PIMPINAN EHSAN BERHAD

(201601021838) (1192777-W)

2019 ANNUAL REPORT

CONTENTS

FINANCIAL HIGHLIGHTS

Key Results	Financial year ended 31.12.2019 RM	Financial year ended 31.12.2018 RM	Financial year ended 31.12.2017 RM	Financial period from 28.06.2016 to 31.12.2016 RM
Revenue	**-**	-	-	-
Other Income	**2,538,442**	140,341,614	487,110	15,538
(Loss)/Profit Before Tax	**(983,002)**	138,304,137	472,656	2,962
(Loss)/Profit After Tax	**(977,960)**	137,843,261	406,064	(767)
Share Capital	**69,125,087**	69,125,087	2	2
Shareholders' Fund	**71,587,529**	72,570,799	396,373	(765)
Net Assets/(Liabilities) Per Share	**1.04**	1.05	198,186.50	(382.50)
Total Lease Liabilities	**870,327**	-	-	-
Gearing Ratio	**0.01**	-	-	-
(Loss)/Earnings Per Share (sen):				
- Basic	**(1.41)**	299.53	N/A	N/A
- Diluted	**(1.41)**	299.53	N/A	N/A
Cash and Cash Equivalents	**71,003,477**	72,315,258	19,812,529	21,015,971

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Chairman
YBhg Tan Sri Rozali Bin Ismail

Executive Director
Hajah Shamshiah Binti Hashim @ Abu Bakar

Independent Non-Executive Directors
Haji Ibrahim Bin Topaiwah
Encik Jumsi Bin Batri
Encik Hariz Shukri Bin Husin
Encik Mohammad Emir Bin Taufiq Ahmad @ Ahmad Mustapha

Alternate Director to YBhg Tan Sri Rozali Bin Ismail
Puan Nur Dayana Binti Tan Sri Rozali

REGISTERED OFFICE AND COMPANY SECRETARIES

Tricor Corporate Services Sdn. Bhd.
Unit 30-01, Level 30, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Tel : 03-2783 9191
Fax : 03-2783 9111

Ms Wong Wai Foong
SSM P.C. No. 202008001472 (MAICSA 7001358)

Ms Tan Bee Hwee
SSM P.C. No. 202008001497 (MAICSA 7021024)

AUDIT AND RISK MANAGEMENT COMMITTEE

Haji Ibrahim Bin Topaiwah	*Chairman*
Encik Hariz Shukri Bin Husin	*Member*
Encik Mohammad Emir Bin Taufiq Ahmad @ Ahmad Mustapha	*Member*

NOMINATING COMMITTEE

Encik Jumsi Bin Batri	*Chairman*
Haji Ibrahim Bin Topaiwah	*Member*
Encik Hariz Shukri Bin Husin	*Member*

REMUNERATION COMMITTEE

Haji Ibrahim Bin Topaiwah	*Chairman*
Encik Jumsi Bin Batri	*Member*
Encik Mohammad Emir Bin Taufiq Ahmad @ Ahmad Mustapha	*Member*

PRINCIPAL PLACE OF BUSINESS

Unit B-2-8, TTDI Plaza
Jalan Wan Kadir 3
Taman Tun Dr Ismail
60000 Kuala Lumpur
Tel : 03-7725 1417/23
Fax : 03-7725 2791
Email : info.pebhd@gmail.com

SHARE REGISTRAR

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
Tel : 03-2783 9299
Fax : 03-2783 9222

AUDITORS

BDO PLT (LLP0018825-LCA & AF0206)
Level 8, BDO @ Menara CenTARa
360 Jalan Tuanku Abdul Rahman
50100 Kuala Lumpur
Tel : 03-2616 2888
Fax : 03-2616 3190/3191

STOCK EXCHANGE LISTING

Main Market
Bursa Malaysia Securities Berhad
Sector : Construction
Stock short name : PEB
Stock Code : 5622
Date of Listing : 3 May 2018

WEBSITE

www.pebhd.com.my

YBHG TAN SRI ROZALI BIN ISMAIL
Executive Chairman

Nationality/ Age/ Gender	:	Malaysian/ 63 years old/ Male
Date of Appointment	:	30 March 2018
Board Committee	:	NIL

Academic/ Professional Qualification :
Bachelor of Laws Degree, University of Malaya (1981)

Present Directorship (Public Companies/ Listed Companies) :
- Puncak Niaga Holdings Berhad
- Gabungan Wawasan Generasi Felda Berhad

Awards and Recognitions :
- the Asia Water Management Excellence Award 2002 – Individual Award Category, an award at Asian level, by the Regional Institute of Environmental Technology on 26 March 2002;
- the International Distinguished Entrepreneur of the Year for the Asia Pacific International Brand Summit (Malaysia) 2011 by the Asia Entrepreneur Alliance;
- the "Munisaraphoin Medal" by the Prime Minister of Cambodia, H.E Hun Sen. on 27 March 2015;
- the Outstanding Leaders in Asia at the Asia Corporate Excellence & Sustainability Award 2016 by MORS Group on 17 November 2016; and
- the World Leader Businessperson by World Confederation of Businesses at The Bizz 2016 and The Bizz 2017.

Working Experience :
YBhg Tan Sri Rozali began his career as Legal Advisor with the Urban Development Authority (UDA) before joining Bank Islam (M) Berhad in 1983 to 1987. Together with a few pioneer bank staff, he conceptualised the first institution of Islamic banking in Malaysia.

Subsequently, in 1987, he started his own legal practice as an Advocate and Solicitor for seven (7) years, specialising in corporate, property and banking works.

In 1989, YBhg Tan Sri Rozali set up a family-owned company and embarked into the property development sector, with involvement in several development projects in the Klang Valley, Kuantan and Johor. Under the banner of Puncak Alam Housing Sdn. Bhd., he developed a new township known as Bandar Baru Puncak Alam.

The family-owned company also ventured into the utility business in 1989 with the setting up of Puncak Niaga Sdn. Bhd. ("PNSB"). Due to his vast experience in various fields, he was entrusted by the Selangor State Government, via PNSB, to manage the water treatment plants for the whole State of Selangor Darul Ehsan and the Federal Territory of Kuala Lumpur. Puncak Niaga Holdings Berhad was subsequently incorporated in January 1997 as the holding company of PNSB and was listed on the Main Board of Bursa Malaysia Securities Berhad (now known as the Main Market of Bursa Malaysia Securities Berhad) on 8 July 1997.

He is currently the Executive Chairman of Puncak Niaga Holdings Berhad and also the major shareholder in Puncak Niaga Holdings Berhad by virtue of his direct and indirect shareholdings via Corporate Line (M) Sdn. Bhd. and Central Plus (M) Sdn. Bhd.

Notes:
i. YBhg Tan Sri Rozali attended three (3) out of six (6) Board Meetings of the Company held during the financial year ended 31 December 2019. In his absence, he was represented by Puan Nur Dayana Binti Tan Sri Rozali as his alternate Director.
ii. YBhg Tan Sri Rozali is the spouse to Puan Sri Faridah Binti Idris (a substantial shareholder of Pimpinan Ehsan Berhad) and the father to Puan Nur Dayana Binti Tan Sri Rozali (his Alternate Director). He does not have any conflict of interest with the Company.
iii. He has not been convicted of any offence within the past five (5) years and has not been imposed any penalty by the relevant regulatory bodies during the financial year ended 31 December 2019.

HAJAH SHAMSHIAH BINTI HASHIM @ ABU BAKAR

Executive Director

Nationality/ Age/ Gender	:	Malaysian/ 51 years old/ Female
Date of Appointment	:	18 July 2016
Board Committee	:	NIL

Academic/ Professional Qualification :
Bachelor of Arts in Accounting and Finance (Hons), Manchester Polytechnic (now known as Manchester Metropolitan University, United Kingdom) (1992)

Present Directorship (Public Companies/ Listed Companies) : NIL

Working Experience :
Hajah Shamshiah has a total working experience of 26 years in construction related industries.

She had worked with a few construction companies before joining WWE Holdings Berhad in 1996 where her last post was Assistant General Manager of the Finance and Account Department.

In March 2012, she left WWE Holdings Berhad and joined TRIplc Berhad as General Manager of Corporate Finance and Accounts in April 2012. She was then promoted to Executive Director, Finance in February 2016 and later being transferred under employment of Pimpinan Ehsan Berhad effective from 16 May 2018.

Notes:
i. Hajah Shamshiah attended all six (6) Board Meetings of the Company held during the financial year ended 31 December 2019.
ii. She has no family relationship with any Director and/or major shareholder of Pimpinan Ehsan Berhad.
iii. She does not have any conflict of interest with the Company and has not been convicted of any offence within the past five (5) years and has not been imposed any penalty by the relevant regulatory bodies during the financial year ended 31 December 2019.

ENCIK JUMSI BIN BATRI

Independent Non-Executive Director

Nationality/ Age/ Gender	:	Malaysian/ 63 years old/ Male
Date of Appointment	:	30 March 2018
Board Committee	:	• Chairman of Nominating Committee • Member of Remuneration Committee

Academic/ Professional Qualification :
Bachelor's Degree in Business Administration (Hons) majoring in marketing and finance, Universiti Kebangsaan Malaysia (1982)

Present Directorship (Public Companies/ Listed Companies) : NIL

Working Experience :
Encik Jumsi has 14 years of working experience in the area of finance involving credit management and marketing during his tenure with Malayan Banking Berhad before he resigned in 1996 to become a dealer representative with TA Securities Bhd.

From 2002 to 2013, he joined CIMB Wealth Advisors Bhd and became a licensed person dealing in unit trust.

Before joining Pimpinan Ehsan Berhad, Encik Jumsi was a Senior Independent Non-Executive Director at TRIplc Berhad since November 2007.

Notes:
i. Encik Jumsi attended all six (6) Board Meetings of the Company held during the financial year ended 31 December 2019.
ii. He has no family relationship with any Director and/or major shareholder of Pimpinan Ehsan Berhad.
iii. He does not have any conflict of interest with the Company and has not been convicted of any offence within the past five (5) years and has not been imposed any penalty by the relevant regulatory bodies during the financial year ended 31 December 2019.

HAJI IBRAHIM BIN TOPAIWAH
Independent Non-Executive Director

Nationality/ Age/ Gender : Malaysian/ 61 years old/ Male
Date of Appointment : 30 March 2018
Board Committee :
- Chairman of Audit and Risk Management Committee
- Chairman of Remuneration Committee
- Member of Nominating Committee

Academic/ Professional Qualification :
Bachelor of Accounting (Hons), Universiti Kebangsaan Malaysia (1984)

Present Directorship (Public Companies/ Listed Companies) : NIL

Working Experience :
Haji Ibrahim has vast experience in accounting, auditing and finance. He was with ICI Berhad for two (2) years from 1984 to 1986 as an Accountant, with Bank Negara Malaysia for eleven (11) years from 1986 to 1997 as Examiner with last position held as Senior Grade Manager. His role in Bank Negara Malaysia involved executing routine audits on various financial institutions as well as their branches overseas.

During his tenure there, he attended several special banking courses locally and overseas held by Federal Reserve Bank of New York, The Central Bank of Pakistan and The Central Bank of Korea amongst others. He subsequently joined PSC Industries Berhad Group, now known as Boustead Heavy Industry Corporation Berhad in 1997 for eight (8) years as Group Chief Internal Auditor. Over the years, he rose up to the rank of Director of Finance before he resigned in 2005 to start his own business.

Previously, Haji Ibrahim was the Independent Non-Executive Director of TRIplc Berhad since March 2010 and is currently a Director of Galeri Teknik Niaga Sdn. Bhd. which deals in organic fertilisers.

Notes:
i. Haji Ibrahim attended all six (6) Board Meetings of the Company held during the financial year ended 31 December 2019.
ii. He has no family relationship with any Director and/or major shareholder of Pimpinan Ehsan Berhad.
iii. He does not have any conflict of interest with the Company and has not been convicted of any offence within the past five (5) years and has not been imposed any penalty by the relevant regulatory bodies during the financial year ended 31 December 2019.

ENCIK HARIZ SHUKRI BIN HUSIN
Independent Non-Executive Director

Nationality/ Age/ Gender : Malaysian/ 34 years old/ Male
Date of Appointment : 30 March 2018
Board Committee :
- Member of Audit and Risk Management Committee
- Member of Nominating Committee

Academic/ Professional Qualification :
- Master of International Economics and Finance with distinction, University of Queensland, Australia (2011)
- Bachelor of Arts in Business Management (Hons), Northumbria University, United Kingdom (2008)

Present Directorship (Public Companies/ Listed Companies) : NIL

Working Experience :
Encik Hariz Shukri began his career as a project management officer in Khazanah Nasional Berhad, the sovereign wealth fund of the Malaysia Government from February 2009 to February 2010.

He later pursued his post-graduate studies in Master of International Economics and Finance from University of Queensland, Australia from 2010 to 2011 and joined Securities Commission upon his return to Kuala Lumpur in April 2012, where he was exposed to several portfolios such as human capital management, regulations, audit and supervision until February 2014.

In 17 February 2014, he joined Performance Management and Delivery Unit (PEMANDU) under the Prime Minister's Department, Malaysia as a consultant cum project management officer under the National Key Economic Areas (NKEA) in areas of Agriculture, Healthcare and Human Capital Development. He continued serving this organisation (now known as PEMANDU Associates Sdn. Bhd.) until June 2019 and has since left to join a Local Public Listed Conglomerate as part of its Business Development Team.

Notes:
i. Encik Hariz Shukri attended all six (6) Board Meetings of the Company held during the financial year ended 31 December 2019.
ii. He has no family relationship with any Director and/or major shareholder of Pimpinan Ehsan Berhad.
iii. He does not have any conflict of interest with the Company and has not been convicted of any offence within the past five (5) years and has not been imposed any penalty by the relevant regulatory bodies during the financial year ended 31 December 2019.

ENCIK MOHAMMAD EMIR BIN TAUFIQ AHMAD @ AHMAD MUSTAPHA

Independent Non-Executive Director

Nationality/ Age/ Gender : Malaysian/ 34 years old/ Male
Date of Appointment : 30 March 2018
Board Committee :
- Member of Audit and Risk Management Committee
- Member of Remuneration Committee

Academic/ Professional Qualification :
Bachelor of Science in Information Management, University College London (2009)

Present Directorship (Public Companies/ Listed Companies) : NIL

Working Experience :
Encik Mohammad Emir began his career in May 2010 in KPMG as an auditor. He was involved in the audit of several multinational and public listed companies. In July 2012, he served in the management consulting department of KPMG and was involved in the implementation of Information Architecture in the Economic Planning Unit of Malaysia until January 2013.

Subsequently, he joined Prolexus Berhad in February 2013 as an Assistant Manager of business development. During his time in Prolexus Berhad, he also served as the Special Officer to the Executive Chairman of Prolexus Berhad. In December 2014, he resigned from Prolexus Berhad and joined UHY Advisory (KL) Sdn. Bhd. as a consultant in the corporate recovery division until March 2016.

Encik Mohammed Emir was later attached with Deloitte as Senior Associate in Financial Advisory Services in June 2016 until September 2017. He was mainly involved in mergers and acquisitions as well as valuation services.

Currently, he is a director of Metro Capital Asset Management Sdn. Bhd., managing investment portfolio of the company.

Notes:
i. Encik Mohammad Emir attended all six (6) Board Meetings of the Company held during the financial year ended 31 December 2019.
ii. He has no family relationship with any Director and/or major shareholder of Pimpinan Ehsan Berhad.
iii. He does not have any conflict of interest with the Company and has not been convicted of any offence within the past five (5) years and has not been imposed any penalty by the relevant regulatory bodies during the financial year ended 31 December 2019.

PUAN NUR DAYANA BINTI TAN SRI ROZALI

Alternate Director to YBhg Tan Sri Rozali Bin Ismail

Nationality/ Age/ Gender : Malaysian/ 35 years old/ Female
Date of Appointment : 9 November 2018
Board Committee : NIL

Academic/ Professional Qualification :
Bachelor of Arts (BA) in Communication & Cultural Studies, Murdoch University, Australia (2013)

Present Directorship (Public Companies/ Listed Companies) : NIL

Working Experience :
In November 2011, Puan Nur Dayana joined Central Plus (M) Sdn. Bhd. and Corporate Line (M) Sdn. Bhd. as a Director to gain exposure and experience in the area of human resources and administration, finance and accounts and operations in both companies.

She was appointed as the alternate Director to YBhg Tan Sri Rozali Bin Ismail on 9 November 2018.

Notes:
i. Puan Nur Dayana attended two (2) out of six (6) Board Meetings on behalf of YBhg Tan Sri Rozali Bin Ismail during the financial year ended 31 December 2019.
ii. She is the eldest daughter of YBhg Tan Sri Rozali Bin Ismail (the Executive Chairman and a substantial shareholder of Pimpinan Ehsan Berhad) and Puan Sri Faridah Binti Idris (a substantial shareholder of Pimpinan Ehsan Berhad).
iii. She does not have any conflict of interest with the Company and has not been convicted of any offence within the past five (5) years and has not been imposed any penalty by the relevant regulatory bodies during the financial year ended 31 December 2019.

The Board has not appointed any key senior management for the financial year ended 31 December 2019.

CHAIRMAN'S STATEMENT

It is my pleasure, on behalf of the Board of Directors ("Board") of Pimpinan Ehsan Berhad ("the Company"), to present this Annual Report incorporating the financial statements of the Company for the financial year ended 31 December 2019.

In 2018, we witnessed the completion of the internal reorganisation and also the disposal of our principal subsidiary, TRIplc Berhad ("TRIplc") to Puncak Niaga Holdings Berhad ("Puncak Niaga") for a cash consideration of RM210.00 million. In total, RM134.79 million or representing 64% of the total proceeds of the disposal of TRIplc, was distributed to the shareholders via a special dividend. The completion of the disposal of TRIplc has successfully proven the Company's ability to create significant shareholders' value through driving successful transformational change in business operation.

The rationale for the establishment of the Company was to assume the listing status in place of TRIplc, and enabling the existing shareholders of TRIplc to participate in the equity and future growth of the Company.

CORPORATE DEVELOPMENT AND FUTURE PROSPECT

In 2019, the Company charted a new milestone with the signing of a Heads of Agreement ("HOA") with Wong Choi Ong, Pan Kum Wan, Exquisite Capitals Sdn. Bhd., Lim Siew Kuen and Tham Yew Leong in relation to the proposed acquisition by the Company of the entire equity interests in Ecoscience Manufacturing & Engineering Sdn Bhd ("EMESB") and Asia Ecoscience Pte Ltd ("AEPL") (collectively, the "Target Companies") ("Proposed Acquisition"). The Proposed Acquisition is intended to form part of the Company's overall regularisation plan to regularise its condition as a Cash Company in accordance with Paragraph 8.03(5) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

However, on 11 March 2020 , the World Health Organisation ("WHO") declared the 2019 Novel Coronavirus Infection ("COVID-19") as a pandemic. Pursuant to the declaration, the Government of Malaysia had on 18 March 2020, imposed the Movement Control Order ("MCO") effective from 18 March 2020 to 31 March 2020 arising from the COVID-19. The MCO was further extended to 12 May 2020. The Government of Malaysia on 4 May 2020, imposed a Conditional MCO, a relaxation of regulations regarding the MCO, with its main goal was to reopen the national economy in a controlled manner until 9 June 2020.

The extended period of MCO and coupled with the growing numbers of COVID-19 cases in Malaysia and globally, had greatly affected the businesses and operation of most companies, specifically the Target Companies which operations had derailed from the planning meant for the Proposed Acquisition. On 20 April 2020, the Company and Vendors had via exchange of letters had mutually agreed to terminate the HOA.

On 4 May 2020, an application was made to Bursa Securities for further extension of time of approximately 7 months until 31 December 2020 for the Company to submit a regularisation plan to the regulatory authorities.

Barring the current challenges faced by the Malaysian citizen and its businesses and coupled with uncertainties surrounding the global economy and financial market, the Board is committed to actively continue identify potential business to establish a new core business in order to regularise its condition as a Cash Company.

Our Company is committed to replicate its success with new investments in the future as the Company intends to maintain its listing status on the Main Market of Bursa Securities.

FINANCIAL PERFORMANCE

The Company recorded a loss before tax of RM0.98 million for financial year ended 31 December 2019, and it was mainly due to administrative expenses incurred by the Company compared with the previous financial year to support day-to-day operations.

APPRECIATION

On behalf of the Board, I would like to express our gratitude and appreciation to the management and staff of the Company for all their dedication and commitment.

My appreciation also goes to our loyal shareholders, bankers and other advisers for their continued support, confidence and assistance given to us.

Finally, I would like to thank my fellow Board members for their counsel, contribution and support throughout the year.

YBHG TAN SRI ROZALI BIN ISMAIL
Executive Chairman

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW OF BUSINESS AND OPERATIONS

Pimpinan Ehsan Berhad ("the Company" or "PEB") was incorporated in Malaysia under the Companies Act, 1965 as a private limited company under the name, Pimpinan Ehsan Sdn. Bhd. on 28 June 2016. It was converted to a public limited company on 6 September 2016 and the name of the Company was changed to Pimpinan Ehsan Berhad. The Company was listed on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities") on 3 May 2018 in place of TRIplc Berhad following the implementation of an internal reorganisation exercise.

Bursa Securities had vide its letter dated 16 May 2018 notified the Company that the Company is a Cash Company pursuant to Paragraph 8.03(1) of the Main Market Listing Requirements of Bursa Securities ("MMLR") upon completion of the disposal of its principal subsidiary, namely TRIplc Berhad, to Puncak Niaga Holdings Berhad. In this respect, the Company must comply with the provisions and requirements in Paragraph 8.03 and Practice Note 16 ("PN16") of the MMLR.

On 31 May 2018, the Company completed the disposal of its principal subsidiary for a total consideration of RM210,000,000 ("Disposal"). The rationale for the Disposal was to unlock the share value of TRIplc Berhad. Subsequently, on 3 July 2018, the Company had paid a special cash dividend of RM1.95 per ordinary share, amounting to RM134,793,920 to the shareholders of the Company, using the proceeds generated from the Disposal.

On 28 November 2019, the Company had entered into a Heads of Agreement ("HOA") with Wong Choi Ong, Pan Kum Wan, Exquisite Capitals Sdn. Bhd., Lim Siew Kuen and Tham Yew Leong (collectively, the "Vendors") in relation to the proposed acquisition by PEB of the entire equity interests in Ecoscience Manufacturing & Engineering Sdn. Bhd. ("EMESB") and Asia Ecoscience Pte Ltd ("AEPL") (collectively, the "Target Companies") ("Proposed Acquisition").

Pursuant to the HOA, the Company and the Vendors have agreed to negotiate for the Proposed Acquisition, including making an assessment as to the most appropriate structure and from the Proposed Acquisition should take place to regularise the Company's condition as a Cash Company. The Company and the Vendors undertake to discuss in good faith with a view to sign a legally binding definitive agreement in relation to the Proposed Acquisition ("Definitive Agreement") within 6 months from the date of the HOA or such longer period as may be mutually agreed between the Company and the Vendors in writing.

The Proposed Acquisition is intended to form part of the Company's overall regularisation plan to regularise its condition as a Cash Company in accordance with Paragraph 8.03(5) MMLR.

However, taking into consideration of the growing uncertainties surrounding the Target Companies businesses and operations due to the COVID-19 pandemic and the imposing MCO by the Government of Malaysia, on 20 April 2020 the Company and Vendors had via exchange of letters mutually agreed to terminate the HOA.

OVERVIEW OF OBJECTIVES AND STRATEGIES

Pursuant to Paragraph 8.03(5)(a)(i) of the MMLR, the Company is required to regularise its condition by submitting a proposal to acquire a new core business/asset ("Regularisation Plan") to the Securities Commission Malaysia ("SC") for its approval within 12 months from the date of the Initial Announcement made on 31 May 2018 upon completion of the Disposal.

On 25 June 2019, the Company announced that Bursa Securities had granted the Company an extension of time up to 30 November 2019 to submit a regularisation plan to the regulatory authorities.

With the execution of the HOA on 28 November 2019, the Company on 29 November 2019 had applied another extension of time to Bursa Securities. On 11 December 2019, Bursa Securities had granted the Company an extension of time up to 29 May 2020 to submit a regularisation plan to the regulatory authorities.

However, with the mutual termination of the HOA as announced on 20 April 2020, the Company had made another application to Bursa Securities for a further extension of time of approximately 7 months until 31 December 2020 on 4 May 2020. The approval is pending on the date of this report.

The Board is committed to uplift the Cash Company status as soon as possible. In achieving this objective, the Company had constantly been in serious discussions with several parties on their potential business/assets that may be a suitable core business for the Company for the past few months.

REVIEW OF FINANCIAL RESULTS

For the current financial year ended 31 December 2019 ("FYE 2019"), the Company recorded a loss before tax of RM0.98 million for FYE 2019, and it was mainly due to higher administrative expenses incurred by the Company for the period of 12 months operations compared to the 7 months operations in the previous financial year.

The Company incurred administrative expenses of RM3,495,759 (2018: RM2,037,477) which primarily consisted of management and administrative staff cost, Directors' fees, business development expenses, professional fees, annual general meeting expenses, depreciation on property, plant and equipment and right-of-use asset and other expenses.

Other than that, the Company also earned interest income of RM2,484,611 (2018: RM2,010,161) which mainly comprised of interest income earned from fixed deposits placement during the financial year.

The Company is purely a shell company with no business and operations as at the year end of 2019. Thus, there will be no revenue generated until the Company regularises its condition.

In view of the Company being classified as a Cash Company, the Company must also place at least 90% of proceeds received from the Disposal in an account opened with a financial institution licensed by Bank Negara Malaysia and operated by a custodian. On 12 June 2018, a total cash of RM64.80 million was placed/deposited with a custodian. As at the year end, the cash balance held by a custodian stood at RM68.24 million (2018: RM65.87 million).

ANTICIPATED OR KNOWN RISK

Key Risk	Description	Key Mitigation Steps
The Company is classified as a Cash Company	- The Company is required to regularise its condition as a Cash Company by submitting a regularisation plan which involves acquisition of new core business to the SC for its approval before 29 May 2020, and subsequently to implement its proposal within the timeframe prescribed by the SC. - Bursa Securities may suspend the trading of Pimpinan Ehsan Berhad's shares and subsequently delist the Company if the Company fails to comply with any part of its obligations as stated above or if its proposal is rejected by the SC.	- The Company has continued to actively identify potential businesses/assets to acquire and substantial amount of time was spent in assessing the suitability, viability as well as the prospects of the potential businesses/assets, in addition to exploring various other options in order to regularise its condition as a Cash Company within the stipulated timeframe. - The Company appointed few advisers and professionals as due diligence working group (such as the reporting accountants, independent adviser, independent market research and others) that equipped with the requisite experience and resources required for the proposed regularisation plan. - The management reports to the Board on the updates and progress of the corporate exercise during Board meeting and/or as when required.

FUTURE PROSPECT

The Board and Management of the Company are continuing to actively seek and review business proposals to identify new businesses/assets to regularise its condition and to maintain its listing status on the MMLR after the completion of the Disposal.

With RM68.24 million balance proceeds from the Disposal being retained for this purpose, the Board believes that the Company will be well-positioned to pursue the regularisation plan once approved by the regulatory authorities. In the meantime, the Company will derive interest income from the deposits of the proceeds from the Disposal with licensed financial institutions.

Any progress in this regard will be announced to Bursa Securities in due course.

DIVIDEND

Having already returned 64% of total proceeds of the Disposal via a special cash dividend to reward the shareholders for their support in FYE 2018, the Board is not recommending any further dividend for FYE 2019. In furtherance, the Directors can only authorise the distribution of dividend to the shareholders out of profits of the Company available if the Company is solvent pursuant to Sections 131 and 132 of the Companies Act 2016.

SUSTAINABILITY STATEMENT

The Board of Directors ("the Board") of Pimpinan Ehsan Berhad ('the Company") is mindful of the importance of embedded sustainability in the Company and recognise its responsibility not only towards its stakeholders, but also to the wider community within which the Company operates.

It is our pleasure to present this Sustainability Statement in line with Practice Note 9 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("MMLR"), in particular, Part III on Sustainability Statement. This initial statement seeks to outline the sustainability approach adopted by the Company for the financial year ended 31 December 2019 ("FY 2019") and detailed disclosure on sustainability efforts by the Company will be made in the coming years.

ECONOMIC

The Company values the importance of continuing unwavering support from its shareholders and will endeavour to uphold strict corporate governance to safeguard the interests of its shareholders. In particular, it will endeavour to comply with all regulatory requirements including Companies Act 2016, MMLR and other laws and regulations that are applicable to the Company.

The Company will continue to engage its shareholders in a timely and transparent manner by making regular disclosure of relevant and material information to keep its shareholders abreast of all material developments within the Company. The Company would also strive to uphold the best practices enumerated under the Malaysian Code on Corporate Governance ("MCCG") in safeguarding the best interests of its shareholders.

ENVIRONMENTAL

The Company is committed to interact with the environment in a responsible manner. In order to achieve this, we review the ways we consume resources and the consequent output of waste and emissions. In general, we seek to attain high efficiency in our consumption of energy and natural resources while ensuring that we minimise any negative impact of that which we put back into the environment. Among the various basic initiatives taken thus far are promoting energy efficient behaviour such as switching off idle computer peripherals or electronic devices and lighting during lunch breaks. Also, the 3Rs Principle of **R**educe, **R**euse and **R**ecycle is encouraged in areas such as paper management (printing only when necessary, double-sided printing) and waste disposal (segregating re-useable waste items to be sold to approved waste disposal companies for recycling).

The Company will continue and regularly review its efforts to promote environmentally friendly workplace, and employees are encouraged to participate actively in sustainability initiatives in order to promote awareness of good practices that may then be applied outside the workplace.

SOCIAL

While business and profit growth remain a primary objective, the Company is also responsible for ensuring proper investment in the development and well-being of employees as they play key roles in the Company's ability to operate successfully.

Thus, the Board believes that long term sustainability depends on the ability to attract, retain and train people while providing a conducive and safe environment for them to succeed. In recognition and empowering employees to grow with the Company, the Company always encourage the staff to participate or attend any related trainings and developments. The Company also works hard to provide a safe workplace environment for its staff. Among the Company's efforts to minimise incidents at workplace include regular maintenance of equipment.

CONCLUSION

The Company recognises that it has a responsibility to a wider community beyond its employees, shareholders and creditors. The Company always ensure to maintain thoughtfulness and integrity in its dealings with either media, authorities, local communities or other interested parties.

Notwithstanding the work that remains to be done to achieve full compliance, the Board looks forward to present a detailed disclosure on sustainability matters in future Sustainability Statements once the Company has acquired a core business.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors of Pimpinan Ehsan Berhad ("the Board") acknowledges the importance of the principles and recommendations as set out in the Malaysian Code on Corporate Governance ("MCCG") and has been always committed towards maintaining the highest standards of corporate governance practices throughout the Company to safeguard the interest of its stakeholders and enhance the shareholders' value for long-term sustainability and growth.

The Board is pleased to share the manner in which the Company has applied the principles of good corporate governance and the extent to which it has complied with the recommendations throughout the financial year ended 31 December 2019.

The Board has also provided specific disclosures on the application of each practice in its Corporate Governance Report ("CG Report"). This CG Report was announced together with the Annual Report of the Company on 27 May 2020. Shareholders may obtain this CG Report by accessing this link www.pebhd.com.my for further details.

Except for the boardroom diversity, practices for the establishment of whistleblowing policies and procedures, the remuneration policy and the detailed disclosures on named basis for the remuneration of individual Directors, the top five (5) senior management in bands of RM50,000 and senior management as well as undertaking professional development courses on accounting and auditing standards, practices and rules by all members of ARMC, overall, the Board is of the view that the Company has, in all material aspects, complied with the Principles and Practices as set out in the MCCG. The explanation for the departure of the above-mentioned practices are reported in the announced CG Report in Practices 3.2, 4.5, 4.6, 6.1, 7.2, 8.2, 8.3 and 11.2 respectively.

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

1. Board Charter and Directors' Code of Conduct

The Board is accountable and responsible for the performance and affairs of the Company by overseeing and appraising the Company's strategies, policies and performance. The Board members are expected to show good stewardship and act in professional manner, as well as upholding the core values of integrity and enterprise with due regard to their fiduciary duties and responsibilities.

The Company has adopted a Board Charter which clearly defines the respective roles, responsibilities and authorities of the Directors (both individually and collectively) and Management in setting the direction, the management and the control of the Company as well as matters reserved for the Board.

A Directors' Code of Conduct was established and adopted on 27 November 2018 to provide guidance on the standard of behaviour expected to all Directors and employees of the Company including business partners where applicable.

The Board Charter, Board Roles and Responsibilities and Directors' Code of Conduct are made available for reference at the Company's website at www.pebhd.com.my.

2. Board Composition, Independence and Diversity of the Board

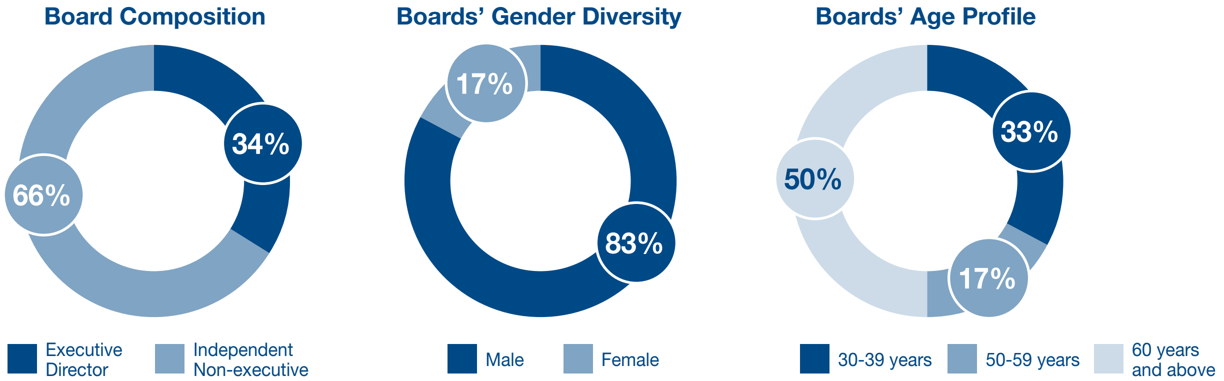
The Company is led by an experienced Board comprising of Directors with a wide range of skill, experience and knowledge which are essential for the successful direction of the Company.

The Board consists of six (6) members of which two (2) are Executive Directors and four (4) are Independent Non-Executive Directors, where a majority of the Board is Independent Non-Executive Directors. This is in line with Practice 4.1 of the MCCG where it requires non-large company to have at least half of the Board members comprises Independent Directors. A brief profile of each Director are set out on pages 5 to 8 of this Annual Report.

The presence of majority Independent Non-Executive Directors will serve to bring objective, unbiased and independent views, advice and judgement to the decision making of the Board and provide necessary checks and balances to protect the interest of shareholders.

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

2. **Board Composition, Independence and Diversity of the Board (cont'd)**



The Board is supportive of gender diversity on the Board and management team. The presence of Hajah Shamshiah Binti Hashim @ Abu Bakar as the Executive Director who plays vital roles in the Company shows that the Board encourage women participant in decision making and board composition.

The Company had outsourced two (2) qualified Company Secretaries who are members of Malaysian Institute of Chartered Secretaries and Administrators. The Company Secretaries are responsible for attending board and board committees meeting, to ensure accurate and proper records of the proceedings and resolutions passed and maintaining statutory records at registered office.

Further information of the roles and responsibilities carried out by the Company Secretaries during the financial year ended 2019 are set out in Practice 1.4 of the Company's CG Report.

3. **Board Committees**

There are three (3) Board Committees established to assist the Board in the execution of its responsibilities for the Company. Each Board Committee operates under the defined terms of reference which are available at the corporate website at www.pebhd.com.my. The minutes of the respective Board Committees are tabled at the board meetings for the Board's information.

The composition and function of each Board Committee is as set out below:

a. **Audit and Risk Management Committee ("ARMC")**

The ARMC is made up of three (3) members comprising exclusively of Independent Non-Executive Directors and the Chairman of the ARMC is not the Chairman of the Board.

The audit fees and non-audit fees payable to the External Auditors were amounted to RM13,000 and RM5,000 respectively for Pimpinan Ehsan Berhad for the financial year ended 31 December 2019.

The ARMC Report is set out in pages 20 to 21 of this Annual Report.

b. **Nominating Committee**

The members of the Nominating Committee comprised exclusively of Independent Non-Executive Directors and are as follows:

- Encik Jumsi Bin Batri, Chairman (Independent Non-Executive Director)
- Haji Ibrahim Bin Topaiwah, Member (Independent Non-Executive Director)
- Encik Hariz Shukri Bin Husin, Member (Independent Non-Executive Director)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

3. Board Committees (cont'd)

b. Nominating Committee (cont'd)

The Nominating Committee is empowered by the Board amongst others to recommend to the Board the right candidates based on the candidate's background, competency, knowledge, experience, expertise, skill, character, integrity and time commitment as well as taking into consideration gender, ethnicity and age to be filled in the Board, Board Committees and re-election and reappointment of Directors.

The Nominating Committee also assesses the effectiveness of the Board as a whole, the Board Committees and the contribution of each individual Director, including Independent Non-Executive Directors on an annual basis.

The Nominating Committee is responsible for the selection of suitable candidates based on criteria expected of a Director before making recommendations to the Board for approval and reviews annually the required mix of skills and experience of Directors, effectiveness of the Board as a whole, succession plans, board diversity and other qualities of the Board including core competencies which Directors should bring to the Board.

The Nominating Committee met twice during the financial year. The minimum number of meeting held changed from twice to once per financial year considering that for the time being, the meeting held is solely for the purpose of assessment on the effectiveness of Board Directors and re-election of the Directors.

c. Remuneration Committee

The Remuneration Committee comprises the following members:

- Haji Ibrahim Bin Topaiwah, Chairman (Independent Non-Executive Director)
- Encik Jumsi Bin Batri, Member (Independent Non-Executive Director)
- Encik Mohammad Emir Bin Taufiq Ahmad @ Ahmad Mustapha, Member (Independent Non-Executive Director)

The functions of the Remuneration Committee are as follows:

- To develop and recommend to the Board the remuneration package of the Executive Directors in all its forms, drawing from outside advice as necessary.
- To review the annual remuneration package to be paid to each Director for his services as a member of the Board such that the levels of remuneration are sufficient to attract and retain the Directors needed to run the Company successfully.

The Remuneration Committee will meet as required. One (1) meeting was held during the financial year to approve the directors fees and meeting allowance before tabling for the shareholders' approval at the forthcoming Annual General Meeting.

4. Directors Remuneration

The Company's policy on Directors' remuneration is to ensure that they are sufficiently competitive to attract and retain capable Directors. The remuneration package of the Executive Directors is structured to commensurate with corporate and individual performance, seniority in service, experience and scope of responsibility. The determination of remuneration packages for Non-Executive Directors reflects the level of responsibilities undertaken and contribution to the Company.

The Remuneration Committee is responsible for developing and reviewing the remuneration package of Executive Directors. The remuneration of the Executive and Non-Executive Directors is a matter for consideration by the Board as a whole. Directors shall abstain from discussions pertaining to their own remuneration packages.

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

4. Directors Remuneration (cont'd)

The aggregate remuneration of Directors received/receivable from the Company for the financial year ended 31 December 2019 are as follows:

Directors	Fees/ Salaries and/or other emoluments* RM	Estimated monetary value of benefits-in-kind RM	Total RM
Executive Directors			
YBhg Tan Sri Rozali Bin Ismail	696,593	10,625	707,218
Hajah Shamshiah Binti Hashim @ Abu Bakar	590,223	8,750	598,973
Puan Nur Dayana Binti Tan Sri Rozali	68,724	-	68,724
	1,355,540	19,375	1,374,915
Non-Executive Directors			
Encik Jumsi Bin Batri	52,800	-	52,800
Haji Ibrahim Bin Topaiwah	55,100	-	55,100
Encik Mohammad Emir Bin Taufiq Ahmad @ Ahmad Mustapha	35,300	-	35,300
Encik Hariz Shukri Bin Husin	35,600	-	35,600
	178,800	**-**	**178,800**
AFS reflected	**1,534,340**	**19,375**	**1,553,715**

** Includes meeting allowances and defined contribution plan*

5. Board Meetings

The Board meets at least four (4) times in a year and additional meetings may be held as and when required. During the financial year ended 31 December 2019, the Board held six (6) Board meetings and the details of attendance of each Directors are as follows:

No.	Name of Directors	Attendance
1.	YBhg Tan Sri Rozali Bin Ismail *Executive Chairman*	3/6
	Puan Nur Dayana Binti Tan Sri Rozali *Alternate Director to Executive Chairman*	2/6
2.	Hajah Shamshiah Binti Hashim @ Abu Bakar *Executive Director*	6/6
3.	Encik Jumsi Bin Batri *Independent Non-Executive Director*	6/6
4.	Haji Ibrahim Bin Topaiwah *Independent Non-Executive Director*	6/6
5.	Encik Mohammad Emir Taufiq Bin Taufiq Ahmad @ Ahmad Mustapha *Independent Non-Executive Director*	6/6
6.	Encik Hariz Shukri Bin Husin *Independent Non-Executive Director*	6/6

The Company's Board Meetings are scheduled in advance. The Board is provided with the agenda and board papers in advance from the day of the tentative meetings to enable the Board to discharge its responsibilities and to obtain further explanation, if so required.

The Board papers include amongst others, the financial performance of the Company, the current business status of the Company, the Company's operation and other corporate issues.

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

6. Directors' Training

The Board recognises the need to attend training to enable the Directors to discharge their duties effectively. The training needs of each Director could be identified and proposed by the individual Director. The Board via the Nominating Committee has in place an annual assessment of training needs of each Director. The Nominating Committee continues to evaluate and assess the training and development needs of the Directors to ensure that they will aid the Directors in discharging their duties and recommends to the Board accordingly.

During the financial year under review, the Directors attended the following seminars and programmes:-

Name of Directors	Name of Training Programme
YBhg Tan Sri Rozali Bin Ismail	1. Directors' In-House Training Programme Entitled "Business Transformation and Competitive Digital Transformation"
Hajah Shamshiah Binti Hashim @ Abu Bakar	1. Financing for the Green Energy Sector
Encik Jumsi Bin Batri	1. Corporate Governance & Anti-Corruption
Haji Ibrahim Bin Topaiwah	1. The Role of the Board in Strategy and Risk Management Oversight 2. Audit Oversight Board Conversation with Audit Committee
Encik Mohammad Emir Bin Taufiq Ahmad @ Ahmad Mustapha	1. Engagement Session with Audit Committee Member 2. CG Watch: How Does Malaysia Rank? 3. BCSD Malaysia Breakfast Talk Series #3: Sustainability & Business
Encik Hariz Shukri Bin Husin	1. Engagement Session with Audit Committee Member 2. Case Study Workshop for Independent Directors 3. BCSD Malaysia Breakfast Talk Series #3: Sustainability & Business 4. Financing for the Green Energy Sector

7. Retirement by Rotation

In accordance with the Constitution of the Company, at the annual general meeting in every subsequent year, one-third (1/3) of the Directors for the time being, or, if their number is not three (3) or a multiple of three (3), then the number nearest to one-third (1/3), shall retire from office at the conclusion of the annual general meeting in every year provided always that all Directors shall retire from office once at least in each three (3) years, but shall be eligible for re-election. Subject to the Companies Act 2016, the Directors to retire in each year shall be those who have been longest in office since their last appointment or reappointment, but as between persons who became or were last reappointed Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Director shall be eligible for re-election.

Upon the recommendation of the Nominating Committee, the Directors to retire at the upcoming Annual General Meeting, are as follows:-

1. Hajah Shamshiah Binti Hashim @ Abu Bakar is retiring pursuant to Clause 124 of the Constitution of the Company; and
2. Haji Ibrahim Bin Topaiwah is retiring pursuant to Clause 124 of the Constitution of the Company.

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

1. Financial Reporting

The Board is responsible for ensuring a balanced and understandable assessment of the Company's financial position and prospects in its quarterly and annual reports and other price-sensitive public reports and reports to the regulators. The ARMC assists the Board by reviewing the disclosure information to ensure completeness, accuracy and validity of the information in the reports and that the financial statements comply with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

As one of the measures in ensuring that the financial statements are a reliable source of financial information, the ARMC has assessed the suitability and independence of the External Auditors and would assess them annually to ensure the independence of the External Auditors is not impaired by the provision of non-audit services to the Company. The External Auditors also provide written assurance to the ARMC that they are and have been independent throughout the conduct of the audit engagement in accordance with the independence criteria set out by the Malaysian Institute of Accountants.

A Statement on Directors' Responsibility and a Statement by Directors together with a Statutory Declaration made in relation to the preparation of the annual audited financial statements are set out below and on page 31 of this Annual Report.

2. Directors' Responsibility Statement in Respect of Audited Financial Statements

Pursuant to the Companies Act, 2016, Directors are required to prepare financial statements for each financial year which give a true and fair view of the financial position of the Company as at the financial year end and of the financial performance and cash flows of the Company for that period.

In preparing the financial statements of the Company, the Directors have ensured that appropriate accounting policies have been used and applied consistently and supported by reasonable and prudent judgements and estimates.

The Directors have also ensured that all applicable approved accounting standards have been complied.

To enable the Directors to ensure that the financial statements comply with the provisions of the Companies Act, 2016, the Directors have ensured that proper accounting records have been kept which are able to disclose with reasonable accuracy at any time, the financial position of the Company.

3. Risk Management and Internal Control

The Board is aware of its ultimate responsibility for reviewing the Company's risks, approving the risk management framework and overseeing the Company's strategic risk management and internal control framework.

The ARMC assists the Board in discharging these responsibilities and is supported by the outsource Internal Auditor who reports directly to the ARMC. The ARMC also met with the External Auditors twice a year without the presence of the Management to allow discussion of any issues arising from the audit exercise and any matters which the External Auditors may wish to raise.

A Statement on Risk Management and Internal Control is set out on pages 22 to 24 of this Annual Report to provide an overview of the risk management framework and state of internal control within the Group.

4. Relationship with the External Auditors

The Board has via the ARMC, established a formal and transparent arrangement for maintaining an appropriate relationship with its External Auditors. The role of the ARMC in relation to the External Auditors is described in the ARMC Report on pages 20 to 21 of this Annual Report.

5. Corporate Responsibility

The Board is aware of its responsibility in ensuring the sustainability of the organisation and concurrently being a socially responsible corporate entity. The company sustainability and social responsibility initiatives are explained in the sustainability statement set out on page 12 of this Annual Report.

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

1. Communication between the Company and Investors

The Company acknowledges the importance of communication with its shareholders, institutional and potential investors. As such, the Company ensures major corporate developments and events and unaudited quarterly financial results are promptly and timely announced via Bursa Securities to provide its shareholders and potential investors an overview of the Company's performance and operations.

To further enhance investor relations and shareholders communication, the Company has established a website at www.pebhd.com.my where corporate and financial information of the Company are easily and conveniently accessible. Any enquiries or concerns regarding the Company may also be conveyed via email: info.pebhd@gmail.com through the "Contact Us" page or in writing to the following:

The Company Secretary
Pimpinan Ehsan Berhad
c/o Tricor Corporate Services Sdn. Bhd.
Unit 30-01, Level 30, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur

In ensuring that the information disclosed complies strictly with the MMLR, the Company have identified persons authorised and responsible for approving and disclosing material information to shareholders and investors.

The above are based on the Company's policy to adopt an open and transparent policy in respect of the Company's relationship with its investors and shareholders and to use the Company's best endeavours to identify and evaluate issues of concern to the investors and shareholders.

2. Annual General Meeting

The Annual General Meeting ("AGM") is a mean of communication with shareholders. At least twenty-eight (28) days prior to the AGM, the Notice of the AGM, Annual Report and Circular to Shareholders (if any) will be mailed to the shareholders to inform them of the financial performance and other corporate information relating to the Company. Shareholders who are unable to attend are allowed to appoint proxies to attend, speak and vote on their behalf. Shareholders are given the opportunity to seek and clarify any pertinent and relevant issues raised in the meeting in relation to the operations and performance of the Company and to exchange views with the Board members.

This Statement was approved by the Board on 19 May 2020.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

The Board of Directors of Pimpinan Ehsan Berhad ("Board") is pleased to present the Audit and Risk Management Committee Report for the financial year ended 31 December 2019.

COMPOSITION

The present Audit and Risk Management Committee ("ARMC") members comprise of three (3) members, all of whom are Independent Non-Executive Directors.

MEMBERSHIP AND MEETINGS

The members of the ARMC during the financial year and up to the date of this ARMC report are indicated below.

A total of five (5) meetings were held during the financial year ended 31 December 2019. Details of attendance of each ARMC member is as follows:

		28.02.19	16.04.19	29.05.19	28.08.19	28.11.19	Total
ARMC Members	Position	Attendance					
Haji Ibrahim Bin Topaiwah	Chairman	•	•	•	•	•	5/5
Encik Mohammad Emir Bin Taufiq Ahmad @ Ahmad Mustapha	Member	•	•	•	•	•	5/5
Encik Hariz Shukri Bin Husin	Member	•	•	•	•	•	5/5

TERMS OF REFERENCE OF ARMC

The terms of reference of the ARMC is available for reference at the Company's website at www.pebhd.com.my.

SUMMARY OF WORKS OF ARMC

The ARMC had carried out their duties and functions in accordance with its Terms of Reference during the financial year ended 31 December 2019 as follows: -

1. The ARMC had reviewed the quarterly results of the Company to ensure that they are in compliance with the Malaysian Financial Reporting Standard ("MFRS") and Paragraph 9.22 of the MMLR. The unaudited quarterly financial results for the 1st quarter ended 31 March 2019, 2nd quarter ended 30 June 2019 and 3rd quarter ended 30 September 2019 were reviewed by the ARMC at its meetings held on 29 May 2019, 28 August 2019 and 28 November 2019 respectively, before tabling of the same to the Board for approval.

2. The ARMC reviewed and approved to continue the engagement of YYC Advisors Sdn. Bhd. (had merged with the previous company named Total Advisors Sdn. Bhd.) as the Internal Auditors of the Company at its meeting held on 28 August 2019 and recommended the same for the Board's approval.

3. The ARMC held two (2) special meetings with the External Auditors without the presence of Management on 28 February 2019 and 28 November 2019 to seek the External Auditors' views on audit issues, particularly on whether there were any significant issues or unusual items, which had arisen in their audit. The ARMC noted that there was no significant issue raised by the External Auditors.

4. The ARMC had reviewed, discussed and approved the External Audit Plan briefed by the External Auditors for the financial year ended 31 December 2019 during the meeting held on 28 November 2019. The proposed audit fees for the current financial year's statutory audit were recommended to the Board for approval.

5. At each quarterly meeting, the ARMC had asserted that there were no related party transactions for the year ended 31 December 2019.

SUMMARY OF WORKS OF ARMC (CONT'D)

6. The ARMC also reviewed and approved the Internal Audit Report for the financial year ended 31 December 2019 at its meeting held on 28 November 2019 which covered the two (2) segments, corporate affairs and finance.

7. The ARMC had reviewed and assessed the performance, suitability and independence of the external auditors and had conducted an annual review assessment on the performance of the External Auditors during the financial year ended 31 December 2019. Following the assessment of the External Auditors' effectiveness and independence, the ARMC is satisfied with the performance audit independence of the External Auditors.

8. On 26 February 2020 and 19 May 2020, the ARMC reviewed the unaudited quarterly financial results for the 4th quarter ended 31 December 2019 and the draft audited financial statements for the financial year ended 31 December 2019 respectively, before tabling of the same to the Board for approval on 26 February 2020 and 19 May 2020 respectively.

SUMMARY OF WORK OF THE INTERNAL AUDIT FUNCTION

The Company's internal audit function has been outsourced and after being recommended by the ARMC to the Board for approval on 28 August 2019. YYC Advisors Sdn. Bhd., is independent of the activities it audits. The primary responsibility is to provide independent and objective assessment of the adequacy of the Company's internal control system and were carried out in accordance with a recognised framework.

The Head of the Internal Auditors, Ms Christine Looi Pek San, is a Professional member of The Institute of Internal Auditors Malaysia and is competent to conduct the internal audit according to the standards and code of ethics set by the body. The Internal Auditors report directly to the ARMC and provide the ARMC with independent and objective evaluation on the internal controls of the Company, and the extent of compliance of the divisions with the Company's established policies and procedures as well as relevant statutory requirements, so that remedial actions can be taken in relation to any weaknesses noted in the systems and controls of the respective divisions.

The total costs incurred for internal audit for the financial year ended 31 December 2019 amounted to RM8,000.00.

The Company's internal audit work was carried out in accordance with the annual internal audit plan as approved by ARMC whilst other selected ad-hoc audits was only performed after obtaining approval from ARMC.

The Internal Auditors adopted the risk-based approach and focuses on the Corporate Affairs and Finance function of the Company. The representatives of the Internal Auditors report directly to the ARMC and assist the ARMC in discharging its duties and responsibilities by executing independent reviews to determine the adequacy and effectiveness of the Company's internal control system.

The internal audit findings and recommendations of the Internal Auditors were reviewed by the ARMC and their recommendations for improvements on control and minutes of ARMC meetings were circulated to the Board.

During the period from April 2019 to September 2019, the Internal Auditors carried out the following works in accordance with their Internal Audit Plan:-

a. On 23 October 2019, a brief opening meeting was held between Internal Auditors and the Company with the presence of Executive Directors and two (2) supporting staff from the finance and secretarial department. The purpose of the meeting was to update the Management on the audit processes as well as to keep the Management informed of the objectives and roles of the internal audit review.

b. The internal audit targeted two segments, namely finance and corporate affairs. In respect of finance, the Internal Auditors conducted its audit on cash and bank matters and fixed assets. As for corporate affairs, the internal audit plan focused on compliance, approval and review processes of resolutions and minutes recorded and kept by the Company. The internal audit was performed based on acceptable sampling basis.

c. On 28 November 2019, the Internal Auditors presented their Internal Audit Report of the Company to the ARMC for deliberation and concluded that there was no major issue raised.

The internal audits conducted during the period under review did not reveal material weaknesses which would result in material losses, contingencies or uncertainties that would require disclosure in this Annual Report. The Internal Auditors are independent of the work they audit and perform with impartiality and due professional care.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Malaysian Code on Corporate Governance ("MCCG") requires that the board of directors of the listed companies to maintain a sound risk management framework and internal control system to determine the level of risk tolerance and to safeguard shareholders' investments and the Company's assets.

Pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("MMLR"), the board of directors of the listed companies is required to include a statement on the state of their internal controls in their annual reports.

The Board of Directors of Pimpinan Ehsan Berhad ("the Company") is pleased to present its Statement on Risk Management and Internal Control, which outlines the nature and scope of risk management and internal control of the Company during the financial year ended 31 December 2019 as guided by the "Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers" ("the Guidelines").

BOARD RESPONSIBILITY

The Board affirms its responsibility in upholding an effective and adequate risk management and internal control system, which contributes a material part in good corporate governance. In line with that, the Board acknowledges its main responsibility in ensuring the principal and significant risks of the Company are identified and properly managed by the risk management and internal control system of the Company.

The Board has also established an on-going process for identifying, evaluating and managing significant risks faced by the Company and to regularly review this process in conjunction with the Guidelines.

The Board is aware that the risk management framework and internal control system are designed to manage the Company's risks within an acceptable risk appetite, rather than total elimination of risks to achieve the objectives of the Company. In this regard, the risk management framework and internal control system can therefore only provide reasonable assurance and not absolute assurance against material misstatement of financial information and records or against financial losses or fraud.

MANAGEMENT RESPONSIBILITIES

The Management is accountable to the Board and is overall responsible for the effective implementation of the Board's policies and procedures on risks and controls. Its responsibilities in respect of risk management and internal control include:

- Identifying and assessing various risks that could affect the operation of the Company;
- Formulating relevant policies and procedures to manage these risks in accordance with the Company's overall risk appetite;
- Implementing framework, policies and procedures approved by the Board;
- Implementing remedial actions to address compliance deficiencies as directed by the Board; and
- Ensuring appropriate and suitable controls are taken to mitigate and control the risks.

RISK MANAGEMENT

The Board recognises that sound risk management and internal control are integral parts of the Company's business operations and are crucial in ensuring the Company's success and sustainable growth.

Day to day operations in respect of financial, compliance and operational aspects of the Company are closely monitored by the Management which comprised of Executive Chairman and Executive Director.

The Audit and Risk Management Committee ("ARMC") receives quarterly reports from Management which review the findings and decisions made by the Company in various areas of enterprise risk management towards achievement of the Company's objectives. The proceedings of the ARMC meeting and key information on risk management are reported to the Board on a quarterly basis for deliberation and feedback from the Board.

Further assurance is provided by the Internal Audit function of the Company. The Company acknowledged the need for an effective and independent Internal Audit function as part of a robust control structure to address key risks and the decision was taken to outsource the Internal Audit activities to a third party service provider.

INTERNAL AUDIT FUNCTION

In desiring to maintain total independence in the management of the risk and internal control environment, the Company has appointed YYC Advisors Sdn. Bhd. ("YYC Advisors") as an outsourced internal auditor to provide independent assessment on the adequacy, efficiency and effectiveness of the Company's internal control system. The ARMC together with YYC Advisors agree on the internal audit scope and planned internal audit activities annually, and all audit findings arising therefrom are reported to the ARMC. YYC Advisors reports independently and directly to the ARMC in respect of the internal audit function.

YYC Advisors is allowed for an unrestricted access to all the documents and records of the Company which are deemed necessary for the performance of its function and independently reviews the control processes implemented by Management. It also reviews the internal controls in the key activities of the Company's business based on the discussions with the Management as well as with the ARMC.

During the financial year, the internal auditors conducted the review in accordance with the internal audit plan as approved by the ARMC. Based on the internal audit review which has been carried out, the results of the review including findings of the internal audit together with management's responses and recommended corrective actions were presented to the ARMC on 28 November 2019.

Based on the internal audit review conducted, none of the weaknesses noted have resulted in any material losses, contingency or uncertainties that would require separate disclosure in this annual report.

The cost incurred for the outsourced internal audit function for the financial year ended 31 December 2019 was RM8,000 (2018: RM10,200).

OTHER KEY ELEMENTS OF INTERNAL CONTROL PROCESSES

The other key elements of the Company's system of internal control are described below:

- Board Committees are established by the Board to assist the Board in the execution of its responsibilities and to provide oversight on the effectiveness of the Company's operation. All strategic, business and investment plans are approved and monitored by the Board. The Board is supported in this effort by three (3) Board Committees, namely the ARMC, the Nominating Committee and the Remuneration Committee with their respective responsibilities. These Board Committees are governed by defined Terms of Reference and are accountable to the Board. Further details of these Board Committees are set out in the Corporate Governance Overview Statement.

- Regular Board meetings and Board papers are distributed to all Board members who are entitled to receive and access all necessary and relevant information related to Company's financial performance, business development, management and corporate issues. Decisions of the Board are only made after the required information is made available and deliberated by the Board. The Board maintains complete and effective control over the strategies and direction of the Company;

- ARMC supports the Board in reviewing the effectiveness of the risk management framework and internal control system of the Company. The ARMC is not restricted in any way in the conduct of its duties and has unrestricted access to the internal and external auditors of the Company and to all employees of the Company. The ARMC is also entitled to seek such other third party independent professional advice deemed necessary in the performance of its responsibility;

- Quarterly financial statements and the Company's performance are deliberated by the ARMC, which is subsequently recommended to the Board for their approval before releasing it to Bursa Malaysia Securities Berhad;

- The ARMC reviews all possible Related Party Transactions ("RPT"), if any, to ensure compliance with its policy and procedures, as well as the MMLR. As of to date, the Company does not have any RPT;

- The Company has well-defined organisational structure with clear lines for the segregation of duties, accountability and the delegation of responsibilities. A process of hierarchical reporting has been established to ensure the accountability and responsibility of the employees;

OTHER KEY ELEMENTS OF INTERNAL CONTROL PROCESSES (CONT'D)

- All business proposals for material capital expenditure and investments are reviewed by the Management team and presented to the Board for approval prior to any commitment;

- Standard Operating Policies and Procedures ("SOPP") in respect of major processes had been established by the Management to ensure uniformity and consistency of practices and controls of the Company, and distributed to relevant employees for their reference and compliance.

  These SOPP are subject to review and improvements, particularly through periodic internal audit reviews of selected areas of operations;

- Human resource policy sets the tone of compliance with the Company's rules and regulations, and the employees' conduct as set out in the Employee Handbook; and

- External training programs are attended by the Directors and employees throughout the year to meet training needs and to enhance their skills and professionalism.

ASSURANCE FROM MANAGEMENT

In accordance with the Guidelines, the Board has received assurance from the Executive Chairman and Executive Director, that, to the best of their knowledge, the risk management and internal control of the Company are operating effectively and adequately in all material respects, based on the risk management and internal control frameworks adopted by the Company.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

Pursuant to Paragraph 15.23 of the MMLR, the external auditors have reviewed this Statement on Risk Management and Internal Control for inclusion in this 2019 Annual Report. Their review was performed in accordance with Audit and Assurance Practice Guide 3 ("AAPG 3"): Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control, issued by the Malaysian Institute of Accountants.

AAPG 3 does not require the external auditors to consider whether this statement covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the risk management and internal control system of the Company.

Based on the limited assurance procedures and review, the external auditors have informed ARMC and the Board that nothing has come to their attention that causes them to believe that the Statement on Risk Management and Internal Control has not been prepared, in all material respects, in accordance with the disclosures set out in paragraphs 41 and 42 of the Guidelines or that this Statement is factually inaccurate.

CONCLUSION

The Board is of the view that the system of internal control and risk management in place for the period under review, and up to the date of approval of this statement for inclusion in the annual report, is sound and sufficient to safeguard the Company's assets, as well as the shareholders' investments, the interests of regulators, employees and other stakeholders. There were no material control failures or adverse compliance events that have directly resulted in any material loss to the Company.

The Board also recognises the fact that the Company's risk management and internal control system must continuously evolve to support the growth and dynamics of the Company as well as to meet the changing and challenging business environment. As such, the Board, in striving for continuous improvement, will put in place appropriate action plans where necessary, to further enhance the Company's risk management and internal control system.

This statement was made in accordance with the approval of the Board on 19 May 2020.

OTHER DISCLOSURE REQUIREMENTS

The following information is provided in compliance with Appendix 9C of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

a) Status of Utilisation of Proceeds

On 31 May 2018, the Company completed the disposal of its principal subsidiary for a total consideration of RM210,000,000 ("Disposal").

As at 31 December 2019, details of the utilisation of the proceeds of RM210.00 million from the Disposal of TRIplc Berhad are as follows:

Purpose	Intended Timeframe for Utilisation of Proceeds from the Date of Completion of the Disposal	Proposed Utilisation (RM'million)	Actual (Utilisation)/ Earned (RM'million)	Balance Unutilised (RM'million)	Note
To acquire/develop new business(es)/asset(s) to be identified	Within 12 months	64.54	3.70	68.24	1
Proposed Special Dividend	Within 3 months	134.79	(134.79)	-	2
Working capital requirements	Within 12 months	7.17	(5.21)	1.96	3
Defraying expenses incidental to the Disposal	Within 3 months	3.50	(2.70)	0.80	4
Total		**210.00**	**(139.00)**	**71.00**	

Notes:
1. *This allocation is placed in interest-bearing deposit accounts with financial institutions licensed by Bank Negara Malaysia and operated by a custodian and earned interest income.*
2. *A special cash dividend of RM1.95 per ordinary shares in respect of the financial year ended 31 December 2018 was paid on 3 July 2018 to the shareholders of the Company whose name appears in the Record of Depositors of the Company on 19 June 2018.*
3. *The working capital requirements are intended for the purpose of day-to-day operational expenses of the Company which include employee benefits and day-to-day administrative and operating expenses such as Directors' remuneration and professional fees.*
4. *The actual expenses incurred in relation to the Disposal comprise professional fees such as advisers, lawyers, valuers, regulatory fees and other related costs amounted to RM2.70 million. Excess of this allocation will be utilised for future working capital.*

b) Material Contracts

There were no material contracts entered into by the Company, which involve the interests of Directors or major shareholders of the Company which were still subsisting at the end of the financial year ended 31 December 2019 or entered into since the end of the previous financial year.

c) Recurrent Related Party Transactions of Revenue Nature ("RRPT")

The Company did not enter into any RRPT during the financial year ended 31 December 2019.

FINANCIAL STATEMENTS

DIRECTORS' REPORT

The Directors hereby submit their report and the audited financial statements of the Company for the financial year ended 31 December 2019.

PRINCIPAL ACTIVITY

The Company is principally an investment holding company. There has been no significant change in the nature of this activity of the Company during the financial year.

RESULTS

	RM
Loss for the financial year	**977,960**

DIVIDEND

No dividend has been paid, declared or proposed by the Company during the financial year. The Directors do not recommend any dividend payment in respect of the current financial year.

RESERVES AND PROVISIONS

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

ISSUE OF SHARES AND DEBENTURES

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

DIRECTORS

The Directors who have held office during the financial year and up to the date of this report are as follows:

Tan Sri Rozali Bin Ismail
Shamshiah Binti Hashim @ Abu Bakar
Jumsi Bin Batri
Ibrahim Bin Topaiwah
Mohammad Emir Bin Taufiq Ahmad @ Ahmad Mustapha
Hariz Shukri Bin Husin
Nur Dayana Binti Tan Sri Rozali (alternate Director to Tan Sri Rozali Bin Ismail)

DIRECTORS' INTERESTS

The Directors holding office at the end of the financial year and their beneficial interests in ordinary shares of the Company during the financial year ended 31 December 2019 as recorded in the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act 2016 in Malaysia were as follows:

	← Number of ordinary shares →			
Shares in the Company	**Balance as at 1.1.2019**	**Bought**	**Sold**	**Balance as at 31.12.2019**
Direct interests:				
Tan Sri Rozali Bin Ismail	589,628	-	-	**589,628**
Jumsi Bin Batri	49,660	-	-	**49,660**
Indirect interest:				
Tan Sri Rozali Bin Ismail*	17,580,970	-	-	**17,580,970**

* Deemed interest by virtue of 100% shareholding interest in Central Plus (M) Sdn. Bhd. and Corporate Line (M) Sdn. Bhd., both are corporate shareholders of the Company, of which 5% is held in his own name and 95% in his spouse's and children's names and deemed interest by virtue of Section 59(11)(c) of the Companies Act 2016, 16.03% equity interest held in his spouse's and son's name.

The other Directors holding office at the end of the financial year had no interest in the ordinary shares of the Company during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the Directors have received or become entitled to receive any benefit (other than those benefits included in the aggregate amount of remuneration received or due and receivable by the Director as shown in the financial statements) by reason of a contract made by the Company or a related corporation with any 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.

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

DIRECTORS' REMUNERATION

The details of Directors' remuneration are disclosed in Note 20(c) to the financial statements.

INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS AND AUDITORS

There was no indemnity given to or insurance effected for the Directors, officers and auditors of the Company during the financial year.

OTHER STATUTORY INFORMATION REGARDING THE COMPANY

(I) AS AT THE END OF THE FINANCIAL YEAR

(a) Before the financial statements of the Company were prepared, the Directors took reasonable steps:

(i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that there are no known bad debts to be written off and that provision need not be made for doubtful debts; and

(ii) to ensure that any current assets other than debts, which were unlikely to realise their book values in the ordinary course of business had been written down to their estimated realisable values.

(b) In the opinion of the Directors, the results of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

(II) FROM THE END OF THE FINANCIAL YEAR TO THE DATE OF THIS REPORT

(c) The Directors are not aware of any circumstances:

(i) which would necessitate the writing off of bad debts or the making of provision for doubtful debts in the financial statements of the Company;

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

(iii) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Company misleading or inappropriate.

(d) In the opinion of the Directors:

(i) there has not arisen any item, transaction or event of a material and unusual nature likely to affect substantially the results of the Company for the financial year in which this report is made; and

(ii) no contingent or other liability has become enforceable, or is likely to become enforceable, within the period of twelve (12) months after the end of the financial year which would or may affect the ability of the Company to meet its obligations as and when they fall due.

(III) AS AT THE DATE OF THIS REPORT

(e) There are no charges on the assets of the Company which have arisen since the end of the financial year to secure the liabilities of any other person.

(f) There are no contingent liabilities of the Company which have arisen since the end of the financial year.

(g) The Directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements of the Company misleading.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

Significant events during the financial year are disclosed in Note 23 to the financial statements.

SIGNIFICANT EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

The details of significant events subsequent to the end of the reporting period are disclosed in Note 24 to the financial statements.

AUDITORS

The auditors, BDO PLT (LLP0018825-LCA & AF0206), have expressed their willingness to continue in office.

Auditors' remuneration of the Company for the financial year ended 31 December 2019 amounted to RM13,000.

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

……………………………………………..
Tan Sri Rozali Bin Ismail
Director

……………………………………………..
Shamshiah Binti Hashim @ Abu Bakar
Director

Kuala Lumpur
19 May 2020

STATEMENT BY DIRECTORS

In the opinion of the Directors, the financial statements set out on pages 34 to 60 have been drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the provisions of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Company as at 31 December 2019 and of the financial performance and cash flows of the Company for the financial year then ended.

On behalf of the Board,

....
Tan Sri Rozali Bin Ismail
Director

....
Shamshiah Binti Hashim @ Abu Bakar
Director

Kuala Lumpur
19 May 2020

STATUTORY DECLARATION

I, Shamshiah Binti Hashim @ Abu Bakar, being the Director primarily responsible for the financial management of Pimpinan Ehsan Berhad, do solemnly and sincerely declare that the financial statements set out on pages 34 to 60 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly)
declared by the abovenamed)
at Kuala Lumpur this)
19 May 2020)

....
Shamshiah Binti Hashim @ Abu Bakar

Before me:

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF PIMPINAN EHSAN BERHAD
(Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Pimpinan Ehsan Berhad, which comprise the statement of financial position as at 31 December 2019 of the Company, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows 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 34 to 60.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2019, and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards ("IFRSs") 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 ("ISAs"). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* ("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 current year. We have determined that there are no key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditors' Report Thereon

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

Our opinion on the financial statements 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 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 Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Responsibilities of the Directors for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

(a) Identify and assess the risks of material misstatement of the financial statements of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(b) 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 internal control of the Company.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

(d) 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 ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

(e) Evaluate the overall presentation, structure and content of the financial statements of the Company, including the disclosures, and whether the financial statements of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

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 relationship and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

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

BDO PLT
LLP0018825–LCA & AF 0206
Chartered Accountants

Lee Wee Hoong
03316/07/2021 J
Chartered Accountant

Kuala Lumpur
19 May 2020

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	NOTE	2019 RM	2018 RM
ASSETS			
Non-current assets			
Property, plant and equipment	7	**53,414**	53,486
Right-of-use assets	8	**918,920**	-
Investment in a subsidiary	9	**-**	-
		972,334	53,486
Current assets			
Other receivables	10	**582,662**	434,910
Current tax assets		**127,500**	-
Investment	11	**2,646,455**	-
Cash and bank balances	12	**68,357,022**	72,315,258
		71,713,639	72,750,168
TOTAL ASSETS		**72,685,973**	72,803,654
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital	13	**69,125,087**	69,125,087
Retained earnings		**2,462,442**	3,445,712
TOTAL EQUITY		**71,587,529**	72,570,799
LIABILITIES			
Non-current liabilities			
Lease liabilities	8	**522,046**	-
		522,046	-
Current liabilities			
Other payables	14	**228,117**	127,855
Lease liabilities	8	**348,281**	-
Current tax liabilities		**-**	105,000
		576,398	232,855
TOTAL LIABILITIES		**1,098,444**	232,855
TOTAL EQUITY AND LIABILITIES		**72,685,973**	72,803,654

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 2019

	NOTE	2019 RM	2018 RM
Other income	15	**2,538,442**	140,341,614
Administrative expenses		**(3,495,759)**	(2,037,477)
Finance costs		**(25,685)**	-
(Loss)/Profit before taxation		**(983,002)**	138,304,137
Taxation	17	**5,042**	(460,876)
(Loss)/Profit for the financial year, attributable to owners of the Company		**(977,960)**	137,843,261
Other comprehensive income, net of tax		**-**	-
Total comprehensive (loss)/income for the financial year, attributable to owners of the Company		**(977,960)**	137,843,261
(Loss)/Earnings per ordinary share attributable to equity holders of the Company:			
Basic (loss)/earnings per ordinary share (sen)	18(a)	**(1.41)**	299.53
Diluted (loss)/earnings per ordinary share (sen)	18(b)	**(1.41)**	299.53

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

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

	NOTE	Share capital RM	Retained earnings RM	Total RM
Balance as at 1 January 2018		2	396,371	396,373
Profit for the financial year		-	137,843,261	137,843,261
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	137,843,261	137,843,261
Transactions with owners:				
Ordinary shares issued	13	69,125,085	-	69,125,085
Dividend paid	19	-	(134,793,920)	(134,793,920)
Total transactions with owners		69,125,085	(134,793,920)	(65,668,835)
Balance as at 31 December 2018		**69,125,087**	**3,445,712**	**72,570,799**
Balance as at 1 January 2019, as previously reported		69,125,087	3,445,712	72,570,799
Adjustment on initial application of MFRS 16	5.1	-	(5,310)	(5,310)
Balance as at 1 January 2019, as restated		69,125,087	3,440,402	72,565,489
Loss for the financial year		-	(977,960)	(977,960)
Other comprehensive income, net of tax		-	-	-
Total comprehensive loss		-	(977,960)	(977,960)
Balance as at 31 December 2019		**69,125,087**	**2,462,442**	**71,587,529**

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

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

	NOTE	2019 RM	2018 RM
CASH FLOWS FROM OPERATING ACTIVITIES			
(Loss)/Profit before taxation		**(983,002)**	138,304,137
Adjustments for:			
Depreciation of property, plant and equipment	7	**25,724**	11,897
Depreciation of right-of-use assets	8	**308,006**	-
Gain on disposal of a subsidiary	9(a)	**-**	(138,169,952)
Income distribution from investment	15	**(53,831)**	(161,501)
Interest expense on lease liabilities	8	**25,685**	-
Interest income	15	**(2,484,611)**	(2,010,161)
Operating loss before changes in working capital		**(3,162,029)**	(2,025,580)
(Increase)/Decrease in other receivables		**(140,376)**	1,184,792
(Decrease)/Increase in other payables		**(510,738)**	119,514
Cash used in operations		**(3,813,143)**	(721,274)
Tax paid		**(227,458)**	(383,393)
Net cash used in operating activities		**(4,040,601)**	(1,104,667)
CASH FLOWS FROM INVESTING ACTIVITIES			
Income distribution received from investment		**46,455**	161,501
Interest received		**2,484,611**	2,010,161
Net proceeds from disposal of a subsidiary	9(a)	**-**	186,295,037
Purchase of property, plant and equipment	7	**(25,652)**	(65,383)
Purchase of right-of-use assets	8(h)	**(79,688)**	-
Placement in deposit with maturity more than 3 months		**(20,000,000)**	-
Net cash (used in)/from investing activities		**(17,574,274)**	188,401,316
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid	19	**-**	(134,793,920)
Drawdowns of hire purchase creditors		**611,000**	-
Payments of lease liabilities	8	**(307,906)**	-
Net cash from/(used in) investing activities		**303,094**	(134,793,920)
Net (decrease)/increase in cash and cash equivalents		**(21,311,781)**	52,502,729
Cash and cash equivalents at beginning of financial year		**72,315,258**	19,812,529
Cash and cash equivalents at end of financial year	12(f)	**51,003,477**	72,315,258

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

1. CORPORATE INFORMATION

Pimpinan Ehsan Berhad ("the Company") is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities").

The registered office of the Company is located at Unit 30-01, Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.

The principal place of business of the Company is located at Unit B-2-8, TTDI Plaza, Jalan Wan Kadir 3, Taman Tun Dr Ismail, 60000 Kuala Lumpur, Malaysia.

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

The financial statements were authorised for issue in accordance with a resolution by the Board of Directors on 19 May 2020.

2. PRINCIPAL ACTIVITY

The Company is principally an investment holding company. There has been no significant change in the nature of this activity of the Company during the financial year.

3. BASIS OF PREPARATION

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

On 31 May 2018, pursuant to the completion of the disposal of TRIplc Berhad ("TRIplc"), the Company has triggered Paragraph 8.03A(2) of the Listing Requirements whereby a listed issuer has suspended or ceased all of its business or its major business as a result of the disposal of the Company's major business. Bursa Securities had via its letter dated 16 May 2018 notified the Company that it is a Cash Company (as defined under Paragraph 8.03(1)). The Company has a 12 months period from 31 May 2018 to submit its proposal to acquire a new core business in order to enable the Company to regularise its condition and to maintain the listing status on the Main Market of Bursa Securities.

Bursa Securities had via its letter dated 25 June 2019 granted the company on extension of time up to 30 November 2019 to submit a regularisation plan to the regulatory authorities.

Subsequently, Bursa Securities had via its letter dated 11 December 2019 further granted the Company an extension of time up to 29 May 2020 to submit a regularisation plan to the regulatory authorities.

The Directors are currently evaluating various options to formulate a regularisation plan to address the Company's PN16 status by looking into identifying potential future business expansion opportunities. In view of the Directors' intention and financial ability to pursue new business opportunities, the Directors are of the opinion that the preparation of the financial statements of the Company on the going concern basis is appropriate.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 Basis of accounting

The accounting policies adopted are consistent with those of the previous financial year except for the effects of adoption of new MFRS during the financial year. The new MFRSs and Amendments to MFRSs adopted during the financial year are disclosed in Note 5.1 to the financial statements.

The Company applied MFRS 16 *Leases* and IC Interpretation 23 for the first time during the current financial year, using the cumulative effect method as at 1 January 2019. Consequently, the comparative information were not restated and are not comparable to the financial information of the current financial year.

The financial statements of the Company have been prepared under the historical cost convention except as otherwise stated in the financial statements.

The preparation of financial statements in conformity with MFRSs requires the Directors to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, expenses and disclosure of contingent assets and contingent liabilities. In addition, the Directors are also required to exercise their judgement in the process of applying the accounting policies. The areas involving such judgements, estimates and assumptions are disclosed in Note 6 to the financial statements. Although these estimates and assumptions are based on the Directors' best knowledge of events and actions, actual results could differ from those estimates.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.2 Property, plant and equipment

All items of property, plant and equipment are initially measured at cost. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when the cost is incurred and it is probable that the future economic benefits associated with the subsequent costs would flow to the Company and the cost of the asset could be measured reliably. The carrying amount of parts that are replaced is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred. Cost also comprises the initial estimate of dismantling and removing the asset and restoring the site on which it is located for which the Company is obligated to incur when the asset is acquired, if applicable.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the asset and which has a different useful life, is depreciated separately.

After initial recognition, property, plant and equipment except for freehold land and capital work-in-progress, are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation is calculated to write off the cost of the assets to their residual values on a straight line basis over their estimated useful lives. The estimated useful lives represent common life expectancies applied in the industry within which the Company operates. The principal annual depreciation rates are as follows:

Office equipment	10% - 33.33%
Furniture and fittings	10%
Computer equipment	33.33%
Motor vehicles	20%

At the end of each reporting period, the carrying amount of an item of property, plant and equipment is assessed for impairment when events or changes in circumstances indicate that its carrying amount may not be recoverable. A write down is made if the carrying amount exceeds the recoverable amount (see Note 4.4 to the financial statements on impairment of non-financial assets).

The residual values, useful lives and depreciation method are reviewed at the end of each reporting period to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment. If expectations differ from previous estimates, the changes are accounted for as a change in an accounting estimate.

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any, and the carrying amount is included in profit or loss.

4.3 Leases

The Company as lessee

The Company recognises right-of-use assets and a lease liabilities at the commencement date of the contract for all leases excluding short-term leases or leases for which the underlying asset is of low value, conveying the right to control the use of an identified asset for a period of time.

The Company determines the lease term as the non-cancellable period of a lease, together with both:

(a) periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and

(b) periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.3 Leases (cont'd)

The Company as lessee (cont'd)

In assessing whether a lessee is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, the Company considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The Company has elected not to recognise right-of use assets and lease liabilities for short-term leases and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(a) Right-of-use assets

The right-of-use assets are initially recorded at cost, which comprises:

(i) the amount of the initial measurement of the lease liabilities;

(ii) any lease payments made at or before the commencement date of the lease, less any lease incentives received; and

(iii) any initial direct costs incurred by the Company.

Subsequent to the initial recognition, the right-of-use assets are measured at cost less any accumulated depreciation and accumulated impairment losses, and adjusted for any remeasurement of the lease liabilities.

The right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use assets or the end of the lease term.

The lease terms of right-of-use assets are as follows:

Office	3 years
Motor vehicles	5 years

(b) Lease liabilities

The lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date. The lease payments are discounted using the incremental borrowing rate of the Company. Subsequent to the initial recognition, the Company measures the lease liabilities by increasing the carrying amount to reflect interest on the lease liabilities, reducing the carrying amount to reflect lease payments made, and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

4.4 Impairment of non-financial assets

The carrying amounts of assets, except for financial assets are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

The recoverable amount of an asset is estimated for an individual asset. Where it is not possible to estimate the recoverable amount of the individual asset, the impairment test is carried out on the cash generating unit ("CGU") to which the asset belongs.

The recoverable amount of an asset or CGU is the higher of its fair value less cost to sell and its value in use.

In estimating value in use, the estimated future cash inflows and outflows to be derived from continuing use of the asset and from its ultimate disposal are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the future cash flow estimates have not been adjusted.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.4 Impairment of non-financial assets (cont'd)

An impairment loss is recognised in profit or loss when the carrying amount of the asset or the CGU, including the intangible asset, exceeds the recoverable amount of the asset or the CGU.

The total impairment loss is allocated to the assets of the CGU on a pro-rata basis of the carrying amount of each asset in the CGU. The impairment loss is recognised in profit or loss immediately.

An impairment loss for assets is reversed if, and only if, there has been a change in the estimates used to determine the assets' recoverable amount since the last impairment loss was recognised.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Such reversals are recognised as income immediately in profit or loss.

4.5 Financial instruments

(a) Financial assets

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

When financial assets are initially recognised, they are measured at fair value, plus, in the case of financial assets not at Fair Value Through Profit or Loss (FVTPL), directly attributable transaction costs.

The Company determines the classification of financial assets upon initial recognition. The measurement for each classification of financial assets are as below:

(i) Financial assets measured at amortised cost

Financial assets that are debt instruments are measured at amortised cost if they are held within a business model whose objective is to collect contractual cash flows and have contractual terms which give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

(ii) Financial assets measured subsequently at fair value

Financial assets that are debt instruments are measured at Fair Value Through Other Comprehensive Income (FVTOCI) if they are held within a business model whose objectives are to collect contractual cash flows and selling the financial assets, and have contractual terms which give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets that are debt instruments are measured at fair value. Any gains or losses arising from the changes in fair value are recognised in other comprehensive income, except for impairment losses, exchange differences and interest income which are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognised.

Financial assets that are debt instruments, which do not satisfy the requirements to be measured at amortised cost or FVTOCI are measured at FVTPL. Any gains or losses arising from the changes in fair value are recognised in profit or loss.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.5 Financial instruments (cont'd)

(a) Financial assets (cont'd)

(ii) Financial assets measured subsequently at fair value (cont'd)

The Company does not have any financial assets measured at FVTOCI and FVTPL as at the end of the reporting period.

Equity instruments are classified as financial assets measured at FVTPL if they are held for trading or are designated as such upon initial recognition. Equity instruments are classified as held for trading if they are acquired principally for sale in the near term or are derivatives that do not meet the hedge accounting criteria (including separated embedded derivatives). The Company has an option to elect an irrevocable option to designate its equity instruments at initial recognition as financial assets measured at FVTOCI if the equity instruments are not held for trading.

Subsequent to initial recognition, financial assets that are equity instruments are measured at fair value. Any gains or losses arising from the changes in fair value are recognised in profit or loss for equity instruments measured at FVTPL. As for equity instruments measured at FVTOCI, any gains or losses arising from the changes in fair value are recognised in other comprehensive income and are not subsequently transferred to profit or loss.

Dividend on equity instruments are recognised in profit or loss when the right to receive payment is established.

A financial asset is derecognised when the contractual right to receive cash flows from the financial asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised directly in other comprehensive income shall be recognised in profit or loss.

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

A regular way purchase or sale of financial assets shall be recognised and derecognised, as applicable, using trade date accounting.

(b) Financial liabilities

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. A financial liability is classified into the following two (2) categories after initial recognition for the purpose of subsequent measurement:

(i) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss comprise financial liabilities that are held for trading, derivatives (both, freestanding and embedded) and financial liabilities that were specifically designated into this classification upon initial recognition.

Subsequent to initial recognition, financial liabilities classified as at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in the fair value of financial liabilities classified as at fair value through profit or loss are recognised in profit or loss.

(ii) Other financial liabilities

Financial liabilities classified as other financial liabilities comprise non-derivative financial liabilities that are neither held for trading nor initially designated as at fair value through profit or loss.

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.5 Financial instruments (cont'd)

(b) Financial liabilities (cont'd)

A financial liability is derecognised when, and only when, it is extinguished, i.e. when the obligation specified in the contract is discharged or cancelled or expires. An exchange between an existing borrower and lender of debt instruments with substantially different terms are accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

Any difference between the carrying amount of a financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

(c) Equity

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

Ordinary shares are recorded at the proceeds received at issuance and classified as equity. Transactions costs directly related to the issuance of equity instrument are accounted for as a deduction from equity, net of any related income tax benefit. Otherwise, they are charged to profit or loss.

Interim dividends to shareholders are recognised in equity in the period in which they are declared. Final dividends are recognised upon the approval of shareholders in a general meeting.

The Company measures a liability to distribute non-cash assets as a dividend to the owners of the Company at the fair value of the assets to be distributed. The carrying amount of the dividend is remeasured at the end of each reporting period and at the settlement date, with any changes recognised directly in equity as adjustments to the amount of the distribution. On settlement of the transaction, the Company recognises the difference, if any, between the carrying amounts of the assets distributed and the carrying amount of the liability in profit or loss.

4.6 Impairment of financial assets

The Company recognises an impairment loss allowance for expected credit losses on a financial asset that is measured at amortised cost.

The Company recognises allowance for impairment loss for trade receivables based on the simplified approach in accordance with MFRS 9 *Financial Instruments* and measures the allowance for impairment loss based on a lifetime expected credit loss from initial recognition.

At the end of each reporting period, the Company assesses whether there has been a significant increase in credit risk for financial assets other than trade receivables by comparing the risk of default occurring over the expected life with the risk of default since initial recognition. For those in which the credit risk has not increased significantly since initial recognition of the financial asset, twelve-month expected credit losses along with gross interest income are recognised. For those in which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

The Company considers historical credit loss experience and observable data such as current changes and future forecasts in economic conditions to estimate the amount of expected impairment loss. The methodology and assumptions including any forecasts of future economic conditions are reviewed regularly.

The carrying amount of the financial asset is reduced through the use of an allowance for impairment loss account and the amount of impairment loss is recognised in profit or loss. When a financial asset becomes uncollectible, it is written off against the allowance for impairment loss account.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.7 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset is capitalised as part of the cost of the asset until when substantially all the activities necessary to prepare the asset for its intended use or sale are complete, after which such expense is charged to profit or loss. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. Capitalisation of borrowing cost is suspended during extended periods in which active development is interrupted.

The amount of borrowing costs eligible for capitalisation is the actual borrowing costs incurred on the borrowing during the period less any investment income on the temporary investment of the borrowing.

4.8 Cash and cash equivalents

Cash and cash equivalents include cash and bank balances, deposits with licensed banks excluding highly liquid investments which are readily convertible to cash and are subject to insignificant risk of changes in value. The statement of cash flows are prepared using the indirect method.

4.9 Income taxes

Income taxes include all domestic and foreign taxes on taxable profit.

Taxes in the statement of profit or loss and other comprehensive income comprise current tax and deferred tax.

(a) Current tax

Current tax expenses are determined according to the tax laws of the jurisdiction in which the Company operates and include all taxes based upon the taxable profits.

(b) Deferred tax

Deferred tax is recognised in full using the liability method on temporary differences arising between the carrying amount of an asset or liability in the statement of financial position and its tax base.

Deferred tax is recognised for all temporary differences, unless the deferred tax arises from goodwill or the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of transaction, affects neither accounting profit nor taxable profit.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits would be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. The carrying amount of a deferred tax asset is reviewed at the end of each reporting period. If it is no longer probable that sufficient taxable profits would be available to allow the benefit of part or all of that deferred tax asset to be utilised, the carrying amount of the deferred tax asset would be reduced accordingly. When it becomes probable that sufficient taxable profits would be available, such reductions would be reversed to the extent of the taxable profits.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same taxation authority on either:

(i) the same taxable entity; or

(ii) different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Deferred tax would be recognised as income or expense and included in profit or loss for the period unless the tax relates to items that are credited or charged, in the same or a different period, directly to equity, in which case the deferred tax would be charged or credited directly to equity.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on the announcement of tax rates and tax laws by the Government in the annual budgets which have the substantive effect of actual enactment by the end of each reporting period.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.10 Employee benefits

(a) Short term employee benefits

Wages, salaries, social security contributions, paid annual leave, paid sick leave, bonuses and non-monetary benefits are measured on an undiscounted basis and are expensed when employees rendered their services to the Company.

Short term accumulating compensated absences such as paid annual leave are recognised as an expense when employees render services that increase their entitlement to future compensated absences. Short term non-accumulating compensated absences such as sick leave are recognised when the absences occur and they lapse if the current period's entitlement is not used in full and do not entitle employees to a cash payment for unused entitlement on leaving the Company.

Bonuses are recognised as an expense when there is a present, legal or constructive obligation to make such payments, as a result of past events and when a reliable estimate can be made of the amount of the obligation.

(b) Defined contribution plan

The Company provides post-employment benefits by way of contribution to defined contribution plans operated by the relevant authorities at the prescribed rates.

Defined contribution plans are post-employment benefits plans under which the Company pays fixed contributions to a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

The Company's contributions to defined contribution plans are recognised as an expense in profit or loss in the period to which the contributions relate or included in the costs of assets, where applicable.

4.11 Other income

Interest income

Interest income is recognised as it accrues, using the effective interest method.

4.12 Fair value measurements

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

The Company measures the fair value of an asset or a liability by taking into account the characteristics of the asset or liability if market participants would take these characteristics into account when pricing the asset or liability. The Company has considered the following characteristics when determining fair value:

(a) The condition and location of the asset; and

(b) Restrictions, if any, on the sale or use of the asset.

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.12 Fair value measurements (cont'd)

The fair value of a financial or non-financial liability or an entity's own equity instrument assumes that:

(a) A liability would remain outstanding and the market participant transferee would be required to fulfil the obligation. The liability would not be settled with the counterparty or otherwise extinguished on the measurement date; and

(b) An entity's own equity instrument would remain outstanding and the market participant transferee would take on the rights and responsibilities associated with the instrument. The instrument would not be cancelled or otherwise extinguished on the measurement date.

The financial and non-financial assets and liabilities that are measured subsequent to initial recognition at fair value are grouped into Level 1 to Level 3 based on the degree to which the fair value inputs are observable:

(a) Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;

(b) Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

(c) Level 3 fair value measurements are those derived from inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The classification of an item into the above levels is based on the lowest level of the inputs used in the fair value measurement of the item. Transfers of items between levels are recognised in the period they occur.

4.13 Operating segments

Operating segments are defined as components of the Company:

(a) that engages in business activities from which it could earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the Company);

(b) whose operating results are regularly reviewed by the chief operating decision maker of the Company particularly in making decisions about resources to be allocated to the segment and assessing its performance; and

(c) for which discrete financial information is available.

An operating segment may engage in business activities for which it has yet to earn revenues. The Company reports separately information about each operating segment that meets any of the following quantitative thresholds:

(a) Its reported revenue, including both sales to external customers and intersegment sales or transfers, is ten percent (10%) or more of the combined revenue, internal and external, of all operating segments.

(b) The absolute amount of its reported profit or loss is ten percent (10%) or more of the greater, in absolute amount of:

    (i) the combined reported profit of all operating segments that did not report a loss; and

    (ii) the combined reported loss of all operating segments that reported a loss.

(c) Its assets are ten percent (10%) or more of the combined assets of all operating segments.

Operating segments that do not meet any of the quantitative thresholds may be considered reportable, and separately disclosed, if the management believes that information about the segment would be useful to users of the financial statements.

Total external revenue reported by operating segments shall constitute at least seventy-five percent (75%) of the revenue of the Company. Operating segments identified as reportable segments in the current financial year in accordance with the quantitative thresholds would result in a restatement of prior period segment data for comparative purposes.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.14 Earnings per share

(a) Basic

Basic earnings per ordinary share for the financial year is calculated by dividing the profit for the financial year attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding during the financial year.

(b) Diluted

Diluted earnings per ordinary share for the financial year is calculated by dividing the profit for the financial year attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding during the financial year adjusted for the effects of dilutive potential ordinary shares.

5. ADOPTION OF NEW MFRSs AND AMENDMENTS TO MFRSs

5.1 New MFRSs adopted during the financial year

The Company adopted the following Standards of the MFRS Framework that were issued by the Malaysian Accounting Standards Board ("MASB") during the financial year:

Title	Effective Date
MFRS 16 *Leases*	1 January 2019
IC Interpretation 23 *Uncertainty over Income Tax Treatments*	1 January 2019
Amendments to MFRS 128 *Long-term Interests in Associates and Joint Ventures*	1 January 2019
Amendments to MFRS 9 *Prepayment Features with Negative Compensation*	1 January 2019
Amendments to MFRS 3 *Annual Improvements to MFRS Standards 2015 - 2017 Cycle*	1 January 2019
Amendments to MFRS 11 *Annual Improvements to MFRS Standards 2015 - 2017 Cycle*	1 January 2019
Amendments to MFRS 112 *Annual Improvements to MFRS Standards 2015 - 2017 Cycle*	1 January 2019
Amendments to MFRS 123 *Annual Improvements to MFRS Standards 2015 - 2017 Cycle*	1 January 2019
Amendments to MFRS 119 *Plan Amendment, Curtailment or Settlement*	1 January 2019

Adoption of the above Standards did not have any material effect on the financial performance or position of the Company except for the adoption of MFRS 16 as described in the following sections.

MFRS 16 *Leases*

MFRS 16 supersedes MFRS 117 *Leases,* IFRIC 4 *Determining whether an Arrangement contains a Lease,* SIC-15 *Operating Leases-Incentives* and SIC-27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease.* MFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the financial statements.

Lessor accounting under MFRS 16 is substantially unchanged from MFRS 117. Lessors would continue to classify leases as either operating or finance leases using similar principles as in MFRS 117.

The Company applied MFRS 16 using the modified retrospective approach, for which the cumulative effect of initial application is recognised in retained earnings as at 1 January 2019. Accordingly, the comparative information presented is not restated.

On adoption of MFRS 16, the Company recognised lease liabilities in relation to leases which had previously been classified as "operating leases" under the principles of MFRS 117. These liabilities were measured at the present value of the remaining lease payments, discounted using the incremental borrowing rate of the Company as of 1 January 2019. The incremental borrowing rate of the Company applied to the lease liabilities on 1 January 2019 was 3.00%.

In order to compute the transition impact of MFRS 16, a significant data extraction exercise was undertaken by management to summarise all property, plant and equipment lease data such that the respective inputs could be uploaded into management's model. The incremental borrowing rate method has been adopted where the implicit rate of interest in a lease is not readily determinable.

5. ADOPTION OF NEW MFRSs AND AMENDMENTS TO MFRSs (CONT'D)

5.1 New MFRSs adopted during the financial year (cont'd)

MFRS 16 *Leases* (cont'd)

In applying MFRS 16 for the first time, the Company has used the following practical expedients permitted by the standard:

(a) Applying a single discount rate to a portfolio of leases with reasonably similar characteristics;

(b) Relying on previous assessments on whether leases are onerous as an alternative to performing an impairment review - there were no onerous contracts as at 1 January 2019;

(c) Excluding initial direct costs for the measurement of the right-of-use assets at the date of initial application; and

(d) Using hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

On transition to MFRS 16, the Company recognised right-of-use assets and lease liabilities, recognising the difference in retained earnings. The impact on transition is summarised below:

	Note	As at 31.12.2018 RM	Impact RM	As at 1.1.2019 RM
Right-of-use assets	(a)	-	536,238	536,238
Lease liabilities	(b)	-	541,548	541,548
Retained earnings		3,445,712	(5,310)	3,440,402

(a) The associated right-of-use assets for property leases were measured on a cumulative basis as if the new rules had always been applied.

(b) Lease liabilities are measured as follows:

	RM
Operating lease commitments at 31 December 2018 as disclosed under MFRS 117	320,000
Weighted average incremental borrowing rate as at 1 January 2019	3.00%
Discounted operating lease commitments as at 1 January 2019	314,084
Extension options reasonably certain to be exercised	227,464
Lease liabilities recognised at 1 January 2019	541,548

5.2 New MFRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2020

The following are Standards of the MFRS Framework that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been early adopted by the Company:

Title	Effective Date
Amendments to References to the Conceptual Framework in MFRS Standards	1 January 2020
Amendments to MFRS 3 *Definition of a Business*	1 January 2020
Amendments to MFRS 101 and MFRS 108 *Definition of Material*	1 January 2020
Amendments to MFRS 9, MFRS 139 and MFRS 7 *Interest Rate Benchmark Reform*	1 January 2020
MFRS 17 *Insurance Contracts*	1 January 2021
Amendments to MFRS 101 *Classification of Liabilities as Current or Non-current*	1 January 2022
Amendments to MFRS 10 and MFRS 128 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	Deferred

The Company does not expect the adoption of the above Standards to have a significant impact on the financial statements.

6. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

6.1 Changes in estimates

Estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Directors are of the opinion that there are no significant changes in estimates at the end of the reporting period.

6.2 Critical judgement made in applying accounting policies

There are no critical judgements made by management in the process of applying the Company's accounting policies that have a significant effect on the amounts recognised in the financial statements.

6.3 Key sources of estimation uncertainty

The following are key assumptions concerning the future and other key sources of estimation uncertainty at the end of each reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

Determination of the lease term for leases

The Company determines the lease term of a lease as the non-cancellable period of the lease, together with periods covered by an option to extend or to terminate the lease if the Company is reasonably certain to exercise the relevant options. Management has considered the relevant facts and circumstances that create an economic incentive for the Company to either exercise the option to extend the lease, or to exercise the option to terminate the lease. Any differences in expectations from the original estimates would impact the carrying amounts of the lease liabilities of the Company.

7. PROPERTY, PLANT AND EQUIPMENT

2019	Balance as at 1.1.2019 RM	Additions RM	Depreciation charge for the financial year RM	Balance as at 31.12.2019 RM
Carrying amount				
Office equipment	8,618	11,353	(5,922)	14,049
Furniture and fittings	2,940	-	(310)	2,630
Computer equipment	41,928	3,350	(18,184)	27,094
Motor vehicles	-	10,949	(1,308)	9,641
	53,486	**25,652**	**(25,724)**	**53,414**

	At 31.12.2019		
	Cost RM	Accumulated depreciation RM	Carrying amount RM
Office equipment	21,694	(7,645)	14,049
Furniture and fittings	3,100	(470)	2,630
Computer equipment	55,292	(28,198)	27,094
Motor vehicles	10,949	(1,308)	9,641
	91,035	**(37,621)**	**53,414**

7. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

2018	Balance as at 1.1.2018 RM	Additions RM	Depreciation charge for the financial year RM	Balance as at 31.12.2018 RM
Carrying amount				
Office equipment	-	10,341	(1,723)	8,618
Furniture and fittings	-	3,100	(160)	2,940
Computer equipment	-	51,942	(10,014)	41,928
	-	**65,383**	**(11,897)**	**53,486**

	At 31.12.2018		
	Cost RM	Accumulated depreciation RM	Carrying amount RM
Office equipment	10,341	(1,723)	8,618
Furniture and fittings	3,100	(160)	2,940
Computer equipment	51,942	(10,014)	41,928
	65,383	**(11,897)**	**53,486**

The Company made the following cash payments to purchase property, plant and equipment:

	2019 RM	2018 RM
Additions of property, plant and equipment	**25,652**	65,383
Cash payments on purchase of property, plant and equipment	**25,652**	65,383

8. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

The Company as lessee

Right-of-use assets	Balance as at 1.1.2019 RM	Effects of adoption of MFRS 16 (Note 5.1) RM	Additions RM	Depreciation RM	Balance as at 31.12.2019 RM
Carrying amount					
Office building	-	536,238	-	(229,816)	306,422
Motor vehicles	-	-	690,688	(78,190)	612,498
	-	**536,238**	**690,688**	**(308,006)**	**918,920**

Lease liabilities	Balance as at 1.1.2019 RM	Effects of adoption of MFRS 16 (Note 5.1) RM	Additions RM	Lease payments RM	Interest expense RM	Balance as at 31.12.2019 RM
Carrying amount						
Office building	-	541,548	-	(240,000)	12,536	314,084
Motor vehicles	-	-	611,000	(67,906)	13,149	556,243
	-	**541,548**	**611,000**	**(307,906)**	**25,685**	**870,327**

8. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONT'D)

	2019 RM
Represented by:	
Current liabilities	348,281
Non-current liabilities	522,046
	870,327
Lease liabilities owing to financial institutions	556,243
Lease liability owing to a non-financial institution	314,084
	870,327

(a) The Company determines the lease term of a lease as the non-cancellable period of the lease, together with periods covered by an option to extend or to terminate the lease if the Company is reasonably certain to exercise the relevant options. Management has considered the relevant facts and circumstances that create an economic incentive for the Company to either exercise the option to extend the lease, or to exercise the option to terminate the lease. Any differences in expectations from the original estimates would impact the carrying amounts of the lease liabilities of the Company. The lease payments are discounted using the annual incremental borrowing rate of the Company in range of 3.00% to 4.46%.

(b) The maturity profile of the lease liabilities of the Company at the end of the financial year based on contractual undiscounted repayment obligations is disclosed in Note 22(b) of the financial statements.

(c) Lease liabilities are denominated in Ringgit Malaysia.

(d) The following are the amounts recognised in profit or loss:

	2019 RM
Depreciation charge of right-of-use assets (included in administration expenses)	308,006
Interest expense on lease liabilities (included in finance costs)	25,685
	333,691

(e) The Company leases a lease contract that include extension and termination options. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

As at 31 December 2019, there is no undiscounted potential future rental payments that are not included in the lease term.

(f) The following table sets out the carrying amounts, the weighted average incremental borrowing rates and the remaining maturities of the lease liabilities of the Company that are exposed to interest rate risk:

31 December 2019	Weighted average incremental borrowing rate per annum %	Within 1 year RM	1 - 2 years RM	2 - 5 years RM	Total RM
Lease liabilities					
Floating rates	3.00% - 4.46%	348,281	199,131	322,915	870,327

8. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONT'D)

(g) Information on financial risks of lease liabilities are disclosed in Note 22(b) to the financial statements.

(h) The Company made the following cash payments to purchase motor vehicles:

	2019 RM
Additions of motor vehicles	**690,688**
Financed by hire purchase creditors	**(611,000)**
Cash payments on purchase of motor vehicles	**79,688**

(i) Reconciliation of liabilities arising from financing activities

The table below details changes in lease liabilities of the Company arising from financing activities, including both cash and non-cash changes. Lease liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the statement of cash flows of the Company as cash flows from financing activities.

2019	Office RM	Motor vehicles RM	Total RM
Lease liabilities			
At beginning of financial year	-	-	-
Effects of adoption of MFRS 16:			
- Current liabilities	227,464	-	227,464
- Non-current liabilities	314,084	-	314,084
As restated	541,548	-	541,548
Cash flows	(240,000)	(67,906)	(307,906)
Non-cash flows:			
- Additions	-	611,000	611,000
- Unwinding of interest	12,536	13,149	25,685
At end of financial year	314,084	556,243	870,327

9. INVESTMENT IN A SUBSIDIARY

	2019 RM	2018 RM
Unquoted shares, at cost	**-**	-

(a) Acquisition and disposal of a subsidiary in the previous financial year

Pursuant to an Internal Restructuring Agreement entered with TRIplc on 16 December 2016, on 3 May 2018, the Company had issued 69,125,085 new shares to the existing shareholders of TRIplc in exchange for the entire equity shares of TRIplc.

On 3 May 2018, the Company announced that the Transfer of Listing had been completed following the de-listing of TRIplc shares and listing of the Company's shares on the Main Market of Bursa Securities. Consequently, TRIplc became a wholly-owned subsidiary of the Company, marking the completion of the Internal Reorganisation on 3 May 2018.

9. INVESTMENT IN A SUBSIDIARY (CONT'D)

(a) Acquisition and disposal of a subsidiary in the previous financial year (cont'd)

On 31 May 2018, the Company completed the disposal of its entire equity interest in TRIplc for a cash consideration of RM210,000,000 to Puncak Niaga Holdings Berhad ("Puncak Niaga"), a related party to the Company. The disposal resulted in a gain of RM138,169,952.

The effects of disposal to the Company were as follows:

	2018 RM
Total disposal consideration	210,000,000
Cost of investment of a subsidiary	(69,125,085)
Transaction cost for disposal of a subsidiary	(2,704,963)
Gain on disposal of a subsidiary	138,169,952
Net cash inflow arising on disposal:	
Total disposal consideration	210,000,000
Deposit received	(21,000,000)
Transaction cost for disposal of a subsidiary	(2,704,963)
Net cash inflow arising on disposal	186,295,037

The acquisition and subsequent disposal of the Company's investment in TRIplc is purely transitory to facilitate the Internal Restructuring Agreement to transfer the listing status of TRIplc to the Company prior to the acquisition of TRIplc by Puncak Niaga. No consolidated financial statements is presented as the Company does not have control of any subsidiary as at the previous financial year end.

10. OTHER RECEIVABLES

	2019 RM	2018 RM
Other receivables	**375,516**	391,168
Deposit	**40,000**	40,000
Total other receivables, excluding prepayments	**415,516**	431,168
Prepayments	**167,146**	3,742
Total other receivables	**582,662**	434,910

(a) Total other receivables excluding prepayments are classified as financial asset measured at amortised cost and are denominated in RM.

(b) No expected credit loss is recognised arising from other receivables as it is negligible.

(c) Information on financial risk of other receivables are disclosed in Note 22(b) to the financial statements.

11. INVESTMENT

	2019 RM	2018 RM
Fair value through profit or loss:		
Unquoted unit trust in Malaysia	**2,646,455**	-

(a) Investment held by the Company comprises Islamic money market fund which is highly liquid, readily convertible to cash and are subject to insignificant risk of changes in value and hence, meet the definition to be classified as cash and cash equivalents.

(b) Investment is denominated in RM.

(c) Investment of the Company is categorised as Level 2 in the fair value hierarchy. There is no transfer between levels in the hierarchy during the financial year. The fair value of investment is determined by reference to the counter party quotes at the close of the business at the end of the reporting period.

(d) Information on financial risk of investment is disclosed in Note 22(b) to the financial statements.

12. CASH AND BANK BALANCES

	2019 RM	2018 RM
Cash in hand	**642**	823
Bank balances	**356,380**	1,914,435
Deposits placed with licensed banks	**68,000,000**	70,400,000
	68,357,022	72,315,258

(a) Deposits placed with licensed banks have maturity period ranged from 91 to 182 days (2018: 3 to 92 days) with effective interest rates ranged from 3.35% to 3.45% (2018: 2.75% to 4.00%) per annum.

(b) Included in cash and bank balances of the Company are amounts of RM68,236,001 (2018: RM65,872,926) placed in accounts opened with financial institutions licensed by Bank Negara Malaysia and operated by a custodian.

(c) All cash and bank balances are denominated in RM.

(d) No expected credit losses were recognised arising from the bank balances and deposits placed with licensed banks because the probability of default by these financial institutions were negligible.

(e) Information on financial risk of cash and bank balances is disclosed in Note 22(b) to the financial statements.

(f) For the purpose of the statement of cash flows, cash and cash equivalents comprise the following as at the end of the reporting period:

	2019 RM	2018 RM
Cash and bank balances	**357,022**	1,915,258
Deposits placed with licensed banks		
- not more than three (3) months	**48,000,000**	70,400,000
- more than three (3) months	**20,000,000**	-
Investment (Note 11)	**2,646,455**	-
	71,003,477	72,315,258
Less: Deposit more than 3 months	**(20,000,000)**	-
	51,003,477	72,315,258

13. SHARE CAPITAL

	Number of shares		Amount	
	2019	2018	2019 RM	2018 RM
Issued and fully paid				
Balance as at 1 January	**69,125,087**	2	**69,125,087**	2
Issued	**-**	69,125,085	**-**	69,125,085
Balance as at 31 December	**69,125,087**	69,125,087	**69,125,087**	69,125,087

In the previous financial year, the issued and fully paid-up ordinary share capital of the Company was increased from 2 units to 69,125,087 units by way of issuance of 69,125,085 ordinary shares in exchange for the entire issued ordinary shares of TRIplc as disclosed in Note 9(a) to the financial statements.

The owners of the Company are entitled to receive dividends as and when declared by the Company and are entitled to one (1) vote per ordinary share at meeting of the Company. All ordinary shares rank pari passu with regard to the residual assets of the Company.

14. OTHER PAYABLES

	2019 RM	2018 RM
Other payables	**120,372**	4,024
Accruals	**107,745**	123,831
	228,117	127,855

(a) Other payables are classified as financial liabilities measured at amortised cost and are denominated in RM.

(b) Information on financial risks of other payables are disclosed in Note 22(b) to the financial statements.

15. OTHER INCOME

	2019 RM	2018 RM
Interest income	**2,484,611**	2,010,161
Income distribution from investment	**53,831**	161,501
Gain on disposal of a subsidiary (Note 9(a))	**-**	138,169,952
	2,538,442	140,341,614

16. EMPLOYEE BENEFITS

	2019 RM	2018 RM
Salaries, wages and bonuses	**1,761,712**	694,016
Defined contribution plans	**257,705**	92,712
Other employee benefits	**8,373**	5,088
	2,027,790	791,816

Included in the employee benefits of the Company are Executive Directors' remuneration amounting to RM1,346,740 (2018: RM317,474).

17. TAXATION

	2019 RM	2018 RM
Current tax expense based on (loss)/profit for the financial year	-	465,000
Over provision in prior year	**(5,042)**	(4,124)
	(5,042)	460,876

(a) The Malaysian income tax is calculated at the statutory tax rates of 24% (2018: 24%) of the estimated taxable profits for the fiscal period.

(b) Numerical reconciliation between the tax expense and the product of accounting (loss)/profit multiplied by the applicable tax rate of the Company is as follows:

	2019 RM	2018 RM
(Loss)/Profit before taxation	**(983,002)**	138,304,137
Taxation at statutory tax rate of 24% (2018: 24%)	**(235,920)**	33,192,993
Tax effects in respect of:		
Non-allowable expenses	**236,727**	469,414
Non-taxable income	**(807)**	(33,197,407)
	-	465,000
Over provision in prior year	**(5,042)**	(4,124)
	(5,042)	460,876

18. (LOSS)/EARNINGS PER SHARE

(a) Basic

The basic (loss)/earnings per share is calculated based on the profit for the year attributable to owners of the Company and on the weighted average number of ordinary shares in issue during the financial year.

	2019	2018
(Loss)/Profit attributable to owners of the Company (RM)	**(977,960)**	137,843,261
Weighted average number of ordinary shares in issue during the financial year	**69,125,087**	46,020,264
Basic (loss)/earnings per share (sen)	**(1.41)**	299.53

(b) Diluted

Diluted (loss)/earnings per ordinary share equals basic (loss)/earnings per ordinary share as there are no dilutive potential ordinary shares.

19. DIVIDEND

	2018 RM
Dividend on ordinary shares declared and paid	
Special cash dividend of RM1.95 per ordinary share on 69,125,087 ordinary shares, declared on 4 June 2018 and paid on 3 July 2018	134,793,920

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

20. RELATED PARTY DISCLOSURES

(a) Identities of related parties

Parties are considered to be related to the Company if 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 Company and the party are subject to common control or common significant influence. Related parties could be individuals or other parties.

Related parties of the Company include:

(i) Companies in which the Directors have financial interests; and

(ii) Key management personnel who are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Company either directly or indirectly. The key management personnel include all the Directors of the Company.

(b) Significant related party transactions

In addition to the transactions detailed elsewhere in the financial statements, the Company had the following transactions with related parties during the financial year:

	2019 RM	2018 RM
Related parties:		
Disposal of investment in TRIplc	**-**	210,000,000

The related party transactions described above were carried out on negotiated terms and conditions.

(c) Compensation to key management personnel

The remuneration of Directors during the financial year was as follows:

	2019 RM	2018 RM
Directors' fee	**156,000**	610,000
Salaries, wages and bonuses	**1,170,000**	275,484
Defined contribution plan	**174,300**	41,325
Others	**34,040**	14,965
	1,534,340	941,774

Estimated monetary value of benefits-in-kind provided to the Executive Directors of the Company is RM19,375 (2018: Nil).

21. OPERATING SEGMENT

Segmental information by activities is not presented as the Company is solely involved in investment holding activities.

Segmental reporting by geographical area is not presented as the Company's activities are predominantly in Malaysia.

22. CAPITAL AND FINANCIAL RISK MANAGEMENT

(a) Capital management

The primary objective of the capital management of the Company is to ensure that the Company would be able to continue as a going concern whilst maximising the return to shareholders. The overall strategy of the Company remains unchanged from that in the previous financial period.

The Company manages its capital structure and makes adjustments to it in response to changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial year ended 31 December 2019 and 31 December 2018.

(b) Financial risk management

The financial risk management objectives of the Company are to ensure that the Company creates value and maximises returns to its shareholders as well as ensuring that adequate financial resources are available for the development of the Company's businesses whilst managing its financial risks. It is, and has been throughout the financial year under review, the Company's policy that no trading in financial instruments shall be undertaken.

The Company is exposed mainly to credit risk, liquidity and cash flow risk and market risk. Information on the management of the related exposures is detailed below.

(i) Credit risk

Credit risk refers to the risk that a counterparty would default on its contractual obligations resulting in financial loss to the Company.

Deposit placed with licensed bank and bank balances are placed with approved financial institutions in Malaysia. The Directors believe that the possibility of non-performance by these financial institutions is remote on the basis of their financial strength.

Exposure to credit risk

At the end of each of reporting period, the Company's maximum exposures to credit risk are represented by the carrying amounts of each class of financial assets recognised in the statement of financial position.

(ii) Liquidity and cash flow risk

The Company actively manages its operating cash flows and the availability of funding so as to ensure all operating and investing needs are met.

22. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Financial risk management (cont'd)

(ii) Liquidity and cash flow risk (cont'd)

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Company's liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

	On demand or within one year RM	One to five years RM	Over five years RM	Total RM
As at 31 December 2019				
Financial liabilities				
Other payables	**228,117**	**-**	**-**	**228,117**
Lease liabilities	**376,272**	**557,114**	**-**	**933,386**
Total undiscounted financial liabilities	**604,389**	**557,114**	**-**	**1,161,503**
As at 31 December 2018				
Financial liabilities				
Other payables	127,855	-	-	127,855
Total undiscounted financial liabilities	127,855	-	-	127,855

(iii) Market risk

Price risk

Price risk is the risk that the fair value of future cash flows of the financial instruments of the Company would fluctuate because of changes in market prices (other than interest or exchange rates).

The Company is exposed to price risks arising from investment held by the Company. The investment is comprising unquoted unit trust in Malaysia.

During the financial year, the maximum exposure of the Company to market risk is represented by the total carrying amount of the investment recognised in the statement of financial position, which amounted to RM2,646,455. There has been no change to the exposure of the Company to market risk or the manner in which the risk is managed and measured.

As the Company neither had the intention, nor historical trend of active trading in these financial instruments, the Directors were of the opinion that the Company was not subject to significant exposure to price risk and accordingly, no sensitivity analysis was being presented at the end of each financial year.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates.

The Company's primary interest rate risk relates to its interest bearing assets. The investments in financial assets are not held for speculative purpose but have been mostly placed in fixed deposits which yield better returns than conventional savings.

There is no sensitivity analysis as the deposits with the financial institutions of the Company are fixed rate instruments and are not affected by changes in the interest rates.

The interest profile and sensitivity analysis of interest rate risk of lease liabilities has been disclosed in Note 8(f) to the financial statements.

(c) Fair value information

The carrying amounts of other receivables, cash and bank balances and other payables of the Company are reasonable approximation of fair value due to their short term in nature.

Fair value of investment of the Company's other information is disclosed in Note 11(c) to the financial statements.

23. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

(a) On 31 May 2018, the Company had completed the disposal of TRIplc which represented the entire core business of the Company (the "Disposal").

(b) Bursa Securities had vide its letter dated 16 May 2018 notified the Company that it is a Cash Company pursuant to Paragraph 8.03(1) of the Main Market Listing Requirements upon completion of the Disposal. In this respect, the Company must comply with the provisions and requirements in Paragraph 8.03 and Practice Note 16 ("PN16") of the Main Market Listing Requirements.

(c) Proposed Regularisation Plan

On 28 November 2019, the Company entered into a heads of agreement ("HOA") with Wong Choi Ong, Pan Kum Wan, Exquisite Capitals Sdn Bhd, Lim Siew Kuen and Tham Yew Leong (collectively, the "Vendors") in relation to the proposed acquisition by the Company of the entire equity interests in Ecoscience Manufacturing & Engineering Sdn. Bhd. and Asia Ecoscience Pte Ltd (collectively, the "Target Companies").

The negotiation with the Vendors as well as the due diligence on business and affairs of the Target Companies are still ongoing.

Further, Bursa Securities has vide its letter dated 11 December 2019 granted the Company an extension of time up to 29 May 2020 to submit a regularisation plan to the regulatory authorities.

24. SIGNIFICANT EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

(a) Financial reporting impact of COVID-19 pandemic

The World Health Organisation declared the 2019 Novel Coronavirus infection ('COVID-19') a pandemic on 11 March 2020. This was followed by the Government of Malaysia issuing a Federal Government Gazette on 18 March 2020, imposing a Movement Control Order ('MCO') effective from 18 March 2020 to 31 March 2020 arising from COVID-19. The MCO was subsequently extended until 12 May 2020, followed by a Conditional MCO until 9 June 2020.

Since these developments occurred subsequent to the end of the reporting period, the COVID-19 pandemic is treated as a non-adjusting event in accordance with MFRS 110 Events after the Reporting Period. Consequently, the financial statements for the financial year ended 31 December 2019 do not reflect the effects arising from this non-adjusting event.

The Company is in the process of assessing the financial reporting impact of COVID-19 pandemic since ongoing developments remain uncertain and cannot be reasonably predicted as at the date of authorisation of the financial statements.

The Company anticipates that the potential financial reporting impact of COVID-19 would be recognised in the financial statements of the Company during the financial year ending 31 December 2020.

(b) Proposed Regularisation Plan

On 20 April 2020, the Board of Directors announced that the Company and the Vendors have mutually agreed to terminate the HOA entered into on 28 November 2019, after taking into consideration the uncertainties surrounding the global economy and financial market.

On 4 May 2020, the Company had submitted an application to Bursa Securities seeking an approval for a further extension of time until 31 December 2020 for the Company to submit a regularisation plan to the regulatory authorities. The approval is pending on the date of this report.

ANALYSIS OF SHAREHOLDINGS
as at 4 May 2020

SHARE CAPITAL

Class of shares	-	Ordinary shares
Total number of Issued Shares	-	69,125,087
Amount of Shares issued as fully paid	-	RM69,125,087.00
Voting rights	-	One vote per Ordinary Share

ANALYSIS BY SIZE OF SHAREHOLDINGS

Size of Holdings	No. of Holders	%	No. of Shares	%
1 - 99	515	14.940	13,084	0.018
100 - 1,000	1,904	55.236	1,026,364	1.484
1,001 - 10,000	886	25.703	2,635,010	3.811
10,001 - 100,000	110	3.191	2,858,602	4.135
100,001 - 3,456,253*	29	0.841	26,747,616	38.694
3,456,254 and above**	3	0.087	35,844,411	51.854

Remarks:
* Less than 5% of Issued Shares
** 5% and above of Issued Shares

LIST OF DIRECTORS' SHAREHOLDINGS
Per Register of Directors' Shareholdings

		Shareholdings			
No.	Directors	Direct Interest	%	Indirect Interest	%
1.	YBhg Tan Sri Rozali Bin Ismail	589,628	0.852	17,580,970[(a)]	25.434
2.	Hajah Shamshiah Binti Hashim @ Abu Bakar	-	-	-	-
3.	Haji Ibrahim Bin Topaiwah	-	-	-	-
4.	Encik Jumsi Bin Batri	49,660	0.071	-	-
5.	Encik Mohammad Emir Bin Taufiq Ahmad @ Ahmad Mustapha	-	-	-	-
6.	Encik Hariz Shukri Bin Husin	-	-	-	-
7.	Puan Nur Dayana Binti Tan Sri Rozali (Alternate Director to YBhg Tan Sri Rozali Bin Ismail)	-	-	-	-

Note:

(a) Deemed interest by virtue of 100% shareholding interest in Central Plus (M) Sdn. Bhd. and Corporate Line (M) Sdn. Bhd., both are corporate shareholders of the Company, of which 5% is held in his own name and 95% in his spouse's, Puan Sri Faridah Binti Idris and children's names and deemed interest by virtue of 16.031% equity interest held by his spouse's, Puan Sri Faridah Binti Idris and son, Encik Azlan Shah Bin Tan Sri Rozali.

SUBSTANTIAL SHAREHOLDERS

Per Register of Substantial Shareholders

		Shareholdings			
No.	Name	Direct Interest	%	Indirect Interest	%
1.	YBhg Tan Sri Rozali Bin Ismail	589,628	0.852	17,580,970[a]	25.434
2.	Puan Sri Faridah Binti Idris	10,588,002	15.317	6,992,968[b]	10.116
3.	Ms Chee Shu Ying	4,408,800	6.378	-	-
4.	PED Holdings (M) Sdn. Bhd.	15,265,009	22.083	-	-
5.	Encik Yahaya Bin Shukor	-	-	15,265,009[c]	22.083
6.	Encik Muhammad Mukrim Bin Mustafa Shukri	-	-	15,265,009[d]	22.083
7.	Formasi Simbolik Sdn. Bhd.	10,021,400	14.497	-	-
8.	Encik Borhanuddin Bin Ramli	-	-	10,021,400[e]	14.497
9.	Mr Lo See Yong	-	-	10,021,400[f]	14.497

Notes:

(a) Deemed interest by virtue of 100% shareholding interest in Central Plus (M) Sdn. Bhd. and Corporate Line (M) Sdn. Bhd., both are corporate shareholders of the Company, of which 5% is held in his own name and 95% in his spouse's, Puan Sri Faridah Binti Idris and children's names and deemed interest by virtue of 16.031% equity interest held by his spouse's, Puan Sri Faridah Binti Idris and son, Encik Azlan Shah Bin Tan Sri Rozali.

(b) Deemed interest by virtue of 100% equity interest in Central Plus (M) Sdn. Bhd. and Corporate Line (M) Sdn. Bhd., of which 5% equity interest is held by her spouse, YBhg Tan Sri Rozali Bin Ismail and 95% held in her name and children's name and deemed interested by virtue of 0.714% equity interest held by her son, Azlan Shah Bin Tan Sri Rozali.

(c) Deemed interest by virtue of 60% equity interest in PED Holdings (M) Sdn. Bhd.

(d) Deemed interest by virtue of 40% equity interest in PED Holdings (M) Sdn. Bhd.

(e) Deemed interested by virtue of 50% equity interest in Formasi Simbolik Sdn. Bhd.

(f) Deemed interested by virtue of 50% equity interest in Formasi Simbolik Sdn. Bhd.

LIST OF TOP THIRTY LARGEST REGISTERED SHAREHOLDERS

Without aggregating securities from different securities accounts belonging to the same registered holder.

No.	Name	Shareholdings	%
1.	HLIB Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for PED Holdings (M) Sdn. Bhd.	15,265,009	22.083
2.	HLIB Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Puan Sri Faridah Binti Idris	10,558,002	15.273
3.	HLIB Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Formasi Simbolik Sdn. Bhd.	10,021,400	14.497
4.	HLIB Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Central Plus (M) Sdn. Bhd.	3,340,802	4.832
5.	HLIB Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Corporate Line (M) Sdn. Bhd.	3,158,135	4.568
6.	HLIB Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Embun Edar Sdn. Bhd.	2,832,061	4.097
7.	Maybank Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Chee Shu Ying	2,758,500	3.990
8.	Ting Poi Ling	2,022,400	2.925
9.	Maybank Nominees (Tempatan) Sdn. Bhd. Chee Shu Ying	1,650,300	2.387
10.	UOB Kay Hian Nominees (Tempatan) Sdn. Bhd. Exempt an for UOB Kay Hian Pte Ltd (A/C Clients)	1,302,690	1.884
11.	Maybank Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Yong Chang Cheng	1,267,000	1.832
12.	Ngu Cheng Wen	1,025,069	1.482
13.	TA Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Wong Dek Kong	1,008,900	1.459
14.	TA Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Ting Chek Ting	880,000	1.273
15.	Kenanga Nominees (Tempatan) Sdn. Bhd. Exempt an for Phillip Securities Pte Ltd (Client Account)	690,600	0.999
16.	Maybank Nominees (Tempatan) Sdn. Bhd. Ting Poi Ling	599,900	0.867
17.	HLIB Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for YBhg Tan Sri Rozali Bin Ismail	589,628	0.852
18.	HLIB Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Azlan Shah Bin Tan Sri Rozali	494,031	0.714
19.	Ting Poi Ling	417,500	0.603
20.	Zainal Abidin Bin Ismail	416,600	0.602
21.	Maybank Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Leong Nam Soon	406,200	0.587
22.	Yim Kam Moon	272,000	0.393
23.	HLB Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Eng Guo Miao	233,600	0.337
24.	Choo Hock Chin	232,700	0.336
25.	Grand Merdin Realty Sdn. Bhd.	187,500	0.271
26.	Su Ming Yaw	180,000	0.260
27.	Lim Seng Qwee	165,000	0.238
28.	Leong Wai Hong	152,000	0.219
29.	Lim Yeng Poh	120,000	0.173
30.	Ting Hee Ching	120,000	0.173

NOTICE OF FOURTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Fourth Annual General Meeting of the Company will be held fully virtual at the broadcast venue at Tricor Boardroom, Unit 30-01, Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi 59200 Kuala Lumpur on 24 June 2020, Wednesday at 3.00 p.m. for the following purposes:

AGENDA

ORDINARY BUSINESSES:

1. To receive the Audited Financial Statements for the financial year ended 31 December 2019 together with the Reports of the Directors and Auditors thereon. **Please refer to Explanatory Note 1**

2. To approve the payment of Directors' fees of RM156,000 in respect of the financial year ended 31 December 2019. **Ordinary Resolution 1**

3. To approve the payment of Directors' benefits (excluding Directors' fees) to the Non-Executive Directors up to an amount of RM31,400 for the period from 24 June 2020 up to the date of the next Annual General Meeting of the Company. **Ordinary Resolution 2**

4. To re-elect the following Directors who are retiring pursuant to Clause 124 of the Constitution of the Company and being eligible, have offered themselves for re-election:

   (a) Hajah Shamshiah Binti Hashim @ Abu Bakar **Ordinary Resolution 3**

   (b) Haji Ibrahim Bin Topaiwah **Ordinary Resolution 4**

5. To re-appoint Messrs BDO PLT as Auditors of the Company for the financial year ending 31 December 2020 and to authorise the Board of Directors to fix their remuneration. **Ordinary Resolution 5**

SPECIAL BUSINESS:

To consider and if thought fit, with or without any modification(s), to pass the following ordinary resolution:

6. **AUTHORITY TO ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016** **Ordinary Resolution 6**

   "THAT subject always to the Companies Act 2016 ("the Act"), the Constitution of the Company and approvals from Bursa Malaysia Securities Berhad and any other governmental/regulatory authorities, where such approval is necessary, authority be and is hereby given to the Directors of the Company, pursuant to Sections 75 and 76 of the Act, to allot shares in the Company from time to time, at such price upon such terms and conditions and for such purposes and to such persons whomsoever as the Directors of the Company may, in their absolute discretion, deem fit, provided that the aggregate number of shares issued during the preceding 12 months does not exceed 20% of the total number of issued shares (excluding treasury shares) of the Company for the time being AND THAT the Directors of the Company be and are hereby empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad AND FURTHER THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company after the approval was given or at the expiry of the period within which the next Annual General Meeting is required to be held after the approval was given, whichever is earlier, unless revoked or varied by an ordinary resolution of the Company at a general meeting."

By order of the Board

WONG WAI FOONG (SSM P.C. No. 202008001472) (MAICSA 7001358)
TAN BEE HWEE (SSM P.C. No. 202008001497) (MAICSA 7021024)
Company Secretaries

Kuala Lumpur
27 May 2020

NOTES ON THE APPOINTMENT OF PROXY:

IMPORTANT NOTICE

1. The Broadcast Venue is **strictly for the purpose of complying with Section 327(2) of the Companies Act 2016** which requires the Chairperson of the meeting to be present at the main venue of the meeting.

   Shareholders **WILL NOT BE ALLOWED** to attend the Fourth Annual General Meeting ("Fourth AGM") in person at the Broadcast Venue on the day of the meeting.

   Shareholders are to attend, speak (including posing questions to the Board via real time submission of typed texts) and vote (collectively, "participate") remotely at the Fourth AGM via the Remote Participation and Voting facilities ("RPV") provided by Tricor Investor & Issuing House Services Sdn. Bhd. ("Tricor") via its **TIIH Online** website at https://tiih.online. **Please follow the Procedures for RPV in the Administrative Notes on Fourth AGM and take note of Notes (2) to (14) below in order to participate remotely via RPV.**

2. For the purpose of determining who shall be entitled to participate in this Fourth AGM via RPV, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, the **Record of Depositors as at 16 June 2020.** Only a member whose name appears on this Record of Depositors shall be entitled to participate in this Fourth AGM via RPV.

3. A member who is entitled to participate in this Fourth AGM via RPV is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to participate in his/her place. A proxy may but need not be a member of the Company.

4. A member of the Company who is entitled to attend and vote at a general meeting of the Company may appoint not more than two (2) proxies to participate instead of the member at the Fourth AGM via RPV.

5. If two (2) proxies are appointed, the entitlement of those proxies to vote on a show of hands shall be in accordance with the listing requirements of the stock exchange.

6. Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act"), it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.

7. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.

8. Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.

9. A member who has appointed a proxy or attorney or authorised representative to attend, participate, speak and vote at this Fourth AGM via RPV must request his/her proxy to register himself/herself for RPV at **TIIH Online** website at https://tiih.online. **Please follow the Procedures for RPV in the Administrative Notes on Fourth AGM.**

10. The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the Fourth AGM or adjourned general meeting at which the person named in the appointment proposes to vote:

    (i) In hard copy form

    In the case of an appointment made in hard copy form, the proxy form must be deposited with the Share Registrar of the Company at 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 or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi 59200 Kuala Lumpur, Malaysia.

    (ii) By electronic form

    The proxy form can be electronically lodged with the Share Registrar of the Company via TIIH Online at https://tiih.online (applicable to individual shareholders only). Kindly refer to the Administrative Notes on the procedures for electronic lodgement of proxy form via TIIH Online.

11. Please ensure ALL the particulars as required in the proxy form are completed, signed and dated accordingly.

NOTES ON THE APPOINTMENT OF PROXY: (CONT'D)

IMPORTANT NOTICE (CONT'D)

12. Last date and time for lodging the proxy form is **Monday, 22 June 2020 at 3.00 p.m..**

13. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the Share Registrar of the Company at 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 or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi 59200 Kuala Lumpur, Malaysia not less than forty-eight (48) hours before the time appointed for holding the Fourth AGM or adjourned general meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.

14. For a corporate member who has appointed a representative, please deposit the **ORIGINAL** certificate of appointment with the Share Registrar of the Company at 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 or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi 59200 Kuala Lumpur, Malaysia. The certificate of appointment should be executed in the following manner:

    (i) If the corporate member has a common seal, the certificate of appointment should be executed under seal in accordance with the constitution of the corporate member.

    (ii) If the corporate member does not have a common seal, the certificate of appointment should be affixed with the rubber stamp of the corporate member (if any) and executed by:

        (a) at least two (2) authorised officers, of whom one shall be a director; or

        (b) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.

EXPLANATORY NOTES

1. **Explanatory Note 1 – To receive the Audited Financial Statements for the financial year ended 31 December 2019**

    This agenda item is meant for discussion only as the provision of Section 340(1)(a) of the Companies Act 2016 ("the Act") does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this resolution will not be put forward for voting.

2. **Ordinary Resolution 1 – Directors' Fees**

    The Board of Directors, upon Remuneration Committee's recommendation, has reviewed the Directors' fees after taking into consideration time commitment and responsibilities of the respective Director. Payment of the Directors' fees for the financial year ended 31 December 2019 amounting to RM156,000 will be made by the Company if the proposed Ordinary Resolution 1 is passed in the forthcoming Annual General Meeting.

3. **Ordinary Resolution 2 – Directors' Benefits (excluding Directors' fees)**

    Pursuant to Section 230(1) of the Act, Directors' benefits (excluding Directors' fee) to the Non-Executive Directors of the Company will have to be approved by the shareholders at a general meeting. The Company is seeking shareholders' approval for the payment of Directors' benefits for the period from 24 June 2020 up to the date of the next Annual General Meeting of the Company.

    The details of the Directors' Benefits can be found on page 21 of CG Report.

4. **Ordinary Resolutions 3 and 4 – Re-election of Hajah Shamshiah Binti Hashim @ Abu Bakar and Haji Ibrahim Bin Topaiwah as Directors pursuant to Clause 124 of the Constitution of the Company**

    Clause 124 of the Constitution of the Company ("Constitution") provides that at the Annual General Meeting ("AGM") in every subsequent year, one-third (1/3) of the Directors of the Company for the time being, or, if their number is not three (3) or a multiple of three (3), then the number nearest to one-third (1/3), shall retire from office at the conclusion of the AGM in every year provided always that all Directors shall retire from office once at least in each three (3) years, but shall be eligible for re-election. The Directors who are subject to retirement by rotation are eligible for re-election in accordance with Clause 124 of the Constitution are Hajah Shamshiah Binti Hashim @ Abu Bakar (Executive Director) and Haji Ibrahim Bin Topaiwah (Independent Non-Executive Director ("INED")).

EXPLANATORY NOTES (CONT'D)

For the purpose of determining the eligibility of the Directors to stand for re-election at the Fourth AGM, the Nominating Committee ("NC") has considered the following:

(a) The performance and contribution of each of the Directors based on their assessment results of the Board Effectiveness Evaluation 2019;

(b) The assessment of the individual Director's level of contribution to the Board through each of their skills, experience and strength in qualities; and

(c) In respect of INED, the level of independence demonstrated by each of the INEDs, and their ability to act in the best interests of the Company in decision-making, to ensure that they are independent of management and free from any business or other relationship which could materially interfere with the exercise of their independent judgment or the ability to act in the best interests of the Company.

In line with Practice 5.1 of the Malaysian Code on Corporate Governance ("MCCG"), the Board has conducted an assessment of independence of the INEDs, and also other criteria i.e. character, integrity, competence, experience and time commitment in effectively discharging their respective roles as Directors of the Company. The individual Directors were assessed based on performance criteria set in the areas of Board dynamics and participation, competency and capability, independence and objectivity, probity and personal integrity, contribution and performance together with their ability to make analytical inquiries and offer advice and guidance.

The Board agreed with NC's recommendation that the Directors who retire in accordance with Clause 124 of the Constitution are eligible to stand for re-election. The retiring Directors had abstained from deliberations and decisions on their own eligibility to stand for re-election at the Board meeting.

5. **<u>Ordinary Resolution 6 – Authority to issue shares pursuant to Sections 75 and 76 of the Act</u>**

The proposed Ordinary Resolution 6 is to seek a renewal of general mandate for issuance of shares by the Company under Sections 75 and 76 of the Act. The Ordinary Resolution, if passed, will empower the Directors of the Company, from the date of the Fourth AGM, to issue and allot new ordinary shares of the Company of up to twenty percent (20%) of the total number of issued shares (excluding treasury shares) of the Company for the time being for such purposes as the Directors of the Company consider would be in the best interest of the Company. This authority, unless earlier revoked or varied by the Company at a General Meeting, will expire at the conclusion of the next AGM of the Company or the expiration of the period within which the next AGM is required by law to be held, whichever is earlier.

The authority to issue shares pursuant to Sections 75 and 76 of the Act will provide flexibility and expediency to the Company for any possible fund raising activities involving the issuance or placement of shares to facilitate business expansion or strategic merger and acquisition opportunities involving equity deals or part equity or to fund future investment project(s) or for working capital requirements, which the Directors of the Company consider to be in the best interest of the Company. The approval is sought to avoid any delay and cost in convening a general meeting to approve such issuance of shares.

As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the last AGM held on 29 May 2019 and the mandate will lapse at the conclusion of the Fourth AGM.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

(PURSUANT TO PARAGRAPH 8.27(2) OF BURSA MALAYSIA SECURITIES BERHAD MAIN MARKET LISTING REQUIREMENTS)

There is no Director standing for election at the Fourth Annual General Meeting of the Company.

ADMINISTRATIVE NOTES
FOR THE FOURTH ANNUAL GENERAL MEETING ("FOURTH AGM")

PIMPINAN EHSAN BERHAD
(Registration No. 201601021838) (1192777-W)

Date	:	Wednesday, 24 June 2020
Time	:	3.00 p.m.
Broadcast Venue	:	Tricor Boardroom Unit 30-01, Level 30, Tower A Vertical Business Suite Avenue 3, Bangsar South No. 8, Jalan Kerinchi 59200 Kuala Lumpur

MODE OF MEETING

In view of the Coronavirus Disease 2019 ("Covid-19") outbreak and as part of the safety measures, the Fourth AGM will be conducted entirely through live streaming from the Broadcast Venue. This is line with the Guidance Note on the Conduct of General Meetings for Listed Issuers issued by the Securities Commission Malaysia on 18 April 2020.

The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Companies Act, 2016 which requires the Chairperson of the meeting to be present at the main venue of the meeting. Shareholders **WILL NOT BE ALLOWED** to attend the Fourth AGM in person at the Broadcast Venue on the day of the meeting.

REMOTE PARTICIPATION AND VOTING FACILITIES ("RPV")

Shareholders are to attend, speak (including posing questions to the Board via real time submission of typed texts) and vote (collectively, "participate") remotely at the Fourth AGM using RPV provided by Tricor Investor & Issuing House Services Sdn. Bhd. ("Tricor") via its **TIIH Online** website at https://tiih.online.

Shareholders who appoint proxies to participate via RPV in the Fourth AGM must ensure that the duly executed proxy forms are deposited in a hard copy form or by electronic means to Tricor no later than **Monday, 22 June 2020 at 3.00 p.m..**

Corporate representatives of corporate members must deposit their original certificate of appointment of corporate representative to Tricor not later than Monday, 22 June 2020 at 3.00 p.m. to participate via RPV in the Fourth AGM.

Attorneys appointed by power of attorney are to deposit their power of attorney with Tricor not later than **Monday, 22 June 2020 at 3.00 p.m.** to participate via RPV in the Fourth AGM.

A shareholder who has appointed a proxy or attorney or authorised representative to attend, participate, speak and vote at this Fourth AGM via RPV must request his/her proxy to register himself/herself for RPV at TIIH Online website at https://tiih.online

As the Fourth AGM is a fully virtual AGM, members who are unable to participate in this Fourth AGM may appoint the Chairperson of the meeting as his/her proxy and indicate the voting instructions in the proxy form.

PROCEDURES FOR RPV

Shareholders/proxies/corporate representatives/attorneys who wish to participate the Fourth AGM remotely using the RPV are to follow the requirements and procedures as summarized below:

	Procedure	Action
BEFORE THE 4TH AGM DAY		
(a)	Register as a user with TIIH Online	• Using your computer, access the website at https://tiih.online. Register as a user under the "e-Services". 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. You will receive an e-mail to notify you that the remote participation is available for registration at TIIH Online.
(b)	Submit your request	• **Registration is open from Tuesday, 27 May 2020 at 3.00 p.m. up to Monday, 22 June 2020 at 3.00 p.m..** • Login with your user ID and password and select the corporate event: **"(REGISTRATION) PIMPINAN EHSAN BERHAD FOURTH 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 16 June 2020, the system will send you an e-mail to approve or reject your registration for remote participation.
ON THE DAY OF THE AGM		
(c)	Login to TIIH Online	• Login with your user ID and password for remote participation at the Fourth AGM at any time from **2.40 p.m.** i.e. 20 minutes before the commencement of the Fourth AGM on **Wednesday, 24 June 2020 at 3.00 p.m..**
(d)	Participate through Live Streaming	• Select the corporate event: **"(LIVE STREAM MEETING) PIMPINAN EHSAN BERHAD FOURTH AGM"** to engage in the proceedings of the Fourth AGM remotely. • If you have any question for the Chairperson/ Board, you may use the query box to transmit your question. The Chairperson/ Board will endeavor to respond to questions submitted by remote participants during the Fourth AGM. If there is time constraint, the responses will be e-mailed to you at the earliest possible, after the meeting.
(e)	Online Remote Voting	• Voting session commences **from 3.30 p.m. on Wednesday, 24 June 2020** until a time when the Chairperson announces the completion of the voting session of the Fourth AGM. • Select the corporate event: **"(REMOTE VOTING) PIMPINAN EHSAN BERHAD FOURTH AGM".** • 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 Chairperson on the closure of the Fourth AGM, the live streaming will end.

Note to users of the RPV facilities:

1. Should your application to join the meeting be approved we will make available to you the rights to join the live streamed meeting and to vote remotely. Your login to TIIH Online on the day of meeting will indicate your presence at the virtual meeting.

2. The quality of your connection to the live broadcast is dependent on the bandwidth and stability of the internet at your location and the device you use.

3. In the event you encounter any issues with logging-in, connection to the live streamed meeting or online voting, kindly call Tricor Help Line at 011-40805616 / 011-40803168 / 011-40803169 / 011-40803170 for assistance or e-mail to tiih.online@my.tricorglobal.com for assistance.

ELECTRONIC LODGEMENT OF PROXY FORM

The procedures to lodge your proxy form electronically via Tricor's **TIIH Online** website are summarised below:

	Procedure	Action
(a)	Register as a user with TIIH Online	• Using your computer, please access the website at https://tiih.online. Register as a user under the "e-Services". Please do 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.
(b)	Proceed with submission of Proxy Form	• 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: "Submission of Proxy Form". • Read and agree to the Terms & Conditions and confirm the Declaration • Insert your CDS account number and indicate the number of shares for your proxy(s) to vote on your behalf. • Appoint your proxy(s) and insert the required details of your proxy(s) or appoint Chairman as your proxy. • Indicate your voting instructions – FOR or AGAINST, otherwise your proxy will decide your vote. • Review and confirm your proxy(s) appointment. • Print proxy form for your record.

PRE-MEETING SUBMISSION OF QUESTION TO THE BOARD OF DIRECTORS

Shareholders may submit questions for the Board in advance of the Fourth AGM via Tricor's TIIH Online website at https://tiih.online by selecting "e-Services" to login, pose questions and submit electronically no later than **Monday, 22 June 2020 at 3.00 p.m..** The Board will endeavor to answer the questions received at the Fourth AGM.

NO DOOR GIFT/FOOD VOUCHER

There will be **no distribution** of door gifts or food vouchers for the Fourth AGM since the meeting is being conducted on a fully virtual basis.

Pimpinan Ehsan Berhad would like to thank all its shareholders for their kind co-operation and understanding in these challenging times.

ENQUIRY

If you have any enquiries on the above, please contact the following persons during office hours on Mondays to Fridays from 9.00 a.m. to 5.30 p.m. (except on public holidays):

Tricor Investor & Issuing House Services Sdn. Bhd.

General Line : +603-2783 9299

Fax Number : +603-2783 9222

Email : is.enquiry@my.tricorglobal.com

Contact persons : Puan Ros Sakila Binti Bahari
+603-2783 9277 (sakila@my.tricorglobal.com)

Encik Mohammad Amirul Iskandar Bin Azizan
+603-2783 9263 (Mohammad.Amirul@my.tricorglobal.com)

PEB

PIMPINAN EHSAN BERHAD

(201601021838) (1192777-W)
(INCORPORATED IN MALAYSIA)

PROXY FORM

No. of Shares Held	
CDS Account No.	- -

**I/We* ____

NRIC/Passport/Company No. ____________________ *Tel/Hp No.* ____________________

of ____

being member(s) of Pimpinan Ehsan Berhad, hereby appoint:

Full Name (in Block and as per NRIC/Passport)	**NRIC/Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Address:			

and/or* (*delete as appropriate)

Full Name (in Block and as per NRIC/Passport)	**NRIC/Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Address:			

or failing him/her, the Chairman of the Meeting as *my/our proxy/proxies to attend and vote for *me/us and on *my/our behalf at the Fourth Annual General Meeting of the Company to be held fully virtual at the broadcast venue at Tricor Boardroom, Unit 30-01, Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi 59200 Kuala Lumpur on **Wednesday, 24 June 2020 at 3.00 p.m.** and at any adjournment thereof, and to vote as indicated below:

Item	**Agenda**			
1.	To receive the Audited Financial Statements for the financial year ended 31 December 2019 together with the Reports of the Directors and Auditors thereon			
		Ordinary Resolution ("OR")	**For**	**Against**
2.	Payment of Directors' fees of RM156,000 for the financial year ended 31 December 2019	OR 1		
3.	Payment of Directors' benefits (excluding Directors' fee) to the Non-Executive Directors up to an amount of RM31,400 for the period from 24 June 2020 up to the date of the next Annual General Meeting of the Company	OR 2		
4.	Re-election of Hajah Shamshiah Binti Hashim @ Abu Bakar as Director	OR 3		
5.	Re-election of Haji Ibrahim Bin Topaiwah as Director	OR 4		
6.	Re-appointment of Messrs BDO PLT as Auditors of the Company, for the financial year ending 31 December 2020 and to authorise the Board of Directors to fix their remuneration	OR 5		
Special Business				
7.	Authority to Issue Shares pursuant to Sections 75 and 76 of the Companies Act 2016	OR 6		

[Please indicate with an "X" in the spaces provided on how you wish your votes to be cast. In the absence of specific directions, your proxy will vote or abstain as he/she thinks fit.]

Dated this day ______________ of ______________ 2020

Number of ordinary shares held	
CDS account no.	

____
*Signature/Common Seal of Shareholder
* Delete if not applicable

(Contact No. ______________________)

NOTES ON THE APPOINTMENT OF PROXY:

IMPORTANT NOTICE

1. *The Broadcast Venue is* ***strictly for the purpose of complying with Section 327(2) of the Companies Act 2016*** *which requires the Chairperson of the meeting to be present at the main venue of the meeting.*

   Shareholders ***WILL NOT BE ALLOWED*** *to attend the Fourth Annual General Meeting ("Fourth AGM") in person at the Broadcast Venue on the day of the meeting.*

   Shareholders are to attend, speak (including posing questions to the Board via real time submission of typed texts) and vote (collectively, "participate") remotely at the Fourth AGM via the Remote Participation and Voting facilities ("RPV") provided by Tricor Investor & Issuing House Services Sdn. Bhd. ("Tricor") via its ***TIIH Online*** *website at https://tiih.online.* ***Please follow the Procedures for RPV in the Administrative Notes on Fourth AGM and take note of Notes (2) to (14) below in order to participate remotely via RPV.***

2. *For the purpose of determining who shall be entitled to participate in this Fourth AGM via RPV, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, the* ***Record of Depositors as at 16 June 2020.*** *Only a member whose name appears on this Record of Depositors shall be entitled to participate in this Fourth AGM via RPV.*

3. *A member who is entitled to participate in this Fourth AGM via RPV is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to participate in his/her place. A proxy may but need not be a member of the Company.*

4. *A member of the Company who is entitled to attend and vote at a general meeting of the Company may appoint not more than two (2) proxies to participate instead of the member at the Fourth AGM via RPV.*

5. *If two (2) proxies are appointed, the entitlement of those proxies to vote on a show of hands shall be in accordance with the listing requirements of the stock exchange.*

6. *Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act"), it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.*

7. *Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.*

8. *Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.*

9. *A member who has appointed a proxy or attorney or authorised representative to attend, participate, speak and vote at this Fourth AGM via RPV must request his/her proxy to register himself/herself for RPV at* ***TIIH Online*** *website at https://tiih.online.* ***Please follow the Procedures for RPV in the Administrative Notes on Fourth AGM.***

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PEB
PIMPINAN EHSAN BERHAD

AFFIX
POSTAGE
STAMP

The Company Secretary
Pimpinan Ehsan Berhad (201601021838) (1192777-W)
C/o Tricor Investor & Issuing House Services Sdn. Bhd. (11324-H)
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Malaysia

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NOTES ON THE APPOINTMENT OF PROXY: (CONT'D)

IMPORTANT NOTICE (CONT'D)

10. *The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the Fourth AGM or adjourned general meeting at which the person named in the appointment proposes to vote:*

    (i) *In hard copy form*

    In the case of an appointment made in hard copy form, the proxy form must be deposited with the Share Registrar of the Company at 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 or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi 59200 Kuala Lumpur, Malaysia.

    (ii) *By electronic form*

    The proxy form can be electronically lodged with the Share Registrar of the Company via TIIH Online at https://tiih.online (applicable to individual shareholders only). Kindly refer to the Administrative Notes on the procedures for electronic lodgement of proxy form via TIIH Online.

11. *Please ensure ALL the particulars as required in the proxy form are completed, signed and dated accordingly.*

12. *Last date and time for lodging the proxy form is* ***Monday, 22 June 2020 at 3.00 p.m..***

13. *Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the Share Registrar of the Company at 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 or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi 59200 Kuala Lumpur, Malaysia not less than forty-eight (48) hours before the time appointed for holding the Fourth AGM or adjourned general meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.*

14. *For a corporate member who has appointed a representative, please deposit the* ***ORIGINAL*** *certificate of appointment with the Share Registrar of the Company at 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 or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi 59200 Kuala Lumpur, Malaysia. The certificate of appointment should be executed in the following manner:*

    (i) *If the corporate member has a common seal, the certificate of appointment should be executed under seal in accordance with the constitution of the corporate member.*

    (ii) *If the corporate member does not have a common seal, the certificate of appointment should be affixed with the rubber stamp of the corporate member (if any) and executed by:*

    (a) *at least two (2) authorised officers, of whom one shall be a director; or*

    (b) *any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.*

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