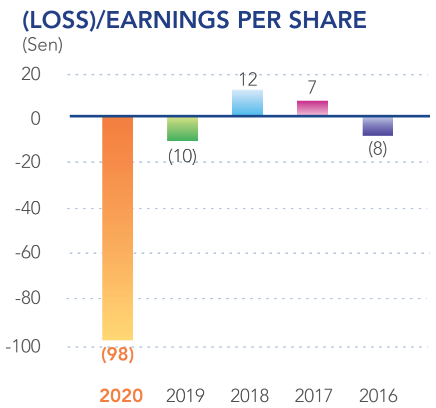


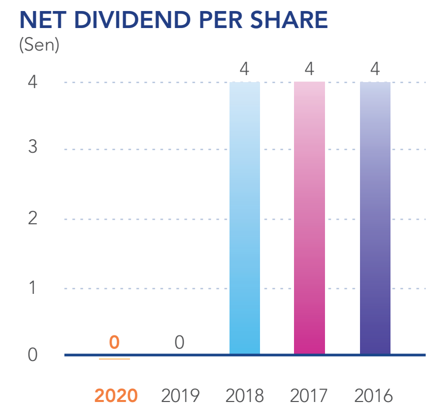












5-YEAR FINANCIAL HIGHLIGHTS

	2020 RM'000	2019 RM'000	2018 RM'000	2017 RM'000	2016 RM'000
RESULTS					
Revenue	295,278	439,829	496,950	490,622	446,116
(Loss)/Profit before tax	(58,876)	(4,291)	9,584	8,382	(863)
Taxation	(6,681)	(3,112)	(2,554)	(4,001)	(4,778)
(Loss)/Profit after tax	(65,557)	(7,403)	7,030	4,381	(5,641)
Attributable to:					
Shareholders of the Company	(63,781)	(6,789)	7,488	4,742	(5,037)
Non-controlling interests	(1,776)	(614)	(458)	(361)	(604)
FINANCIAL POSITION					
Assets					
Property, plant and equipment	248,198	271,125	277,422	304,188	308,417
Right-of-use assets	4,404	6,399	-	-	-
Investment property	43,500	45,400	45,400	45,400	45,800
Investment in an associate	815	1,299	1,069	979	148
Investments accounted for using the equity method	35,078	42,129	37,348	35,993	34,007
Other investments	6	6	6	10	10
Finance lease receivables	2,923	2,494	4,343	1,728	3,793
Deferred tax assets	6,195	3,535	2,575	2,664	2,522
Intangible assets	12,232	12,577	12,520	12,374	11,584
Other receivables	-	-	-	698	561
Total non-current assets	353,351	384,964	380,683	404,034	406,842
Currents assets	331,886	421,132	423,349	387,377	388,419
Total Assets	685,237	806,096	804,032	791,411	795,261
Equity					
Share capital	67,200	67,200	67,200	67,200	67,200
Share premium	-	-	-	-	615
Reserves	211,537	261,022	272,642	266,639	255,805
Treasury share	(4,213)	(4,213)	(4,213)	(4,213)	(4,210)
Total equity attributable to owners of the Company	274,524	324,009	335,629	329,626	319,410
Non-controlling interests	24,379	11,155	11,269	(1,380)	(1,021)
Total equity	298,903	335,164	346,898	328,246	318,389
Non-current liabilities	36,913	37,024	33,928	71,620	91,467
Current liabilities	349,421	433,908	423,206	391,545	385,405
Total Equity and Liabilities	685,237	806,096	804,032	791,411	795,261
FINANCIAL STATISTICS					
Basic (loss)/earnings per share (sen)	(97.97)	(10.43)	11.50	7.28	(7.74)
Dividend per share (net of tax)(sen)	-	-	4.0	4.0	4.0
Net assets per share (sen)	422	498	516	506	491
Return on shareholders' equity (%)	-23.9%	-2.3%	2.1%	1.3%	-1.8%
Net debt/Equity (%)	34.6%	48.8%	58.7%	60.7%	69.8%

Note: 2017 numbers have been restated to incorporate the adoptions of new Standards that has been issued by the Malaysian Accounting Standards Board.

PROFILE OF DIRECTORS

DATO' TAN HENG CHEW, *JP, DJMK*
President

Dato' Tan Heng Chew, aged 74, a Malaysian, male, was the first director of the Company when it was incorporated on 26 March 1997. He was appointed as the Chairman of the Board on 1 November 1999 and was re-designated as Executive Chairman on 1 January 2011. His corporate title has been changed to President effective 1 January 2015.

Dato' Tan graduated from the University of New South Wales, Australia with a Bachelor of Engineering (Honours) degree and a Masters degree in Engineering from the University of Newcastle, Australia. He joined the Tan Chong Motor Holdings Berhad Group of Companies in 1970 and was instrumental in the establishment of its Autoparts Division in the 1970s and early 1980s.

Dato' Tan is also the President of Tan Chong Motor Holdings Berhad and APM Automotive Holdings Berhad.

He is also a major shareholder of the Company. He is the brother of Mr Tan Eng Soon and is also a director and shareholder of Tan Chong Consolidated Sdn Bhd. Mr Tan Eng Soon and Tan Chong Consolidated Sdn Bhd are major shareholders of the Company. Dato' Tan has abstained from deliberation and voting in respect of transactions between the Group and related parties involving himself.

Dato' Tan attended all the five (5) Board Meetings held in 2020.

TAN KENG MENG
Chief Executive Officer

Mr Tan Keng Meng, aged 62, a Malaysian, male, was appointed to the Board as Executive Director on 11 January 2012. His corporate title was changed to Executive Vice President on 1 January 2015. Mr Tan was subsequently re-designated as Chief Executive Officer on 1 October 2015.

Mr Tan graduated from the University of Malaya with a Bachelor of Engineering degree in 1982. Mr Tan joined TCIM Sdn Bhd ("TCIM"), a wholly-owned subsidiary of the Company on 15 April 2010 and was subsequently appointed as Executive Director of TCIM taking charge of industrial machinery business. He also heads the Automotive Division of the Group since October 2015.

Mr Tan also sits on the Boards of several subsidiaries of Tan Chong Motor Holdings Berhad, such as Edaran Tan Chong Motor Sdn Bhd, Tan Chong Motor Assemblies Sdn Bhd, Tan Chong & Sons Motor Company Sdn Bhd and Tan Chong Industrial Equipment Sdn Bhd. He has held senior management positions for many years with extensive Malaysian and international experience. Prior to joining the Group, he was the Group CEO/Director of Tasek Corporation Berhad, a public company listed on Bursa Malaysia Securities Berhad. He was previously Managing Director-Asia with Friction Material Pacific Group, a joint-venture company between Honeywell and Pacifica of Australia. Mr Tan has extensive experience in a number of industries covering construction, automotive and automotive component manufacturing.

He has abstained from deliberation and voting in respect of transactions between the Group and related parties involving himself.

Mr Tan attended all the five (5) Board Meetings held in 2020.

PROFILE OF DIRECTORS
cont'd

DATUK ABDULLAH BIN ABDUL WAHAB
KMN, DPSJ, PJN
Senior Independent Non-Executive Director

Datuk Abdullah bin Abdul Wahab, aged 70, a Malaysian, male, was appointed to the Board on 3 March 2008 as an Independent Non-Executive Director and was re-designated as Senior Independent Non-Executive Director on 23 January 2013. He is the Chairman of Nominating and Remuneration Committee and a member of the Audit Committee.

Datuk Abdullah graduated from the Universiti Sains Malaysia (USM) with a Bachelor of Social Science (Honours) degree in 1976. He was an Administrative Officer at the School of Pharmacy, USM Penang from 1976 to 1980. He started his career at The Parliament of Malaysia as Assistant Secretary in 1980 and subsequently assumed all aspects of administrative functions at The Parliament. In 1999, he was appointed as Secretary to the Senate, and in 2004, he was elevated as Secretary to The Parliament and Secretary to the Dewan Rakyat. He retired from the civil service in 2006.

Datuk Abdullah attended all the five (5) Board Meetings held in 2020.

SOH ENG HOOI
Independent Non-Executive Director

Ms Soh Eng Hooi, aged 51, a Malaysian, female, was appointed to the Board on 31 December 2020 as an Independent Non-Executive Director and a member of Audit Committee and Nominating and Remuneration Committee. She was subsequently re-designated as the Chairman of Audit Committee on 14 January 2021.

Ms Soh graduated from University of Malaya with a Bachelor of Accounting (Honours) in 1994. She is a member of the Malaysian Institute of Accountants ("MIA") and the Malaysian Institute of Certified Public Accountants ("MICPA"). She started her career with Arthur Andersen & Co. Kuala Lumpur and was a partner in Baker Tilly Kuala Lumpur, an independent member firm of Baker Tilly International, before she founded E H Soh & Partners, an accounting firm, in 2015.

She is also an Independent Non-Executive Director of Integrated Logistics Berhad ("ILB") and MN Holdings Berhad and serves as the Chairman of Audit & Risk Management Committee of ILB. She was an Independent Non-Executive Director of SMRT Holdings Berhad from 27 November 2017 until 31 July 2020.

As a qualified accountant by profession, she carries with her more than 25 years of experience in providing assurance, corporate and financial advisory services to public and private companies. She is also a regular trainer/speaker for trainings and seminars organized by professional firms and accounting bodies such as MIA and MICPA.

There was no Board meeting held subsequent to Ms Soh's appointment to the Board on 31 December 2020.

PROFILE OF DIRECTORS
cont'd

LEE MIN ON
Independent Non-Executive Director

Mr Lee Min On, aged 61, a Malaysian, male, was appointed to the Board on 29 November 2016. He is an Independent Non-Executive Director and a member of the Audit Committee and Nominating and Remuneration Committee.

Mr Lee is a Chartered Accountant of the Malaysian Institute of Accountants ("MIA"), a Certified Public Accountant of the Malaysian Institute of Certified Public Accountants and a Chartered Fellow Member of The Institute of Internal Auditors, Malaysia ("IIAM").

He started his career with KPMG Malaysia in 1979 and retired as a Partner of the Firm on 31 December 2015. During his tenure with KPMG, he served in the external audit division before moving to helm the Firm's risk consulting practice, providing, inter-alia, board advisory services that encompassed corporate governance assessment, enterprise risk management and risk-based internal audit for both public listed as well as private corporations.

Mr Lee co-wrote the "Corporate Governance Guide: Towards Boardroom Excellence" 1st and 2nd Editions which were published by Bursa Malaysia Securities Berhad. He also sat on the Task Force which was responsible for developing the "Statement on Risk Management and Internal Control – Guidelines for Directors of Listed Issuers", a document issued by Bursa Malaysia Securities Berhad in 2012. As a strong advocate for good governance and integrity in the market place, Mr Lee regularly speaks at public seminars and conferences, including in-house sessions, sharing his thoughts and insights, particularly on Sustainability, Governance, Risk and Control.

Mr Lee also sits as an Independent Non-Executive Director of Tan Chong Motor Holdings Berhad, APM Automotive Holdings Berhad, Kotra Industries Berhad and Lii Hen Industries Bhd. He is also an audit committee Chairman of IIAM and a member of Audit and Risk Management Committee of MIA.

He has abstained from deliberation and voting in respect of transactions between the Group and related parties involving himself.

Mr Lee attended all the five (5) Board Meetings held in 2020.

CHIN TEN HOY
Non-Independent Non-Executive Director

Mr Chin Ten Hoy, aged 64, a Malaysian, male, was appointed to the Board on 29 November 2016 as an Executive Director. His corporate title has been changed to Executive Vice-President effective 1 January 2019. He was re-designated to Non-Independent Non-Executive Director as he had relinquished his position as the Chief Executive Officer of Mayflower Car Rental and Travel Division effective 14 January 2021.

Mr Chin holds a MBA in Tourism & Hospitality Management from the Tourism Institute of Australia/ Asia e-University and has more than 28 years of experience in the travel and hospitality industry; general management of properties development & acquisition and financial & audit management.

In 2001, Mr Chin joined Mayflower Corporate Travel Services Sdn Bhd ("MCTS") (formerly known as Mayflower American Express Travel Services Sdn Bhd) as General Manager overseeing its corporate travel business in Malaysia. Prior to joining MCTS, he served as a Senior General Manager for Mansfield Travel Sdn Bhd, a company under The KAB Group Berhad ("KAB") Group, where he was responsible for the financial and general management of corporate travel and car rental operations. Mr Chin began his career in 1988 with KAB as Internal Auditor and had served in KAB for 13 years holding senior positions in the areas of travel, properties development and management.

Mr Chin attended all the five (5) Board Meetings held in 2020.

Save as disclosed above, none of the other Directors has:

(i) any family relationship with any Director and/or major shareholder of the Company; and

(ii) any conflict of interest in the Company.

The above Directors have not been convicted of any offence within the past five (5) years other than traffic offence, if any, and have not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year.

PROFILE OF KEY SENIOR MANAGEMENT

Key Senior Management of Warisan TC Holdings Berhad ("Warisan") Group comprises Dato' Tan Heng Chew – President and Mr Tan Keng Meng – Chief Executive Officer, whose profiles are included in the Profile of Directors on page 18 in the Annual Report 2020, and the following senior management personnel:

LEE KOON SENG

Chief Financial Officer

Mr Lee Koon Seng, aged 53, a Malaysian, male, joined Warisan Group on 2 December 2020 and was subsequently appointed as Chief Financial Officer of Warisan on 31 December 2020.

Mr Lee is a member of The Malaysian Institute of Certified Public Accountants (MICPA) and the Malaysian Institute of Accountants (MIA).

Mr Lee began his career with Arthur Andersen/Hanafiah Raslan and Mohamad for more than 6 years. From 1993 to 2008, he held various finance and accounting positions in companies involved mainly in construction and property development activities, which include, amongst others, Olympia Land Berhad, M K Land Holdings Berhad, Nam Fatt Corporation Berhad and Mah Sing Group Berhad.

Prior to his appointment as Chief Financial Officer of Warisan, Mr Lee was the Chief Financial Officer of Kumpulan Jetson Berhad ("KJB") since 2008 and was responsible in overseeing the accounting, financial management and the risk management functions of the Group and also involved in the corporate finance and planning of the Group.

NICHOLAS TAN CHYE SENG

Director, MUV Marketplace/GoCar

Mr Nicholas Tan Chye Seng, aged 47, a Malaysian, male, a Director of MUV Marketplace Sdn Bhd ("MUV Marketplace"). Mr Nicholas Tan is the founder of "muv", a pioneer of an Offline2Online marketplace for used vehicles with gross merchandise value of over a billion Ringgit Malaysia in transactions recorded since 2015. He also led the investment in "GoCar" Malaysia's first car sharing platform when Mayflower Car Rental Sdn Bhd, a subsidiary of Warisan acquired a controlling stake in 2016.

Mr Nicholas Tan graduated from Boston University School of Management, USA with a Bachelor of Science Degree.

Mr Nicholas Tan joined Tan Chong Motor Holdings Berhad ("TCMH") in 2008 and headed the Corporate Planning and Strategic Investment Division. Today, he is the Executive Vice President of Financial Services and developed the supporting eco-system for car financing, car sharing, leasing, rentals and insurance products verticals.

He is also a Non-Independent Non-Executive Director of APM Automotive Holdings Berhad, a listed company on the Main Market of Bursa Malaysia Securities Berhad. He was on the founding board of Grab Inc. (a Singapore based technology company that offers ride-hailing, ride sharing, food delivery service and logistics services through its App in South East Asia) until end of 2017. He was formerly an Executive Director and Vice President of equities research in global investment banks for 10 years in Kuala Lumpur, Singapore and Hong Kong prior to joining TCMH.

He is the son of Dato' Tan Heng Chew, who is a Director and major shareholder of Warisan.

PROFILE OF KEY SENIOR MANAGEMENT
cont'd

CHIN YEN SONG
Acting Chief Executive Officer, Travel & Transportation Division

Ms Chin Yen Song, aged 47, a Malaysian, female, joined the Warisan Group as Finance Manager in 2003 and was promoted to Deputy General Manager and General Manager in January 2011 and July 2015 respectively. In 2020, she was tasked to oversee the corporate travel business of Mayflower Corporate Travel Services Sdn Bhd. She is responsible for business development and retention, and to drive customer service excellence. Currently, Ms Chin is the Acting Chief Executive Officer of Mayflower Group, taking charge of the entire travel and car rental business operation (locally and overseas).

Ms Chin is a Chartered Accountant, a Fellow Member of Association of Chartered Certified Accountants and a Member of the Malaysian Institute of Accountants.

Prior to joining Warisan Group, Ms Chin worked in Singapore for more than 10 years in telecom and manufacturing companies as Accountant.

TUNG SWEE HAR
Deputy General Manager, Wholesale & Corporate Ticketing Division

Ms Tung Swee Har, aged 62, a Malaysian, female, joined the Warisan Group in 2009 as a Senior Manager-Travel & Tours division to develop the Wholesale Department. She was promoted to Deputy General Manager in 2016, taking charge of the wholesaling and corporate ticketing business in Mayflower.

Ms Tung holds a Diploma in Executive Secretaryship (Administrative Management) from the Stamford College. She was serving as a Committee Member of the Air Transportation Sub-Committee under the Malaysian Association of Tours & Travel Agents (MATTA) from 2016-2018.

She has more than 30 years of working experience in the travel industry covering business development, retailing, corporate incentive and wholesaling. She has represented Mayflower in various Conferences held overseas and gained valuable knowledge of the technology advancement in the industry.

ABDUL RAHMAN BIN MOHAMED
General Manager, Travel & Transportation Division

Encik Abdul Rahman Bin Mohamed, aged 53, a Malaysian, male, joined the Warisan Group in 2009 as Deputy General Manager, Channel Management. He was promoted to General Manager in 2015. In May 2020, he was seconded to Mayflower Car Rental Sdn Bhd as an Acting General Manager. Currently, he is responsible for managing the day-to-day operations of the Travel and Transportation Division of Mayflower Group.

Encik Abdul Rahman is a graduate from University Technology MARA (UiTM) with a Bachelor of Science (BSc) in Business Administration. He has more than 20 years of working experience in travels and tourism industry.

PROFILE OF KEY SENIOR MANAGEMENT
cont'd

NG KIAT SENG
Senior General Manager, Automotive Division

Mr Ng Kiat Seng, aged 58, a Malaysian, male, joined the Warisan Group in April 2014 as Senior General Manager taking charge of sales and marketing function of automobile business.

Mr Ng received his education at Kuala Lumpur and has more than 35 years of experience in automotive industry. Prior to joining Angka-Tan Motor Sdn Bhd, he was the Product Head of the Bus Division of Tan Chong Industrial Equipment Sdn Bhd, a subsidiary of Tan Chong Motor Holdings Berhad.

YAP KIAM BENG
General Manager, Finance and Administration, Machinery Divsion

Mr Yap Kiam Beng, aged 55, a Malaysian, male, joined the Warisan Group in 2013 as General Manager, Finance and Administration in charge of accounting and finance in the travel and car rental division. In May 2015, he was transferred to head the finance and administration of the machinery and equipment business.

Mr Yap graduated with a Master in Business Administration, International Business from University of East London. He is also a Chartered Accountant of the Malaysian Institute of Accountant and a member of the Malaysian Institute of Certified Public Accountants.

Mr Yap has more than 30 years of working experience covering audit, finance, manufacturing, education, construction, travel and industrial machinery and equipment.

LEE KING SOON
General Manager, Light Machinery Division

Mr Lee King Soon, aged 57, a Malaysian, male, joined the Warisan Group in 1997 as Senior Manager-Finance in charge of accounting and finance. He was promoted to Deputy General Manager in 2008 and subsequently as General Manager in 2013. In May 2015, he was transferred to head the sales and marketing of light industrial machinery business.

Mr Lee is a graduate from Kolej Tunku Abdul Rahman with an Advance Diploma in Financial Accounting. He is also a Chartered Accountant and a Fellow Member of the Association of Chartered Certified Accountants.

He has more than 30 years of working experience covering audit, accounting, finance, manufacturing, steel construction and light industrial machinery.

PROFILE OF KEY SENIOR MANAGEMENT
cont'd

BEH KOK ANG
Senior Manager, Heavy Machinery Division

Mr Beh Kok Ang, aged 40, a Malaysian, male, joined Warisan Group in March 2012. He is currently taking charge of the sales and operation of Heavy Machinery business primarily for the imported earthmoving and road construction equipment.

Mr Beh obtained his Bachelor of Mechanical Engineering Degree from University of Adelaide, Australia. Prior to joining Warisan Group, Mr Beh was the Product Sales Manager for one of the leading high precision machinery tools manufacturers in Malaysia. He has more than 15 years of working experience covering industrial product development and operation management.

Save as disclosed above, none of the key senior management personnel has:

(i) any directorship in public companies and listed companies;
(ii) any family relationship with any Director and/or major shareholder of the Company;
(iii) any conflict of interest with the Company;
(iv) any conviction for offences within the past five (5) years other than traffic offences, if any; and
(v) any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

SUSTAINABILITY STATEMENT

We recognise that sustainability remains a core imperative for current business operation needs and ensuring the ability to meet future business needs. Being a responsible corporate citizen contributing to environmental protection, economic growth and social development is a keystone of the Group.

SUSTAINABILITY GOVERNANCE STRUCTURE

Our goal is to create sustainable value for all our stakeholders, including our community, customers, employees and shareholders, through the long term management of sustainability risks and opportunities, and practice of good corporate governance. The Board is responsible for sustainable performance and results of the Group. The Audit Committee is responsible for reviewing the risk management framework and sustainability initiatives undertaken by the Group. The Risk and Sustainability Committee ("RSC"), headed by our Chief Executive Officer, was established to assist the Board in identifying material sustainability matters, implementing, managing and monitoring their development on a consistent basis to ensure the Group achieves its long term sustainability goals and objectives. The main task of the RSC covers the identification of Economic, Environment and Social ("EES") risks and opportunities within the ecosystem of the Group, which includes identifying the EES impacts on the Group, implementation of approved sustainability strategies and action plans to achieve the Group's milestones and objectives.

Our Group is diversified in its key business activities, which comprise the provision of travel, air-ticketing, car rental and coaches services; the distribution and rental of heavy machinery imported from manufacturers of international repute; the assembly, distribution and sale of commercial and passenger vehicles and the provision of used vehicle auction services and car sharing. Each subsidiary within the Group has its own risk and sustainability sub-committee ("Sub-Committee") responsible for the matters that affect its stakeholders. The Sub-Committees report the progress on activities that are pertinent to sustainability matters to the RSC thrice yearly.

Below is the governance structure of the Group and the three (3) key Sub-Committees for illustration purpose:

SUSTAINABILITY STATEMENT
cont'd

Stakeholder Engagement

Our Group believes that engaging with the various stakeholders is integral in steering us towards our long-term sustainability goals. Our business divisions aim to maintain a constant line of communication with stakeholders, both at formal and informal levels. It is through this practice of open communication that our Group is able to forge a trusted relationship with our stakeholders, who include customers, investors, suppliers, employees, regulatory and statutory bodies, local and overseas communities, higher learning institutions and welfare organisations; and identify, assess as well as prioritise sustainability matters that are material to the Group.

The table below summarises some of the key stakeholders of the Group and the means with which we engage with them:

Stakeholders	Issue of Concern	Forms of Engagement
Customers	o Product quality o Customer service and experience o Cost of ownership	o Customer survey o Customer service centre o Visitation o Feedback to principals/ manufacturers on quality and product enhancement
Suppliers	o Product quality o Pricing and delivery schedule	o Supplier evaluation o Goods reject report
Employees	o Workplace safety and employee wellness o Career development o Remuneration & benefits o Learning opportunities o Ethics and integrity	o Performance review o Training o Team building activities o Young Executive Club o Constant communicate with employees to raise awareness and ensure compliance with the standard operating procedures issued by the Ministry of Health during the pandemic period by the employees
Regulatory and Government Bodies	o Introduction of new and/or changes of laws and regulations such as introduction of corporation liability under the Malaysian Anti-Corruption Commission Act 2009 o Labour practices	o Active engagement with respective regulatory bodies o Policies and guidelines
Higher learning institution, community and welfare organisation	o Supply of manpower o Community welfare	o Participation in career fairs o Social contribution and community services
Shareholders	o Group financial performance o Business strategy o Corporate governance	o Annual General Meeting o Quarterly and statutory announcements to Bursa Malaysia Securities Berhad ("Bursa Malaysia") o Corporate website

SUSTAINABILITY STATEMENT
cont'd

Material Assessment

During the financial year under review, the assessment process was conducted internally by the RSC to determine sustainability matters that are important to the Group and stakeholders, taking into consideration the Sustainability Reporting Guide issued by Bursa Malaysia.

In addition, we considered at the impact of such matters upon the business of the Group and stakeholders. A list of material sustainability matters that was relevant to the business and the industry we operate in was compiled and presented to the RSC for assessment.

The RSC identified a total of 10 material sustainability matters that are important to the business and to our stakeholders and are depicted as follows:

MATERIAL SUSTAINABILITY MATTERS

ECONOMIC

> Customer Satisfaction
> Productivity
> Succession Planning

ENVIRONMENT

> Waste & Energy

SOCIAL

> Employee Training and Education
> Diversity and Equal Opportunity
> Communities Activities and Contributions
> Workplace Safety and Health
> Compliance with Laws and Regulations
> Integrity

Our sustainability statement herein covers all the key business activities mentioned aforesaid carried out by the companies within the Group located in Malaysia, Myanmar and Cambodia.

ECONOMIC SUSTAINABILITY

Customer Satisfaction

Our growth is highly dependent on our customers. The Group places paramount importance on catering to our regular customers, as well as new customers to sustain our business given the challenging economic conditions and to uphold our brand reputation.

Various customer engagement methods, such as the use of survey forms, calls and social media platforms like Facebook, are conducted regularly to enable us to better understand and respond to our customers' expectations. We endeavour to retain our competitive advantage to remain as the first option to our customers.

We treat our customers' complaints seriously and ensure issues are attended to and addressed in a timely manner. Training sessions are conducted periodically to prepare our technical staff on issues relating to our products and to resolve potential issues that may affect the customer's experience. We have response teams to attend to machine breakdowns on site and provide replacement car for any rental car breakdown. For service staff, we ensure that they are equipped with the necessary skills and knowledge to handle customers' complaints.

SUSTAINABILITY STATEMENT
cont'd

Feedback from customers on our products is communicated to the relevant decision-makers in order to better respond to their needs.

Here are some examples of customer satisfaction ratings of MUV Marketplace Sdn Bhd based on public reviews on social media:

facebook — No. of Review 357 — 31st Dec 2020 — 4.7

Google Reviews — No. of Review 235 — 31st Dec 2020 — 4.5

The following are some examples of initiatives undertaken by our subsidiaries to maintain good customer service levels:

- Provide nationwide after sales service centres with constantly available parts;
- Readiness of Customer Relationship Management (CRM) systems and call centre support;
- Mobile service team on stand-by 24/7;
- Expand service dealer and sales network;
- Practise quality inspection and conduct joint inspections with customers;
- Adhere to Standard Operation Sheet to ensure quality control;
- Conduct weekly process audit for all assembly stations of Automotive Division;
- Gocar Mobility Sdn Bhd ("GoCar") has implementing a Customer Satisfaction (CSAT) scoring system to track and improve responses by customer service agents; and
- Reduce car downtime to ensure cars are constantly available for GoCar and Mayflower Car Rental customers.

Productivity

In light of challenging economic conditions due to the challenges posed by COVID-19 pandemic, the Group has prioritized productivity as a vital component towards sustaining our long-term viability.

Over the course of the year, various new initiatives and services were introduced by subsidiaries in an effort to strengthen the Group's revenue performance.

We also strongly believe that customers will retain their purchasing patterns for vendors that are able to provide the best service standards.

To enable the Group meet the high expectations of customers, and sustain the growth of business, we strive to optimise the deployment of our resources in a more efficient manner, for example:

- GoCar developed dynamic pricing to enable users enjoy lower price during the off-peak period, and optimize revenues during peak periods;
- GoCar has developed new revenue streams such as GoDriver, GoWrap, Long Term Rentals, One-Way Trips and Corporate Car Subscription;
- Mayflower Travel Group has re-strategized its business operation to enhance efficiency and productivity while reducing cost of operation;
- Mayflower Travel Group has pushed for domestic tourism by collaborating with partners such as Rakuten, SGI Vacation Club, and promoting Mayflower Travel Warrant on platforms like Shopee;
- TCIM Sdn Bhd ("TCIM") rationalized costs by negotiating with local suppliers and applied lean manufacturing methodologies in the workplace;
- TCIM put a great deal of effort in ensuring that sales productivity improvement is achieved via actively managing best product mix, as well securing necessary support from principals of industrial machinery in terms of pricing, marketing expenses and supply chain; and
- Optimising resources through group networking (after sales service, engineering support).

SUSTAINABILITY STATEMENT
cont'd

Succession Planning

We acknowledge the importance of staff quality towards our Group's success. The Group has a succession planning programme where internal talents within the Group are identified, developed and groomed with multiple skills to helm key leadership roles for the future. This succession planning programme is not only limited to Top Management but also applies to different levels of Management within the Group. The Top Management reviews the progress of identified successors from time to time and provides proper training and guidance as required.

We believe that the succession planning programme is imperative in the identification, motivation and retention of the younger generation of talents within the Group as they will likely see the opportunity for career development and growth within the Group.

ENVIRONMENTAL SUSTAINABILITY

Resources, Waste & Energy

Taking cognisance of the impact posed by climate change, the Group is committed to actions that will reduce our environmental impact. The Group has implemented the following environmental and waste management practices in its day-to-day operations:

- Authorised waste service centres and waste collectors have been engaged to enable wastes to be discharged in a regulated manner;
- Installation of grease, oil and silt traps at our workshops to minimise the discharge of grease and oil into rivers;
- Innovative business models (e.g: GoCar's car-sharing model) which are aimed at reducing vehicle ownership and the number of private vehicles on the road, hence reducing carbon emissions;
- Ensure products sold are environmentally friendly; for example, selling trucks with green engines compliant to Euro 2 & 3 standards, and battery powered forklifts;
- Online travel portals (mayflower.com.my) which enable users to book their travelling needs remotely from their homes/offices, and reduces unnecessary trips;
- Prohibiting open burning;
- Reducing paper wastage by digitizing processes such as payroll, leave applications (ESS) and performance reviews via Achievable Integrated Management System (AIMS);
- Recycling initiatives in offices which include the use of waste segregation bins and reducing paper printing; and
- Improving energy efficiency in offices by replacing fluorescent lamps with energy efficient LED tubes, and electrical appliance with inverter technologies in stages.

SOCIAL SUSTAINABILITY

Employee Training, Education and Career Development

As we recognise that human capital is a key driver to the Group's sustainability and performance, the need to invest in human capital is a top priority for the Group. Therefore, our employees are continuously trained and equipped with the relevant skills and knowledge to enable them to handle new challenges with confidence.

We offer training, both internal and external, to all levels of employees who need to be equipped with the right skill to be more effective and productive.

SUSTAINABILITY STATEMENT
cont'd

The table below shows the training hours recorded in the last 2 years:

	YEAR 2019	YEAR 2020
Total Training Hours	18,376	18,482
Average Training Hours per employee	12.93	13.92
Total Employee	1,421	1,328

We understand that learning and development is a crucial element when it comes to employee engagement. Thus, in 2019, we have set an average of 20 training hours for each individual. However, there was no enforcement at that time and with limitation of our Human Resources ("HR") system, we were not able to track all training hours. The number of training hours was captured in respect of some physical and online training where attendance of the participants was taken. In 2019, the Talent Management Team had also revised the training programmes and structure and introduced the programmes under the Guided Managerial Development Framework. In 2020, due to the pandemic, we have moved most of our face-to-face training to e-learning. The Talent Management Team sent out weekly e-learning emails to all staff with 35 emails sent out in 2020. As they were emails, the training hours attained through this channel were not able to be tracked. These weekly e-learning series provided pointers/tips for personal and managerial development and all materials and the contents were uploaded on our HR portal to enable employees to learn anywhere anytime.

We realise that it is necessary to have a good learning management system moving forward, and together with TC iTech Sdn. Bhd., the learning module for the in-house AIMS HR System is being developed, with the learning module to go live in September 2021. The system will enable all employees, managers and management to register for programmes, run e-learning modules, link to external content platforms and enable the tracking of employees' training hours, learning history and document the skills of the employees.

With these efforts, we believe this will improve the competence and capabilities of all employees. The Group also has various programmes to engage the younger generation to cultivate their talent and maximise their potential which include:

Young Executive Club ("Club")

It is an exclusive club for young employees. The president of the Club is elected by its members and assisted by a group of committee members.

The Club is responsible to organise various activities in the Group. This gives the members an opportunity to participate in planning, monitoring and decision making.

Accolades for Human Resources Development

1. **Award from CSR Malaysia Award 2020**

   On 11 November 2020, we were again recognised as one of the outstanding Malaysian corporations that have excelled in the corporate sustainability and social responsibility sphere. As this day marks another important journey of Warisan TC Holdings Berhad to be recognized for its commitment to contribute back to the society with receiving the CSR Malaysia Award 2020 - Company of the Year under the category of Automotive & Consumer Products at the prestigious CSR Malaysia Awards 2020, the biggest corporate social responsibility award.

SUSTAINABILITY STATEMENT
cont'd

Organised by CSR Malaysia, the annually held awards initiative is a platform to celebrate outstanding achievers and inspiring corporations for their efforts to create a better Malaysia through their sustainability and corporate social responsibility endeavours. This recognition will always remind us of our humble presence in the corporate world and helps us to strive to perform even better in the future.

2. **Award from ASEAN HR Award 2020**

The ASEAN HR Awards 2020 by HrHub Malaysia is envisioned to inspire and establish a positive human resource shift in the training industry in Malaysia. The awards programme also showcases the best in the human resource industry and practices. It is HrHub's hope that the programme acts as a catalyst to bring the industry to the next level. The awards were designed to honor the best and brightest in human resources, including departments and individuals. We are glad that we were recognized as one of the award recipients of the 'Asean HR Awards 2020' in the sphere of human resource excellence in Malaysia – Warisan TC Holdings Berhad for 'Employer of the Year under the category of Investment & Automotive'.

Meanwhile, our Chief Executive Officer and HR Manager were pleased to be recognized under the 'People-Focused CEO' award category & HR Personality of the year award category respectively. This recognition will always remind us to value and train up our most valuable assets, i.e. our employees as they are the backbone and pillar of the Group to deliver the best services and products to our customers.

This is a significant achievement for the Group as we competed against some of the largest organisations in the country. It showed the determination and commitment taken by our Group to be recognised as one of the companies of choice for employees.

SUSTAINABILITY STATEMENT
cont'd

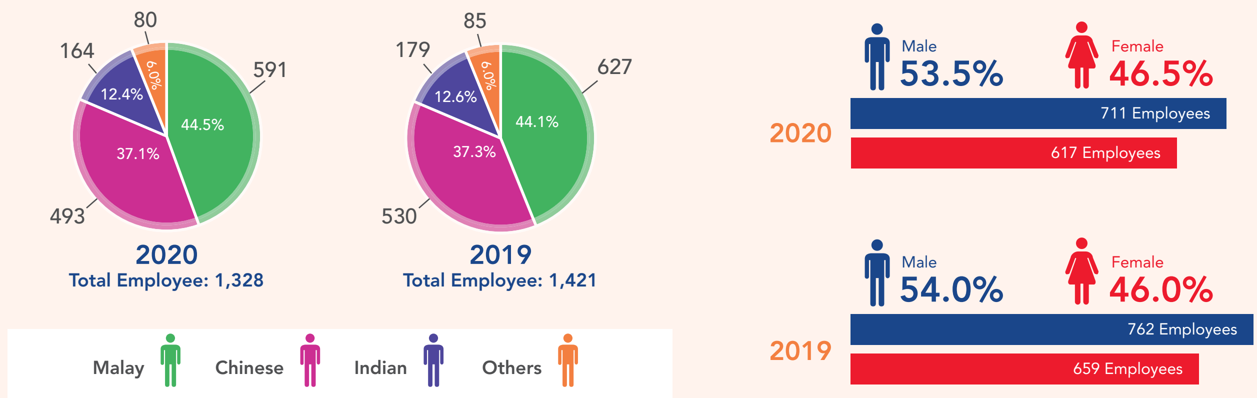
Diversity & Equal Opportunity

We acknowledge that the diversity of our people is a source of strength. Therefore, we promote inclusiveness and equal opportunity in the workplace, regardless of ethnicity, gender, age or background. All employees are treated equally within the Group and are appraised and rewarded based solely on their merits.

The diversity profile of the Group's employees in 2020 are as follows:

ETHNICITY

GENDER



Community Activities and Contributions

Being mindful of the less fortunate and marginalised, we strive to provide for society as we believe that such initiatives, as part of the Group's Corporate Social Responsibility ("CSR") can transform lives. Even a small gesture like a home visit may have a positive impact on the community at large. The various initiatives carried out during the year were aimed not only at supporting the community, but also to enhance the Group's visibility, including its product and service offerings.

Although there were myriad challenges amidst the COVID-19 pandemic period, we continued to encourage our employees to reach out to the community by participating in various charitable and community activities.

During the COVID-19 pandemic period, the Group continued to contribute to the community as part of CSR to the needy and initiated various activities, including providing donation, essential food, fuel vouchers to healthcare frontliners.

SUSTAINABILITY STATEMENT
cont'd

Job Opportunities for Young Talents

In an effort to upskill young talents, we always provide opportunities for fresh graduates and interns to work within our Group.

In 2020, we recruited fresh graduates to join our workforce from the education fairs and engaged a total of 38 interns for various subsidiaries of the Group. We provided them with the required industrial training in our efforts to equip them with the necessary knowledge and skills for their future. Some of the interns eventually became our permanent staff.

Workplace Safety and Health

We care about the well-being of our employees who may be exposed to occupational hazards in the workplace. All our subsidiaries have their respective Safety and Health Committees which meet on a regular basis to review the safety and health related matters. Our employees are required to attend talks on safety related issues to maintain safety awareness at all times. Our offices and factories are inspected by properly trained and qualified safety personnel on a regular basis, which includes ad-hoc spot checks.

All accidents, regardless of minor or serious, and even near miss cases, are carefully reviewed by the relevant Safety and Health Committee to ensure action plans are put in place to prevent the recurrence of similar incidents. No fatality was recorded in 2020.

We understand the importance of response time in any emergency situation especially in fire incidents. Therefore, we ensure fire drills are carried out as scheduled, including unscheduled basis, to ensure that the Emergency Responses Team and employees act in an orderly manner and within an acceptable timeframe during emergency situation.

In 2020, with the safety concerns brought about by the COVID-19 pandemic, the Group has taken additional precaution to prevent our employees from being infected by the virus. We constantly monitored compliance with the COVID-19 Standard Operating Policies ("SOP") that were put in place and any non-compliance of the SOP by the employees would result in disciplinary action.

The following measures were taken:

- Communications to our employees on awareness, precautions to be taken and guidelines on travel have been frequently done via emails and notices;
- Notices, hand sanitizers, thermal detection guns and masks have been deployed as required;
- Updates of the virus situations locally and internationally were monitored on a daily basis;
- Mitigating actions and precautions from Group HR have been taken to reduce transmission internally. This includes travel bans to high risk countries as well as restricted travel to other locations;
- Business continuity plans/guidelines were put in place and/or implemented when the situation escalated to crisis mode;
- All SOPs/ return to work guidelines have been put in place and posted on the HR portal;
- Spot checks for all businesses have been carried out to ensure compliance by all businesses, entities and at all locations;
- Social distancing enforced at workspaces; and
- Daily self-declarations continued to be monitored.

By invoking the business continuity plan, Mayflower Corporate Travel Services Sdn Bhd ("MCTS") was able to operate its call centre operations from home and its employees were able to continue supporting its customers without any interruption since the lock down was first announced in March 2020. On each business operation day, MCTS call centre ticketing consultant would log-in Avaya call system ready to answer client incoming call or make outbound calls. On customer voice engagement, customers could reach our ticketing consultant as per the dedicated phone numbers that were assigned to each group of customers.

The Safety and Health Committees have conducted inspections at all subsidiaries' workspaces to ensure that the above COVID-19 measures are implemented smoothly. Our employees also attended talks on safety and health related issues, including COVID-19 safety measures.

SUSTAINABILITY STATEMENT
cont'd

We are glad to report that there have been no business shutdowns due to Covid-19 exposures during the financial year under review.

The Group has also conducted safety and health trainings to employees which covered, among others, the following:

1) COVID-19 Precautionary Briefing;
2) Awareness of Road Traffic Safety Management System ISO 39001:2012;
3) Defensive Driving Training;
4) Columbia Asia Health Screening Programme;
5) CENVIRO Safety Passport Training;
6) Fire Prevention Awareness Talk;
7) Preparation and Precautionary Actions for Operation during Movement Control Order;
8) Noise Hazard Identification;
9) COVID-19 Precautionary Measures Inspection;
10) Scheduled Waste Management Training;
11) Parts Stock Count Safety Briefing;
12) Machinery Stock Count Safety Briefing;
13) Emergency Response Team Briefing; and
14) Noise Hazard Identification Training.

Compliance with Laws and Regulations

We view compliance with laws and regulations seriously so as to ensure that all our activities and operations are conducted within the laws and regulations, be it in Malaysia or other countries where we have a presence.

Integrity

Integrity ranks high in our corporate agenda and it is one of the key elements in the Group's 7 Core Values. We believe that integrity is the cornerstone to sustaining the organisation in the long-term.

The Group has zero tolerance on fraudulent and corrupt acts. Hence, we expect our employees, regardless of seniority level, and Directors to cultivate a culture of honesty, reliability, transparency and accountability among the Group and our stakeholders.

The Group has in place the following policies to strengthen our governance:
- Anti-Bribery and Anti-Corruption (ABAC) Policy;
- Code of Business Conduct and Ethics for Employee;
- Fraud Prevention Policy; and
- Special Complaints Policy.

This year, we have introduced the ABAC Policy to further strengthen transparency, integrity and fairness in all aspects of the Group's business with a structured framework. Briefings have been conducted to all subsidiaries, employees and relevant stakeholders to ensure the smooth implementation of the ABAC Policy.

Taking cognisance of the importance of having in place a process to identify and monitor matters that are material to the continued viability and sustainability of the Group, the Board of Directors has reviewed the overall performance of the Group, beyond just financial results.

This is so that remedial measures may be implemented by Management to steer the Group towards realising its sustainability goals and agenda on an ongoing basis.

This Statement is dated 6 April 2021.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors ("Board") of Warisan TC Holdings Berhad ("Company" or "WTCH") recognises the importance of adopting high standards of corporate governance in the Company in order to safeguard stakeholders' interests as well as enhancing shareholders' value. The Board believes having sound corporate governance practices will improve corporate transparency, accountability, performance and integrity.

As such, the Board embeds in the Group a culture that is aimed at delivering balance between conformance requirements with the need to deliver long-term strategic success through performance, without compromising on personal or corporate ethics and integrity.

This Statement provides an overview of the Company's application of the Principles as set out in the Malaysian Code on Corporate Governance ("MCCG") during the financial year under review. Details on how the Company has applied the Practices as set out in the MCCG during the financial year 2020 are disclosed in the Corporate Governance Report, which is available on the Company's corporate website at www.warisantc.com.my.

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

I. BOARD RESPONSIBILITIES

The Board is collectively responsible for the long-term success of the Group and delivery of sustainable value to its stakeholders. In discharging its fiduciary duties and leadership functions, the Board sets the strategic direction for the Group, and ensures effective leadership through oversight of Management and robust monitoring of the activities and performance in the Group.

All members of the Board are aware of their responsibilities to take decisions objectively which promote the success of the Group for the benefits of shareholders and other stakeholders, besides safeguarding their interests. The roles and responsibilities of the Board are clearly set out in the Board Charter, which is available on the Company's website at www.warisantc.com.my. This Board Charter is periodically reviewed by the Board to be in line with regulatory changes and to reflect recent changes made to the terms of reference of the Board Committees. The Board Charter was last reviewed by the Board in February 2021.

The key roles and responsibilities of the Board broadly cover formulation of corporate policies and strategies; overseeing and evaluating the conduct of the Group's businesses; identifying principal business risks and ensuring the implementation of appropriate internal systems to manage those risks; and reviewing and approving key matters such as financial results, investments and divestiture, and major capital expenditure, including succession planning.

To assist in the discharge of its stewardship role, the Board has established Board Committees, namely the Audit Committee and Nominating and Remuneration Committee ("NRC"), to examine specific issues within their respective terms of reference as approved by the Board and report to the Board with their recommendations. The ultimate responsibility for decision making, however, lies with the Board. The members of both Audit Committee and NRC are all Independent Non-Executive Directors.

In enhancing accountability, the Board has established clear functions reserved for itself and those delegated to Management. There is a formal schedule of matters reserved to the Board for its deliberation and decision to ensure the direction and control of the Company are in its hands. Key matters reserved for the Board include, inter-alia, approval of Group annual budgets and audited financial statements, quarterly financial reports for announcement, investment and divestiture, as well as monitoring of the Group's financial and operating performance. Such delineation of roles is clearly set out in the Board Charter.

The positions of the Chairman and the Chief Executive Officer are held by different individuals to ensure an appropriate balance of roles, responsibilities and accountability.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
cont'd

The Executive Team (as defined in the Board Charter) comprising the President (leader), Chief Executive Officer, Executive Vice President, Chief Financial Officer and other Senior Management Personnel, is responsible to the Board in accordance with their respective roles, positions, functions and responsibilities which include, inter-alia, the achievement of the Group's goals and observance of Management authorities delegated by the Board, developing business plans which are aligned to the Group's requirements for growth, profitability and return on capital to be achieved, ensuring cost effectiveness in business operations, overseeing development of human capital and ensuring members of the Board have the information necessary to discharge their fiduciary duties and other governance responsibilities.

As the leader of the Executive Team, the President, who is supported by the Chief Executive Officer, Executive Vice President, Chief Financial Officer and other Senior Management Personnel, oversees the overall management and strategic development of the Group. The Chief Executive Officer is responsible for managing and supervising the day-to-day business operations in accordance with the Group's strategies, policies and business plans approved by the Board.

The President assumes the position of the Chairman of the Board. As Chairman, he is responsible for ensuring the adequacy and effectiveness of the Board's governance process and acts as a facilitator at Board meetings to ensure that contributions from Directors are forthcoming on matters being deliberated and that no Board member dominates discussion.

The Independent Non-Executive Directors, who comprise half the Board's size, are responsible for providing insights, unbiased and independent views, advice and judgement to the Board and also ensuring effective checks and balances on Board's decisions. Independent Non-Executive Directors are essential for protecting the interests of shareholders, in particular minority shareholders, and can make significant contributions to the Company's decision making by bringing in the quality of detached impartiality.

The Board also delegates its authorities to Management committees, namely Risk and Sustainability Committee and Executive Management Committee, which comprise appropriate members of Management in order to ensure the operational efficiency and that specific matters are being handled effectively.

The Board has formalised a Directors' Code of Ethics setting out the standards of conduct expected from all Directors. The Directors' Code of Ethics is contained in Appendix A of the Board Charter which is published on the Company's website at www.warisantc.com.my. To inculcate good ethical conduct, the Group has established a Code of Conduct for employees, which has been communicated to all levels of employees in the Group. The Company also has in place a Special Complaint Policy, which is equivalent to whistle-blowing policy that serves as an avenue for raising concerns related to possible breach of business conduct, non-compliance of laws and regulatory requirements as well as other malpractices.

Directors have unrestricted access to the advice and services of the Company Secretary to enable them to discharge their duties effectively. The Board is regularly updated and advised on corporate regulatory requirements by the Company Secretary who is qualified in accordance with the requirements of the Companies Act, 2016, experienced and competent on statutory and regulatory requirements.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
cont'd

In discharging their responsibilities effectively, the Directors allocate sufficient time to attend Board and Board Committee meetings to deliberate on matters under their purview. During the year, the Board deliberated on matters relating to business strategies and issues concerning the Group, including business plan, annual Group budget, financial results, related party transactions, quarterly financial reports and other significant transactions. All Board and Board Committee members are provided with the requisite notice, agenda and board papers prior to the convening of each meeting of the Board and Board Committee, in a timely manner. For the financial year under review, the Board convened five (5) Board meetings and attendances of the Directors are as follows:

Name	No. of Board Meetings attended	Percentage of Attendance (%)
Dato' Tan Heng Chew	5/5	100
Tan Keng Meng	5/5	100
Chin Ten Hoy	5/5	100
Dato' Chong Kwong Chin	4/5	80
Datuk Abdullah bin Abdul Wahab	5/5	100
Lee Min On	5/5	100
Soh Eng Hooi (Appointed on 31 December 2020)	*N/A	*N/A

*Note: * N/A – Not applicable.*

The Board is mindful of the importance for its members to undergo continuous education and training programmes to be apprised of the changes to regulatory requirements and the impact such regulatory requirements have on the Group. Besides circulating relevant circulars and guidelines on statutory and regulatory requirements from time to time for the Board's reference, the Company Secretary also explains to the Board at its meeting the implications of such requirements, including the associated implications to the Directors and the Group.

All Directors of the Company, including Ms Soh Eng Hooi who joined the Board on 31 December 2020, have completed the Mandatory Accreditation Programme as required by the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities"). During the financial year under review, the trainings attended by the Directors included briefings, seminars, workshops and conferences conducted by the relevant regulatory authorities and professional bodies. All the Directors of the Company attended training during the financial year under review, details of which are as follows:

Directors	Details of Program
Dato' Tan Heng Chew	■ Tan Chong Motor Holdings Berhad ("TCMH"): 2021 Budget Briefing ■ TCMH: Securities Commission Guidelines on Conduct of Directors of A Listed Corporation and Its Subsidiaries
Tan Keng Meng	■ TCMH Group: Risk Management Workshop ■ TCMH Group: 3rd Party Due Diligence Online Workshop ■ WTCH: Corruption Risk Assessment - Section 17A of the Malaysian Anti-Corruption Commission ("MACC") Act 2009 ■ WTCH: Securities Commission Guidelines on Conduct of Directors of Listed Corporations and their Subsidiaries
Chin Ten Hoy	■ WTCH: Corruption Risk Assessment - Section 17A of the MACC Act 2009 ■ WTCH: Securities Commission Guidelines on Conduct of Directors of Listed Corporations and their Subsidiaries

CORPORATE GOVERNANCE OVERVIEW STATEMENT
cont'd

Directors	Details of Program
Dato' Chong Kwong Chin *(Resigned on 14 January 2021)*	■ WTCH: Corruption Risk Assessment - Section 17A of the MACC Act 2009
Datuk Abdullah bin Abdul Wahab	■ WTCH: Corruption Risk Assessment - Section 17A of the MACC Act 2009 ■ WTCH: Securities Commission Guidelines on Conduct of Directors of Listed Corporations and their Subsidiaries
Lee Min On	■ KPMG Malaysia: Malaysian Financial Reporting Standard ("MFRS") 16 - Lease Arrangement ■ See Hup Consolidated Berhad: Understand Financial Reporting & Implications of Inaccurate and/or Delay in Reporting, including the roles of the Board, Audit Committee, Management, Company Secretary and Auditors ■ WTCH: Corruption Risk Management - Section 17A of the MACC Act 2009 ■ The Institute of Internal Auditors Malaysia ("IIA"): Section 17A Corporate Liability - Roles of the Internal Auditor ■ Securities Industry Development Corporation: Listing Requirements on Corporate Governance Reporting ■ Kumpulan Perangsang Selangor Berhad: How Government, Risk & Controls are Intertwined to Provide Assurance on Business Sustainability ■ Malaysian Institute of Accountants ("MIA"): Webinar on Corporate Liability Provision of the MACC Act 2009 for Chief Financial Officers ■ Westport Holdings Berhad: Fraud Risk Management - Whose Responsibility is it? ■ Aeon Credit Service (M) Bhd: ERM Module 1 - An Introduction to Enterprise Risk Management ■ WTCH: Securities Commission Guidelines on Conduct of Directors of Listed Corporations and their Subsidiaries
Soh Eng Hooi *(Appointed on 31 December 2020)*	■ Institute of Corporate Directors Malaysia ("ICDM"): Stakeholder Engagement - In Times of Crisis: Stakeholders Take Centre Stage ■ ICDM: PowerTalk #10 - The Path to the Next Normal: So What Now for Leadership? ■ Baker Tilly Malaysia ("Baker Tilly"): The New Normal: Expected Trends in Tax, Economic and Corporate Transaction ■ Baker Tilly: Covid-19 The new normal: Corporate Rescue Mechanisms in Times of Crisis ■ The Malaysian Institute of Certified Public Accountants ("MICPA"): Integrated Reporting - Covid 19 Best Practice ■ MICPA: Tax Measures introduced due to the Covid-19 Pandemic ■ IIA: Mind the Gap! Audit your Anti-Bribery and Corruption Programme effectively ■ MICPA: Restructuring Your Business - What You Need to Know ■ 6Biz Academy: Modern Data Analytics In A Nutshell ■ ICDM: Virtual Board Meetings: In an Era of Social Distancing Boards ■ Baker Tilly: Solar PV Investment: A Boom to Companies in Malaysia? ■ MICPA: Redefine Business Continuity ■ Baker Tilly: Roadmap to IPO-In time of Crises ■ IMEC Education Sdn Bhd: Design Sprint 4.0 ■ MIA: Fair Value Measurement Techniques for Financial Assets and Non-Financial Assets ■ MIA: MFRS 16 Leases: What it Entails and its Effects (Plus tax considerations)

CORPORATE GOVERNANCE OVERVIEW STATEMENT
cont'd

II. BOARD COMPOSITION

The Company is led by an experienced Board with diverse background in business and financial experience, and skills which are vital for the continued progress and success of the Group.

The Board currently has six (6) members, comprising three (3) Independent Non-Executive Directors, one (1) Non-Independent Non-Executive Director and two (2) Executive Directors. This composition of the Board fulfills the requirements as set out under the Main Market Listing Requirements of Bursa Securities which stipulate that at least two (2) Directors or one-third of the Board, whichever is higher must be independent. The Directors, with their diverse backgrounds and specialisations, collectively bring with them a wide range of experience and expertise in areas such as engineering, finance, accounting and audit, legislative and administration, corporate governance, risk management and internal audit, as well as marketing and operations. The profiles of members of the Board are provided in the Annual Report.

The NRC is entrusted to assess the adequacy and appropriateness of the Board composition, identify and recommend suitable candidates for Board membership and also to assess annually the performance of the Directors, succession plans and Board diversity, including gender, age and ethnicity diversity, training courses for Directors and other qualities of the Board, including core-competencies, which the Independent Non-Executive Directors should bring to the Board. The Board has the ultimate responsibility of making the final decision on the appointment of new Directors.

The NRC considers candidates proposed by the Chairman and, within the bounds of practicability, by any Director or shareholder or sourcing from independent search firms/directors' registry. The NRC conducts interview session to assess and review, amongst others, the candidate's skills, knowledge, expertise, experience, competency, character, professionalism and integrity. Based on the recommendations from the NRC, the Board evaluates and decides on the appointment of the proposed candidate as an additional Director or to replace any Director who resigns or retires from the Board and Board Committees.

The Board, through the NRC, conducts an annual review of the Board, Board Committees and individual Directors using a questionnaire methodology. For the financial year under review, the self and/or peer assessments were carried out via assessment forms, comparing existing corporate governance practices and activities against the relevant terms of reference, practices and guidance of MCCG and Main Market Listing Requirements. The Board, Board Committees and individual Directors were assessed based on criteria covering areas, amongst others, composition and structure, mix of skills, experiences, competencies, personality, diversity, contribution and performance and meeting administration and conduct.

Based on the annual assessment conducted on 14 January 2021, the NRC was satisfied with the existing Board composition and concluded that each Director has the requisite competence and capability to serve on the Board and has sufficiently demonstrated the Director's commitment to the Board in terms of time and participation during the year under review, and has accordingly recommended to the Board the re-election of the retiring Directors at the Company's forthcoming Annual General Meeting ("AGM"). All assessments and evaluations carried by the NRC in the discharge of its functions were duly documented.

The Board Charter provides a limit of a cumulative term of nine (9) years on the tenure of an Independent Non-Executive Director. Thereafter, he may be re-designated as a Non-Independent Non-Executive Director. In the event the Board intends to retain the Director as an Independent Non-Executive Director after the latter had served a cumulative term of nine (9) years, the Board must justify such decision and seek shareholders' approval at the AGM.

The NRC has assessed the independence of Independent Non-Executive Directors for the financial year 2020 based on criteria set out in Paragraph 1.01 of the Main Market Listing Requirements and Practice Note 13 of Bursa Securities and concluded that all the Independent Non-Executive Directors have satisfied the independence criteria and each of them is able to provide independent judgement and act in the best interest of the Company.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
cont'd

Following an assessment and recommendation by the NRC, the Board is of the opinion that the independence of existing Independent Non-Executive Directors remains unimpaired and their judgement over business dealings of the Company has not been influenced by the interest of the other Directors or substantial shareholders.

Datuk Abdullah bin Abdul Wahab has served as Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years. Following an assessment and recommendation by the NRC, the Board recommended that Datuk Abdullah bin Abdul Wahab who has served as Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years as of the date of this Annual Report, be retained as an Independent Non-Executive Director, subject to shareholders' approval at the forthcoming AGM of the Company based on key justifications as set out under the Explanatory Notes of the Notice of AGM.

A summary of key activities undertaken by the NRC in discharging its duties during the financial year under review is set out below:

- Reviewed and assessed the independence of Independent Non-Executive Directors;
- Reviewed and recommended the re-election of Directors who are due for retirement by rotation, and continuation in office as an Independent Non-Executive Director for Datuk Abdullah bin Abdul Wahab who has served a cumulative term of more than nine (9) years for shareholders' approval at the forthcoming AGM;
- Reviewed the size and composition of the Board based on the required mix of skills, experience, knowledge and diversity;
- Assessed the effectiveness of the Board as a whole, the Board Committees and the contributions of individual Directors as well as the Chief Financial Officer and Company Secretary;
- Assessed Directors' training needs and acknowledged the training programmes attended by Directors as well as identified suitable training programmes to enhance Directors' skills;
- Interviewed a candidate for appointment as an additional director to the Board;
- Reviewed the terms of reference of the NRC;
- Reviewed and recommended the salary adjustment for Executive Directors and Senior Management;
- Reviewed and recommended the 2020 reinstatement and annual increment for Executive Directors and Senior Management; and
- Reviewed the renewal of Executive Service Contract for the Senior Management.

The Company has formalised a Board Diversity Policy and such policy is contained in the Board Charter which is published on the Company's website. The Board believes that the evaluation of suitability of candidates should be based on the candidates' competency, character, time availability, integrity and experience in meeting the Company's needs. The Board constantly advocates fair and equal participation and opportunity for all individuals of the right calibre without any specific discrimination as to the age, ethnicity or gender of the candidates concerned.

In accordance with the Board Diversity Policy on gender, the Board shall comprise at least a woman Director at any time. The NRC met on 28 December 2020 and assessed the suitability of Ms Soh Eng Hooi for appointment as an Independent Non-Executive Director of the Company based on her character, professionalism and integrity as well as her skills, competence, expertise, experience and time commitment. The NRC viewed that Ms Soh has the relevant experience, credentials and expertise and would be able to discharge her duty as an Independent Director of the Company and has recommended Ms Soh to the Board for appointment as an Independent Non-Executive Director. The Board, having considered the recommendations of the NRC approved the appointment of Ms Soh as an Independent Non-Executive Director on 31 December 2020 as well as Member of Audit Committee and NRC. The latest appointment of Ms Soh has brought to the Board diversity in terms of gender as well as age, the latter of which would be pertinent for an orderly succession of Board members.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
cont'd

III. REMUNERATION

The NRC has been tasked with expanded duties and responsibilities to assist the Board in implementing policies and procedures on matters relating to the remuneration of Board members and Senior Management.

In accordance with Practice 6.1 of the MCCG, the Board has formalised pertinent Policies and Procedures for the Remuneration of Directors and Senior Management to align with business strategy and long-term objectives of the Group. The remuneration packages for Executive Directors and Senior Management are linked to performance, qualifications, experience and scope of responsibility and geographic location where the personnel are based and are periodically benchmarked to market/industry surveys conducted by human resource consultants.

As a matter of practice, the Directors concerned abstain from deliberation and voting on their own remuneration at Board Meetings.

The remuneration received or to be received by Directors of the Company from the Group and Company for the financial year ended 31 December 2020 amounted to RM3,073,853 and RM2,207,909 respectively. Details of the remuneration for each of the Directors on a named basis are set out under Practice 7.1 of the Corporate Governance Report uploaded on the Company's website at www.warisantc.com.my.

In February 2021, the NRC conducted a review on the Policies and Procedures for the Remuneration of Directors and Senior Management to determine its adequacy, effectiveness and continued relevance. The Board approved the said revised Policy as recommended by the NRC.

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

I. AUDIT COMMITTEE

In assisting the Board to discharge its duties on financial reporting, the Board has established an Audit Committee, comprising wholly Independent Non-Executive Directors with Dato' Chong Kwong Chin as the Committee Chairman during the financial year under review. The position of the Committee Chairman was subsequently held by Ms Soh Eng Hooi after Dato' Chong Kwong Chin resigned as an Independent Non-Executive Director of the Company on 14 January 2021. Members of the Audit Committee collectively are financially literate and are qualified to discharge their duties and responsibilities set out in the Committee's Terms of Reference ("Charter") approved by the Board. They constantly keep abreast of relevant changes to financial reporting standards and pertinent issues which have a significant impact on financial statements through regular updates from the external auditors and membership in professional bodies.

One of the key responsibilities of the Audit Committee in its Charter is to ensure that the financial statements of the Group and the Company comply with the applicable financial reporting standards in Malaysia and provisions of the Companies Act, 2016. Full details of the Audit Committee's responsibilities can be found in the Charter, annexed to the Board Charter, which is available on the Company's website. A summary of the activities carried out in 2020 by the Audit Committee is set out in the Audit Committee Report of this Annual Report.

The Charter has a provision on the requirement for a former key audit partner to observe a cooling-off period of at least three (3) years before being appointed as a member of the Audit Committee.

The Board understands its role in upholding the integrity of financial reporting by the Company. Accordingly, the Audit Committee, which assists the Board in overseeing the financial reporting process of the Company, has adopted a policy for the types of non-audit services permitted to be provided by the external auditors and/or their affiliates, including the need for obtaining the Audit Committee's approval for such services.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
cont'd

II. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

The Board has overall responsibility for maintaining a sound system of risk management and internal control of the Group that provides reasonable assurance on effective and efficient business operations, compliance with applicable laws and regulations as well as internal procedures and guidelines.

The Board has put in place a structured framework to enable Management to identify, evaluate, control, report and monitor the principal business risks faced by the Group. The Board is updated on the Group's system which encompasses risk management practices and the implementation of internal controls to mitigate the identified business risks on a regular basis. Ongoing reviews are performed throughout the year by the respective business units to identify, evaluate, manage, report and monitor the significant risks affecting their business and ensure that adequate internal controls are in place. The risk registers which are maintained by the Group are reviewed and updated by the Risk and Sustainability Committee (a Management Level Committee) at least twice a year.

Details of the Group's Enterprise Risk Management framework, activities carried out for the financial year under review and reporting processes are set out in the Statement on Risk Management and Internal Control included in this Annual Report.

In line with the MCCG and the Main Market Listing Requirements of Bursa Securities, the Board has established an in-house Group Internal Audit Department ("GIA"), which reports directly to the Audit Committee on the adequacy and operating effectiveness of the Group's system of risk management and internal control. All internal audits carried out are guided by the International Professional Practices Framework of The Institute of Internal Auditors Inc., a globally recognised professional body for internal auditors. The GIA is independent of the activities it audits, and its authority, scope and responsibilities are governed by an Internal Audit Charter approved by the Audit Committee. The scope of work covered by the GIA during the financial year under review is set out in the Statement on Risk Management and Internal Control included in this Annual Report.

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

I. COMMUNICATION WITH STAKEHOLDERS

The Board recognises the importance of being transparent and accountable to the Company's shareholders and other stakeholders.

Shareholders and other stakeholders of the Company, as the case may be, are provided with accurate and timely dissemination of information via the Annual Reports, circulars to shareholders, quarterly financial reports and the various announcements which provide an overview of the Group's financial results, business performance and operations. Shareholders and other stakeholders can access information at the Company's website at www.warisantc.com.my, which includes the Board Charter, corporate information, announcements, financial information, and Annual Reports.

The Company also has a dedicated electronic mail, i.e. corporate@warisantc.com to which stakeholders can direct their queries or concerns.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
cont'd

II. CONDUCT OF GENERAL MEETINGS

The AGM, which is the principal forum for shareholder dialogue, allows shareholders to review the Group's performance via the Company's Annual Report and pose questions to the Board for clarification.

In line with the Malaysian Code on Corporate Governance, the Company despatched the notice of the 23rd AGM to its shareholders at least 28 days before the AGM. As part of the initiatives to curb the spread of Coronavirus Disease 2019 (Covid-19), the 23rd AGM which was held on 7 August 2020 was conducted fully virtual through live streaming from the broadcast venue at Tricor Business Centre, Kuala Lumpur, Malaysia. During the 23rd AGM, the Chairman of the meeting ensured that the meeting was conducted in an orderly manner and allowed shareholders or proxies to raise questions or seek clarification on agenda items of the AGM. The shareholders were encouraged to pose and submit questions electronically in advance of the 23rd AGM or submit their questions using the query box to transmit their questions during the Meeting for the Board to respond.

The Chief Executive Officer presented to the Meeting the Group's financial performance, some key initiatives and business outlook of the year. The Directors and Senior Management responded to all questions submitted and provided clarification as required by the shareholders. A summary of key matters discussed at the AGM is available on the Company's website.

All resolutions set out in the notice of AGM are voted by poll in accordance with the Main Market Listing Requirements of Bursa Securities. The Board had adopted electronic voting method for polling at the last AGM to facilitate greater shareholders' participation, enabling efficiency in the voting process as well as ensuring transparency and accuracy of the voting results.

This Statement is dated 6 April 2021.

AUDIT COMMITTEE REPORT

The Board of Directors of Warisan TC Holdings Berhad is pleased to present the Audit Committee Report ("Report") for the financial year ended 31 December 2020.

COMPOSITION AND MEETINGS

The Audit Committee ("Committee") was established on 1 November 1999. The current composition of the Committee and the attendance of its members at the six (6) meetings held during the financial year are set out below:

Name	Designation	Attendance
Dato' Chong Kwong Chin *Independent Non-Executive Director* *(Resigned on 14 January 2021)*	Chairman	5/6
*Soh Eng Hooi *Independent Non-Executive Director* *(Appointed on 31 December 2020)*	Chairman	**N/A
Datuk Abdullah bin Abdul Wahab *Independent Non-Executive Director*	Member	6/6
Lee Min On *Independent Non-Executive Director*	Member	6/6

*Note: * Ms. Soh Eng Hooi was appointed as Member of the Committee on 31 December 2020 and was subsequently re-designated as Chairman of the Committee on 14 January 2021 following the resignation of Dato' Chong Kwong Chin as Chairman and Member of the Committee on even date.*
*** N/A – Not applicable.*

The Committee meetings are structured using agendas and relevant board papers which are distributed to the Committee members with adequate notice prior to such meetings. This enables Committee members to study the items on the agenda, including relevant materials that support the items and, where appropriate, provides an opportunity for them to seek additional information or clarification from Management.

The Committee Chairman, who shall be an Independent Non-Executive Director, calls for meetings to be held not less than four (4) times in a year. Any member of the Committee may requisition for a meeting at any time, and the Committee Secretary, on such requisition, arranges with the Committee Chairman to convene a meeting. Except in the case of an emergency, seven (7) days' notice of meeting is given in writing to all members. The quorum for meeting is majority of members who are Independent Non-Executive Directors. Meetings are chaired by the Committee Chairman and, in his absence, by an Independent Non-Executive Director from those members who are present. Decision is made by majority of votes determined by a show of hands.

During the financial year under review, the Chief Executive Officer, Chief Financial Officer and Head of Internal Audit, including the Company Secretary, who served as the Committee Secretary, attended all the six (6) meetings convened to provide explanations and additional information to assist the Committee on the agenda items deliberated. The Committee Chairman has the prerogative to invite other Board members and employees to attend meetings. For the financial year under review, representatives of the External Auditors attended three (3) separate meetings to table their Audit Plan, findings from the audit and their audit opinion on the financial statements of the Company and the Group.

The Committee Chairman has the right to require those who are in attendance to leave the room when matters to be discussed are likely to be hampered by their presence or confidentiality of matters that needs to be preserved.

AUDIT COMMITTEE REPORT
cont'd

The performance of the Committee was evaluated by way of members' self and peer evaluation, the outcome of which was reviewed by the Nominating and Remuneration Committee. Having considered the recommendation made by the Nominating and Remuneration Committee, the Board was satisfied that the Committee members have discharged their functions, duties and responsibilities in accordance with the Committee's Terms of Reference.

In compliance with the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities"), the Committee's Terms of Reference have been uploaded on the Company's website at www.warisantc.com.my

SUMMARY OF WORK OF THE AUDIT COMMITTEE

During the financial year under review and up to the date of this Report, the Committee worked closely with Management, Group Internal Audit and the External Auditors to carry out its functions and duties set out under its Terms of Reference.

In discharging its roles and responsibilities, the Committee carried out the following work during the financial year under review and up to the date of this Report:

(1) Financial Reporting

(a) Reviewed all the four (4) quarters' unaudited financial results of the Group, focusing on key material matters, which included the going concern assumption, and ensured the disclosures thereof were in compliance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the Main Market Listing Requirements of Bursa Securities before recommending the same to the Board for approval to release the quarterly financial results to Bursa Securities;

(b) Reviewed the annual audited financial statements of the Company and of the Group, together with the External Auditors, before recommending the same to the Board for approval; and

(c) Reviewed the impact of any changes in accounting policies and adoption of any new financial reporting standards, together with significant matters highlighted in the financial statements.

(2) External and Internal Auditors

(a) Reviewed the External Auditors' Audit Plan for the Company and Group, which outlined the External Auditors' responsibilities, key audit matters, scope of work, the potential key audit matters and focus areas, as well as non-audit services for the financial year ended 31 December 2020 and their fees;

(b) Discussed and reviewed with the External Auditors, the results of their examination and the auditors' report in relation to audit and accounting issues arising from the audit, including auditing standards that were mandated by the Malaysian Institute of Accountants and the impact of new Malaysian Financial Reporting Standards on the results of the Company and Group;

(c) Discussed and reviewed the areas for improvements in the internal control system of companies in the Group as highlighted by the External Auditors, including remedial measures to be taken by Management to address the issues;

AUDIT COMMITTEE REPORT
cont'd

(d) Considered the suitability and independence of the External Auditors by assessing, among others, the adequacy of their resources, timeliness of services, technical knowledge, experience, skills, independence and objectivity, their audit engagement and the competence of the audit team members assigned to the engagement. After having assessed the External Auditors in February 2021 and obtained written assurance from the External Auditors confirming their professional independence throughout the course of audit engagement, the Committee was satisfied that the External Auditors were able to meet the audit requirements and statutory obligations of the Company as well as their independence and objectivity as External Auditors of the Company. Accordingly, the Committee recommended to the Board the re-appointment of Mazars PLT as External Auditors of the Company at the forthcoming Annual General Meeting ("AGM"). The Board accepted the Committee's recommendation for Mazars PLT's re-appointment as the External Auditors at the forthcoming AGM, subject to shareholders' approval;

(e) Held three (3) private sessions with representatives of the External Auditors without the presence of Executive Directors, Senior Management and Committee Secretary. These sessions enabled the External Auditors to discuss with candour with the Committee on any matters noted during their audit without being beholden to Management's presence;

(f) Reviewed and approved the Internal Audit Plan for the financial year, focusing on the adequacy of scope and coverage of auditable areas, including staffing requirements and ensured high risk areas were covered;

(g) Reviewed the scope of Internal Audit to ensure the coverage included internal controls on operations, financial, compliance and information technology processes relating to the Group based on the approved Internal Audit Plan;

(h) Discussed and reviewed the major findings, areas requiring improvements and key significant internal audit matters raised by Group Internal Audit and Management's response thereto, including follow-up on the status of actions taken by Management to address issues raised in previous internal audits. Management of the respective business units where internal audit issues were raised and who were required to attend the Committee meeting to provide further explanations to the Committee, were entrusted to formulate action plans to improve internal control procedures and workflow processes based on the Group Internal Audit's recommendations;

(i) Reviewed the independence, performance, competence and effectiveness of the Group Internal Audit function;

(j) Reviewed the External Assessment Report relating to the assessment of the Company's Internal Audit Department in compliance with the International Professional Practices Framework ("IPPF") of the Institute of Internal Auditors, Inc; and

(k) Held four (4) private sessions with the Head of Group Internal Audit without the presence of Executive Directors, Senior Management and Committee Secretary. This session provided a platform for the Head of Group Internal Audit to discuss with the Committee on any areas of professional reservations he might have, including limitation to his scope of work by Management during internal audit, if any.

(3) Related Party Transactions and Recurrent Related Party Transactions

Reviewed the recurrent related party transactions ("RRPTs") of the Group on a quarterly basis to ensure that the transactions entered into by the Group were within the shareholders' mandate obtained at the last Annual General Meeting of the Company, in relation to the nature and value limits of the transactions, including "arm's length" terms of trade. For impending related party transactions to be entered into by the Group, the Committee deliberated on the nature of the transactions and ensured the terms were in line with the Group's Related Party Transactions Framework and that disclosures were properly made in accordance with the Main Market Listing Requirements of Bursa Securities.

AUDIT COMMITTEE REPORT
cont'd

(4) Other Matters

(a) Reviewed the Circular to Shareholders in relation to shareholders' mandate on RRPTs and the review procedures of RRPTs, Audit Committee Report and Statement on Risk Management and Internal Control for inclusion in this Annual Report to ensure compliance with the relevant regulatory reporting requirements prior to recommending the same to the Board for approval;

(b) Reviewed the corporate risks scorecards of the Group as presented by the Chief Executive Officer, and endorsed the action plans that were being implemented by Management of the various business divisions to mitigate the business risks to acceptable levels; and

(c) Reviewed the terms of reference of the Audit Committee and Anti-Bribery and Anti-Corruption Policy, and recommended the same for approval by the Board.

INTERNAL AUDIT FUNCTION AND ACTIVITIES

The Committee is supported by an in-house Group Internal Audit Department ("GIA"), which reports functionally to the Committee and is independent of the activities it audits. The GIA is headed by Mr. Khoo Choong Keat, a Certified Internal Auditor and Certified Fraud Examiner, who is assisted by three (3) internal audit personnel. During the financial year under review, all the internal audit team members have confirmed in writing that they were independent of Management and their objectivity had not been compromised in the course of their work. All internal audits carried out during the financial year under review and up to the date of this Report were guided by the International Professional Practices Framework of The Institute of Internal Auditors Inc, a globally recognised professional body for internal auditors.

GIA operates under a charter approved by the Committee that gives the internal audit function a formal mandate to carry out its work as well as unrestricted access to companies within the Group for the purpose of conducting internal audit.

The GIA adopts a risk-based approach in identifying areas to be audited on a prioritised basis that focuses on key activities of major business divisions within the Group, taking into consideration the key business risks faced by the Group. Internal audit activities are guided by an annual audit plan which is approved by the Committee.

The main objectives of internal audit are to assess the adequacy and operating effectiveness of the internal control and risk management systems, and that the operating units and functions assessed are operating in line with the existing Group's policies and procedures.

Full details of the work and activities carried out by GIA for the financial year under review, including the costs incurred by GIA, are set out in the Statement on Risk Management and Internal Control included in this Annual Report.

This Report is dated 6 April 2021.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Pursuant to paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), the Board of Directors ("Board") of Warisan TC Holdings Berhad ("Company") is required to provide a statement in the Company's annual report about the state of risk management and internal control of the Company as a group.

The Board is pleased to furnish the Statement on Risk Management and Internal Control ("Statement"), which outlines the nature and scope of the system of risk management and internal control in the Group (comprising the Company and its subsidiaries) for the financial year ended 31 December 2020 and up to the date of this report. This Statement has considered and included the mandatory contents outlined in the "Statement on Risk Management and Internal Control - Guidelines for Directors of Listed Issuers", a publication of Bursa Securities, which provides guidance to listed issuers in preparing the Statement.

BOARD'S RESPONSIBILITY ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges its overall responsibility for the Group's system of risk management and internal control and for reviewing its adequacy and operating effectiveness to safeguard shareholders' investment and the Group's assets. Due to the inherent limitations in any system of risk management and internal control, such a system is designed to manage rather than eliminate the risk of failure to achieve corporate objectives. Accordingly, this system can only provide reasonable, but not absolute, assurance against material misstatement, financial loss or fraudulent activities.

The Board confirms that there is a continuous process to identify, evaluate and manage the significant risks of the Group, except for the review of risk management and internal control in associate and jointly controlled entities where the Group's interest is served through representation on the Board of the associate and joint venture companies. The Board also affirms that such process has been in place for the financial year under review and up to the date of approval of this Statement for inclusion in the Annual Report. During the financial year, key risks relating to the Group's operations were identified and evaluated in terms of their impact to the Group, including action plans implemented by Management to mitigate the risks to acceptable levels, and thereafter tabled to the Board for comments and notation.

The Board has delegated the oversight of risk management to the Audit Committee ("AC"), which comprises three (3) Independent Non-Executive Directors. The Chief Executive Officer, who chairs the Risk and Sustainability Committee ("RSC") updates significant matters deliberated at the RSC meeting to the Audit Committee and the Board, where comments were noted for follow-up, as appropriate.

MANAGEMENT'S RESPONSIBILITY ON RISK MANAGEMENT AND INTERNAL CONTROL

The RSC is primarily responsible for implementing the risk management framework, approved by the Board. This framework, which is aligned with ISO31000: 2018 Risk Management – Guidelines, provides practical handles to ensure that risk management processes are adequate, and that appropriate actions have been or are being taken by the business unit management to mitigate identified business risks to acceptable levels across the Group. The risk management process incorporates procedures to identify business risks that are strategic, operational, financial and compliance in nature as well as other key risks affecting cyber security, corruption, business sustainability and reputation. The Group continues to foster a risk-aware culture in decision making and commits to manage business risks in a proactive and effective manner, in particular enabling the Group to respond in tandem with evolving business sentiments and market forces, which is critical for the Group's sustainability, safeguarding of assets and enhancement of shareholder value.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL
cont'd

RISK MANAGEMENT FRAMEWORK

Key features of the Group's risk management framework are as follows:

- Establishment of RSC, headed by an Executive Director, which comprises key management personnel from the respective business divisions. The RSC is entrusted with the responsibility to identify and communicate to the Board, through the Audit Committee, the principal business risks that the Group faces, their changes and management action plans to mitigate the risks and to review sustainability matters, including economic, environmental and social matters, policies and programmes and overseeing performance in such areas and the extent of any action taken by Management to address areas identified for improvement. Minutes of the RSC meetings are presented to the Audit Committee and the Board for notation, including any questions that may be raised for clarification. For more information on sustainability matters, refer to the Sustainability Statement of this Annual Report;

- Adoption of the Risk Management Oversight Policies and Procedures, which outline the Group's risk management framework, including practical guidance to operating personnel on risk management issues; and

- Periodic updates on Corporate Risk Scorecard by the heads of business division. The high and significant risks, based on the Scorecard, are subject to regular reviews, in particular internal controls deployed to address such risks.

The risk management process within the Group consists of two (2) main stages:

Corporate Stage	• Development of risk management process; • Establishment of risk parameters, covering financial and non-financial metrics, to gauge the likelihood of risk occurrence and the impact thereof in the event of occurrence. The risk parameters essentially articulate the risk appetite of the Group; • Adoption of risk management policies and procedures; • Identification of major risk components; • Assignment of risk custodians; • Review of risk assessment summary; • Review of risk profile summary; and • Update of the Group Corporate Risk Scorecard.
Process Stage	• Develop and evaluate major risk components; • Develop and evaluate risk profiles; • Develop, implement and monitor risk management action plans; and • On-going management of risk.

Implementation of risk management activities at subsidiary level is carried out by a working group, comprising heads of subsidiary and selected senior management personnel ("Subsidiary Sub-Risk Committees"), who assist the RSC in managing specific risk areas by taking appropriate mitigation steps. A Risk Champion is appointed to provide timely risk updates and report to the RSC and guidance to the Subsidiary Sub-Risk Committees through its appointed Risk Officers to enable a systematic implementation of risk management. The Risk Champion works closely with the Subsidiary Sub-Risk Committees to strengthen the risk management initiatives within the Group.

Subsidiary Sub-Risk Committees identify key business risks as guided by the risk management framework. Reports on identified key risk areas with risk scores based on risk acceptance criteria and remedial measures to address the risks, together with progress updates, are submitted to the RSC. This process enables the RSC to evaluate the adequacy and operating effectiveness of the risk management process and internal control system.

The RSC conducts at least three (3) meetings annually to review emerging and existing key risks that affect the Group's business operations and the mitigating steps to address them. During the financial year under review, focus was directed towards identifying and evaluating credit risk, foreign currency exposure, liquidity and funding risk, cyber-security risk, competition risk, human capital risk and compliance risk.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL
cont'd

INTERNAL CONTROL SYSTEM

Some key elements of the Group's internal control system are described as follows:

- Defined lines of responsibility, authority limit thresholds, delegation of authority, segregation of duties and information flow;
- The Executive Management Committee reviews high level operating policies as well as monitors the performance and profitability of business divisions;
- Internal policies and procedures have been established in writing for adherence by all personnel in the Group;
- Business planning and budgetary process for business units with periodical monitoring of performance so that major variances are followed up and management actions taken;
- The Group's performance is reviewed and deliberated by the Audit Committee and Board on a quarterly basis with financial performance variances presented by Management, including explanations for significant variances from preceding periods as well as from the budget. The quarterly deliberations also include proposed action plans deployed by the various business divisions to realized corporate objectives;
- Justification and approval process for major expenditures to ensure congruence with the Group's strategic objectives; and
- Independent appraisals by the Group Internal Audit to determine ongoing compliance with policies and procedures, as well as assessing the adequacy and operating effectiveness of the Group's internal control system that addressed strategic, financial, compliance, and operational risks.

The Board has also formalised a fraud prevention framework, providing broad principles, strategy and policy for the Group in relation to fraud or malpractices. This framework establishes comprehensive programmes and controls for the Group as well as highlights the roles and responsibilities at every level for preventing and responding to fraud or malpractice. In augmenting the fraud prevention framework, the Board has adopted a Special Complaints Policy which sets out procedures for employees and external parties to raise concern on any questionable practices or improper activities within the Group.

The Board has also established an Anti-Bribery and Anti-Corruption ("ABAC") Policy for the Group, guided by the Guidelines on Adequate Procedures issued pursuant to Section 17A (5) of the Malaysian Anti-Corruption Commission Act 2009. It is designed to provide a framework governing the general principles and processes on the giving and receipt of gratification. The primary aim of the ABAC Policy is to promote and maintain good governance, integrity and accountability within the Group and to govern the Group's interaction with its stakeholders.

INTERNAL AUDIT FUNCTION

The Group has established an in-house internal audit function to support the Audit Committee and, by extension, the Board, by providing independent and objective assurance on the adequacy and operating effectiveness of the Group's system of internal control. The internal audit function adopts a risk-based approach that focuses on major business divisions in the Group for the purpose of identifying areas to be audited on a prioritised basis, vis-à-vis the business risks inherent in the business divisions concerned. The Internal Audit Plan is tabled annually and approved by the Audit Committee before actual audit work commences. Action plans are taken by Management to address audit findings and concerns raised in the internal audit reports.

The internal audit function also follows up on the status of Management's action plans on the internal audit findings. On a quarterly basis, the internal audit reports, including outcome of the follow-up review, are presented and tabled at the Audit Committee meetings. Management of the business divisions concerned are invited to attend the meetings to provide further explanations to the Audit Committee, including action plans to remediate the issues highlighted by Group Internal Audit.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL
cont'd

Members of the Group Internal Audit are independent of the activities they audit and have no involvement in the operations that are being audited. In assessing their professional and financial independence, the head of internal audit has confirmed to the Audit Committee that he and his team members are free from any relationship or conflict of interest which can impair their objectivity and independence.

During the financial year under review and up to the date of this Statement, the Group Internal Audit performed internal audits, covering activities and transactions, as the case may be, of:

1) Car Rental Division
   - o Conducted unscheduled stock count on vehicles at Mayflower Car Rental Sdn Bhd's Headquarter and branch;
   - o Reviewed credit control management and issuance of credit notes in Mayflower Car Rental Sdn Bhd;
   - o Reviewed the recovery of vehicle repair cost from customers of Gocar Mobility Sdn Bhd;

2) Travel Division
   - o Assessed the effectiveness of credit control management of Mayflower Holidays Sdn Bhd;

3) Machinery Division
   - o Attended year-end stock-take activities, covering heavy machinery and spare parts at TCIM Sdn Bhd's Headquarter in Shah Alam;

4) Automotive Division
   - o Attended year-end stock-take activities, covering light and heavy commercial vehicles and its accessories;

5) Consumer Product Division
   - o Attended year-end stock-take activities on joint-venture companies, namely Shiseido Malaysia Sdn Bhd and Wacoal Malaysia Sdn Bhd;
   - o Reviewed the Anti-Bribery and Anti-Corruption Policy and Whistleblower Policy of Wacoal Malaysia Sdn Bhd;

6) Captive Insurance
   - o Mandatory audit, covering compliance with laws and regulations of the Labuan Financial Services Authority, anti-money laundering, data integrity, claim processes, level of authority, and risk management process; and

7) Recurrent Related Party Transactions ("RRPTs")
   - o Reviewed RRPTs to ensure that they were transacted on arm's length basis and in line with the Shareholders' Mandate on RRPTs obtained at the last Annual General Meeting of the Company and the Group's Related Party Transactions Framework.

The costs incurred for the Group Internal Audit function in respect of the financial year ended 31 December 2020 amounted to approximately RM453,000 (2019: approximately RM455,000).

REVIEW OF THE GROUP'S SYSTEM OF RISK MANAGEMENT AND INTERNAL CONTROL

The Board is of the view that there were no material losses that resulted from a breakdown in the system of risk management and internal control during the financial year under review. Moreover, the Board has received assurance in writing from the Chief Executive Officer and Chief Financial Officer that the Group's risk management and internal control system, covering all key controls, including strategic, financial, operational and compliance controls, is operating adequately and effectively, in all material aspects, based on the risk management and internal control framework adopted by the Group. The Board is of the view that the system of risk management and internal control, which is in place for the financial year under review and up to the date of this Statement, is adequate to achieve the Group's business objectives, although steps have been or are being taken by Management to remediate weaknesses in internal control as reported by the Group Internal Audit.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

cont'd

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The external auditors have reviewed this Statement pursuant to the scope set out in Audit and Assurance Practice Guide ("AAPG") 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants, for inclusion in the Annual Report for the financial year ended 31 December 2020, and reported to the Board that nothing has come to their attention that caused them to believe that the Statement intended to be included in the Annual Report, in all material respects, has not been prepared 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, or is factually inaccurate.

AAPG 3 does not require the external auditors to consider whether the Directors' Statement on Risk Management and Internal Control covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system, including the assessment and views by the Board of Directors and Management thereon. The external auditors are also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the Annual Report will, in fact, remedy the problems.

This Statement is dated 6 April 2021.

ADDITIONAL COMPLIANCE INFORMATION
AS AT 6 APRIL 2021

In compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the following additional information is provided:

(i) Utilisation of proceeds

There were no proceeds raised from corporate exercises during the financial year.

(ii) Audit and non-audit fees

The amount of audit and non-audit fees incurred for the services rendered by the external auditors of the Company, Mazars PLT or a firm or company affiliated to the external auditors, to the Company and the Group respectively during the financial year ended 31 December 2020 were as follows:

	Group 2020 RM'000	**Company 2020 RM'000**
Statutory audit fees	216	20
Non-audit fees*	127	5

Note:
* The non-audit fees relate primarily to taxation services.

(iii) Material contracts

There were no material contracts entered into by the Company and/or its subsidiaries involving Directors and major shareholders, either subsisting at the end of the financial year or entered into since the end of the previous fiancial year.

ANALYSIS OF SHAREHOLDINGS
AS AT 31 MARCH 2021

SHARE CAPITAL

Total Number of Issued Shares	:	67,200,000 ordinary shares
Total Issued Share Capital	:	RM67,200,000
Class of Shares	:	Ordinary Shares
Voting Rights	:	1 vote per ordinary share

ANALYSIS BY SIZE OF HOLDINGS

Size of Holdings	No. of Holders	%	No. of Shares Held	%
Less than 100	1,757	39.60	76,501	0.11
100 - 1,000	1,977	44.56	644,977	0.96
1,001 - 10,000	540	12.17	1,852,097	2.76
10,001 - 100,000	114	2.57	3,588,721	5.34
100,001 - 3,255,019 (less than 5% of issued shares)	46	1.04	27,218,095	40.51
3,255,020 (5% of issued shares) and above	3	0.06	31,720,009	47.20
Sub-Total	**4,437**	**100.00**	**65,100,400**	**96.88**
Treasury shares			2,099,600	3.12
Total	**4,437**	**100.00**	**67,200,000**	**100.00**

DIRECTORS' SHAREHOLDINGS (as per Register of Directors' Shareholdings)

	Name	Direct No. of Shares Held	% (1)	Indirect No. of Shares Held	% (1)
1.	Dato' Tan Heng Chew	4,353,333	6.69	30,839,928	47.37 (2)
2.	Tan Keng Meng	100	- (3)	-	-
3.	Datuk Abdullah bin Abdul Wahab	-	-	-	-
4.	Soh Eng Hooi	-	-	-	-
5.	Lee Min On	-	-	-	-
6.	Chin Ten Hoy	-	-	-	-

Notes:
(1) Percentage is based on total number of issued shares less treasury shares.
(2) Deemed interest by virtue of interests in Tan Chong Consolidated Sdn Bhd and Wealthmark Holdings Sdn Bhd pursuant to Section 8(4) of the Companies Act, 2016 ("the Act") and interest of spouse and daughter by virtue of Section 59(11)(c) of the Act.
(3) Less than 0.01%.

ANALYSIS OF SHAREHOLDINGS
AS AT 31 MARCH 2021
cont'd

SUBSTANTIAL SHAREHOLDERS (as per Register of Substantial Shareholders)

	Name	Direct No. of Shares Held	% [1]	Indirect No. of Shares Held	% [1]
1.	Tan Chong Consolidated Sdn Bhd	23,446,509	36.02	-	-
2.	Dato' Tan Heng Chew	4,353,333	6.69	27,844,509	42.77 [2]
3.	Wealthmark Holdings Sdn Bhd	4,398,000	6.76	-	-
4.	Tan Eng Soon	-	-	23,446,509	36.02 [3]

Notes:
(1) Percentage is based on total number of issued shares less treasury shares.
(2) Deemed interest by virtue of interests in Tan Chong Consolidated Sdn Bhd ("TCC") and Wealthmark Holdings Sdn Bhd pursuant to Section 8(4) of the Companies Act, 2016 ("the Act").
(3) Deemed interest by virtue of interest in TCC pursuant to Section 8(4) of the Act.

THIRTY LARGEST SHAREHOLDERS

	Name	No. of Shares Held	%*
1.	TAN CHONG CONSOLIDATED SDN BHD	21,004,909	32.27
2.	CITIGROUP NOMINEES (ASING) SDN BHD *EXEMPT AN FOR UBS SWITZERLAND AG (CLIENTS ASSETS)*	6,317,100	9.70
3.	AMSEC NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT - AMBANK (M) BERHAD FOR WEALTHMARK HOLDINGS SDN BHD*	4,398,000	6.76
4.	CIMSEC NOMINEES (TEMPATAN) SDN BHD *CIMB FOR TAN HENG CHEW (PB)*	2,897,000	4.45
5.	TAN CHONG CONSOLIDATED SDN BHD	2,371,600	3.64
6.	PANG SEW HA @ PHANG SUI HAR	1,738,095	2.67
7.	CIMSEC NOMINEES (TEMPATAN) SDN BHD *CIMB FOR KHOR SWEE WAH @ KOH BEE LENG (PB)*	1,385,169	2.13
8.	TAN BOON PUN	1,210,500	1.86
9.	KEY DEVELOPMENT SDN BERHAD	1,130,000	1.74
10.	CARTABAN NOMINEES (TEMPATAN) SDN BHD *EXEMPT AN FOR STANDARD CHARTERED BANK SINGAPORE (EFGBHK-TEMPATAN)*	1,100,000	1.69
11.	TAN BAN LEONG	1,055,307	1.62
12.	TAN BENG KEONG	1,055,307	1.62
13.	WONG YU @ WONG WING YU	891,500	1.37
14.	WONG YU @ WONG WING YU	846,100	1.30
15.	KENANGA NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR TAN HENG CHEW*	764,400	1.17
16.	GAN TENG SIEW REALTY SDN BERHAD	692,500	1.06
17.	TAN CHEE KEONG	682,960	1.05

ANALYSIS OF SHAREHOLDINGS
AS AT 31 MARCH 2021
cont'd

THIRTY LARGEST SHAREHOLDERS (cont'd)

	Name	No. of Shares Held	%*
18.	TAN HOE PIN	682,960	1.05
19.	UOB KAY HIAN NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR TEO KWEE HOCK*	656,000	1.01
20.	PUBLIC NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR TAN HENG CHEW (E-KLC)*	593,900	0.91
21.	CHINCHOO INVESTMENT SDN BERHAD	583,700	0.90
22.	TAN HOE PIN	442,405	0.68
23.	LEE LANG	406,784	0.62
24.	CIMB GROUP NOMINEES (ASING) SDN BHD EXEMPT AN FOR DBS BANK LTD (SFS)	392,000	0.60
25.	TAN CHEE KEONG	372,347	0.57
26.	KEY DEVELOPMENT SDN BERHAD	358,900	0.55
27.	ASSOCIATED ABRASIVES SDN BHD	331,600	0.51
28.	RENGO MALAY ESTATE SENDIRIAN BERHAD	330,000	0.51
29.	CARTABAN NOMINEES (ASING) SDN BHD *EXEMPT AN FOR STANDARD CHARTERED BANK SINGAPORE (EFGBHK-ASING)*	310,250	0.48
30.	CHAN KIM SENDIRIAN BERHAD	294,600	0.45
	TOTAL	**55,295,893**	**84.94**

Note:
* *Percentage is based on total number of issued shares less treasury shares.*

GROUP PROPERTIES
AS AT 31 DECEMBER 2020

No	Location	Description	Land Area (sq feet)	Built-up Area (sq feet)	Tenure/ Expire Date	Net Book Value (RM million)	Age of Building (years)	Date of Acquisition	Year of Revaluation
1	18, Jalan Segambut Pusat 51200 Kuala Lumpur	Office & vehicle store yard	17,574	18,160	Leasehold 16.6.2067	7.9	44	1.10.1977	2020
2	Lot 9, Jalan Delima 1/1 Subang Hi Tech Industrial Park 40000 Shah Alam Selangor	Showroom, office, workshop & vehicle storage yard	98349	53,766	Freehold	25.1	28	20.12.1990	2020
3	43, Jalan IMJ 3 Taman Industry Malim Jaya 75050 Malacca	Office and workshop	11,087	3,700	Leasehold 18.11.2095	1.1	24	12.12.1996	2020
4	19, Jalan Bertam 8 Taman Daya 81100 Johor Bahru Johor	Office and workshop	8,456	7,553	Freehold	1.6	28	20.5.2000	2020
5	Lot 1A, Jalan Kemajuan Seksyen 13 46200 Petaling Jaya Selangor	Office and warehouse	94,596	33,900	Leasehold 10.6.2074	43.5	46	10.9.2004	2020
6	Lot 29, Jalan Delima 1/3 Subang Hi Tech Industrial Park 40000 Shah Alam Selangor	Showroom, office, workshop & vehicle storage yard	125,871	40,808	Freehold	29.1	28	2.3.2004	2020
7	Lot 22, Ground Floor Wisma Sabah Jalan Tun Razak 88000 Kota Kinabalu Sabah	Office lot	-	595	Leasehold 31.12.2071	0.6	43	23.10.2002	2020
8	No 3, Jalan Perusahaan Perkhidmatan Pengkalan Taman Pengkalan Maju 34700 Simpang, Taiping Perak	Office building annexed with factory	72,646	57,464	Freehold	5.2	20	5.4.2007	2020
9	No 1, Jalan Metro Pudu Fraser Business Park Off Jalan Yew 55100 Kuala Lumpur	Commercial shop office	2,902	16,296	Freehold	10.2	13	6.6.2008	2020
10	610 Jalan Nilai 3/15 Kawasan Perindustrian Nilai 3 71800 Nilai, Negeri Sembilan	Industrial building	3,003	3,003	Freehold	0.4	21	20.7.2004	2020
11	18 VSIP II Street 2 Vietnam Singapore Industrial Park II (VSIP II) Binh Duong Industry Service Urban Complex How Dau Mot Town Bihn Duong Province, Vietnam	Industrial land & building	135,108	9,890	Leasehold 30.11.2055	8.4	10	2.12.2009	2020
12	41, Jalan IMJ 3 Taman Industri Malim Jaya 75250 Malacca	Office and workshop	5,597	5,200	Leasehold 18.11.2095	0.7	24	22.12.2014	2020
13	No 3, Jalan IM 3/16, Bandar Indera Mahkota 25200 Kuantan, Pahang	Office and workshop	18,406	12,870	Leasehold 11.06.2062	2.4	12	28.10.2016	2020

STATEMENT ON DIRECTORS' RESPONSIBILITY

FOR PREPARING THE ANNUAL AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

The Directors are required by the Companies Act, 2016 to prepare financial statements for each financial year which give a true and fair view of the financial position of the Group and Company and their financial performance and cash flows for the financial year.

In preparing the financial statements for the year ended 31 December 2020, the Directors have:

1. adopted the appropriate accounting policies, which are consistently applied;
2. made judgments and estimates that are reasonable and prudent; and
3. ensured that the applicable approved accounting standards in Malaysia and provisions of the Companies Act, 2016 are complied with.

The Directors have the responsibility for ensuring that the Company and the Group keep proper and adequate accounting records which disclose with reasonable accuracy the financial position of the Company and the Group and to ensure that the financial statements comply with the requirements of the Companies Act, 2016. The Directors have the general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

DIRECTORS' REPORT

The directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2020.

PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding. The principal activities of the subsidiaries, associates and jointly controlled entities are disclosed in notes 8, 9 and 10 to the financial statements, respectively. There have been no significant changes in the nature of these activities during the financial year.

RESULTS

	Group RM'000	Company RM'000
Loss for the financial year attributable to:		
Owners of the Company	63,781	8,266
Non-controlling interests	1,776	-
Loss for the financial year	65,557	8,266

DIVIDEND

No dividend was paid or declared by the Company since the end of the previous financial year and the directors do not recommend any dividend for the current financial year.

SHARES AND DEBENTURES

There was no issuance of shares or debentures during the financial year.

SHARE OPTIONS

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

RESERVES AND PROVISIONS

All material transfers, if any, to or from reserves and provisions during the financial year are disclosed in the financial statements.

DIRECTORS' REPORT
cont'd

TREASURY SHARES

At the Annual General Meeting held fully virtual on 7 August 2020, the shareholders of the Company had granted mandate to the Company to purchase its own shares. During the financial year, the Company did not repurchase its own shares and none of the existing treasury shares held was cancelled, sold or used for such other purposes permitted under the Companies Act 2016.

As at 31 December 2020, the Company held 2,099,600 shares as treasury shares out of its total issued and paid-up share capital.

SUBSIDIARIES

Details of the subsidiaries are set out in note 8 to the financial statements.

DIRECTORS

The directors in office during the period commencing from the beginning of the financial year to the date of this report are:

Dato' Tan Heng Chew
Tan Keng Meng
Datuk Abdullah bin Abdul Wahab
Chin Ten Hoy
Lee Min On
Soh Eng Hooi *(Appointed on 31 December 2020)*
Dato' Chong Kwong Chin *(Resigned on 14 January 2021)*

LIST OF DIRECTORS OF SUBSIDIARIES

The directors (excluding directors who are also directors of the Company) in office of the subsidiaries during the period commencing from the beginning of the financial year to the date of this report are:

Ang Lay Bee
Chin Yen Song
Christopher Tan Kok Leong
Dato' Cheah Sam Kip
Dato' Hardev Singh A/L Pritam Singh
Datuk Saharudin bin Muhamad Toha
Goh Kar Hua
Ho Wai Ming
Hout Kimmeng
Lee Kim Hay @ Tong Ah See
Lee King Soon
Nicholas Tan Chye Seng
Ng Kiat Seng
Ong Hua Ann
Phua Khim Hiang
Sai Chang Choon
Tse Pei Chen
Wong King Yoon
Yap Kiam Beng
Yeap Ling Weng
Desmond Hang Chai Wei
Tan Soon Huat
Alagasan A/L Gadigaselam
Tung Swee Har
Ke Bee Kian *(Appointed on 12 June 2020)*
Dato' Yew Hock Tat *(Appointed on 22 September 2020 and Resigned on 19 February 2021)*
Abdul Rahman Bin Mohamed *(Appointed on 2 January 2021)*
Lee Koon Seng *(Appointed on 2 January 2021)*
Wan Chun Shong *(Appointed on 9 January 2021)*
Datuk Adeline Pung Shuk Ken *(Resigned on 1 June 2020)*
Yong Chau Chin *(Resigned on 1 June 2020)*
Chaloraju A/L Subramaniam *(Resigned on 14 June 2020)*
Dato' Dr. Lim Weng Khuan *(Resigned on 1 July 2020)*
Lee Weng Hoong *(Resigned on 13 July 2020)*
Gan Chin Hui *(Resigned on 16 September 2020)*
Kong Hon Khien *(Resigned on 31 December 2020)*
Lee Kin Hong *(Resigned on 9 January 2021)*
Cheah Kwan Cheong *(Resigned on 14 January 2021)*

DIRECTORS' REPORT
cont'd

DIRECTORS' INTERESTS IN SHARES

The following directors, who held office at the end of the financial year, had interests in shares as follows:

	Number of ordinary shares			
	At 1.1.2020	Acquisition	Disposal	At 31.12.2020
The Company				
Dato' Tan Heng Chew				
- direct interest	4,321,033	205,200	200,000*	4,326,233
- indirect interest ^	27,844,509	-	-	27,844,509
- indirect interest #	2,795,419	200,000*	-	2,995,419
Tan Keng Meng				
- direct interest	100	-	-	100

^ *Indirect interest by virtue of interests in Tan Chong Consolidated Sdn Bhd and Wealthmark Holdings Sdn Bhd pursuant to Section 8(4) of the Companies Act 2016.*

Indirect interest by virtue of interests held by spouse and daughter pursuant to Section 59(11)(c) of the Companies Act 2016.

* *Transferred of 200,000 ordinary shares from Dato' Tan Heng Chew to his daughter, Ms Tan Ying Xiu.*

By virtue of his interests in shares in the Company, Dato' Tan Heng Chew is deemed to have interests in shares in all the subsidiaries to the extent that the Company has an interest.

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

DIRECTORS' BENEFITS

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

Since the end of the previous financial year, no director of the Company has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of remuneration received or due and receivable by the directors as disclosed in note 37(a) and (b) to the financial statements) by reason of a contract made by the Company or a related corporation with a 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 except for any benefits which may be deemed to have arisen from transactions disclosed in note 36(c) to the financial statements.

The directors and officers of the Company, subsidiaries and jointly controlled entities were insured against certain liability under a Directors' and Officers' liability insurance policy maintained on a group basis for up to a maximum of RM30,000,000 in aggregate. During the financial year, the total amount of insurance premium paid for the directors and officers of the Company, subsidiaries and jointly controlled entities was RM35,722.

DIRECTORS' REPORT
cont'd

CONSOLIDATION OF A SUBSIDIARY WITH DIFFERENT FINANCIAL YEAR END

Due to the local requirements in Myanmar, MAT Transportation Solution (Myanmar) Company Limited ("MATTS"), a foreign subsidiary of the Company is adopting 30 September as its statutory financial year end, which does not coincide with that of the Company. The directors of the Company have been granted approval by Companies Commission of Malaysia under Section 247(3) of the Companies Act 2016 for MATTS to adopt a financial year end of 30 September, which does not coincide with that of the Company of 31 December. Management financial statements of MATTS made up to 31 December 2020 have been used for the purpose of preparing the consolidation financial statements of the Group.

OTHER INFORMATION

Before the financial statements were made out, the directors took reasonable steps:

(i) to ascertain that appropriate action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts, and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and

(ii) to ensure that any current assets which were unlikely to realise in the ordinary course of business including the value of current assets as shown in the accounting records of the Group and of the Company had been written down to an amount which the current assets might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances:

(i) which would render the amount written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or

(ii) which would render the values attributed to the current assets in the financial statements of the Group and of the Company misleading; or

(iii) 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.

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; or

(ii) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

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

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 respective financial statements misleading.

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) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely 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
cont'd

SIGNIFICANT EVENT OCCURRING DURING THE FINANCIAL YEAR

Significant event occurring during the financial year is disclosed in note 43 to the financial statements.

EVENT AFTER THE REPORTING PERIOD

Event after the reporting period is disclosed in note 44 to the financial statements.

AUDITORS

Auditors' remuneration is set out in note 30 to the financial statements.

The auditors, Mazars PLT, Chartered Accountants, have expressed their willingness to accept re-appointment.

APPROVAL OF THE DIRECTORS' REPORT

This report is approved by the board of directors, and signed on behalf of the board of directors in accordance with a directors' resolution.

TAN KENG MENG
Director

DATUK ABDULLAH BIN ABDUL WAHAB
Director

Kuala Lumpur

6 April 2021

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF WARISAN TC HOLDINGS BERHAD
(Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Warisan TC Holdings Berhad, which comprise the statements of financial position as at 31 December 2020 of the Group and of the Company, and the statements of profit or loss and other 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 a summary of significant accounting policies, as set out on pages 68 to 150.

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 2020, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards ("MFRS"), 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.

(a) Group

(i) Inventories

Refer to *Significant Accounting Judgements and Estimations* in note 4 to the financial statements and Inventories in note 15 to the financial statements.

The Risk:

As at 31 December 2020, the inventories of the Group stood at RM113,894,000. According to MFRS 102 *Inventories* and the Group's accounting policy, inventories are measured at the lower of cost and net realisable value. The cost of inventories may not be recoverable, if those inventories are damaged, if they have become wholly or partially obsolete, or if their selling prices have declined. The cost of inventories may also not be recoverable, if the estimated costs of completion or the estimated costs to be incurred to make the sale have increased. At the end of the financial year, management applied judgement in estimating the net realisable value of the inventories. Estimates of net realisable value were based on the most reliable evidence available at the time the estimates were made, of the amount the inventories were expected to realise. These estimates took into consideration fluctuations of price or cost directly relating to events occurred after the end of the financial year to the extent that such events confirmed conditions existing at the end of the financial year.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF WARISAN TC HOLDINGS BERHAD
(Incorporated in Malaysia)
cont'd

Due to the significance of inventories of the Group and the involvement of management's judgements and estimations in measuring the inventories, this is considered a key audit matter.

Our Response:

Our audit procedures included, among others, the following:

- We obtained understanding of the Group's process in estimating the net realisable value of the inventories; and the write down or write off of inventories, where applicable.
- We attended and observed the physical inventory count at the end of the financial year, including management's process in assessing the condition of inventories. We also assessed the condition of inventories by identifying indicators of slow moving, damaged or obsolete inventories.
- We tested net realisable value of inventories estimated by management, based on available evidence of the amount the inventories were expected to realise. The evidence obtained including prices or costs of transactions or events occurred after the end of the financial year.
- We tested carrying amount of inventories, to assess whether inventories are carried at the lower of cost and net realisable value.
- We tested, where applicable, the adequacy of write down or write off of inventories which were assessed by management as slow moving, damaged or obsolete items.

(ii) Receivables

Refer to *Significant Accounting Judgements and Estimations* in note 4 to the financial statements and Receivables in notes 13 and 16 to the financial statements.

The Risk:

As at 31 December 2020, the receivables of the Group stood at RM103,334,000. According to MFRS 9 *Financial Instruments* and the Group's accounting policies, management determines the expected credit losses based on historical credit loss experience, adjusted for forward looking factors specific to receivables and the economic environment. Receivables have been grouped based on shared credit risk characteristics and days past due.

Due to the significance of receivables of the Group and the complexity involved in the measurement of expected credit losses, this is considered a key audit matter.

Our Response:

Our audit procedures included, among others, the following:

- We obtained understanding of the Group's credit assessment, approval, recording and monitoring of receivables.
- We reviewed the methodologies and assumptions used by management in the measurement of expected credit loss.
- We reviewed the reasonableness of management's basis in determining historical rates, forward looking factors adjustment and expected credit loss rates.
- We assessed the reasonableness of management's basis in receivables written off.
- We assessed individually credit-impaired receivables.
- We assessed any adjusting event.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF WARISAN TC HOLDINGS BERHAD
(Incorporated in Malaysia)
cont'd

- We assessed remaining credit exposure by way of taking into consideration of collections after the end of the financial year.

(b) Company

We do not have any key audit matters in connection with the audit of the separate financial statements of the Company to be communicated in this report.

Information Other than the Financial Statements and Auditors' Report Thereon

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

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

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

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

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of the financial statements of the Group and of the Company that give a true and fair view in accordance with MFRS, 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 the 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.

Auditor's 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 the 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 the Company's internal control.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF WARISAN TC HOLDINGS BERHAD
(Incorporated in Malaysia)
cont'd

- 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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in note 8 to the financial statements.

OTHER MATTER

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

MAZARS PLT
201706000496 (LLP0010622-LCA)
AF 001954
Chartered Accountants

CHONG FAH YOW
03004/07/2022 J
Chartered Accountant

Kuala Lumpur

6 April 2021

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020

	Note	2020 RM'000	2019 RM'000
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	248,198	271,125
Right-of-use assets	6	4,404	6,399
Investment property	7	43,500	45,400
Investments in associates	9	815	1,299
Investments in jointly controlled entities	10	35,078	42,129
Intangible assets	11	12,232	12,577
Deferred tax asset	12	6,195	3,535
Finance lease receivables	13	2,923	2,494
Other investments	14	6	6
TOTAL NON-CURRENT ASSETS		353,351	384,964
CURRENT ASSETS			
Inventories	15	113,894	167,294
Trade and other receivables	16	100,411	160,162
Current tax asset		1,673	4,501
Short term deposits	17	6,224	2,885
Fixed deposits	18	61,074	35,178
Cash and bank balances		48,610	51,112
TOTAL CURRENT ASSETS		331,886	421,132
TOTAL ASSETS		685,237	806,096

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2020

cont'd

	Note	2020 RM'000	2019 RM'000
EQUITY AND LIABILITIES			
EQUITY			
Share capital	19	67,200	67,200
Treasury shares	20	(4,213)	(4,213)
Merger reserve	21(a)	(40,999)	(40,999)
Translation reserve	21(b)	2,928	3,347
Hedging reserve	21(c)	(334)	(287)
Revaluation reserve	21(d)	68,336	54,104
Retained earnings		181,606	244,857
Total equity attributable to owners of the Company		274,524	324,009
Non-controlling interests		24,379	11,155
TOTAL EQUITY		298,903	335,164
NON-CURRENT LIABILITIES			
Lease liabilities	6	888	2,797
Loans and borrowings	22	10,436	14,191
Retirement benefits obligation	23	10,918	10,232
Deferred tax liability	12	14,671	9,804
TOTAL NON-CURRENT LIABILITIES		36,913	37,024
CURRENT LIABILITIES			
Contract liabilities	24	11,307	6,893
Trade and other payables	25	132,138	187,582
Lease liabilities	6	3,684	3,863
Loans and borrowings	22	200,425	233,207
Current tax liability		1,427	1,985
Derivative financial liability	26	440	378
TOTAL CURRENT LIABILITIES		349,421	433,908
TOTAL LIABILITIES		386,334	470,932
TOTAL EQUITY AND LIABILITIES		685,237	806,096

The accompanying notes form an integral part of the financial statements

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

	Note	2020 RM'000	2019 RM'000
Revenue	27	295,278	439,829
Cost of sales		(235,625)	(322,039)
Gross profit		59,653	117,790
Other income and gains		3,415	4,213
Selling and distribution expenses		(34,556)	(46,159)
Administrative and general expenses		(70,519)	(75,913)
Loss from operations		(42,007)	(69)
Finance income	28	1,286	1,184
Finance costs	29	(9,287)	(11,860)
Net finance costs		(8,001)	(10,676)
Fair value loss on investment property		(1,900)	-
Share of results of equity accounted associates, net of tax	9	(484)	(373)
Share of results of equity accounted jointly controlled entities, net of tax	10	(6,484)	6,827
Loss before tax	30	(58,876)	(4,291)
Tax expense	31	(6,681)	(3,112)
Loss for the financial year		(65,557)	(7,403)
Other comprehensive (loss)/income, net of tax:			
Items that are or may be reclassified subsequently to profit or loss:			
Change in fair value of cash flow hedge	32	(47)	(187)
Exchange differences on translation of foreign operations	32	(419)	(45)
		(466)	(232)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

	Note	2020 RM'000	2019 RM'000
Items that will not be reclassified subsequently to profit or loss:			
Remeasurement of retirement benefits obligation	32	145	(2,411)
Revaluation of property, plant and equipment	32	14,624	-
Share of other comprehensive loss of jointly controlled entities	32	(7)	(235)
		14,762	(2,646)
Other comprehensive income/(loss) for the financial year		14,296	(2,878)
Total comprehensive loss for the financial year		(51,261)	(10,281)
Loss for the financial year attributable to:			
Owners of the Company		(63,781)	(6,789)
Non-controlling interests		(1,776)	(614)
Loss for the financial year		(65,557)	(7,403)
Basic loss per share (sen)	33	(98)	(10)
Total comprehensive loss for the financial year attributable to:			
Owners of the Company		(49,485)	(9,667)
Non-controlling interests		(1,776)	(614)
Total comprehensive loss for the financial year		(51,261)	(10,281)

The accompanying notes form an integral part of the financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

		Attributable to Owners of the Company									
		Non-distributable						Distributable			
	Note	Share capital RM'000	Treasury shares RM'000	Merger reserve RM'000	Translation reserve RM'000	Hedging reserve RM'000	Revaluation reserve RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1 January 2019		67,200	(4,213)	(40,999)	3,392	(100)	54,496	255,853	335,629	11,269	346,898
Change in fair value of cash flow hedge		-	-	-	-	(187)	-	-	(187)	-	(187)
Exchange differences on translation of foreign operations		-	-	-	(45)	-	-	-	(45)	-	(45)
Remeasurement of retirement benefits obligation		-	-	-	-	-	-	(2,411)	(2,411)	-	(2,411)
Share of other comprehensive loss of jointly controlled entities		-	-	-	-	-	-	(235)	(235)	-	(235)
Other comprehensive loss for the financial year		-	-	-	(45)	(187)	-	(2,646)	(2,878)	-	(2,878)
Loss for the financial year		-	-	-	-	-	-	(6,789)	(6,789)	(614)	(7,403)
Total comprehensive loss for the financial year		-	-	-	(45)	(187)	-	(9,435)	(9,667)	(614)	(10,281)
Investments by non-controlling interests		-	-	-	-	-	-	-	-	500	500
Dividends paid to owners of the Company	34	-	-	-	-	-	-	(1,953)	(1,953)	-	(1,953)
Portion of revaluation reserve transferred through depreciation		-	-	-	-	-	(392)	392	-	-	-
At 31 December 2019		67,200	(4,213)	(40,999)	3,347	(287)	54,104	244,857	324,009	11,155	335,164

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

cont'd

		←— *Attributable to Owners of the Company* —→									
		←— *Non-distributable* —→						*Distributable*			
	Note	Share capital RM'000	Treasury shares RM'000	Merger reserve RM'000	Translation reserve RM'000	Hedging reserve RM'000	Revaluation reserve RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1 January 2020		67,200	(4,213)	(40,999)	3,347	(287)	54,104	244,857	324,009	11,155	335,164
Change in fair value of cash flow hedge		-	-	-	-	(47)	-	-	(47)	-	(47)
Exchange differences on translation of foreign operations		-	-	-	(419)	-	-	-	(419)	-	(419)
Remeasurement of retirement benefits obligation		-	-	-	-	-	-	145	145	-	145
Revaluation of property, plant and equipment		-	-	-	-	-	14,624	-	14,624	-	14,624
Share of other comprehensive loss of jointly controlled entities		-	-	-	-	-	-	(7)	(7)	-	(7)
Other comprehensive (loss)/income for the financial year		-	-	-	(419)	(47)	14,624	138	14,296	-	14,296
Loss for the financial year		-	-	-	-	-	-	(63,781)	(63,781)	(1,776)	(65,557)
Total comprehensive loss for the financial year		-	-	-	(419)	(47)	14,624	(63,643)	(49,485)	(1,776)	(51,261)
Investments by non-controlling interests		-	-	-	-	-	-	-	-	15,000	15,000
Portion of revaluation reserve transferred through depreciation		-	-	-	-	-	(392)	392	-	-	-
At 31 December 2020		67,200	(4,213)	(40,999)	2,928	(334)	68,336	181,606	274,524	24,379	298,903

The accompanying notes form an integral part of the financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

	Note	2020 RM'000	2019 RM'000
OPERATING ACTIVITIES			
Loss before tax		(58,876)	(4,291)
Adjustments for:			
Allowance for doubtful debts	16(c)	2,604	754
Amortisation of intangible assets	11	635	626
Bad debts written off		149	38
Depreciation of property, plant and equipment	5	46,509	52,857
Depreciation of right-of-use assets	6	4,413	3,823
Fair value loss on investment property	7	1,900	-
Gain on disposal of assets held for rental		(4,993)	(4,864)
Gain on disposal of property, plant and equipment		(244)	(248)
Impairment loss on property, plant and equipment	5	68	-
Interest expense	29	9,287	11,860
Interest income	28	(1,286)	(1,184)
Inventories written down	15(b)(ii)	432	891
Net unrealised loss/(gain) on foreign exchange		49	(274)
Property, plant and equipment written off	5	347	554
Retirement benefits expense	23	1,651	994
Reversal of allowance for doubtful debts	16(c)	(415)	(233)
Share of results of equity accounted associates	9	484	373
Share of results of equity accounted jointly controlled entities	10	6,484	(6,827)
Operating profit before working capital changes		9,198	54,849
Changes in inventories		38,646	(12,743)
Changes in receivables		56,974	11,392
Changes in payables		(51,028)	30,814
Cash generated from operations		53,790	84,312
Interest received		728	948
Proceeds from disposal of assets held for rental		48,007	53,880
Retirement benefits paid	23	(774)	(259)
Tax paid, net of refunds		(4,302)	(1,847)
Net cash generated from operating activities		97,449	137,034

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

	Note	2020 RM'000	2019 RM'000
INVESTING ACTIVITIES			
Acquisition of equity interest in associates	9	-	(603)
Acquisition of intangible assets	11	(290)	(683)
Acquisition of property, plant and equipment	5(b)	(31,048)	(65,591)
Dividend received from jointly controlled entities	10	560	1,811
Interest received		558	236
Proceeds from disposal of property, plant and equipment		597	417
(Placement)/Withdrawal of fixed deposits		(2,955)	7,811
(Placement)/Withdrawal of short term deposits		(3,978)	365
Net cash used in investing activities		(36,556)	(56,237)
FINANCING ACTIVITIES			
Dividends paid	34	-	(1,953)
Drawdowns of bankers' acceptances		60,743	127,168
Drawdowns of hire purchases		5,398	17,284
Drawdowns of revolving credits		202,000	1,210,800
Drawdowns of term loans		3,111	2,244
Interest paid		(8,952)	(11,860)
Investments by non-controlling interests		15,000	500
Repayments of bankers' acceptances		(84,017)	(137,317)
Repayments of term loans		(600)	(10,961)
Repayments of hire purchases		(21,816)	(52,997)
Repayments of lease liabilities	6	(4,841)	(3,718)
Repayments of revolving credits		(207,000)	(1,198,717)
Net cash used in financing activities		(40,974)	(59,527)
NET CHANGES IN CASH AND CASH EQUIVALENTS		19,919	21,270
CASH AND CASH EQUIVALENTS BROUGHT FORWARD		75,421	53,776
EFFECT OF EXCHANGE RATE FLUCTUATION ON CASH AND CASH EQUIVALENTS		(41)	375
CASH AND CASH EQUIVALENTS CARRIED FORWARD		95,299	75,421

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

	Note	2020 RM'000	2019 RM'000
Cash and cash equivalents comprise the followings:			
Short term deposits	17	6,224	2,885
Fixed deposits	18	61,074	35,178
Cash and bank balances		48,610	51,112
Bank overdrafts	22	(880)	(958)
		115,028	88,217
Less:			
Surplus funds placed in short term deposits		(5,986)	(2,008)
Surplus funds withdrawn from fixed deposits		(13,743)	(10,788)
		95,299	75,421

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020

	Note	2020 RM'000	2019 RM'000
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	3	5
Investments in subsidiaries	8	149,048	152,323
Investments in jointly controlled entities	10	24,568	24,568
Deferred tax asset	12	375	399
TOTAL NON-CURRENT ASSETS		173,994	177,295
CURRENT ASSETS			
Other receivables	16	6,967	8,130
Current tax asset		1	1
Short term deposits	17	211	206
Fixed deposits	18	164	161
Cash and bank balances		647	3,647
TOTAL CURRENT ASSETS		7,990	12,145
TOTAL ASSETS		181,984	189,440
EQUITY AND LIABILITIES			
EQUITY			
Share capital	19	67,200	67,200
Treasury shares	20	(4,213)	(4,213)
Retained earnings		106,736	114,927
TOTAL EQUITY		169,723	177,914
NON-CURRENT LIABILITIES			
Retirement benefits obligation	23	1,882	1,721
Other payables	25	5,189	5,189
TOTAL NON-CURRENT LIABILITIES		7,071	6,910
CURRENT LIABILITY			
Other payables	25	5,190	4,616
TOTAL LIABILITIES		12,261	11,526
TOTAL EQUITY AND LIABILITIES		181,984	189,440

The accompanying notes form an integral part of the financial statements

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

	Note	2020 RM'000	2019 RM'000
Revenue	27	4,563	7,001
Other income and gains		-	32
Administrative and general expenses		(12,506)	(4,348)
(Loss)/Profit from operations		(7,943)	2,685
Finance income	28	47	109
Finance costs	29	(362)	(321)
Net finance costs		(315)	(212)
(Loss)/Profit before tax	30	(8,258)	2,473
Tax expense	31	(8)	-
(Loss)/Profit for the financial year		(8,266)	2,473
Other comprehensive income/(loss), net of tax			
Item that will not be reclassified subsequently to profit or loss:			
Remeasurement of retirement benefits obligation	32	75	(1,308)
Total comprehensive (loss)/income for the financial year		(8,191)	1,165

The accompanying notes form an integral part of the financial statements

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

	Note	◄- *Non-distributable*	-►	*Distributable*	
		Share capital	**Treasury shares**	**Retained earnings**	**Total equity**
		RM'000	**RM'000**	**RM'000**	**RM'000**
At 1 January 2019		67,200	(4,213)	115,715	178,702
Profit for the financial year		-	-	2,473	2,473
Remeasurement of retirement benefits obligation		-	-	(1,308)	(1,308)
Total comprehensive income for the financial year		-	-	1,165	1,165
Dividends paid to owners of the Company	34	-	-	(1,953)	(1,953)
At 31 December 2019		67,200	(4,213)	114,927	177,914
Loss for the financial year		-	-	(8,266)	(8,266)
Remeasurement of retirement benefits obligation		-	-	75	75
Total comprehensive loss for the financial year		-	-	(8,191)	(8,191)
At 31 December 2020		67,200	(4,213)	106,736	169,723

The accompanying notes form an integral part of the financial statements

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

	Note	2020 RM'000	2019 RM'000
OPERATING ACTIVITIES			
(Loss)/Profit before tax		(8,258)	2,473
Adjustments for:			
Depreciation of property, plant and equipment	5	1	1
Impairment loss on investments in subsidiaries	8	9,275	796
Interest expense	29	362	321
Interest income	28	(47)	(109)
Property, plant and equipment written off	5	1	-
Retirement benefits expense	23	260	-
Operating profit before working capital changes		1,594	3,482
Changes in receivables		1	9
Changes in payables		574	814
Cash generated from operations		2,169	4,305
Tax paid		(8)	(1)
Net cash generated from operating activities		2,161	4,304
INVESTING ACTIVITIES			
Acquisition of property, plant and equipment	5	-	(1)
Repayments from/(Advances to) subsidiaries		1,162	(4,478)
Interest received		47	109
Placement of fixed deposits		(3)	(5)
Placement of short term deposits		(5)	(7)
Subscription of additional shares in subsidiaries	8	(6,000)	-
Net cash used in investing activities		(4,799)	(4,382)
FINANCING ACTIVITIES			
Dividends paid	34	-	(1,953)
Interest paid		(362)	(321)
Net cash used in financing activities		(362)	(2,274)
NET CHANGES IN CASH AND BANK BALANCES		(3,000)	(2,352)
CASH AND BANK BALANCES BROUGHT FORWARD		3,647	5,999
CASH AND BANK BALANCES CARRIED FORWARD		647	3,647

The accompanying notes form an integral part of the financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

1. GENERAL INFORMATION

Warisan TC Holdings Berhad is a public company limited by way of shares and is incorporated and domiciled in Malaysia. The Company is listed on the Main Market of Bursa Malaysia Securities Berhad. The addresses of the principal place of business and registered office of the Company are disclosed in page 2.

The consolidated financial statements of the Company as at and for the financial year ended 31 December 2020 comprise the Company and its subsidiaries (collectively referred to as the "Group") and the Group's interests in associates and jointly controlled entities.

The Company is principally engaged in investment holding. The principal activities of the subsidiaries, associates and jointly controlled entities are disclosed in notes 8, 9 and 10, respectively. There have been no significant changes in the nature of these activities during the financial year.

2. BASIS OF PREPARATION

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

The financial statements are presented in Ringgit Malaysia ("RM"), which is also the functional currency of the Company. All amounts in the financial statements are rounded to the nearest thousand, unless otherwise stated.

The financial statements have been prepared on the historical cost basis, except for other measurement bases applied, including fair value, as stated in the significant accounting policies which are set out in note 3.

Application of amendments and new standards

In the current financial year, the Group and the Company have applied a number of amendments and new standards that became effective mandatorily for the financial periods beginning on or after 1 January 2020. The adoption of the amendments and new standards did not have significant impact on the disclosures or on the amounts reported in the financial statements.

Amendments and new standard issued that are not yet effective

The Group and the Company have not applied the following amendments and new standards that have been issued by the MASB but are not yet effective:

		Effective Date
Amendment to MFRS 16	Covid-19-Related Rent Concessions	1 April 2021 (1 June 2020)
Amendments to MFRS 4	Extension of the Temporary Exemption from Applying MFRS 9	17 August 2020
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16	Interest Rate Benchmark Reform - Phase 2	1 January 2021
Amendments to MFRS 1, MFRS 9, MFRS 16 and MFRS 141	Annual Improvements to MFRS Standards 2018 - 2020	1 January 2022
Amendments to MFRS 3	Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 116	Property, Plant and Equipment - Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137	Onerous Contracts - Cost of Fulfilling a Contract	1 January 2022

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

2. BASIS OF PREPARATION (continued)

Amendments and new standard issued that are not yet effective (continued)

The Group and the Company have not applied the following amendments and new standards that have been issued by the MASB but are not yet effective (continued):

		Effective Date
MFRS 17	Insurance Contracts	1 January 2023 (1 January 2021)
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current	1 January 2023 (1 January 2022)
Amendments to MFRS 101	Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108	Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be announced by the MASB

The adoption of the above amendments and new standards is not expected to have significant impact on the financial position and financial performance of the Group and of the Company.

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and of the entities controlled by the Company made up to the end of the financial year.

The Company controls an investee if and only if the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

When the Company has no majority voting rights of an investee, it considers that it has power over the investee if the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally.

The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. All intra-group balances, transactions, income and expenses are eliminated in full on consolidation. Consolidation of an investee shall begin from the date the Company obtains control of the investee and cease when the investor loses control of the investee.

Non-controlling interests are initially measured at fair value. Subsequently, non-controlling interests are the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes of Interests in Subsidiaries

The changes of interests in subsidiaries that do not result in a loss of control are treated as equity transactions between the Group and non-controlling interests. Any difference arising from equity transactions is recognised directly in equity.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(a) Basis of Consolidation (continued)

Changes of Interests in Subsidiaries (continued)

When the Company loses control of a subsidiary:

- It derecognises the assets and liabilities, non-controlling interests, and other amounts previously recognised in other comprehensive income ("OCI") relating to the former subsidiary.

- It recognises any gain or loss in profit or loss attributable to the Group, which is calculated as the difference between (i) the aggregate of the fair value of the consideration received, if any, from the transaction, event or circumstances that resulted in the loss of control; plus any investment retained in the former subsidiary at its fair value at the date when control is lost; and (ii) the net carrying amount of assets, liabilities, goodwill and any non-controlling interests attributable to the former subsidiary at the date when control is lost.

- It recognises any investment retained in the former subsidiary at its fair value when control is lost. That fair value shall be regarded as the fair value on initial recognition of a financial asset in accordance with MFRS 9 or, when appropriate, the cost on initial recognition of an investment in an associate or jointly controlled entities.

(b) Business Combination

The Group accounts for each business combination by applying the acquisition method. The consideration transferred in a business combination shall be measured at fair value, which shall be calculated as the sum of the acquisition date fair values of the assets transferred by the acquirer, the liabilities incurred by the acquirer to former owners of the acquiree and the equity interests issued by the acquirer. Acquisition related costs are recognised as expenses when the costs are incurred.

On the date of acquisition, goodwill is measured as the excess of (a) over (b) below:

(a) The aggregate of: (i) the fair value of consideration transferred; (ii) the amount of any non-controlling interests in the investee; and (iii) the fair value of the Group's previously held equity interest in the investee, if the business combination achieved in stages.

(b) The net fair value of the identifiable assets acquired and the liabilities assumed.

If, after reassessment, a business combination in which the amount in (b) above exceeds the aggregate of the amounts in (a) above, the Group recognises the resulting gain in profit or loss.

Measurement period adjustments are adjustments that arise from additional information obtained during twelve months from the acquisition date, about facts and circumstances that existed at the acquisition date. If the initial accounting for a business combination is incomplete by the reporting date in which the business combination occurs, the Group reports provisional amounts for the business combination. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of the acquisition date.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Business Combination (continued)

When the consideration in a business combination includes contingent consideration, the contingent consideration is measured at fair value on acquisition date.

- Subsequent changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill.

- Subsequent changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments: (i) contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity; or (ii) other contingent consideration is remeasured to fair value at subsequent reporting dates with changes in fair value recognised in profit or loss.

(c) Property, Plant and Equipment

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

Depreciation is recognised to write off the depreciable amount of property, plant and equipment on a straight-line basis over their estimated useful lives. Depreciable amount is determined after deducting the residual value from the cost.

Freehold land is not depreciated.

The estimated useful lives are as follows:

Cars for hire	4 to 5 years
Coaches, motor vehicles for hire and other motor vehicles	4 to 10 years
Furniture, fixtures, fittings and office equipment	3 to 7 years
Leasehold land and buildings	50 to 55 years
Machinery and equipment for hire	3 to 5 years
Plant, machinery and equipment	2 to 7 years
Renovation	3 to 4 years

The residual values, useful lives and depreciation method are reviewed, and adjusted if appropriate, at each reporting date.

Valuations on freehold land, leasehold land and buildings are performed with sufficient regularity to ensure that the carrying amount does not differ materially from the fair value of the freehold land, leasehold land and buildings as at reporting date. Surplus arising from revaluation is dealt with through the asset revaluation reserve account, net of deferred tax, if any. Any deficit arising is set-off against the asset revaluation reserve to the extent of a previous increase for the same property. In all other cases, a decrease in carrying amount will be charged to profit or loss. For a revaluation increase subsequent to a revaluation deficit of the same asset, the surplus is recognised as income to the extent that it reverses the deficit previously recognised as an expense with the balance of increase credited to revaluation reserve.

Property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected from their use. On disposal or retirement of an asset, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Investment Property

Investment property is measured initially at cost, including transaction costs. Subsequently, investment property is measured at fair value. Gains or losses arising from changes in the fair value of investment property are recognised in profit or loss in the period in which they arise.

Investment property is derecognised upon disposal or when no future economic benefits are expected from their use. On disposal or retirement of an asset, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss.

(e) Investments in Associates and Jointly Controlled Entities

An associate is an entity in which the Group has significant influence and that is neither a subsidiary nor an interest in a joint arrangement. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A jointly controlled entity is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Joint control is the sharing of control of an arrangement contractually, which exists only when decisions about the relevant activities require unanimous consent of the parties.

Investments in associates or jointly controlled entities are accounted for in the financial statements using the equity method. The results and net assets of associates or jointly controlled entities are accounted for using uniform accounting policies for like transactions and other events in similar circumstances. An investment is accounted for using the equity method from the date on which the Group obtains significant influence or joint control until the date the Group ceases to have a significant influence or joint control. Under the equity method, the investments are initially recognised at cost and adjusted thereafter for post-acquisition changes in the Group's share of net assets of the associates or jointly controlled entities. Unrealised gains or losses on transactions between the Group and its associates or jointly controlled entities are eliminated to the extent of the Group's interest in the associates or jointly controlled entities.

On acquisition of an investment in an associate or a jointly controlled entity, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment, and goodwill is not tested for impairment separately. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised in profit or loss.

When the Group's share of losses of an associate or a jointly controlled entity exceeds the Group's interest in that associate or jointly controlled entity (includes long-term interests that form part of the Group's net investment in the associate or jointly controlled entity, in substance), equity accounting is discontinued; unless the Group has legal or constructive obligations for such losses.

At each reporting date, the Group determines whether there is any objective evidence that the investment in an associate or a jointly controlled entity is impaired. If there is such indication, management recognises impairment loss in profit or loss as the difference between the recoverable amount of the associate or jointly controlled entity and its carrying value.

When changes in the Group's interest in an associate or a jointly controlled entity do not affect the use of equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in OCI relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Investments in Associates and Jointly Controlled Entities (continued)

The Group discontinues the use of equity accounting from the date when the investment ceases to be an associate or a jointly controlled entity. When the Group retains an interest in the former associate or former jointly controlled entities and the retained interest is a financial asset, the Group measures the retained interest at fair value and the fair value is regarded as its fair value on initial recognition. Any gain or loss is recognised in profit or loss. In addition, if a gain or loss previously recognised in OCI by the associate or jointly controlled entities would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the associate or jointly controlled entities is disposed.

(f) Investments in Subsidiaries, Associates and Jointly Controlled Entities (separate financial statements)

In the Company's separate financial statements, investments in subsidiaries, associates and jointly controlled entities are measured at cost less impairment losses, if any. Impairment losses are recognised in profit or loss.

On disposal, the difference between the net disposal proceeds and the carrying amount of the investment disposed is recognised in profit or loss.

(g) Intangible Assets

Goodwill

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is not amortised.

Intangible Assets Acquired Separately

Intangible assets with finite useful lives, which are acquired separately, are measured at cost less accumulated amortisation and impairment losses. Intangible assets are amortised on a straight-line basis over the estimated economic useful lives. The amortisation period and the amortisation method for an intangible asset are reviewed at each reporting date.

Intangible assets with infinite useful lives, which are acquired separately, are measured at cost less accumulated impairment losses.

Internally Generated Intangible Assets - Research and Development

Research expenditure is recognised as an expense when it is incurred.

Costs incurred during the development phase are capitalised as assets when the following criteria are fulfilled:

- it is technically feasible to complete the intangible asset so that it will be available for use or sale;
- management intends to complete the intangible asset and use or sell it;
- there is an ability to use or sell the intangible asset;
- it can be demonstrated how the intangible asset will generate probable future economic benefits;
- availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the expenditure during development phases can be reliably measured.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Intangible Assets (continued)

Internally Generated Intangible Assets - Research and Development (continued)

Capitalised development expenditure is measured at cost less accumulated amortisation and impairment losses. The development expenditure is amortised on a straight-line basis over its useful life from the point at which the asset is ready for sale or use. The amortisation period and the amortisation method are reviewed at each reporting date.

Development expenditure that do not meet these criteria are recognised as an expense when incurred. Development expenditure initially recognised as an expense is not recognised as an asset in the subsequent periods.

(h) Income Tax

The income tax expense represents the aggregate of current tax and deferred tax.

Current tax and deferred tax are recognised in profit or loss. Current tax and deferred tax are recognised in OCI or directly in equity, if the tax relates to items that are recognised in OCI or directly in equity. Where deferred tax arises from a business combination, the tax effect is included in the accounting for the business combination.

Current Tax

Current tax is the expected income tax payable on the taxable profit for the financial year, estimated using the tax rates enacted or substantially enacted by the reporting date.

A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future payment to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable.

Deferred Tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, which is accounted for using the liability method.

A deferred tax liability is recognised for all taxable temporary differences. A deferred tax asset is only recognised for deductible temporary differences and unutilised tax credit to the extent that it is probable that taxable profit will be available in future against which the deductible temporary differences and unutilised tax credit can be utilised.

No deferred tax is recognised for temporary differences arising from the initial recognition of: (i) goodwill, or (ii) an asset or liability (which is not in a business combination) at the time of the transaction that affects neither accounting profit nor taxable profit.

Deferred taxes are measured based on tax consequences that would follow from the manner in which the asset or liability is expected to be recovered or settled, and based on the tax rates enacted or substantively enacted at the reporting date that are expected to apply to the financial period when the asset is realised or when the liability is settled.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Leases

Lessee

Right-of-use assets and corresponding lease liabilities are recognised with respect to all lease agreements, except for short-term leases and leases of low value assets.

For short-term leases (i.e. leases with a lease term of twelve months or less) and leases of low value assets, lease payments are recognised as an expense on a straight-line basis over the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the lease commencement date, discounted using the rate implicit in the lease or incremental borrowing rate, where applicable. Lease payments included in the measurement of the lease liability comprise: (i) fixed lease payments, less lease incentives; (ii) variable lease payments based upon an index or a rate; and (iii) payments of penalties for terminating the lease.

The right-of-use assets comprise the corresponding lease liability, lease payments made at or before the lease commencement date and initial direct costs. Whenever there is an obligation to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the agreed condition, a provision is recognised. These costs are included in the related right-of-use assets.

Right-of-use assets are measured at cost less accumulated depreciation and impairment losses. They are depreciated over the shorter period of lease term and useful life of the underlying assets. The depreciation starts on the lease commencement date. The depreciation periods and depreciation method are reviewed, and adjusted if appropriate, at each reporting date.

Variable lease payment (not based upon an index or a rate) are recognised as an expense in the period in which it is incurred.

Lessor

Leases are classified as finance leases or operating leases. Whenever the lease transfers substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the lease term. Initial direct costs incurred are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the net investment in the leases. Finance lease income is allocated to reporting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the leases.

(j) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost is determined on the weighted average basis.

Cost comprises direct materials, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price in the ordinary course of business, less selling and distribution costs and all other estimated cost to completion.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Cash and Cash Equivalents

Cash and cash equivalents comprise cash and bank balances, time deposits and other short term, highly liquid deposits that are readily convertible to known amounts of cash, and which are subject to insignificant risk of changes in value.

For the purposes of the statements of cash flows, cash and cash equivalents are presented net of bank overdrafts and exclude fixed deposits pledged to secure banking facilities and fixed deposits placed for tenure exceeding twelve months.

(l) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of an instrument.

Financial assets and financial liabilities are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities on initial recognition.

Financial Assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Subsequent Measurement

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

- at amortised cost (debt instruments);
- at fair value through other comprehensive income ("FVTOCI"), with recycling of cumulative gains and losses (debt instruments);
- designated at FVTOCI, without recycling of cumulative gains and losses (equity instruments); or
- at fair value through profit or loss ("FVTPL").

Financial Assets at Amortised Cost

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

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

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in profit or loss when an asset is derecognised, modified or impaired.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(l) Financial Instruments (continued)

Financial Assets at FVTOCI

Debt instruments that meet the following conditions are subsequently measured at FVTOCI:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at FVTOCI, the related interest income, foreign exchange revaluation and impairment losses or reversals are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost. All other changes in the carrying amount are recognised in OCI and accumulated in a reserve in equity.

The Company does not have financial assets at FVTOCI.

Equity instruments designated at FVTOCI

Upon initial recognition, management may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term;
- on initial recognition it is part of a portfolio of identified financial instruments that the entity manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative instrument (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in OCI and accumulated in a reserve in equity. Equity instruments designated at FVTOCI are not subject to impairment assessment.

Financial Assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI are measured at FVTPL, including but not limited to:

- Debt instruments that are designated at FVTPL, if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.
- Derivative instruments.

Financial assets at FVTPL are measured at fair value, with fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial assets.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(l) Financial Instruments (continued)

Impairment of Financial Assets

Loss allowance is recognised for expected credit losses ("ECL") for all debt instruments not held at FVTPL, i.e. financial assets at amortised cost or FVTOCI, receivables, lease receivables, contract assets, loan commitments and financial guarantee contracts.

ECL is based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that are expected to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial asset.

Management measures the loss allowance of trade receivables, contract assets and lease receivables at an amount equal to their lifetime ECL (i.e. simplified approach). The ECL on these financial assets are estimated based on historical credit loss experience, and where appropriate, adjusted for forward-looking factors specific to the debtors and the economic environment.

For all other financial assets at amortised cost, where credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECL is provided for credit losses that result from default events that are possible within twelve months after the reporting date. For those credit exposures for which there has been a significant increase in the likelihood or risk of a default occurring since initial recognition (instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring), a loss allowance is required for credit losses expected over the remaining life of the financial assets.

Derecognition of Financial Assets

A financial asset is derecognised only when the contractual rights to the cash flows from the financial asset expire; or when the financial asset is transferred and substantially all the risks and rewards of ownership of the financial asset are transferred to another party.

If the entity neither transfers nor retains substantially all the risks and rewards of ownership and continues to control a transferred financial asset, the entity recognises its retained interest in the financial asset and an associated liability for amounts it may have to pay. If the entity retains substantially all the risks and rewards of ownership of a transferred financial asset, the entity continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the financial asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. On derecognition of an investment in a debt instrument classified at FVTOCI, the cumulative gain or loss previously accumulated in the reserve is reclassified to profit or loss. On derecognition of an investment in equity instrument classified at FVTOCI, the cumulative gain or loss previously accumulated in the reserve is transferred to retained earnings.

Financial Liabilities and Equity Instruments

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(l) Financial Instruments (continued)

Financial Liabilities

All financial liabilities are subsequently measured at FVTPL or at amortised cost.

Financial liabilities at FVTPL

Financial liabilities are classified at FVTPL when the financial liability is:

- contingent consideration of an acquirer in a business combination;
- held for trading; or
- it is designated at FVTPL.

Financial liabilities are classified as held for trading if they are held for the purpose of repurchasing in the near term. This category also includes derivatives entered into by the entity that are not designated as hedging instruments. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Financial liabilities at FVTPL are measured at fair value, with gains or losses arising on changes in fair value recognised in profit or loss to the extent that they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liabilities.

For financial liabilities that are designated at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in OCI, unless the recognition of the effects of changes in the liability's credit risk in OCI would create or enlarge an accounting mismatch in profit or loss. The remaining amount of change in the fair value of liability is recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in OCI are not subsequently reclassified to profit or loss; instead, they are transferred to retained earnings upon derecognition of the financial liability.

Financial Liabilities at Amortised Cost

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

The effective interest method is a method of calculating the amortised cost of a financial liability by allocating interest expense over the relevant periods. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, to the amortised cost of a financial liability.

The Company does not have financial liabilities at FVTPL.

Derecognition of Financial Liabilities

Financial liabilities are derecognised when, and only when, the obligations under the liabilities are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

When an existing financial liability is replaced by another financial liability from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as derecognition of the original liability and the recognition of a new liability.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(l) Financial Instruments (continued)

Equity Instrument

Equity instruments issued are recognised at the proceeds received. Costs incurred directly attributable to the issuance of the equity instruments are accounted for as a deduction from equity.

Repurchase of own equity instruments is deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of own equity instruments.

Derivative Financial Instruments

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently measured at fair value. The resulting gain or loss is recognised in profit or loss, unless the derivative is designated and effective as a hedging instrument.

(m) Impairment of Tangible and Intangible Assets

Goodwill

Goodwill is tested for impairment at least annually, or more frequently if events or changes in circumstances indicate that the goodwill may be impaired.

For the purpose of impairment testing, goodwill is allocated to each of the cash-generating units that is expected to benefit from synergies of the business combination.

An impairment loss is recognised when the carrying amount of a cash-generating unit, including the goodwill, exceeds the recoverable amount of the cash-generating unit. Recoverable amount of the cash-generating unit is the higher of the cash-generating unit's fair value less cost to sell and its value in use. The total impairment loss is allocated first to reduce the carrying amount of the allocated goodwill and then to the other assets in that cash-generating unit proportionately on the basis of the carrying amount of each asset in that cash-generating unit. Impairment loss recognised for goodwill is not reversed in subsequent periods.

Tangible Assets and Intangible Assets with Finite Useful Lives

Tangible and intangible assets are assessed at each reporting date to determine whether there is any indication of impairment.

If such an indication exists, the asset's recoverable amount is estimated. The recoverable amount is the higher of an asset's fair value less cost to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Recoverable amounts are estimated for individual assets or, if it is not possible, for the cash-generating unit to which the asset belongs.

An impairment loss is recognised whenever the carrying amount of an asset or a cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in profit or loss, except for assets that are previously revalued where the revaluation was recognised in OCI. In this case, the impairment is also recognised in OCI up to the amount of any previous revaluation.

Any reversal of an impairment loss as a result of a subsequent increase in recoverable amount should not exceed the carrying amount that would have been determined (net of amortisation or depreciation, if applicable) had no impairment loss been previously recognised for the asset.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) Non-controlling Interests

Non-controlling interests at the reporting date, being the equity in a subsidiary not attributable directly or indirectly to the equity holders of the Company, are presented in consolidated statement of financial position and statement of changes in equity within equity, separately from equity attributable to the owners of the Company. Non-controlling interests in the results of the Group is presented in consolidated statement of profit or loss and other comprehensive income as an allocation of the profit or loss and the comprehensive income for the financial year between non-controlling interests and the owners of the Company.

Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

(o) Borrowing Costs

All borrowing costs are recognised in profit or loss in the financial period in which they are incurred.

(p) Hire purchases

Hire purchase payments are apportioned between the finance charges and reduction of the hire purchase liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss.

(q) Employee Benefits

(i) Short-term and Other Long-term Employee Benefits

Wages, salaries, paid leave, bonuses and non-monetary benefits are recognised as an expense (at the undiscounted amount) in the period in which the associated services are rendered by the employees.

Long-term employee benefits are measured at the present value of the estimated future cash outflows in respect of services rendered by the employees up to the reporting date.

(ii) Post-employment benefits

(a) Defined contribution plan

The Company and its Malaysian subsidiaries make monthly contributions to the Employees Provident Fund ("EPF") which is a defined contribution plan. Foreign subsidiaries make contributions to their respective statutory pension plans. The obligation of the Group is limited to the amount that it agrees to contribute to those defined contribution plans. The contributions to those plans are recognised as an expense when the employees have rendered service entitling them to the contribution.

(b) Defined benefit plan

The Group's and the Company's net obligations in respect of their defined benefit plans are calculated by estimating the discounted present value of future benefit that employees have earned in return for their services in the current and prior periods.

The discount rate is the market yield at the reporting date on high quality corporate bonds. The calculation is performed by an independent firm of actuaries using the projected unit credit method once in three years in advance.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(q) Employee Benefits (continued)

(ii) Post-employment benefits (continued)

(b) Defined benefit plan (continued)

Remeasurements of the net defined benefit liability comprise actuarial gains and losses, and are recognised immediately in OCI. The Group and the Company determine the net interest expense or income on the net defined liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments.

Net interest expense and other expenses relating to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group and the Company recognise gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(r) Provisions

Provisions are recognised when the Group and the Company have a present obligation (legal or constructive) as a result of a past event, when it is probable that the Group and the Company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, a provision represents the present value of estimated future cash flows.

When some or all of the cash flows required to settle a provision are expected to be recovered from a third party, an asset is recognised if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(s) Revenue

Revenue from a contract with a customer is recognised when control of the goods or services is transferred to the customer. Revenue is measured based on the consideration specified in the contract to which the entity expects to be entitled in exchange for transferring the goods or services to the customer, excluding amounts collected on behalf of third parties such as sales taxes and value added taxes, which are not economic benefits that flow to the entity.

If a contract with a customer contains more than one performance obligation, the total consideration is allocated to each performance obligation based on the relative stand-alone selling prices of the goods or services promised in the contract.

Sales of Goods

Revenue from sales of goods is recognised at the point in time when control of the goods is transferred to a customer, generally upon delivery of goods.

In measuring the revenue for the sales of goods, the effects of variable consideration, the existence of significant financing component, non-cash consideration, and consideration payable to the customer, etc. are taken into consideration.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) Revenue (continued)

Rendering of Services

Revenue is recognised over time, if a customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs.

Revenue is recognised using an input method to measure progress towards complete satisfaction of the services.

Contract Balances Arising from Revenue Recognition

Contract liabilities are the obligation to transfer goods or services to customers for which the entity has received consideration (or an amount of consideration is due) from the customers. If the customers pay consideration before the entity transfers goods or services to the customers, contract liabilities are recognised when the payment is made or the payment is due (whichever is earlier).

Other Revenue is Recognised as follows:

- Car rental income is recognised on a time proportion basis over the lease term.
- Income from finance lease transactions is recognised based on the sum-of-digits method. Where an account becomes non-performing, interest income is suspended until it is realised on a cash basis. An account is classified as non-performing where repayments are in arrears for more than six months.
- Interest income is recognised using the effective interest method.
- Rental income from investment property is recognised in profit or loss on a straight-line basis over the specific tenure of the respective leases. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease. Rental income from subleased property is recognised as other income.
- Dividend income is recognised when the right to receive payment is established.
- Insurance premium income is recognised on the date of the assumption of risks.

(t) Foreign Currencies

Transactions and Balances in Foreign Currencies

Transactions in currencies other than the functional currency ("foreign currencies") are recognised at the prevailing exchange rate on the date of the transaction. At the reporting date, monetary items denominated in foreign currencies are translated at the prevailing exchange rate on that date.

Non-monetary items which are measured in terms of historical costs denominated in foreign currencies are translated at the prevailing exchange rate on the date of the transaction. Non-monetary items which are measured at fair values denominated in foreign currencies are translated at the prevailing exchange rate on the date when the fair values were determined.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(t) Foreign Currencies (continued)

Transactions and Balances in Foreign Currencies (continued)

Exchange differences are recognised in profit or loss, except for:

- Exchange differences on borrowings denominated in foreign currency relating to an asset under construction, which are included in the cost of that asset when the exchange difference is regarded as an adjustment to interest costs on those foreign currency borrowings.
- Exchange differences on amounts receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur in the foreseeable future (i.e. form part of the net investment in that foreign operation), which are recognised initially in OCI and reclassified from equity to profit or loss on disposal or partial disposal of the net investment.

Translation of Foreign Operations

For consolidation purposes, all assets and liabilities of foreign operations (including goodwill and fair value adjustments arising from the acquisition of a foreign operation) are translated at the prevailing exchange rate on the reporting date. Income and expense are translated at average exchange rate for the period. Exchange differences arising from the translation of the financial statements of the foreign operation are recognised in OCI; accumulated in a separate component of equity and attributed to non-controlling interests as appropriate.

On disposal of a foreign operation (i.e. loss of control, joint control or significant influence), the accumulated exchange differences recognised in equity relating to that foreign operation is reclassified to profit or loss.

In a partial disposal that does not result in losing of control over a foreign operation, the proportionate share of accumulated exchange differences in equity is re-attributed to non-controlling interests and is not recognised in profit or loss. For other partial disposals (i.e. partial disposals of associates or jointly controlled entities that do not result in losing of significant influence or joint control), the proportionate share of the accumulated exchange differences in equity is reclassified to profit or loss.

(u) Segmental Reporting

Segmental reporting in the financial statements is presented on the same basis as it is used by management internally for evaluating operating segment performance and in deciding how to allocate resources to each reporting segment. Operating segments are distinguishable components of the Group that engage in business activities from which they may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's results are reviewed regularly by the chief operating decision maker to decide how to allocate resources to the segment and assess its performance, and for which discrete financial information is available.

Segment revenue, expenses, assets and liabilities are those amounts resulting from operating activities of a segment that are directly attributable to the segment and a relevant portion that can be allocated on a reasonable basis to the segment.

Segment revenue, expenses, assets and liabilities are determined before intra-group balances and intra-group transactions are eliminated as part of the consolidation process, except to the extent that such intra-group balances and transactions are between group entities within a single segment.

The total of segment asset is measured based on all assets (including goodwill) of a segment, as included in the internal management reports that are reviewed by the board of directors. Segment total asset is used to measure the return on assets of each segment.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(u) Segmental Reporting (continued)

Segment capital expenditure is the total cost incurred during the financial year to acquire property, plant and equipment, and tangible assets other than goodwill.

The Group does not use geographical segment as its main operations are in Malaysia.

(v) Fair Value

Fair value is 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.

All assets and liabilities, for which fair value is measured or disclosed, are categorised within the fair value hierarchy set out below based on the inputs that are significant to the fair value measurement. Fair value measurement is derived from:

Level 1: Unadjusted quoted prices in active markets (for identical assets or liabilities).

Level 2: Inputs (other than quoted prices included within Level 1) are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Valuation techniques that include unobservable inputs (not based on observable market data).

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATIONS

The preparation of the financial statements requires management to exercise judgement in the process of applying the accounting policies. It also requires the use of accounting estimates and assumptions that affect the reported assets, liabilities, income and expenses.

Although these estimates are based on management's best knowledge of current events and actions, historical experiences and various other factors (including expectations for future events that are believed to be reasonable under the circumstances), actual results may ultimately differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the financial year in which the estimate is revised and in any future financial period affected.

Critical Judgement

There are no significant areas of critical judgement in applying accounting policies that have the most significant effect on the amount recognised in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATIONS (continued)

Key Estimation and Assumption

The key assumptions concerning the future and other key sources associated with estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities, are as follows:

(i) Property, Plant and Equipment

Property, plant and equipment are depreciated on a straight-line basis to write off their costs to their residual values over their estimated useful lives. Management estimates these useful lives to be 50 to 55 years for leasehold land and buildings and within 2 to 10 years for other property, plant and equipment.

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

(ii) Lease Liabilities

Management estimates the lease term as the non-cancellable period of a lease together with both periods covered by an option to extend the lease and an option to terminate the lease. In assessing whether it is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, management exercises judgement by considering all relevant facts and circumstances that create an economic incentive to exercise the option to extend the lease, or not to exercise the option to terminate the lease.

Management measures the lease liabilities as the present value of the lease payments that are not paid at commencement date. The lease payments are discounted using the incremental borrowing rate.

The lease terms and discount rate are determined using certain assumptions and they represents management's best estimation. The assumptions on which it is based relate to the future. Actual outcome may be different from the estimation and the variation could be material.

(iii) Land and Buildings

The Group determines the fair values of its land and buildings based on a valuation carried out by an independent firm of professional valuers on an open market value basis.

(iv) Goodwill

Goodwill is tested for impairment annually and at other times when such indicators exist. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated.

Estimating value in use requires management to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATIONS (continued)

Key Estimation and Assumption (continued)

(v) Deferred Tax Asset

Deferred tax asset is recognised for deductible temporary differences and unutilised tax losses to the extent that it is probable that taxable profit will be available in future against which the deductible temporary differences and tax losses can be utilised.

Significant management judgement is required to determine the amount of deferred tax asset that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

(vi) Inventories

Inventories are stated at the lower of cost and net realisable value. The Group estimates the net realisable value of inventories based on an assessment of expected sales prices less the estimated costs necessary to make the sale.

Inventories are reviewed on a regular basis and the Group writes down inventories based primarily on historical trends and management's estimates of expected and future product demand and related pricing.

Demand levels, technological advances and pricing competition could change from time to time. If such factors result in an adverse effect on the Group's products, the Group might be required to reduce the value of its inventories and additional write down for slow moving inventories may be required.

(vii) Trade Receivables

Management assesses the ECL for trade receivables at each reporting date. Credit losses are the difference between the contractual cash flows that are due to the entity and the cash flows that it actually expects to receive. Management applies simplified approach of MFRS 9 *Financial Instruments* in assessing the impairment of trade receivables.

In determining the ECL, management uses historical credit loss experience for trade receivables to estimate the ECL. Management is not only required to consider historical information that is adjusted to reflect the effects of current conditions and information that provides objective evidence that trade receivables are impaired in relation to incurred losses, but management is also considering, when applicable, reasonable and supportable information that may include forecasts of future economic conditions when estimating the ECL, on an individual and collective basis. The need to consider forward-looking information means that management exercises considerable judgement as to how changes in macroeconomic factors will affect the ECL on trade receivables.

The ECL on trade receivables as at current reporting date is primarily based upon the historical credit loss experience.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATIONS (continued)

Key Estimation and Assumption (continued)

(viii) Non-trade Receivables

Management assesses the ECL of receivables at each reporting date. Credit losses are the difference between the contractual cash flows that are due to the entity and the cash flows that it actually expects to receive.

In determining the ECL, management assesses whether there has been any significant increase in credit risk since initial recognition of a receivable. Where there has not been a significant increase in credit risk since initial recognition, management determines the loss allowance by estimating an amount equal to twelve months ECL of that receivable. For those credit exposures for which there has been a significant increase in the likelihood or risk of a default occurring since initial recognition (instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring), management measures a loss allowance for credit losses expected over the remaining life of that receivable. Management exercise considerable judgement in these estimations, using historical credit loss experience as well as reasonable and supportable information that may include forecasts of future economic conditions when estimating the ECL.

(ix) Other Non-financial Assets

The Group and the Company determine whether other non-financial assets are impaired by evaluating the extent to which the recoverable amount of an asset is less than its carrying amount. This evaluation is subject to factors such as market performance, economic situation, etc.

Recoverable amount is measured at the higher of the fair value less cost to sell for that asset and its value in use. The value in use is the net present value of the projected future cash flows derived from that asset discounted at an appropriate discount rate. For such discounted cash flow method, it involves the use of estimated future results and a set of assumptions to reflect its income and cash flows. Judgment has been used to determine the discount rate for the cash flows and the future growth of the business.

(x) Defined Benefit Plan

The Group and the Company determine the present value of the defined benefit obligation and the fair value of any plan asset based on calculations provided by independent actuaries triennially using the relevant assumptions. Where expectations differ from the original estimate, the differences will impact the carrying amount of the post-employment benefits obligations.

(xi) Income Taxes

Significant judgement is involved in determining the capital allowances and deductibility of certain expenses during the estimation of the provision for income tax. There are certain transactions during the ordinary course of business and computations for which the ultimate tax determination is uncertain.

The Group and the Company recognise liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

5. PROPERTY, PLANT AND EQUIPMENT

	at valuation			at cost						
Group	Freehold land RM'000	Leasehold land RM'000	Buildings RM'000	Plant, machinery and equipment RM'000	Machinery and equipment for hire RM'000	Furniture, fixtures, fittings and office equipment RM'000	Renovation RM'000	Coaches, motor vehicles for hire and other motor vehicles RM'000	Cars for hire RM'000	Total RM'000
Cost/Valuation										
At 1 January 2019	45,355	11,789	23,449	3,966	73,011	27,404	9,486	51,114	180,490	426,064
Additions	-	-	-	19	16,741	2,382	1,065	29,871	32,797	82,875
Disposals	-	-	-	-	(17,751)	(2,994)	-	(1,605)	-	(22,350)
Written off	-	-	-	-	(3)	(18)	-	(241)	(711)	(973)
Transfer to inventories (c)	-	-	-	-	-	-	-	(4,986)	(66,718)	(71,704)
Effects of movements in exchange rates	-	(8)	(15)	-	-	-	-	-	-	(23)
At 31 December 2019	45,355	11,781	23,434	3,985	71,998	26,774	10,551	74,153	145,858	413,889
Additions	-	-	-	230	15,502	928	398	5,484	13,904	36,446
Disposals	-	-	-	(424)	(17,923)	(62)	-	(2,195)	(2,546)	(23,150)
Written off	-	-	-	-	-	(28)	(34)	(325)	(234)	(621)
Transfer to inventories (c)	-	-	-	-	-	-	-	(8,709)	(43,968)	(52,677)
Revaluation	10,650	5,624	419	-	-	-	-	-	-	16,693
Elimination on revaluation	-	(791)	(2,815)	-	-	-	-	-	-	(3,606)
Effects of movements in exchange rates	-	(42)	(55)	-	-	-	-	-	-	(97)
At 31 December 2020	56,005	16,572	20,983	3,791	69,577	27,612	10,915	68,408	113,014	386,877

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

5. PROPERTY, PLANT AND EQUIPMENT (continued)

	at valuation			at cost						
Group	Freehold land RM'000	Leasehold land RM'000	Buildings RM'000	Plant, machinery and equipment RM'000	Machinery and equipment for hire RM'000	Furniture, fixtures, fittings and office equipment RM'000	Renovation RM'000	Coaches, motor vehicles for hire and other motor vehicles RM'000	Cars for hire RM'000	Total RM'000
Accumulated depreciation										
At 1 January 2019	-	294	1,433	3,498	30,988	22,217	5,882	19,260	64,214	147,786
Charge for the financial year	-	252	694	133	13,024	2,504	1,189	12,006	23,055	52,857
Disposals	-	-	-	-	(11,830)	(2,825)	-	(1,154)	-	(15,809)
Written off	-	-	-	-	(3)	(18)	-	(26)	(372)	(419)
Transfer to inventories (c)	-	-	-	-	-	-	-	(2,809)	(39,694)	(42,503)
Effects of movements in exchange rates	-	(1)	(3)	-	-	-	-	-	-	(4)
At 31 December 2019	-	545	2,124	3,631	32,179	21,878	7,071	27,277	47,203	141,908
Charge for the financial year	-	254	693	135	12,777	2,459	1,239	16,040	12,912	46,509
Disposals	-	-	-	(424)	(13,693)	(37)	-	(1,739)	(1,615)	(17,508)
Written off	-	-	-	-	-	(28)	(34)	(109)	(103)	(274)
Transfer to inventories (c)	-	-	-	-	-	-	-	(3,888)	(25,386)	(29,274)
Revaluation	-	(791)	(2,815)	-	-	-	-	-	-	(3,606)
At 31 December 2020	-	8	2	3,342	31,263	24,272	8,276	37,581	33,011	137,755

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

5. PROPERTY, PLANT AND EQUIPMENT (continued)

	at valuation			at cost						
Group	Freehold land RM'000	Leasehold land RM'000	Buildings RM'000	Plant, machinery and equipment RM'000	Machinery and equipment for hire RM'000	Furniture, fixtures, fittings and office equipment RM'000	Renovation RM'000	Coaches, motor vehicles for hire and other motor vehicles RM'000	Cars for hire RM'000	Total RM'000
Accumulated impairment loss										
At 1 January 2019/ 31 December 2019	-	-	839	-	-	7	1	9	-	856
Charge for the financial year	-	-	-	-	-	-	-	68	-	68
At 31 December 2020	-	-	839	-	-	7	1	77	-	924
Carrying amount										
At 31 December 2019	45,355	11,236	20,471	354	39,819	4,889	3,479	46,867	98,655	271,125
At 31 December 2020	56,005	16,564	20,142	449	38,314	3,333	2,638	30,750	80,003	248,198

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

5. PROPERTY, PLANT AND EQUIPMENT (continued)

(a) As at 31 December 2020, the carrying amount of cars for hire under hire purchase arrangements is RM30,455,000 (2019: RM54,845,000).

(b) Acquisition of property, plant and equipment

	2020 RM'000	2019 RM'000
Additions	36,446	82,875
Financed via hire purchase	(5,398)	(17,284)
Cash paid	31,048	65,591

(c) During the financial year, the carrying amount of motor vehicles and cars for hire amounting to RM23,403,000 (2019: RM29,201,000) was transferred to inventories as disclosed in note 15(a).

(d) The buildings are situated as follows:

	Carrying amount	
	2020 RM'000	2019 RM'000
On leasehold land	3,902	3,652
On freehold land	15,630	16,264
In a multi-storey office complex with strata title	610	555
	20,142	20,471

The land and buildings under property, plant and equipment were revalued on 8 December 2020. The fair values of the land and buildings as at 31 December 2020 were based on valuations carried out by independent professional valuers who have appropriate professional qualifications and recent experience in the relevant location and assets being valued. Fair values of land and buildings have been generally derived using the sales comparison and depreciated replacement cost approach and therefore are categorised as Level 2 in the fair value hierarchy. In the sales comparison approach, sales price of comparable properties in close proximity is adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot of comparable properties. Depreciated replacement cost approach is based on how much it would cost to reproduce the property after adjusting for depreciation.

There is no transfer between levels of fair value hierarchy during the financial year.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

5. PROPERTY, PLANT AND EQUIPMENT (continued)

(d) The buildings are situated as follows: (continued)

Had the revalued property, plant and equipment been carried under the cost model, the carrying amount of each class of property, plant and equipment that would have been included in the financial statements of the Group as at 31 December 2020 and 31 December 2019 would be as follows:

	Freehold land RM'000	Leasehold land RM'000	Buildings RM'000	Total RM'000
Cost				
At 1 January 2019/ 31 December 2019/ 31 December 2020	15,612	4,145	16,306	36,063
Accumulated depreciation				
At 1 January 2019	-	918	4,602	5,520
Charge for the financial year	-	155	359	514
At 31 December 2019	-	1,073	4,961	6,034
Charge for the financial year	-	166	402	568
At 31 December 2020	-	1,239	5,363	6,602
Carrying amount				
At 31 December 2019	15,612	3,072	11,345	30,029
At 31 December 2020	15,612	2,906	10,943	29,461

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

5. PROPERTY, PLANT AND EQUIPMENT (continued)

(d) The buildings are situated as follows: (continued)

	Furniture, fixtures, fittings and office equipment	
	2020	**2019**
Company	**RM'000**	**RM'000**
Cost		
At 1 January	364	381
Additions	-	1
Written off	(2)	(18)
At 31 December	362	364
Accumulated depreciation		
At 1 January	359	376
Charge for the financial year	1	1
Written off	(1)	(18)
At 31 December	359	359
Carrying amount		
At 31 December	3	5

6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

	2020	**2019**
	RM'000	**RM'000**
(a) The Group as Lessee		
(i) Right-of-use Assets		
At 1 January	6,399	9,552
Additions	2,638	670
Discounts	(220)	-
Charge for the financial year	(4,413)	(3,823)
At 31 December	4,404	6,399

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (continued)

	2020 RM'000	2019 RM'000
(a) The Group as Lessee (continued)		
(ii) Lease Liabilities		
Current	3,684	3,863
Non-current	888	2,797
	4,572	6,660

The right-of-use assets comprise of properties and car park, which are typically run for a period of one to five years. The leases do not impose any covenants. The changes in lease liabilities arising from financing activities are as follows:

	2020 RM'000	2019 RM'000
At 1 January	6,660	10,056
Additions	2,638	-
Discounts	(220)	-
Lease payments	(4,841)	(3,718)
Finance costs	335	322
At 31 December	4,572	6,660

(b) The Group as Lessor

	2020 RM'000	2019 RM'000
(i) Carrying amount of property, plant and equipment (subject to operating leases as lessor):		
Properties	20,142	20,471
Motor vehicles	110,753	145,522
Equipment	38,314	39,819
	169,209	205,812
(ii) Carrying amount of investment property (subject to operating leases as lessor)	43,500	45,400

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

6. **RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (continued)**

(b) **The Group as Lessor (continued)**

(iii) Analysis of undiscounted lease receivables after the reporting date is as follows:

	2020 RM'000	2019 RM'000
Not later than one year	33,720	41,094
Later than one year but not later than five years	28,636	39,130
	62,356	80,224

7. **INVESTMENT PROPERTY**

Group	2020 RM'000	2019 RM'000
At 1 January	45,400	45,400
Fair value loss on investment property	(1,900)	-
At 31 December	43,500	45,400
Investment property comprises:		
Leasehold land	40,700	42,600
Buildings	2,800	2,800
	43,500	45,400

(a) Investment property comprises a commercial property that is leased to related parties. Each of the leases contains an initial lease period of one to two (2019: one to two) years. Subsequent renewals are negotiated with lessee and on an average renewal period of two years. No contingent rents are charged.

(b) The following is recognised in profit or loss in respect of the investment property:

	2020 RM'000	2019 RM'000
Rental income	809	764
Direct operating expenses	110	131

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

7. INVESTMENT PROPERTY (continued)

(c) The Group measures its investment property at fair value and any change in fair value is recognised in profit or loss. The fair value of the investment property as at 31 December 2020 is based on a valuation carried out on 9 December 2020 by independent professional valuers who have appropriate professional qualifications and recent experience in the relevant location and assets being valued. The fair value of the investment property was determined using sales comparison method and therefore is categorised as Level 2 in the fair value hierarchy. In the sales comparison approach, sales price of comparable properties in close proximity is adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot of comparable properties.

There is no transfer between levels of fair value hierarchy during the financial year.

8. INVESTMENTS IN SUBSIDIARIES

Company	**2020 RM'000**	**2019 RM'000**
Unquoted shares, at cost		
At 1 January	213,432	213,432
Additions	6,000	-
At 31 December	219,432	213,432
Accumulated impairment losses		
At 1 January	61,109	60,313
Charge for the financial year	9,275	796
At 31 December	70,384	61,109
Carrying amount		
At 31 December	149,048	152,323

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

8. INVESTMENTS IN SUBSIDIARIES (continued)

The details of the subsidiaries are as follows:

Name of subsidiaries	Effective ownership and voting interest 2020 %	2019 %	Principal place of business and place of incorporation	Principal activities
Mayflower Car Rental Sdn Bhd +	100	100	Malaysia	Rental of cars and coaches and trading and marketing of motor vehicles
Mayflower Corporate Travel Services Sdn Bhd	100	100	Malaysia	Operation of inbound, outbound tours and provision of air-ticketing services
Mayflower Holidays Sdn Bhd	100	100	Malaysia	Operation of inbound, outbound tours and provision of air-ticketing services
Discovery Tours (Sabah) Sdn Bhd	100	100	Malaysia	Operation of inbound and outbound tours, rental of cars and coaches as well as air-ticketing services
TCIM Sdn Bhd ("TCIM") +	100	100	Malaysia	Distribution, sale and rental of material handling equipment, agriculture tractors, engine, construction equipment and parts as well as provision of after sales services
Jentrakel Sdn Bhd +	100	100	Malaysia	Rental and sale of industrial machinery and equipment
Angka-Tan Motor Sdn Bhd +	100	100	Malaysia	Assembly, distribution and sale of commercial and passenger vehicles
MUV Solutions Sdn Bhd	100	100	Malaysia	Provision of technology, maintenance and its related services
Tan Chong Apparels Manufacturer Sdn Bhd +	100	100	Malaysia	Manufacture of apparels
Warisan TC Automotive Manufacturers (M) Sdn Bhd	100	100	Malaysia	Manufacture and assembly of passenger and commercial vehicles
MAT Tours and Travel (Cambodia) Pte Ltd *	100	100	Cambodia	Operation of inbound, outbound tours and provision of air ticketing services

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

8. INVESTMENTS IN SUBSIDIARIES (continued)

The details of the subsidiaries are as follows: (continued)

Name of subsidiaries	Effective ownership and voting interest 2020 %	2019 %	Principal place of business and place of incorporation	Principal activities
Mayflower-My 2nd Home (MM2H) Sdn Bhd	100	100	Malaysia	Provision of migration services
Warisan TC Management Services Sdn Bhd	100	100	Malaysia	Provision of management services
HairBiz College of Hairdressing Professionals Sdn Bhd +	100	100	Malaysia	Property investment holding
Belize Holdings Sdn Bhd +	100	100	Malaysia	Investment holding
Mayflower (Labuan) Pte Ltd	100	100	Labuan Malaysia	Investment holding
MAT (Labuan) Pte Ltd	100	100	Labuan Malaysia	Investment holding
Warisan Captive Incorporated	100	100	Labuan Malaysia	Captive insurance
MAT Transportation Solution (Myanmar) Company Ltd *	100	100	Myanmar	Rental of cars and coaches and trading and marketing of motor vehicles
Tung Pao Sdn Bhd +	100	100	Malaysia	Inactive
Tan Chong Apparels Sdn Bhd +	100	100	Malaysia	Inactive
Excess Line Sdn Bhd	100	100	Malaysia	Inactive
TC Machinery Vietnam Pte Ltd *	100	100	Vietnam	Inactive
Grooming Expert Sdn Bhd +	100	100	Malaysia	Inactive
Mayflower Logistics Solutions Sdn Bhd	100	100	Malaysia	Dormant

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

8. INVESTMENTS IN SUBSIDIARIES (continued)

The details of the subsidiaries are as follows: (continued)

Name of subsidiaries	Effective ownership and voting interest 2020 %	Effective ownership and voting interest 2019 %	Principal place of business and place of incorporation	Principal activities
Warisan Automotif Holdings Sdn Bhd	100	100	Malaysia	Dormant
ATM (Labuan) Pte Ltd	100	100	Labuan Malaysia	Dormant
Mayflower ITravel Sdn Bhd	100	100	Malaysia	Dormant
Mayflower Holidays (Labuan) Pte Ltd	100	100	Labuan Malaysia	Dormant
WTC Automotif (M) Sdn Bhd	100	100	Malaysia	Dormant
Gocar Mobility Sdn Bhd	95	95	Malaysia	Provision of online and mobile application platforms to fleet owners, fleet maintenance and management, and advertising services
MUV Marketplace Sdn Bhd +	84	100	Malaysia	Provision of used vehicles auction services, vehicle inspection and certification, and trading of used vehicles
Mayflower Online Sdn Bhd	80	80	Malaysia	Provision of multiple travel products and services via electronic platform
Comit Communication Technologies (M) Sdn Bhd +	76	76	Malaysia	Property investment holding
Kereta Komersil Seladang (M) Sdn Bhd	70	70	Malaysia	Manufacturing, assembly and sale of commercial and passenger vehicles
TCIM Esasia Sdn Bhd	70	70	Malaysia	Inactive

\+ *Subsidiaries which were consolidated on the merger method of accounting*

* *Not audited by Mazars PLT*

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

9. INVESTMENTS IN ASSOCIATES

Group	2020 RM'000	2019 RM'000
Unquoted shares, at cost		
At 1 January	2,239	1,636
Additions	-	603
At 31 December	2,239	2,239
Share of post-acquisition reserve		
At 1 January	(940)	(567)
Additions	(484)	(373)
At 31 December	(1,424)	(940)
Carrying amount		
At 31 December	815	1,299

(a) The associates are not material to the Group as at the end of the reporting period and therefore the summarised financial information of the associates is not presented.

(b) The details of the associates are as follows:

Name of associates	Effective ownership and voting interest 2020 %	Effective ownership and voting interest 2019 %	Principal place of business and place of incorporation	Principal activities
Mayflower Saha Travel (Thailand) Co. Ltd*	49	49	Thailand	Provision of air ticketing services, as well as inbound and outbound tours
Tan Chong Warisan Resources Management LLC*	49	49	United States of America ("USA")	Developing and sourcing for business opportunities in USA and Canada, sourcing for new and innovative products, technologies and/or services which can be commercially developed or commercialised and any other business related thereto

* *Not audited by Mazars PLT*

10. INVESTMENTS IN JOINTLY CONTROLLED ENTITIES

Group	2020 RM'000	2019 RM'000
Unquoted shares, at cost		
At 1 January/31 December	17,356	17,356
Share of post-acquisition reserve		
At 1 January	24,773	19,992
Additions	(7,051)	4,781
At 31 December	17,722	24,773
Carrying amount		
At 31 December	35,078	42,129

Company	2020 RM'000	2019 RM'000
Unquoted shares, at cost		
At 1 January/31 December	24,568	24,568
Carrying amount		
At 31 December	24,568	24,568

(a) The details of the jointly controlled entities, which are all incorporated in Malaysia, are as follows:

Name of jointly controlled entities	Effective ownership and voting interest 2020 %	 2019 %	Principal activities
Wacoal Malaysia Sdn Bhd ("Wacoal")	50	50	Distribution and sale of ladies lingerie
Shiseido Malaysia Sdn Bhd ("Shiseido")*	50	50	Distribution and sale of cosmetics and consumer products

* *Not audited by Mazars PLT*

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

10. INVESTMENTS IN JOINTLY CONTROLLED ENTITIES (continued)

(b) The summarised financial information of the jointly controlled entities is as follows:

	2020 RM'000	2019 RM'000
(i) Wacoal		
Statement of Financial Position		
Current assets (excluding cash and bank balances)	30,258	31,103
Cash and bank balances	2,570	3,677
Non-current assets	13,055	16,275
Current liabilities	(7,043)	(9,267)
Non-current liabilities	(5,358)	(7,901)
Statement of Profit or Loss and Other Comprehensive Income		
Revenue	29,924	50,041
Interest income	190	314
Depreciation of property, plant and equipment	(1,142)	(1,302)
Profit before tax	619	5,208
Tax income/(expense)	96	(1,441)
Other comprehensive loss	-	(141)
Total comprehensive income	715	3,626
(ii) Shiseido		
Statement of Financial Position		
Current assets (excluding cash and bank balances)	37,653	59,575
Cash and bank balances	34,665	20,892
Non-current assets	63,515	38,825
Current liabilities	(38,298)	(45,203)
Non-current liabilities	(46,827)	(9,687)

10. INVESTMENTS IN JOINTLY CONTROLLED ENTITIES (continued)

(b) The summarised financial information of the jointly controlled entities is as follows: (continued)

(ii) Shiseido (continued)

Statement of Profit or Loss and Other Comprehensive Income

	2020 RM'000	2019 RM'000
Revenue	89,775	150,126
Interest income	306	374
Depreciation of property, plant and equipment	(4,510)	(3,922)
(Loss)/Profit before tax	(17,652)	13,543
Tax income/(expense)	3,970	(3,657)
Other comprehensive loss	(13)	(328)
Total comprehensive (loss)/income	(13,695)	9,558

(iii) The reconciliation of net assets to carrying amount is as follows:

Group	2020 RM'000	2019 RM'000
Group's share of net assets	42,095	49,145
Elimination of unrealised profits	(7,017)	(7,016)
Carrying amount in consolidated statement of financial position	35,078	42,129
Group's share of (loss)/profit for the financial year	(6,484)	6,827
Group's share of other comprehensive loss for the financial year	(7)	(235)

(iv) During the financial year, the cash dividend received by the Company amounting to RM560,000 (2019: RM1,811,000).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

11. INTANGIBLE ASSETS

Group	Goodwill RM'000	License RM'000	Software and applications RM'000	Total RM'000
Cost				
At 1 January 2019	8,921	700	4,336	13,957
Additions	-	-	683	683
At 31 December 2019	8,921	700	5,019	14,640
Additions	-	-	290	290
At 31 December 2020	8,921	700	5,309	14,930
Accumulated amortisation				
At 1 January 2019	-	-	1,437	1,437
Charge for the financial year	-	-	626	626
At 31 December 2019	-	-	2,063	2,063
Charge for the financial year	-	-	635	635
At 31 December 2020	-	-	2,698	2,698
Carrying amount				
At 31 December 2019	8,921	700	2,956	12,577
At 31 December 2020	8,921	700	2,611	12,232

For the purpose of impairment testing, goodwill is allocated to the Group's operating divisions which represent the lowest level within the Group at which the goodwill is monitored for internal management purposes.

The above goodwill acquired has been allocated to the cash-generating units ("CGUs"), namely Mayflower Corporate Travel Services Sdn Bhd, Gocar Mobility Sdn Bhd and Kereta Komersil Seladang (M) Sdn Bhd.

The recoverable amounts of the abovementioned CGUs are determined based on value-in-use calculations using cash flow projections covering five years. The growth rates used for the five-year cash flow projections are in the range of 3% to 5% (2019: 3% to 5%) per annum and the terminal value growth rates used are in the range of 3% to 5% (2019: 3% to 5%).

The value-in-use was determined by discounting the future pre-tax cash flows generated from the continuing use of the units. The pre-tax discount rates used are in the range of 7.5% to 10% (2019: 7.2% to 9.2%).

The values assigned to the key assumptions represent management's assessment of future trends in the mentioned industry and are based on both external sources and internal sources.

12. DEFERRED TAX ASSET/(LIABILITIY)

The components of the Group's and of the Company's deferred tax asset/(liability) are as follows:

	Asset		Liability		Total	
	2020	2019	2020	2019	2020	2019
Group	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Property, plant and equipment	-	-	(17,010)	(11,288)	(17,010)	(11,288)
Investment property	-	-	(574)	(764)	(574)	(764)
Retirement benefits obligation	483	29	-	-	483	29
Tax loss carry forward	2,847	167	-	-	2,847	167
Other items	5,778	5,587	-	-	5,778	5,587
Deferred tax asset/(liability)	9,108	5,783	(17,584)	(12,052)	(8,476)	(6,269)
Offsetting	(2,913)	(2,248)	2,913	2,248	-	-
Net deferred tax asset/(liability)	6,195	3,535	(14,671)	(9,804)	(8,476)	(6,269)
Company						
Retirement benefits obligation	355	379	-	-	355	379
Other items	20	20	-	-	20	20
Deferred tax asset	375	399	-	-	375	399

No deferred tax asset is recognised in respect of the following items:

	2020	2019
Group	RM'000	RM'000
Unutilised tax losses	72,186	45,857
Unabsorbed capital allowances	8,268	4,388
Other temporary differences	2,141	2,919
	82,595	53,164

Pursuant to the applicable tax legislation:

(i) unabsorbed capital allowances can be carried forward indefinitely; and

(ii) unutilised tax losses can be carried forward up to seven consecutive years of assessment.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

12. DEFERRED TAX ASSET/(LIABILITIY) (continued)

Movements of deferred tax are as follows:

Group	At 1 January RM'000	Recognised in profit or loss (note 31) RM'000	Recognised in other comprehensive (loss)/income (note 32) RM'000	At 31 December RM'000
2020				
Property, plant and equipment	(11,288)	(3,653)	(2,069)	(17,010)
Investment property	(764)	190	-	(574)
Retirement benefits obligation	29	500	(46)	483
Tax loss carry forward	167	2,680	-	2,847
Other items	5,587	174	17	5,778
Net deferred tax liability	(6,269)	(109)	(2,098)	(8,476)
2019				
Property, plant and equipment	(14,373)	3,085	-	(11,288)
Investment property	(615)	(149)	-	(764)
Retirement benefits obligation	397	(1,130)	762	29
Tax loss carry forward	167	-	-	167
Other items	4,935	519	133	5,587
Net deferred tax liability	(9,489)	2,325	895	(6,269)
Company				
2020				
Retirement benefits obligation	258	-	(24)	234
Other items	141	-	-	141
Net deferred tax asset	399	-	(24)	375
2019				
Retirement benefits obligation	(155)	-	413	258
Other items	141	-	-	141
Net deferred tax (liability)/asset	(14)	-	413	399

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

13. FINANCE LEASE RECEIVABLES

Group	2020 RM'000	2019 RM'000
Finance lease instalments receivable:		
- not later than one year	3,050	2,574
- later than one year but not later than five years	12,816	7,560
	15,866	10,134
Unexpired term charges	(607)	(411)
Outstanding principal receivable	15,259	9,723
Outstanding principal receivable not later than one year (note 16)	(12,336)	(7,229)
Outstanding principal receivable later than one year but not later than five years	2,923	2,494

The effective interest rates of the finance leases ranging from 4.0% to 6.0% (2019: 4.0% to 6.0%) per annum depending on the amount financed and the tenure of the lease.

14. OTHER INVESTMENTS

Group	2020 RM'000	2019 RM'000
Equity instrument (unquoted shares) designated at FVTOCI		
At 1 January/31 December	6	6

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

15. INVENTORIES

Group	2020 RM'000	2019 RM'000
Raw materials	300	382
Work-in-progress	1,454	1,021
Equipment and machinery	44,473	71,752
Trading goods	3,158	3,083
Spare parts and workshop inventories	18,569	19,231
Commercial and passenger vehicles (a)	20,726	60,606
Complete knock down kits and accessories	25,214	11,219
	113,894	167,294

(a) During the financial year, the carrying amount of motor vehicles and cars for hire amounting to RM23,403,000 (2019: RM29,201,000) was transferred from property, plant and equipment as disclosed in note 5(c).

(b) The following items are recognised in profit or loss:

(i) Inventories recognised as cost of sales amounting to RM216,693,000 (2019: RM201,669,000).

(ii) Inventories written down to net realisable value amounting to RM432,000 (2019: RM891,000).

16. TRADE AND OTHER RECEIVABLES

Group	2020 RM'000	2019 RM'000
Current		
Receivables from Contracts with Customers		
Third parties (a)	62,878	108,019
Related parties (b)	8,683	15,469
	71,561	123,488
Allowance for doubtful debts (c)	(7,740)	(6,576)
	63,821	116,912

16. TRADE AND OTHER RECEIVABLES (continued)

Group	2020 RM'000	2019 RM'000
Other Trade Receivables		
Finance lease receivables (note 13)	12,336	7,229
Total trade receivables	76,157	124,141
Other receivables	11,610	17,847
Deposits	3,081	6,397
Prepayments	6,484	10,451
Related parties (d)	3,079	1,326
	100,411	160,162

Company	2020 RM'000	2019 RM'000
Deposits	14	15
Prepayments	14	14
Subsidiaries (e)	6,938	8,100
Related parties (d)	1	1
	6,967	8,130

(a) Customers are granted a credit period of 30 to 60 (2019: 30 to 60) days. For major established customers, the credit terms may be extended to 120 days based on the discretion of management.

(b) The related parties are companies in which a director of the Company has substantial interest. The amounts owing by related parties are trade in nature, unsecured, interest-free and have a credit period of 60 to 120 (2019: 60 to 120) days.

(c) Management applies simplified approach (i.e. lifetime expected credit losses) in measuring the loss allowance for trade receivables. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the trade receivables and an analysis of the trade receivables' current financial position, adjusted for factors that are specific to the trade receivables, general economic conditions of the industry in which the trade receivables operate and an assessment of both the current as well as the forecast direction of conditions as at the end of the reporting period.

Management writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, i.e. when the trade receivable has been placed under liquidation or has entered into bankruptcy proceedings.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

16. TRADE AND OTHER RECEIVABLES (continued)

The movements in allowance for doubtful debts for trade receivables are as follows:

Group	2020 RM'000	2019 RM'000
At 1 January	6,576	6,055
Allowance	2,604	754
Reversal	(415)	(233)
Written off	(1,025)	-
At 31 December	7,740	6,576

The risk profile and ageing analysis of trade receivables are as follows:

Group	2020 RM'000	2019 RM'000
Not past due	41,498	65,751
Individual impairment	(187)	(173)
	41,311	65,578
1 to 30 days past due	8,881	24,493
Individual impairment	(22)	(34)
	8,859	24,459
31 to 120 days past due	15,466	17,970
Individual impairment	(71)	(56)
	15,395	17,914
Over 120 days past due	20,975	24,997
Individual impairment	(7,460)	(6,313)
	13,515	18,684
Total trade receivables (i)	79,080	126,635

16. TRADE AND OTHER RECEIVABLES (continued)

(i) The breakdown is as follows:

Group	2020 RM'000	2019 RM'000
Third parties	55,138	101,443
Related parties	8,683	15,469
Other trade receivables:		
- Finance lease receivables (non-current portion)	2,923	2,494
- Finance lease receivables (current portion)	12,336	7,229
	79,080	126,635

(d) The amounts owing by related parties are non-trade in nature, unsecured, interest-free and receivable on demand.

(e) The amounts owing by subsidiaries are non-trade in nature, unsecured, interest-free and receivable on demand.

17. SHORT TERM DEPOSITS

The short term deposits represent investments in short term funds which are managed and invested into fixed income securities and money market instruments by fund management companies. The short term deposits are readily convertible to cash.

18. FIXED DEPOSITS

Fixed deposits are placed with licensed banks to earn effective interest rates ranging from 1.65% to 3.92% (2019: 1.62% to 5.5%) per annum. All fixed deposits have maturity periods of less than one year.

19. SHARE CAPITAL

Group and Company	2020 RM'000	2019 RM'000
Issued and fully paid up:		
67,200,000 ordinary shares		
At 1 January/31 December	67,200	67,200

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

20. TREASURY SHARES

	Number of shares		At cost	
	2020	**2019**	**2020**	**2019**
Group and Company	**'000**	**'000**	**RM'000**	**RM'000**
At 1 January/31 December	2,099	2,099	4,213	4,213

The treasury shares have no rights to voting, dividends or participation in other distribution.

At the Annual General Meeting held fully virtual on 7 August 2020, the shareholders of the Company had granted mandate to the Company to purchase its own shares. During the financial year, the Company did not repurchase its own shares and none of the existing treasury shares held was cancelled, sold or used for such other purposes permitted under the Companies Act 2016.

21. RESERVES

(a) Merger reserve

Merger reserve arose from those subsidiaries identified in note 8 which are consolidated on the merger method of accounting.

(b) Translation reserve

Translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations to the Group's reporting currency.

(c) Hedging reserve

Hedging reserve comprises the effective portion of the cumulative net change in the cash flow hedging instruments related to hedged transactions that have not yet occurred.

(d) Revaluation reserve

(i) Revaluation reserve relates to the revaluation of property, plant and equipment immediately prior to its reclassification as investment property; and

(ii) The revaluation reserve is used to record changes in fair value of land and buildings measured under the revaluation model.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

22. LOANS AND BORROWINGS

Group	2020 RM'000	2019 RM'000
Non-current		
Bank term loans (a)	3,802	1,664
Hire purchases (b)	6,634	12,527
Total non-current portion of loans and borrowings	10,436	14,191
Current		
Bank term loans (a)	742	369
Hire purchases (b)	9,718	14,521
Bankers' acceptances (c)	17,102	40,376
Revolving credits (d)	171,983	176,983
Bank overdrafts (e)	880	958
Total current portion of loans and borrowings	200,425	233,207
Total loans and borrowings	210,861	247,398

(a) (i) The repayment terms of bank term loans are as follows:

	2020 RM'000	2019 RM'000
Not later than one year	742	369
Later than one year but not later than five years	3,802	1,664
	4,544	2,033

(ii) The bank term loans are unsecured and bear effective interest rates ranging from 4.49% to 5.2% (2019: 4.49% to 5.2%) per annum.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

22. LOANS AND BORROWINGS (continued)

(b) (i) The repayment terms of hire purchases are as follows:

Group	Future minimum hire purchases RM'000	Future finance charges RM'000	Present value of minimum hire purchases RM'000
2020			
Not later than one year	10,315	(597)	9,718
Later than one year but not later than five years	6,809	(175)	6,634
	17,124	(772)	16,352
2019			
Not later than one year	15,587	(1,066)	14,521
Later than one year but not later than five years	13,007	(480)	12,527
	28,594	(1,546)	27,048

(ii) The hire purchases are secured and bear flat interest rates ranging from 2.47% to 3.50% (2019: 2.52% to 4.95%) per annum.

(c) The bankers' acceptances are unsecured and bear effective interest rates ranging from 0.80% to 4.40% (2019: 3.44% to 4.78%) per annum.

(d) Revolving credits are unsecured and bear effective interest rates ranging from 2.63% to 4.44% (2019: 3.88% to 5.35%) per annum.

(e) Bank overdrafts are unsecured and bears effective interest rates at 5.82% (2019: 7.10%) per annum.

Changes in loans and borrowings arising from financing activities pertain to drawdowns and repayments are presented in consolidated statement of cash flows.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

23. RETIREMENT BENEFITS OBLIGATION

The Group and the Company operate an unfunded defined benefit plan for employees whose entitlements are calculated by reference to their length of service and earnings. Provision for retirement benefits is calculated based on the predetermined rate of basic salaries and length of service of the employees.

The defined benefit plan exposes the Group and the Company to actuarial risks such as longevity risk and interest rate risk.

The movements are as follows:

	Group		Company	
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Present value of unfunded obligations				
At 1 January	10,232	6,324	1,721	-
Included in profit or loss				
Current service cost	1,251	652	188	-
Interest costs	400	342	72	-
	1,651	994	260	-
Included in other comprehensive (loss)/ income				
Actuarial (gain)/loss	(191)	3,173	(99)	1,721
Other				
Benefits paid	(774)	(259)	-	-
At 31 December	10,918	10,232	1,882	1,721

The principal actuarial assumptions used in respect of the retirement benefits obligation were as follows:

Group and Company	**2020**	**2019**
Discount rate	4.12 to 4.39%	4.12 to 4.39%
Salary increase rate	5.5%	5.5%

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

23. RETIREMENT BENEFITS OBLIGATION (continued)

Reasonably possible change at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the retirement benefits obligation by the amounts shown below:

	2020		2019	
Group	**Increase RM'000**	**Decrease RM'000**	**Increase RM'000**	**Decrease RM'000**
Discount rate (1% movement)	(1,044)	1,186	(928)	1,095
Salary increase rate (1% movement)	752	(670)	620	(554)
Company				
Discount rate (1% movement)	-	-	(15)	16
Salary increase rate (1% movement)	1	(1)	1	(1)

Although the analysis does not account for the full distribution of cash flows expected under the plan, it provides an approximation of the sensitivity of the assumptions shown.

24. CONTRACT LIABILITIES

Group	**2020 RM'000**	**2019 RM'000**
Consideration received in advance	8,770	5,183
Maintenance services (a)	2,537	1,710
	11,307	6,893

(a) Maintenance services are recognised upon collection of transaction price and being recognised as revenue over the service period.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

25. TRADE AND OTHER PAYABLES

Group	2020 RM'000	2019 RM'000
Trade payables (a)	18,733	34,955
Related parties - trade (b)	55,867	86,675
Other payables	4,914	10,799
Deposits received	19,292	20,557
Accruals	22,311	24,956
Related parties - non-trade (c)	11,021	9,640
	132,138	187,582
Company		
Non-current		
Subsidiaries (d)	5,189	5,189
Current		
Other payables	607	668
Accruals	29	35
Subsidiaries (d)	4,326	3,685
Related parties - non-trade (c)	228	228
	5,190	4,616

(a) The credit periods granted by trade payables ranging from 30 to 120 (2019: 30 to 120) days.

(b) The related parties are companies in which a director of the Company has substantial interest. The amounts owing to related parties are trade in nature, unsecured, interest-free and have a credit period of 60 to 120 (2019: 60 to 120) days.

(c) The amounts owing to related parties are non-trade in nature, unsecured, interest-free and repayable on demand.

(d) The amounts owing to subsidiaries are non-trade in nature, unsecured, interest-free and repayable on demand, except for an amount of RM5,189,000 (2019: RM5,189,000) not repayable within the next twelve months and which is subject to interest rate at 4.75% (2019: 4.75%) per annum.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

26. DERIVATIVE FINANCIAL LIABILITY

Forward exchange contracts are entered into by the Group in currencies other than the functional currency to manage exposure to the fluctuation in foreign currency rates. All forward exchange contracts have maturities of less than one year after the end of the reporting period. Where necessary, the forward exchange contracts are rolled over at maturity.

	2020			2019		
	Nominal value	Asset	Liability	Nominal value	Asset	Liability
Group	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Forward exchange contracts	24,323	-	(440)	25,175	-	(378)

27. REVENUE

	Group		Company	
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Revenue from contracts with customers (a)	230,880	239,824	-	-
Revenue from other sources (b)	64,398	200,005	4,563	7,001
	295,278	439,829	4,563	7,001

(a) The timing of revenue recognition from contracts with customers is summarised as follows:

	Group		Company	
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
At a point in time	209,216	210,949	-	-
Over time	21,664	28,875	-	-
	230,880	239,824	-	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

27. REVENUE (continued)

(b) The breakdown of revenue from other resources is as follows:

	Group		Company	
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Dividend income	-	-	4,563	7,001
Insurance premium income	4,013	4,096	-	-
Lease income	60,385	195,909	-	-
	64,398	200,005	4,563	7,001

28. FINANCE INCOME

	Group		Company	
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Interest income from fixed deposits	1,168	1,062	41	102
Interest income from short term deposits	118	122	6	7
	1,286	1,184	47	109

29. FINANCE COSTS

	Group		Company	
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Bank term loans	2,440	2,510	-	-
Bankers' acceptances	979	1,766	-	-
Revolving credits	3,917	5,261	-	-
Hire purchases	1,374	1,799	-	-
Leases	335	322	-	-
Others	242	202	362	321
	9,287	11,860	362	321

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

30. (LOSS)/PROFIT BEFORE TAX

	Group		Company	
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
(Loss)/Profit before tax is stated after charging/(crediting):				
Allowances for doubtful debts	2,604	754	-	-
Amortisation of intangible assets	635	626	-	-
Auditors' remuneration - statutory audit:				
- Mazars PLT	216	255	20	26
- Other auditors	26	46	-	-
non-statutory audit:				
- Mazars PLT and affiliates	127	122	5	10
- Other auditors	15	13	-	-
Bad debts written off	149	38	-	-
Depreciation of property, plant and equipment	46,509	52,857	1	1
Depreciation of right-of-use assets	4,413	3,823	-	-
Gain on disposal of assets held for rental	(4,993)	(4,864)	-	-
Gain on disposal of property, plant and equipment	(244)	(248)	-	-
Impairment loss on investments in subsidiaries	-	-	9,275	796
Impairment loss on property, plant and equipment	68	-	-	-
Net realised loss on foreign exchange	98	11	-	-
Net unrealised loss/(gain) on foreign exchange	49	(274)	-	-
Property, plant and equipment written off	347	554	1	-
Retirement benefits expense	1,651	994	260	-
Reversal of allowance for doubtful debts	(415)	(233)	-	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

31. TAX EXPENSE

	Group		Company	
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Current tax				
- current financial year	5,665	4,478	-	-
- underprovision in previous financial year	907	959	8	-
Total current tax	6,572	5,437	8	-
Deferred tax				
- current financial year	(7,924)	(2,400)	-	-
- underprovision in previous financial year	8,033	75	-	-
Total deferred tax (note 12)	109	(2,325)	-	-
Total tax expense	6,681	3,112	8	-

The corporate income tax rate (the "applicable tax rate") in Malaysia is 24% (2019: 24%). Taxation for other jurisdictions is determined at the tax rate prevailing in the respective jurisdictions.

The difference between tax expense and the amount of tax determined by multiplying the (loss)/profit before tax to the applicable tax rate, is analysed as follows:

	Group		Company	
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
(Loss)/Profit before tax	(58,876)	(4,291)	(8,258)	2,473
Tax calculated at the applicabletax rate	(14,130)	(1,030)	(1,982)	594
Non-deductible expenses	6,468	4,401	3,088	1,111
Non-taxable income	(1,257)	(1,227)	(1,106)	(1,705)
Deferred tax asset previously not recognised	7,063	331	-	-
Difference in tax rates of other jurisdictions	(403)	(397)	-	-
Underprovision in previous financial year	8,940	1,034	8	-
	6,681	3,112	8	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

32. OTHER COMPREHENSIVE (LOSS)/INCOME

	2020			2019		
	Before tax	Tax effect	Net of tax	Before tax	Tax effect	Net of tax
Group	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Items that are or may be reclassified subsequently to profit or loss						
Change in fair value of cash flow hedge	(62)	15	(47)	(246)	59	(187)
Exchange differences on translation of foreign operations	(419)	-	(419)	(45)	-	(45)
	(481)	15	(466)	(291)	59	(232)
Items that will not be reclassified subsequently to profit or loss						
Remeasurement of retirement benefits obligation	191	(46)	145	(3,173)	762	(2,411)
Revaluation of property, plant and equipment	16,693	(2,069)	14,624	-	-	-
Share of other comprehensive loss of jointly controlled entities	(9)	2	(7)	(309)	74	(235)
	16,875	(2,113)	14,762	(3,482)	836	(2,646)
	16,394	(2,098)	14,296	(3,773)	895	(2,878)
Company						
Item that will not be reclassified subsequently to profit or loss						
Remeasurement of retirement benefits obligation	99	(24)	75	(1,721)	413	(1,308)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

33. BASIC LOSS PER SHARE

The basic loss per share have been calculated by dividing the Group's loss for the financial year attributable to owners of the Company by the weighted average number of shares in issue:

Group	**2020**	**2019**
Loss for the financial year attributable to Owners of the Company (RM'000)	(63,781)	(6,789)
Weighted average number of ordinary shares ('000)		
At 1 January/31 December	65,101	65,101
Basic loss per share (sen)	(98)	(10)

34. DIVIDENDS PAID

	2020	**2019**
Group and Company	**RM'000**	**RM'000**
In respect of the financial year ended 31 December 2018		
Final single tier dividend of 3.0 sen per ordinary share paid on 28 June 2019	-	1,953

No dividend was paid or declared by the Company since the end of the previous financial year and the directors do not recommend any dividend for the current financial year.

35. EMPLOYEE INFORMATION

	Group		Company	
	2020	**2019**	**2020**	**2019**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Employee costs	74,467	74,156	3,373	1,750
EPF	7,752	7,848	538	329
Retirement benefits obligation	2,101	994	473	-
	84,320	82,998	4,384	2,079

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

36. RELATED PARTY DISCLOSURES

For the purpose of the financial statements, parties are considered to be related to the Group or the Company if the Group or the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control or common significant influence. Related parties could be individuals or other entities.

The Group and the Company have related party relationships with their direct and indirect subsidiaries, associates, jointly controlled entities, and companies in which a director of the Company has substantial interest.

These related party transactions have been entered into in the normal course of business and have been established under negotiated terms.

Other than those related party transactions and outstanding balances disclosed elsewhere in the financial statements, the significant related party transactions are disclosed below:

(a) Transactions with subsidiaries

Company	2020 RM'000	2019 RM'000
Management fee paid/payable	514	802
Finance costs	362	321

(b) Transactions with jointly controlled entities

Group	2020 RM'000	2019 RM'000
Income from travel agency, car rental and workshop services	11	105

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

36. RELATED PARTY DISCLOSURES (continued)

(c) Transactions with Tan Chong Motor Holdings Berhad ("TCMH") and APM Automotive Holdings Berhad ("APM") groups, companies in which a director of the Company namely Dato' Tan Heng Chew is deemed to have substantial interests:

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
With TCMH group				
Rental income	1,516	2,057	-	-
Sales	22,307	24,049	-	-
Travel agency, car rental and workshop services	3,356	6,660	-	-
Administrative and Information Technology ("IT") services	3,421	4,047	-	-
Assembly services and royalty fee	5,270	8,864	-	-
Hire purchases interest	54	191	-	-
Insurance agency services	5,775	8,365	22	52
Lease payments	1,701	1,890	-	-
Purchase of plant and equipment	1,406	61,519	-	-
Purchase of spare parts	1,743	2,035	-	-
Workshop services	1,641	1,897	-	-
With APM group				
Rental income	1,110	1,050	-	-
Sales	561	-	-	-
Travel agency, car rental and workshop services	428	2,268	-	-
Lease payments	505	456	-	-
Purchase of IT and software	683	290	-	-
Purchase of property, plant and equipment	64	2	-	-
Purchase of spare parts	20	38	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

37. KEY MANAGEMENT PERSONNEL

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly. Key management personnel comprise the director (whether executive or otherwise) of the Company and certain senior management personnel of the Group.

Compensation paid and payable to key management personnel during the financial year comprises:

	Group		Company	
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
(a) Non-executive directors				
Fees	202	218	202	218
Allowances	53	48	53	48
	255	266	255	266
(b) Executive directors				
Remuneration	2,250	2,941	1,507	1,734
Other short term employee benefits (including estimated monetary value of benefits- in-kind)	11	11	-	-
EPF	345	436	233	329
Post-employment benefit	213	1,917	213	1,917
	2,819	5,305	1,953	3,980
(c) Other key management personnel				
Remuneration	2,357	2,527	-	-
Other short term employee benefits (including estimated monetary value of benefits- in-kind)	64	44	-	-
EPF	248	248	-	-
Post-employment benefit	237	263	-	-
	2,906	3,082	-	-
Total	5,980	8,653	2,208	4,246

The compensation paid and payable to the executive directors was in respect of their contract of service or employment with the Group and the Company.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

38. COMMITMENTS

Group	2020 RM'000	2019 RM'000
Approved and contracted capital expenditure (property, plant and equipment) not provided for in the financial statements	841	923

39. FINANCIAL INSTRUMENTS

(a) Classification of financial instruments

Group	2020 RM'000	2019 RM'000
(i) Financial assets at amortised cost		
Finance lease receivables	15,259	9,723
Trade and other receivables*	81,591	140,986
Fixed deposits	61,074	35,178
Cash and bank balances	48,610	51,112
	206,534	236,999
(ii) Financial assets at FVTPL		
Short term deposits	6,224	2,885
(iii) Financial asset at FVTOCI		
Other investments	6	6
Company		
(i) Financial assets at amortised cost		
Other receivables*	6,953	8,116
Fixed deposits	164	161
Cash and bank balances	647	3,647
	7,764	11,924
(ii) Financial asset at FVTPL		
Short term deposits	211	206

* *Trade and other receivables exclude prepayments and GST recoverable*

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

39. FINANCIAL INSTRUMENTS (continued)

(a) Classification of financial instruments (continued)

Group	2020 RM'000	2019 RM'000
(i) Financial liabilities at amortised cost		
Trade and other payables	132,138	187,582
Loans and borrowings	210,861	247,398
	342,999	434,980
(ii) Financial liability at FVTPL		
Derivative financial liability	440	378
Company		
(i) Financial liability at amortised cost		
Other payables	10,379	9,805

(b) Fair value of financial instruments

Management assessed that the fair values of all financial assets and financial liabilities approximate or are at their carrying amounts mainly due to their short term maturities or interest bearing nature except for the followings:

Group	Carrying amount RM'000	Fair value RM'000
2020		
Financial liability		
Loans and borrowings (level 3)	210,861	213,301
2019		
Financial liability		
Loans and borrowings (level 3)	247,398	249,908

There were no transfers between Level 1, 2 and 3 during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

40. FINANCIAL RISK MANAGEMENT

The Group's and the Company's business activities are exposed to a variety of financial risks. The board of directors sets policies, manages and monitors the financial risks relating to the operations of the Group and of the Company. The Group and the Company seek to mitigate the potential adverse effects arising from these risks on the financial position and financial performance of the Group and of the Company. The overall financial risk management is consistent with the previous financial years. There have been no significant changes in the Group's and the Company's exposure to financial risks or the manner in which these risks are managed and measured.

(a) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counter party default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from various receivables. For other financial assets, the Group and the Company minimise credit risk by dealing exclusively with high credit rating counter parties.

As at the end of the reporting period, the maximum exposure to credit risk arising from these financial assets is represented by the carrying amounts in consolidated statement of financial position.

The Group's and the Company's objective is to seek continual revenue growth while minimising losses incurred due to the increased credit risk exposure. The Group and the Company trade only with recognised and creditworthy third parties. It is the Group's and the Company's policy that all receivables who wish to trade on credit terms is subject to credit verification procedures. In addition, receivables balances are monitored on an ongoing basis resulting in the Group's and the Company's exposure to bad debts insignificant. Any receivables having significant balances past due, which are deemed to have higher credit risk, are monitored individually.

The Company provides unsecured advances to subsidiaries. The Company monitors the results of the subsidiaries regularly.

As at the end of reporting period, the Group and the Company did not have any significant exposure to any individual receivable or counter party or any major concentration of credit risk related to any financial asset.

(b) Liquidity risk

Liquidity risk is the risk that the Group and the Company will not be able to meet their financial obligation when they fall due. The Group's and the Company's exposure to liquidity risk arises principally from various payables as well as loans and borrowings.

The Group and the Company maintain a level of cash and bank balances and banking facilities deemed adequate by management to ensure, as far as possible, that they will have sufficient liquidity to meet their liabilities when they fall due.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

40. FINANCIAL RISK MANAGEMENT (continued)

(b) Liquidity risk (continued)

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Company's liabilities as at the end of the reporting period based on contractual undiscounted repayment obligations:

Group	Within one year RM'000	One to five years RM'000	Total RM'000
2020			
Trade and other payables	132,138	-	132,138
Loans and borrowings	200,425	22,636	223,061
Derivative financial liability	440	-	440
	333,003	22,636	355,639
2019			
Trade and other payables	187,582	-	187,582
Loans and borrowings	233,207	26,741	259,948
Derivative financial liability	378	-	378
	421,167	26,741	447,908
Company			
2020			
Other payables	5,190	6,999	12,189
2019			
Other payables	4,616	6,794	11,410

40. FINANCIAL RISK MANAGEMENT (continued)

(c) Interest rate risk

The Group and the Company are exposed to interest rate risk which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates.

Exposure to interest rate risk is primarily related to the Group's interest-bearing borrowings, short term deposits and fixed deposits.

The Group's and the Company's policy are to borrow using a mix of fixed and floating rates. The objective is to reduce the impact of a rise in interest rates and to enable savings to be enjoyed if interest rates fall.

Surplus funds are placed with licensed financial institutions to earn interest income based on prevailing market rates. The Group and the Company manage their interest rate risk by placing such funds on short tenures of twelve months or less.

Sensitivity analysis for interest rate risk

The financial impact arising from changes in interest rate is not expected to be significant, accordingly the sensitivity has not been presented.

(d) Foreign currency exchange risk

The Group is exposed to foreign currency exchange risk on sales, purchases as well as cash and bank balances that are denominated in a currency other than the functional currency of the Group. The major currencies giving rise to this risk are primarily United States Dollar ("USD"), Chinese Renminbi ("CNY"), Japanese Yen ("JPY") and Euro ("EUR").

The Group hedges part of its foreign currency denominated trade receivables and trade payables. At any point in time the Group also hedges part of its estimated foreign currency exposure in respect of the forecast sales and purchases over the following six months. The Group uses forward exchange contracts to hedge its foreign currency exchange risk. All forward exchange contracts have maturities of less than one year after the end of the reporting period. Where necessary, the forward exchange contracts are rolled over at maturity.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

40. FINANCIAL RISK MANAGEMENT (continued)

(d) Foreign currency exchange risk (continued)

The Group's exposure to foreign currency exchange risk, based on carrying amounts as at the end of the reporting period is as follows:

Group

	Denominated in				
In RM'000	**USD**	**CNY**	**JPY**	**EUR**	**Others**
2020					
Trade receivables	1,567	1,107	428	-	-
Trade payables	(468)	-	-	(163)	(3)
Cash and bank balances	12,094	2	18	1	-
Net exposure	13,193	1,109	446	(162)	(3)
2019					
Trade receivables	714	707	-	-	54
Trade payables	(1,331)	-	(69)	(167)	-
Cash and bank balances	11,338	2	5	2	-
Net exposure	10,721	709	(64)	(165)	54

Sensitivity analysis for foreign currency exchange risk

A sensitivity analysis has been performed on the outstanding foreign currency receivables, payables as well as cash and bank balances of the Group as at the end of the reporting period.

A 10% strengthening or weakening of the abovementioned foreign currencies against Ringgit Malaysia as at the end of the reporting period would decrease or increase post-tax loss by approximately RM1,108,000 (2019: RM855,000), with all other variables remaining constant.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

41. CAPITAL MANAGEMENT

The Group's objectives when managing capital are to maintain a strong capital base and to safeguard the Group's ability to continue as a going concern, so as to maintain investors', creditors' and markets' confidence and to sustain future development of the business. The Group actively and regularly reviews and manages its capital structure to ensure optimal capital structure and shareholders returns.

The gearing ratios are as follows:

Group	2020 RM'000	2019 RM'000
Loans and borrowings (note 22)	210,861	247,398
Less: Short term deposits (note 17)	(6,224)	(2,885)
Fixed deposits (note 18)	(61,074)	(35,178)
Cash and bank balances	(48,610)	(51,112)
Net debt	94,953	158,223
Total equity attributable to owners of the Company	274,524	324,009
Gearing ratio	35%	49%

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

42. SEGMENTAL ANALYSIS

	Machinery		Travel and car rental		Automotive		Others		Total	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Segment profit/(loss)	21,619	24,903	(4,811)	37,593	(4,946)	(3,272)	(8,908)	7,407	2,954	66,631
Included in the measure of segment profit/(loss)										
Revenue from external customers	148,833	195,042	64,122	150,364	71,960	79,004	10,363	15,419	295,278	439,829
Inter-segment revenue	-	-	39	862	-	-	-	-	39	862
Inventories written down	(432)	(891)	-	-	-	-	-	-	(432)	(891)
Impairment loss on property, plant and equipment	(66)	-	-	-	-	-	(2)	-	(68)	-
Share of results of equity accounted associates	-	-	-	-	-	-	(484)	(373)	(484)	(373)
Share of results of equity accounted jointly controlled entities	-	-	-	-	-	-	(6,484)	6,827	(6,484)	6,827
Not included in the measure of segment profit/(loss) but provided to Chief Operating Decision Makers										
Depreciation and amortisation	(15,165)	(15,289)	(29,777)	(35,940)	(1,787)	(1,769)	(234)	(286)	(46,963)	(53,284)
Finance costs	(3,743)	(5,063)	(4,450)	(4,963)	(1,039)	(1,735)	(44)	(85)	(9,276)	(11,846)
Finance income	326	303	539	182	15	14	359	583	1,239	1,082
Tax (expense)/income	(885)	(1,774)	(4,955)	(626)	17	(21)	(858)	(691)	(6,681)	(3,112)
Segment assets	258,884	272,059	215,088	307,477	75,613	75,969	96,345	97,345	645,930	752,850
Included in the measure of segment assets										
Additions to non-current assets other than financial instruments and deferred tax asset	15,967	18,045	20,287	64,336	242	790	215	95	36,711	83,266

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

42. SEGMENTAL ANALYSIS (continued)

Reconciliation of reportable segment revenue, profit or loss, assets and liabilities as well as other material items:

	2020 RM'000	2019 RM'000
Loss before tax		
Total profit for reportable segments	2,954	66,631
Depreciation and amortisation	(47,144)	(53,483)
Depreciation of right-of-use assets	(4,413)	(3,823)
Finance costs	(9,287)	(11,860)
Finance income	1,286	1,184
Non-reportable segment expenses	(2,272)	(2,940)
	(58,876)	(4,291)

	External revenue RM'000	Depreciation and amortisation RM'000	Depreciation of right-of-use assets RM'000	Finance costs RM'000	Finance income RM'000	Segment assets RM'000	Additions to non-current assets RM'000
2020							
Total reportable segments	295,278	(46,963)	(4,413)	(9,276)	1,239	645,930	36,711
Other non-reportable segments	-	(181)	-	(11)	47	3,414	25
Share of assets from equity accounted associates and jointly controlled entities	-	-	-	-	-	35,893	-
	295,278	(47,144)	(4,413)	(9,287)	1,286	685,237	36,736
2019							
Total reportable segments	439,829	(53,284)	(3,823)	(11,846)	1,082	752,850	83,266
Other non-reportable segments	-	(199)	-	(14)	102	9,818	292
Share of assets from equity accounted associates and jointly controlled entities	-	-	-	-	-	43,428	-
	439,829	(53,483)	(3,823)	(11,860)	1,184	806,096	83,558

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020
cont'd

43. SIGNIFICANT EVENT OCCURRING DURING THE FINANCIAL YEAR

Since early 2020, the outbreak of Coronavirus Disease 2019 ("COVID-19") has evolved into a global pandemic, adversely affecting economies worldwide due to the widespread imposition of travel restrictions, constraints on the movement of people and the suspension of many business operations to curb the spread of this virus. In Malaysia, the Group's operations, especially travel division, have been temporarily disrupted as a result of the relevant government authorities' measures in response to the emergence of COVID-19. The Group is cognizant of the challenges posed by these developing events and the potential impact they have on its financial position, financial performance and cash flows during the financial year. The Group will continuously assess the situation and put in place measures to minimise impact to its business. As the situation is still evolving, the full effect of the outbreak of COVID-19 is subject to uncertainty and could not be ascertained yet reliably at this juncture.

44. EVENT AFTER THE REPORTING PERIOD

TCIM Sdn Bhd ("TCIM"), a wholly-owned subsidiary of the Company, has participated in a consortium ("Consortium") formed to undertake the development of Large Scale Solar Photovoltaic Plant ("LSSPV"). On 12 March 2021, the Consortium received a letter of notification dated 12 March 2021 from the Energy Commission of Malaysia ("EC") notifying that it had been selected as a shortlisted bidder for the development of the LSSPV project, subject to fulfillment of additional requirements to be issued by the EC in due course. The participation of TCIM in the Consortium will be through the holding of equity interest in a joint venture company to be formed.

45. AUTHORISATION FOR ISSUE OF THE FINANCIAL STATEMENTS

The financial statements were authorised for issue by the board of directors on 6 April 2021.

STATEMENT BY DIRECTORS

PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

We, Tan Keng Meng and Datuk Abdullah Bin Abdul Wahab, being two of the directors of Warisan TC Holdings Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 68 to 150 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2020, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Signed on behalf of the board of directors in accordance with a directors' resolution.

TAN KENG MENG
Director

DATUK ABDULLAH BIN ABDUL WAHAB
Director

Kuala Lumpur

6 April 2021

STATUTORY DECLARATION

PURSUANT TO SECTION 251(1)(B) OF THE COMPANIES ACT 2016

I, Lee Koon Seng, being the officer primarily responsible for the financial management of Warisan TC Holdings Berhad, do solemnly and sincerely declare that, to the best of my knowledge and belief, the accompanying financial statements set out on pages 68 to 150 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.

Subscribed and solemnly)
declared by the abovenamed)
Lee Koon Seng)
at Kuala Lumpur)
in the Federal Territory)
on 6 April 2021)

LEE KOON SENG
Chartered Accountant
MIA Membership No.: CA 8143

Before me:

TAN KIM CHOOI
NO.W661
Commissioner for Oaths
(Pesuruhjaya Sumpah)
Kuala Lumpur

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twenty-Fourth Annual General Meeting of WARISAN TC HOLDINGS BERHAD will be held fully virtual at the broadcast venue at Tricor Business Centre, Manuka 2 & 3, Unit 29-01, Level 29, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia on Friday, 4 June 2021 at 10:30 a.m. to transact the following businesses:

Ordinary Business

1. To lay the Audited Financial Statements for the financial year ended 31 December 2020 together with the Reports of the Directors and Auditors thereon. ***(Please refer to Explanatory Note 1)***

2. To re-elect the following Directors who retire by rotation and being eligible, have offered themselves for re-election, in accordance with Article 98 of the Company's Constitution, as Directors of the Company:

   (i) Dato' Tan Heng Chew ***Ordinary Resolution 1***

   (ii) Datuk Abdullah Bin Abdul Wahab ***Ordinary Resolution 2***

3. To re-elect Ms. Soh Eng Hooi, a Director of the Company, who retires and being eligible, has offered herself for re-election, in accordance with Article 77 of the Company's Constitution. ***Ordinary Resolution 3***

4. To approve the payment of Directors' fees of up to an amount of RM295,000 in aggregate to the Independent Non-Executive Directors of the Company during the course of the period from 5 June 2021 until the next Annual General Meeting of the Company. ***Ordinary Resolution 4***

5. To approve the payment of Directors' benefits of up to an amount of RM100,000 in aggregate to the Independent Non-Executive Directors of the Company during the course of the period from 5 June 2021 until the next Annual General Meeting of the Company. ***Ordinary Resolution 5***

6. To re-appoint Mazars PLT as Auditors of the Company for the financial year ending 31 December 2021 and to authorise the Directors to fix their remuneration. ***Ordinary Resolution 6***

As Special Business

To consider and if thought fit, to pass the following resolutions:

7. **CONTINUING IN OFFICE AS INDEPENDENT NON-EXECUTIVE DIRECTOR**

   "THAT approval be and is hereby given for Datuk Abdullah bin Abdul Wahab who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to be designated as an Independent Non-Executive Director of the Company." ***Ordinary Resolution 7***

NOTICE OF ANNUAL GENERAL MEETING
cont'd

8. **PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES**

"THAT, subject to the Companies Act, 2016 ("Act"), the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and the approvals of all relevant governmental and/or regulatory authorities (if any), the Company be and is hereby authorised to purchase such amount of ordinary shares in the Company ("Proposed Share Buy-Back") as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company, provided that –

(i) the aggregate number of shares purchased and/or held pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company at any point in time of the purchase; and

(ii) the Directors shall resolve at their discretion pursuant to Section 127 of the Act whether to cancel the shares so purchased, to retain the shares so purchased as treasury shares or to retain part of the shares so purchased as treasury shares and cancel the remainder of the shares or in any other manner as may be permitted and prescribed by the Act, rules, regulations, guidelines, requirements and/or orders pursuant to the Act and/or the rules, regulations, guidelines, requirements and/or orders of Bursa Securities and any other relevant authorities for the time being in force.

THAT an amount not exceeding the Company's retained profits be allocated by the Company for the Proposed Share Buy-Back.

THAT the authority conferred by this resolution will be effective immediately upon the passing of this resolution and shall continue to be in force until –

(i) the conclusion of the next Annual General Meeting ("AGM") of the Company at which time the said authority will lapse unless by an ordinary resolution passed at a general meeting of the Company, the authority is renewed, either unconditionally or subject to conditions; or
(ii) the expiration of the period within which the next AGM of the Company is required by law to be held; or
(iii) revoked or varied by an ordinary resolution passed by the shareholders in a general meeting;

whichever occurs first but not so as to prejudice the completion of the purchase(s) by the Company before the aforesaid expiry date and in any event, in accordance with the provisions of the guidelines issued by Bursa Securities and/or any other relevant governmental and/or regulatory authorities (if any).

THAT the Directors of the Company be authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Proposed Share Buy-Back as may be agreed or allowed by any relevant governmental and/or regulatory authorities." ***Ordinary Resolution 8***

NOTICE OF ANNUAL GENERAL MEETING
cont'd

9. **PROPOSED SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS WITH TAN CHONG MOTOR HOLDINGS BERHAD AND ITS SUBSIDIARIES**

"THAT, subject to the Companies Act, 2016 ("Act"), the Constitution of the Company and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and its subsidiaries ("WTCH Group") to enter into all arrangements and/or transactions with Tan Chong Motor Holdings Berhad and its subsidiaries involving the interest of Directors, major shareholders or persons connected with Directors and/or major shareholders of the WTCH Group ("Related Parties") including those as set out in Paragraph 3.3.1.1 of the Company's Circular to Shareholders dated 30 April 2021 provided that such arrangements and/or transactions are recurrent transactions of a revenue or trading nature which are necessary for the day-to-day operations and are carried out in the ordinary course of business on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders ("Shareholders' Mandate").

THAT such approval shall continue to be in force until –

(i) the conclusion of the next Annual General Meeting ("AGM") of the Company at which time such approval will lapse, unless by an ordinary resolution passed at a general meeting of the Company, the authority of the Shareholders' Mandate is renewed; or
(ii) the expiration of the period within which the next AGM of the Company after that date is required to be held pursuant to Section 340(2) of the Act (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
(iii) revoked or varied by an ordinary resolution passed by the shareholders in a general meeting,

whichever occurs first.

THAT the Directors of the Company be authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Shareholders' Mandate." ***Ordinary Resolution 9***

10. **PROPOSED SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS WITH APM AUTOMOTIVE HOLDINGS BERHAD AND ITS SUBSIDIARIES**

"THAT, subject to the Companies Act, 2016 ("Act"), the Constitution of the Company and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and its subsidiaries ("WTCH Group") to enter into all arrangements and/or transactions with APM Automotive Holdings Berhad and its subsidiaries involving the interest of Directors, major shareholders or persons connected with Directors and/or major shareholders of the WTCH Group ("Related Parties") including those as set out in Paragraph 3.3.1.2 of the Company's Circular to Shareholders dated 30 April 2021 provided that such arrangements and/or transactions are recurrent transactions of a revenue or trading nature which are necessary for the day-to-day operations and are carried out in the ordinary course of business on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders ("Shareholders' Mandate").

NOTICE OF ANNUAL GENERAL MEETING
cont'd

THAT such approval shall continue to be in force until –

(i) the conclusion of the next Annual General Meeting ("AGM") of the Company at which time such approval will lapse, unless by an ordinary resolution passed at a general meeting of the Company, the authority of the Shareholders' Mandate is renewed; or
(ii) the expiration of the period within which the next AGM of the Company after that date is required to be held pursuant to Section 340(2) of the Act (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
(iii) revoked or varied by an ordinary resolution passed by the shareholders in a general meeting;

whichever occurs first.

THAT the Directors of the Company be authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Shareholders' Mandate." ***Ordinary Resolution 10***

11. To transact any other business of the Company of which due notice shall have been received.

By Order of the Board

ANG LAY BEE
SSM PC No. 201908003958 (MAICSA 0825641)
Company Secretary

Kuala Lumpur
30 April 2021

NOTES:

1. The Twenty-Fourth Annual General Meeting ("24th AGM") of the Company will be conducted fully virtual through live streaming and online remote voting via Remote Participation and Voting ("RPV") facilities which are available on Tricor Investor & Issuing House Services Sdn Bhd's TIIH Online website at https://tiih.online. Please follow the procedures provided in the Administrative Notes for the 24th AGM in order to register, participate and vote remotely via the RPV facilities.

2. The broadcast venue of the 24th AGM is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the meeting to be present at the main venue of the meeting. The broadcast venue of the 24th AGM is to inform shareholders where the electronic 24th AGM production and streaming would be conducted from. No member(s)/proxy(ies) will be allowed to physically present at the broadcast venue on the day of the meeting.

3. A depositor whose name appears in Record of Depositors of the Company as at 28 May 2021 ("Record of Depositors") shall be regarded as a member entitled to attend, participate, speak (in the form of real time submission of typed texts) and vote at the 24th AGM via RPV facilities.

NOTICE OF ANNUAL GENERAL MEETING
cont'd

4. A member, other than a member who is also an Authorised Nominee (as defined under the Securities Industry (Central Depositories) Act, 1991 ("SICDA")) or an Exempt Authorised Nominee who is exempted from compliance with the provisions of Section 25A(1) of SICDA, may appoint more than one (1) proxy but not more than two (2) proxies to attend and vote for him at the meeting via RPV facilities. A member shall be entitled to appoint another person to be his proxy to exercise all or any of his rights to attend, participate, speak and vote at the 24th AGM of the Company.

5. Subject to Note 8 below, where a member is a Depositor who is also an Authorised Nominee, the Authorised Nominee may appoint more than one (1) proxy but not more than two (2) proxies in respect of each securities account the Authorised Nominee holds with shares in the Company standing to the credit of such securities account as reflected in the Record of Depositors.

6. Subject to Note 8 below, where a member is a Depositor who is also an Exempt Authorised Nominee which holds shares in the Company for multiple beneficial owners in one securities account ("omnibus account") as reflected in the Record of Depositors, there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.

7. Each appointment of proxy by a member including an Authorised Nominee or an Exempt Authorised Nominee shall be by a separate instrument of proxy which shall specify:

   (i) the securities account number;
   (ii) the name of the beneficial owner for whom the Authorised Nominee or Exempt Authorised Nominee is acting; and
   (iii) where two (2) proxies are appointed, the proportion of shareholdings or the number of shares to be represented by each proxy.

8. Any beneficial owner who holds shares in the Company through more than one (1) securities account and/or through more than one (1) omnibus account, shall be entitled to instruct the Authorised Nominee and/or Exempt Authorised Nominee for such securities accounts and/or omnibus accounts to appoint more than one (1) but not more than two (2) persons to act as proxies of the beneficial owner. If there shall be three (3) or more persons appointed to act as proxies for the same beneficial owner of shares in the Company held through more than one (1) securities account and/or through more than one (1) omnibus account, all the instruments of proxy shall be deemed invalid and shall be rejected.

9. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or if such appointor is a corporation, under its common seal or under the hand of an officer or attorney duly authorised.

10. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in the Notice of Annual General Meeting will be put to vote by poll.

11. The instrument appointing a proxy (the "Form of Proxy") and the Power of Attorney or any other authority, if any, under which it is signed or a notarially certified copy of that power or authority (collectively, the "Proxy Authorisation Documents") for the 24th AGM shall be deposited or submitted in the following manner not less than forty-eight hours before the time appointed for the 24th AGM or no later than 2 June 2021 at 10:30 a.m.:

    (a) In hard copy form
    Either by hand or post to the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd ("Tricor") at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia (Tel. +603-2783 9299) or its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia;

NOTICE OF ANNUAL GENERAL MEETING
cont'd

(b) **By electronic means via TIIH Online**
By electronic means to the electronic address at Tricor's TIIH Online website at https://tiih.online. Please refer to the Administrative Notes for the procedures and requirements relating to the submission of proxy forms; and

(c) **By electronic means via email**
By electronic mail (email) to Tricor's email address at is.enquiry@my.tricorglobal.com to be followed by the deposit of a hard copy of the Form of Proxy and the Proxy Authorisation Documents at Tricor's office address stated in paragraph 11(a) above.

EXPLANATORY NOTES ON ORDINARY/SPECIAL BUSINESS

(1) Item 1 of the Agenda - Audited Financial Statements for financial year ended 2020

The laying of the Audited Financial Statements under Item 1 of the Agenda in accordance with Section 340(1)(a) of the Companies Act, 2016 is for the purposes of presenting the Audited Financial Statements to the shareholders and does not require approval of the shareholders.

(2) Ordinary Resolutions 4 and 5 - Directors' Fees and Benefits

In accordance with Section 230(1) of the Companies Act, 2016, the fees of the directors and any benefits payable to the directors of public company or a listed company and its subsidiaries, shall be approved at a general meeting.

The Company pays Directors' fees and benefits to the Independent Non-Executive Directors ("INEDs"). The Executive Directors do not receive any fees and benefits as Directors but they are remunerated with salary, benefits and other emoluments by virtue of their contract of service or employment which do not require approval by the shareholders.

The Board recommends that shareholders approve a maximum aggregate amount of RM295,000 for the payment of Directors' fees to the INEDs of the Company during the course of the period from 5 June 2021 until the next Annual General Meeting of the Company.

The Board also recommends that shareholders approve a maximum aggregate amount of RM100,000 for the payment of benefits to the INEDs of the Company which mainly consist of meeting allowance (for acting as Chairman of the Meeting, not more than RM1,500 per meeting and for acting as Board/Board Committee members, not more than RM1,200 per meeting) during the course of the period from 5 June 2021 until the next Annual General Meeting of the Company.

(3) Ordinary Resolution 7 - Continuing in office as Independent Non-Executive Director

Pursuant to the Malaysian Code on Corporate Governance, it is recommended that approval of shareholders be sought in the event that the Company intends to retain the independent director who has served in that capacity for more than nine (9) years.

Following an assessment and recommendation by the Nominating and Remuneration Committee, the Board recommended that Datuk Abdullah bin Abdul Wahab who has served as INED for a cumulative term of more than nine (9) years to continue to be designated as INED of the Company based on the following key justifications:

(i) he fulfils the criteria under the definition on Independent Director as stated in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, therefore, is able to bring independent and objective judgement to the Board;
(ii) his relevant experience and expertise in entrepreneurial skill, legislative and administrative aspects would enable him to provide the Board and Board Committees, as the case may be, with pertinent expertise, skills, contributions and competence;

NOTICE OF ANNUAL GENERAL MEETING
cont'd

(iii) he possesses greater insight and knowledge of the businesses, operations and business strategies of the Group which enable him to contribute actively and effectively during deliberations at Board Committees and Board meetings;
(iv) he is able to raise his independence views and devote sufficient time and exercise due care as Independent Director of the Company and carry out his duty diligently in the interest of the Company and shareholders; and
(v) from his good attendance record at Board and Board Committee meetings, it is demonstrable of his commitment towards the Company's needs.

(4) Ordinary Resolution 8 - Proposed Renewal of Authority for the Company to Purchase Its Own Shares

The proposed Ordinary Resolution 8, if passed, will empower the Directors of the Company to purchase and/or hold up to 10% of the total number of issued shares of the Company at any point in time of the purchase ("Proposed Share Buy-Back") by utilising the funds allocated which shall not exceed the retained profits of the Company. This authority will continue to be in force until the conclusion of the next Annual General Meeting of the Company, or at the expiration of the period within which the next Annual General Meeting of the Company is required by law to be held, or revoked or varied by an ordinary resolution passed by the shareholders in a general meeting, whichever occurs first.

Further information on the Proposed Share Buy-Back is set out in the Circular to Shareholders dated 30 April 2021 which is available at the Company's website at https://www.warisantc.com.my.

(5) Ordinary Resolutions 9 and 10 - Proposed Shareholders' Mandate for Recurrent Related Party Transactions

The proposed Ordinary Resolutions 9 and 10, if passed, will enable the Company and/or its subsidiaries to enter into recurrent transactions involving the interest of related parties, which are of a revenue or trading nature and necessary for the Group's day-to-day operations, subject to the transactions being carried out in the ordinary course of business and on terms not to the detriment of the minority shareholders of the Company.

Further information on Ordinary Resolutions 9 and 10 are set out in the Circular to Shareholders dated 30 April 2021 which is available at the Company's website at https://www.warisantc.com.my.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies), the Proxy Authorisation Documents, a Power of Attorney and/or other documents appointing representative(s) to attend, participate, speak and vote at the Twenty-Fourth Annual General Meeting of the Company ("24th AGM") and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's and such individual's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies, attorneys and representatives appointed for the 24th AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 24th AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where any of the aforesaid document discloses the personal data of the member's proxy(ies), attorney(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies), attorney(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies), attorney(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

ADMINISTRATIVE NOTES

WARISAN TC HOLDINGS BERHAD
[Registration No. 199701009338 (424834-W)]
(Incorporated in Malaysia)

ADMINISTRATIVE NOTES FOR TWENTY-FOURTH ANNUAL GENERAL MEETING

Date	:	Friday, 4 June 2021
Time	:	10:30 a.m.
Broadcast Venue	:	Tricor Business Centre, Manuka 2 & 3, Unit 29-01, Level 29, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia

MODE OF MEETING

1. As part of the safety measures and initiatives to curb the spread of Coronavirus Disease 2019 (COVID-19), the Twenty-Fourth Annual General Meeting ("24th AGM") of the Company will be conducted fully virtual through live streaming from the Broadcast Venue. This is in line with the Guidance Note on the Conduct of General Meetings for Listed Issuers issued by the Securities Commission Malaysia on 18 April 2020 and including any amendment that may be made from time to time.

2. The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Companies Act, 2016 which requires the Chairman of the meeting to be present at the main venue of the meeting. Shareholders **WILL NOT BE ALLOWED** to attend the 24th AGM in person at the Broadcast Venue on the day of the meeting.

ANNUAL REPORT 2020 AND CIRCULAR TO SHAREHOLDERS

1. The following documents are available on the Company's website at https://www.warisantc.com.my and Bursa Malaysia Securities Berhad's website at https://www.bursamalaysia.com:

   (a) Annual Report 2020 ("AR 2020")
   (b) Circular to Shareholders ("Circular")

2. If you need a copy of the printed AR 2020 and/or Circular, please fax or email your request to our Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd ("Tricor") at fax number and email address stated below. Alternatively, you may request online via Tricor's TIIH Online website at https://tiih.online by selecting "**Request for Annual Report**" under the "**Investor Services**".

DOOR GIFT/FOOD VOUCHER

There will be NO distribution of door gifts or food vouchers to shareholders/proxies who participate in the 24th AGM.

ADMINISTRATIVE NOTES
cont'd

REMOTE PARTICIPATION AND VOTING ("RPV") FACILITIES

1. Shareholders are advised to attend, participate, speak (in the form of real time submission of typed texts) and vote (collectively, "participate") remotely at the 24th AGM using RPV facilities provided by Tricor via its TIIH Online website at https://tiih.online.

2. Shareholders who appoint proxies to participate via RPV facilities in the 24th AGM must ensure that the duly executed Forms of Proxy are deposited either in hard copy form or by electronic means via TIIH Online website at https://tiih.online to Tricor not later than **Wednesday, 2 June 2021 at 10:30 a.m.**

3. Corporate representatives of corporate members must deposit their original certificate of appointment of corporate representative to Tricor not later than **Wednesday, 2 June 2021 at 10:30 a.m.** to participate via RPV facilities in the 24th AGM.

4. Attorneys appointed by power of attorney are to deposit their power of attorney with Tricor not later than **Wednesday, 2 June 2021 at 10:30 a.m.** to participate via RPV facilities in the 24th AGM. If the power of attorney is submitted by electronic mail (email) to Tricor's email address at is.enquiry@my.tricorglobal.com, it must be followed by the depositing of a hard copy of the power of attorney at Tricor's office.

5. **A shareholder who has appointed a proxy or attorney or authorised representative to participate and vote at the 24th AGM via RPV facilities must request his/her proxy or attorney or authorised representative to register himself/herself for RPV facilities at TIIH Online website at https://tiih.online.**

PRE-MEETING SUBMISSION OF QUESTION TO THE BOARD OF DIRECTORS

Shareholders may submit questions to the Board in advance of the 24th AGM via Tricor's TIIH Online website at https://tiih.online by selecting "**e-Services**" to login, pose questions and submit electronically not later than **Wednesday, 2 June 2021 at 10:30 a.m.** The Board will endeavour to answer the questions received at the 24th AGM.

PROCEDURES FOR RPV FACILITIES

Please read and follow the procedures and actions below to participate and vote at the 24th AGM remotely using the RPV facilities:

	Procedure	Action
BEFORE THE DAY OF THE 24TH AGM		
(a)	**Register as a user with TIIH Online**	• Access the website at https://tiih.online. Register as a user under the "**e-Services**" select "**Create Account by Individual Holder**". Refer to the tutorial guide posted on the homepage for assistance. • Registration as a user will be approved within one (1) working day and you will be notified via e-mail. • If you are already a user with TIIH Online, you are not required to register again. You will receive an e-mail to notify you that the remote participation is available for registration at TIIH Online.

ADMINISTRATIVE NOTES
cont'd

	Procedure	Action
(b)	**Submit your registration for RPV facilities**	• **Registration is open from Friday, 30 April 2021 until such time before the voting session ends at the 24th AGM on Friday, 4 June 2021.** • Login with your user ID (i.e. e-mail address) and password and select the corporate event: "**(REGISTRATION) WARISAN TC 24TH AGM**". • Read and agree to the Terms & Conditions and confirm the Declaration. • Select "Register for Remote Participation and Voting". • Review your registration and proceed to register. • System will send an e-mail to notify that your registration for remote participation is received and will be verified. • After verification of your registration against the General Meeting Record of Depositors as at **28 May 2021**, the system will send you an e-mail after 2 June 2021 to approve or reject your registration for remote participation. *(Note: Please allow sufficient time for approval of new user of TIIH Online and registration for the RPV.)*
ON THE DAY OF THE 24TH AGM		
(c)	**Login to TIIH Online**	• Login with your user ID and password for remote participation at the 24th AGM at any time from **10:00 a.m.** i.e. 30 minutes before the commencement of the 24th AGM on **Friday, 4 June 2021 at 10:30 a.m.**
(d)	**Participate through Live Streaming**	• Select the corporate event: "**(LIVE STREAM MEETING) WARISAN TC 24TH AGM**" to engage in the proceedings of the 24th AGM remotely. • If you have any question for the Chairman/ Board, you may use the query box to transmit your question. The Chairman/ Board will endeavour to respond to the questions submitted by remote participants during the 24th AGM. • The quality of your connection to the live streaming is dependent on the bandwidth and stability of the internet connection at your location and the device you are using. • In the event you encounter any issues with logging-in, connection to the live streamed meeting or online voting on the meeting day, please call Tricor Help Line at **011-40805616 / 011-40803168 / 011-40803169 / 011-40803170** for assistance or e-mail to **tiih.online@my.tricorglobal.com** for assistance.

ADMINISTRATIVE NOTES
cont'd

	Procedure	Action
(e)	**Online Remote Voting**	• Voting session commences **from 10:30 a.m. on Friday, 4 June 2021** until a time when the Chairman announces the completion of the voting session of the 24th AGM. • Select the corporate event: "**(REMOTE VOTING) WARISAN TC 24TH AGM**" or if you are on the live stream meeting page, you can select "**GO TO REMOTE VOTING PAGE**" button below the Query Box. • Read and agree to the Terms & Conditions and confirm the Declaration. • Select the CDS account that represents your shareholdings. • Indicate your votes for the resolutions that are tabled for voting. • Confirm and submit your votes.
(f)	**End of remote participation**	• Upon the announcement by the Chairman on the closure of the 24th AGM, the live streaming will end.

APPOINTMENT OF PROXY

1. The 24th AGM will be conducted on a fully virtual basis, if you are unable to attend the meeting via RPV facilities on 4 June 2021, you may appoint the Chairman of the meeting as your proxy and indicate your voting instructions in the Form of Proxy.

2. The instrument appointing a proxy (the "Form of Proxy") and the Power of Attorney or any other authority, if any, under which it is signed or a notarially certified copy of that power or authority (collectively, the "Proxy Authorisation Documents") for the 24th AGM shall be deposited or submitted in the following manner not less than forty-eight hours before the time appointed for the 24th AGM or not later than **Wednesday, 2 June 2021 at 10:30 a.m.**:

    (a) **In hard copy form**

    Either by hand or post to the Company's Share Registrar, Tricor at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia (Tel. +603-2783 9299) or its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia;

    (b) **By electronic means via email**

    By electronic mail (email) to Tricor's email address at is.enquiry@my.tricorglobal.com to be followed by the deposit of a hard copy of the Form of Proxy and the Proxy Authorisation Documents at Tricor's office address stated above; and

ADMINISTRATIVE NOTES
cont'd

(c) **By electronic means via TIIH Online**

By electronically via Tricor's TIIH Online website at https://tiih.online. The steps to submit the Form of Proxy are summarised below:

Procedure	Action
i. Steps for Individual Shareholders	
Register as a User with TIIH Online	• Access the website at https://tiih.online. • Register as a user under the "e-Services". Please refer to the tutorial guide posted on the homepage for assistance. • If you are already a user with TIIH Online, you are not required to register again.
Proceed with submission of Form of Proxy	• After the release of the Notice of Meeting by the Company, login with your user name (i.e. email address) and password. • Select the corporate event: **WARISAN TC 24TH AGM - "SUBMISSION OF PROXY FORM"**. • Read and agree to the Terms and Conditions and confirm the Declaration. • Insert your CDS account number and indicate the number of shares for your proxy(s) to vote on your behalf. • Indicate your voting instructions – FOR or AGAINST, otherwise your proxy will decide on your votes. • Review and confirm your proxy(s) appointment. • Print the Form of Proxy for your record.
ii. Steps for corporation or institutional shareholders	
Register as a User with TIIH Online	• Access TIIH Online at https://tiih.online. • Under e-Services, the authorised or nominated representative of the corporation or institutional shareholder selects "**Create Account by Representative of Corporate Holder**". • Complete the registration form and upload the required documents. • Registration will be verified, and you will be notified by email within one (1) to two (2) working days. • Proceed to activate your account with the temporary password given in the email and re-set your own password. *Note: The representative of a corporation or institutional shareholder must register as a user first in accordance with the above steps before he/she can subscribe to this corporate holder electronic proxy submission. Please contact our Share Registrar if you need clarifications on the user registration.*
Proceed with submission of Form of Proxy	• Login to TIIH Online at https://tiih.online. • Select the corporate exercise name: "**WARISAN TC 24TH AGM - SUBMISSION OF PROXY FORM**". • Read and agree to the Terms and Conditions and confirm the Declaration. • Proceed to download the file format for "Submission of Proxy Form" in accordance with the Guidance Note set therein. • Prepare the file for the appointment of proxy(s) by inserting the required data. • Submit the proxy appointment file. • Login to TIIH Online, select corporate exercise name: "**WARISAN TC 24TH AGM - SUBMISSION OF PROXY FORM**". • Proceed to upload the duly completed proxy appointment file. • Select "Submit" to complete your submission. • Print the confirmation report of your submission for your record.

ADMINISTRATIVE NOTES
cont'd

POLL VOTING

1. The voting at the 24th AGM will be conducted by poll in accordance with Paragraph 8.29A(1) of Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The Company has appointed Tricor as Poll Administrator to conduct the poll by way of electronic voting (e-voting) and Asia Securities Sdn Berhad as Scrutineers to verify the poll results.

2. Shareholders/proxies/corporate representatives can proceed to vote remotely on the resolutions at any time from the commencement of the 24th AGM at 10:30 a.m. on Friday, 4 June 2021 but before the end of the voting session which will be announced by the Chairman of the meeting. Please refer to the "**Procedures for RPV facilities**" above for guidance on how to vote remotely from TIIH Online website at https://tiih.online.

3. Upon completion of the voting session for the 24th AGM, the Scrutineers will verify the poll results and to be followed by the Chairman's declaration whether the resolutions are duly passed.

ENQUIRY

If you have any enquiries on the above, please contact the following persons during office hours on Mondays to Fridays from 8:30 a.m. to 5:30 p.m. (except on public holidays):

Tricor Investor & Issuing House Services Sdn Bhd

General Line	:	+603-2783 9299
Fax No.	:	+603-2783 9222
Email	:	is.enquiry@my.tricorglobal.com
Contact Persons	:	Ms. Lim Lay Kiow (Lay.Kiow.Lim@my.tricorglobal.com) Puan Siti Zalina Osmin (Siti.Zalina@my.tricorglobal.com) Mr. Lim Jia Jin (Jia.Jin.Lim@my.tricorglobal.com)

PERSONAL DATA PRIVACY

Please refer to the Company's compliance with the Personal Data Protection Act 2010 notice as found in the Company's Annual Report 2020.

WARISAN TC HOLDINGS BERHAD

[Registration No. 199701009338 (424834-W)]
(Incorporated in Malaysia)

FORM OF PROXY

CDS Account No.	
Number of shares held	
Shareholder's email address	

I/We ______________________________ *(name of shareholder, in capital letters)*

NRIC No./Company No. ______________________ *(new)* ______________________ *(old)*

of ____

____ *(full address)*

telephone no. ______________________ being a member(s) of WARISAN TC HOLDINGS BERHAD,

hereby appoint ______________________ *(name of proxy as per NRIC, in capital letters)*

NRIC No. ______________________ *(new)* ______________________ *(old)* and

______________________ *(name of proxy as per NRIC, in capital letters)*

NRIC No. ______________________ *(new)* ______________________ *(old)* or failing him/her,

the Chairman of the meeting as my/our proxy/proxies to vote for me/us on my/our behalf at the Twenty-Fourth Annual General Meeting of the Company to be held fully virtual at the broadcast venue at Tricor Business Centre, Manuka 2 & 3, Unit 29-01, Level 29, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia on Friday, 4 June 2021 at 10:30 a.m., and at any adjournment thereof, as indicated below:

No	Resolution	For	Against
Ordinary Resolution 1	Re-election of Dato' Tan Heng Chew		
Ordinary Resolution 2	Re-election of Datuk Abdullah Bin Abdul Wahab		
Ordinary Resolution 3	Re-election of Ms Soh Eng Hooi		
Ordinary Resolution 4	Directors' Fees		
Ordinary Resolution 5	Directors' Benefits		
Ordinary Resolution 6	Re-appointment of Mazars PLT as Auditors		
Ordinary Resolution 7	Continuing in office as Independent Non-Executive Director for Datuk Abdullah bin Abdul Wahab		
Ordinary Resolution 8	Proposed Renewal of Authority for the Company to purchase its own shares		
Ordinary Resolution 9	Proposed Shareholders' Mandate for Recurrent Related Party Transactions with Tan Chong Motor Holdings Berhad and its subsidiaries		
Ordinary Resolution 10	Proposed Shareholders' Mandate for Recurrent Related Party Transactions with APM Automotive Holdings Berhad and its subsidiaries		

(Please indicate with an "X" in the spaces provided how you wish your vote to be cast. If you do not do so, the proxy will vote or abstain from voting at his discretion.)

____
Signature of Member(s)/Attorney of Member(s)

____
Common Seal of Member, if applicable
(if the appointer is a corporation)

Date : ______________

For appointment of two proxies, percentage of shareholdings to be represented by the proxies:

	No. of shares	Percentage
Proxy 1	________	________ %
Proxy 2	________	________ %
Total		100%

Notes:

1. The Twenty-Fourth Annual General Meeting ("24th AGM") of the Company will be conducted fully virtual through live streaming and online remote voting via Remote Participation and Voting ("RPV") facilities which are available on Tricor Investor & Issuing House Services Sdn Bhd's TIIH Online website at https://tiih.online. Please follow the procedures provided in the Administrative Notes for the 24th AGM in order to register, participate and vote remotely via the RPV facilities.
2. The broadcast venue of the 24th AGM is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the meeting to be present at the main venue of the meeting. The broadcast venue of the 24th AGM is to inform shareholders where the electronic 24th AGM production and streaming would be conducted from. No member(s)/proxy(ies) will be allowed to physically present at the broadcast venue on the day of the meeting.
3. A depositor whose name appears in Record of Depositors of the Company as at 28 May 2021 ("Record of Depositors") shall be regarded as a member entitled to attend, participate, speak (in the form of real time submission of typed texts) and vote at the 24th AGM via RPV facilities.
4. A member, other than a member who is also an Authorised Nominee (as defined under the Securities Industry (Central Depositories) Act, 1991 ("SICDA")) or an Exempt Authorised Nominee who is exempted from compliance with the provisions of Section 25A(1) of SICDA, may appoint more than one (1) proxy but not more than two (2) proxies to attend and vote for him at the meeting via RPV facilities. A member shall be entitled to appoint another person to be his proxy to exercise all or any of his rights to attend, participate, speak and vote at the 24th AGM of the Company.
5. Subject to Note 8 below, where a member is a Depositor who is also an Authorised Nominee, the Authorised Nominee may appoint more than one (1) proxy but not more than two (2) proxies in respect of each securities account the Authorised Nominee holds with shares in the Company standing to the credit of such securities account as reflected in the Record of Depositors.
6. Subject to Note 8 below, where a member is a Depositor who is also an Exempt Authorised Nominee which holds shares in the Company for multiple beneficial owners in one securities account ("omnibus account") as reflected in the Record of Depositors, there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.
7. Each appointment of proxy by a member including an Authorised Nominee or an Exempt Authorised Nominee shall be by a separate instrument of proxy which shall specify:
   (i) the securities account number;
   (ii) the name of the beneficial owner for whom the Authorised Nominee or Exempt Authorised Nominee is acting; and
   (iii) where two (2) proxies are appointed, the proportion of shareholdings or the number of shares to be represented by each proxy.
8. Any beneficial owner who holds shares in the Company through more than one (1) securities account and/or through more than one (1) omnibus account, shall be entitled to instruct the Authorised Nominee and/or Exempt Authorised Nominee for such securities accounts and/or omnibus accounts to appoint more than one (1) but not more than two (2) persons to act as proxies of the beneficial owner. If there shall be three (3) or more persons appointed to act as proxies for the same beneficial owner of shares in the Company held through more than one (1) securities account and/or through more than one (1) omnibus account, all the instruments of proxy shall be deemed invalid and shall be rejected.

Fold here

Affix
Stamp
here

Tricor Investor & Issuing House Services Sdn Bhd
[Registration No. 197101000970 (11324-H)]
Registrar for **WARISAN TC HOLDINGS BERHAD**
[Registration No. 199701009338 (424834-W)]
Unit 32-01, Level 32, Tower A
Vertical Business Suite, Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Malaysia

Fold here

9. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or if such appointor is a corporation, under its common seal or under the hand of an officer or attorney duly authorised.
10. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in the Notice of Annual General Meeting will be put to vote by poll.
11. The instrument appointing a proxy (the "Form of Proxy") and the Power of Attorney or any other authority, if any, under which it is signed or a notarially certified copy of that power or authority (collectively, the "Proxy Authorisation Documents") for the 24th AGM shall be deposited or submitted in the following manner not less than forty-eight hours before the time appointed for the 24th AGM or no later than 2 June 2021 at 10:30 a.m.:

   (a) In hard copy form
   Either by hand or post to the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd ("Tricor") at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia (Tel. +603-2783 9299) or its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia;

   (b) By electronic means via TIIH Online
   By electronic means to the electronic address at Tricor's TIIH Online website at https://tiih.online. Please refer to the Administrative Notes for the procedures and requirements relating to the submission of proxy forms; and

   (c) By electronic means via email
   By electronic mail (email) to Tricor's email address at is.enquiry@my.tricorglobal.com to be followed by the deposit of a hard copy of the Form of Proxy and the Proxy Authorisation Documents at Tricor's office address stated in paragraph 11(a) above.

Personal Data Privacy

By submitting an instrument appointing a proxy(ies), the Proxy Authorisation Documents, a Power of Attorney and/or other documents appointing representative(s) to attend, participate, speak and vote at the Twenty-Fourth Annual General Meeting of the Company ("24th AGM") and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's and such individual's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies, attorneys and representatives appointed for the 24th AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 24th AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where any of the aforesaid document discloses the personal data of the member's proxy(ies), attorney(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies), attorney(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies), attorney(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

PERSONAL DATA PROTECTION NOTICE

This Personal Data Protection Notice ("Notice") is issued to all shareholders (including substantial shareholders) ("Shareholders") of WARISAN TC HOLDINGS BERHAD ("Company", "WTCH", "we", "us" or "our") in accordance with the Personal Data Protection Act, 2010 ("Act") which came into force on 15 November 2013. The Act regulates the processing of personal data and requires us to notify you on matters relating to your personal data that is being processed, or that is to be collected and further processed by us. For the purpose of this Notice, the terms "personal data" and "processing" used in this Notice shall have the meaning prescribed in the Act.

Bursa Malaysia Securities Berhad ("Bursa Malaysia") has also on 15 November 2013 amended the Main Market Listing Requirements ("Listing Requirements") consequential to the Act. Under Paragraph 2.14A of the Listing Requirements, any person who provides or has provided personal data to Bursa Malaysia should read and be aware of Bursa Malaysia's personal data notice available at Bursa Malaysia's website www.bursamalaysia.com ("Bursa Malaysia's personal data notice"). If the Company provides Bursa Malaysia with personal data of the Shareholders, the Company must notify the Shareholders of Bursa Malaysia's personal data notice.

As Shareholders of WTCH, your personal data which may include your name, national registration identity card number (NRIC no.), passport number, address, date of birth/age, contact details and number, email address, gender, nationality, shareholding in WTCH, bank account number, CDS account number and any other personal data required, may be processed by WTCH and its related companies ("WTCH Group") for the following purposes ("Purposes"):

(a) Compliance with the Companies Act 2016, Listing Requirements and applicable relevant laws, regulations and guidelines, as may be amended, from time to time;
(b) Verification of information to authorities and governmental agencies;
(c) Deliver, communicate and transmit to the Shareholders of WTCH's annual report, circular to shareholders, and any other information through modes of communication and delivery we deem appropriate;
(d) Payment of dividends and giving of other benefits to you as Shareholders, if applicable;
(e) Maintain, upkeep and update our records regarding our Shareholders' information; and
(f) Dealings with all matters in connection with your shareholding in the WTCH; or such other purposes as may be related to the foregoing.

The personal data processed by us include all information you have provided to us as well as other information we may obtain about you.

Your personal data may be disclosed by us in connection with the Purposes to parties including but not limited to companies within WTCH Group (whether present or future), our professional advisers, insurance companies, auditors, lawyers, banks, share registrars and other service providers, governmental and/or quasi-governmental departments and/or agencies, regulatory and/or statutory bodies and third parties as may be required by law or arising from any legal obligations which is imposed on WTCH Group. Your personal data may be transferred to a place outside Malaysia.

If you fail to supply to us your personal data, we may not be able to process your personal data for any of the Purposes.

We are committed to ensuring that your personal data is stored securely. You are responsible for ensuring that the personal data you provide to us is accurate, complete and not misleading and that such personal data is kept up to date.

Please also be notified that you have the right to request access to and correction of your personal data and you have a choice to limit the consent of the processing of your personal data.

PERSONAL DATA PROTECTION NOTICE
cont'd

Your written requests or queries pertaining to your personal data should be addressed to:

Tricor Investor & Issuing House Services Sdn Bhd [Registration No. 197101000970 (11324-H)]
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Malaysia

Attention : Ms Lim Lay Kiow, Senior Manager
Tel No. : +603-2783 9299
Fax No. : +603-2783 9222
Email : Lay.Kiow.Lim@my.tricorglobal.com

By providing to us your personal data, you hereby consent to the processing of your personal data in accordance with all of the foregoing. You shall also procure the consent of your proxy appointed to attend any general meeting of WTCH on your behalf whose personal data is provided to us by you for any purpose relating to the general meeting.

In accordance with the Act, the Notice is issued in both English and Bahasa Malaysia. In the event of inconsistency between the English version and the Bahasa Malaysia version, the English version shall prevail.

Issued by : Warisan TC Holdings Berhad
30 April 2021

NOTIS PERLINDUNGAN DATA PERIBADI

Notis Perlindungan Data Peribadi ini ("Notis") dikeluarkan kepada semua pemegang saham (termasuk pemegang-pemegang saham utama)("Pemegang Saham") WARISAN TC HOLDINGS BERHAD ("Syarikat", "WTCH" atau "kami") menurut Akta Perlindungan Data Peribadi, 2010 ("Akta") yang berkuatkuasa pada 15hb November 2013. Akta ini mengawal selia pemprosesan data peribadi dan menghendaki kami untuk memaklumkan anda berkenaan perkara-perkara yang berkaitan dengan data peribadi anda yang sedang diproses, atau yang akan dikumpul dan diproses oleh kami. Untuk tujuan Notis ini, terma-terma "data peribadi" dan "pemprosesan" yang digunakan dalam Notis ini hendaklah membawa maksud sepertimana yang ditakrifkan dalam Akta tersebut.

Bursa Malaysia Securities Berhad ("Bursa Malaysia") telah membuat pindaan kepada Keperluan Penyenaraian Pasaran Utama ("Keperluan Penyenaraian") pada 15hb November 2013 akibat daripada Akta ini. Seperti yang tertakluk di bawah perenggan 2.14A Keperluan Penyenaraian, sesiapa yang memberi atau telah memberi data peribadi kepada Bursa Malaysia, haruslah membaca dan menyedari tentang notis data peribadi Bursa Malaysia yang terdapat di laman web Bursa Malaysia di www.bursamalaysia.com ("notis data peribadi Bursa Malaysia"). Sekiranya Syarikat membekalkan data peribadi Pemegang Saham kepada Bursa Malaysia, Syarikat mesti memaklumkan Pemegang Saham tentang notis data peribadi Bursa Malaysia.

Sebagai Pemegang Saham WTCH, data peribadi anda mungkin termasuk nama, nombor kad pengenalan, nombor pasport, alamat, tarikh lahir/umur, maklumat dan nombor perhubungan, alamat emel, jantina, kewarganegaraan, pegangan saham dalam WTCH, nombor akaun bank, nombor akaun Sistem Depositori Pusat (CDS) anda dan data peribadi lain yang dikehendaki, yang mungkin diproses oleh WTCH dan syarikat-syarikat yang berkaitan dengannya ("Kumpulan WTCH") untuk tujuan-tujuan berikut ("Tujuan"):

(a) Mematuhi Akta Syarikat 2016, Keperluan Penyenaraian dan undang-undang, peraturan-peraturan dan garis panduan berkaitan yang mungkin dipinda dari semasa ke semasa;
(b) Pengesahan maklumat kepada pihak berkuasa dan agensi kerajaan;
(c) Menyampaikan, menghubungi dan menghantar laporan tahunan WTCH, pekeliling kepada Pemegang Saham, dan lain-lain maklumat kepada Pemegang Saham melalui cara komunikasi dan penyampaian yang kami anggap sesuai;
(d) Pembayaran dividen dan manfaat lain kepada anda sebagai Pemegang Saham, jika berkenaan;
(e) Mengekal, menyelia dan mengemaskinikan rekod kami yang berkaitan dengan maklumat-maklumat Pemegang Saham; dan
(f) Untuk berurusan dengan semua perkara yang berkaitan dengan pegangan saham anda dalam WTCH; atau bagi tujuan-tujuan lain yang mungkin berkaitan dengan perkara-perkara yang dinyatakan di atas.

Data peribadi anda yang diproses oleh kami merangkumi segala maklumat yang diberi oleh anda serta maklumat lain yang mungkin kami perolehi berkenaan anda.

Maklumat peribadi anda mungkin dizahirkan oleh kami untuk Tujuan di atas kepada pihak lain termasuk dan tidak terhad kepada syarikat-syarikat dalam Kumpulan WTCH (sama ada pada masa kini atau masa depan), penasihat profesional, syarikat-syarikat insurans, juruaudit, peguam, bank, pendaftar saham dan pembekal perkhidmatan lain, semua jabatan dan/atau agensi kerajaan dan/atau kuasi-kerajaan, badan-badan penguatkuasa dan/atau berkanun dan sebarang pihak ketiga, sebagaimana yang dikehendaki undang-undang atau timbul daripada apa-apa kewajipan undang-undang yang dikenakan ke atas Kumpulan WTCH. Data peribadi anda mungkin akan dipindahkan ke suatu tempat di luar Malaysia.

Sekiranya anda gagal membekalkan data peribadi anda kepada kami, kami mungkin tidak dapat memproses data peribadi anda bagi mana-mana Tujuan tersebut.

Kami akan memastikan semua data peribadi anda disimpan dengan selamat. Anda bertanggungjawab untuk memastikan bahawa data peribadi yang anda berikan kepada kami adalah tepat, lengkap, tidak mengelirukan dan dikemaskini.

Adalah dimaklumkan bahawa anda mempunyai hak untuk meminta akses dan membetulkan data peribadi anda atau menghadkan pemprosesan data peribadi anda.

NOTIS PERLINDUNGAN DATA PERIBADI
cont'd

Setiap permintaan bertulis atau pertanyaan berkenaan data peribadi anda perlu disampaikan ke alamat di bawah:

Tricor Investor & Issuing House Services Sdn Bhd [Registration No. 197101000970 (11324-H)]
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Malaysia

Untuk Perhatian : Cik Lim Lay Kiow, Pengurus Kanan
No. Tel : +603-2783 9299
No. Fax : +603-2783 9222
Emel : Lay.Kiow.Lim@my.tricorglobal.com

Dengan membekalkan data peribadi anda kepada kami, bermaksud anda bersetuju membenarkan kami memproses data peribadi anda selaras dengan apa-apa yang dinyatakan di atas. Anda juga harus mendapatkan persetujuan proksi anda yang dilantik untuk menghadiri apa-apa mesyuarat agung WTCH bagi pihak anda sekiranya data peribadi mereka dibekalkan oleh anda kepada kami untuk apa-apa tujuan yang berkaitan dengan mesyuarat agung.

Mengikut Akta tersebut, Notis ini diterbitkan dalam Bahasa Inggeris dan Bahasa Malaysia. Sekiranya terdapat sebarang ketidakseragaman atau percanggahan di antara versi Bahasa Inggeris dan Bahasa Malaysia, versi Bahasa Inggeris akan diguna pakai.

Dikeluarkan oleh : Warisan TC Holdings Berhad
30 April 2021

www.warisantc.com.my

WARISAN TC HOLDINGS BERHAD
[Registration No. 199701009338 (424834-W)]
62-68, Jalan Sultan Azlan Shah
51200 Kuala Lumpur
Malaysia

Tel : +603 4047 8888
Fax : +603 4047 8636
Email : corporate@warisantc.com