

BUKU LAPORAN TAHUNAN 2019

KOPTG Iktikad Syukur Sdn Bhd (1183331-M)

B-1-9, Level 3, Blok B, Menara Uncang Emas,

85, Jalan Loke Yew, 55200 Kuala Lumpur.

03-9202 9682

itikadsyukursb@gmail.com



KANDUNGAN

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1.0 PENGENALAN

KOPTG Iktikad Syukur Sdn Bhd (KISSB) ditubuhkan untuk menjalankan perniagaan yang berteraskan pelaburan dalam bidang hartanah (perumahan dan tanah) di Semenanjung Malaysia.

Syarikat ini menceburi perniagaan yang melibatkan pembinaan rumah kediaman, menjalankan urusan berkaitan pembangunan tanah, urusan pemilikan harta alih dan tak alih serta perniagaan peruncitan. Tumpuan utama perniagaan syarikat pada masa ini lebih kepada pembinaan atau penyertaan secara usaha sama dalam projek pembinaan rumah mampu milik di kawasan rizab Melayu di Lembah Klang dan kawasan sekitarnya serta di seluruh Semenanjung Malaysia.

Permintaan kepada rumah kediaman serta urusan pembangunan tanah pada masa ini amat menggalakkan terutamanya di Lembah Klang. Saiz pasaran juga tidak terhad kepada kawasan berdekatan sahaja malah melangkaui kawasan sehingga di luar Lembah Klang. Dalam tempoh lima (5) tahun yang akan datang, syarikat bercadang untuk memberikan tumpuan kepada pasaran di Lembah Klang sahaja. Terdapat beberapa kawasan yang berpotensi untuk menjalankan perniagaan ini yang mana pasarannya telah tersedia.

Mengikut data yang dikeluarkan oleh Bank Negara Malaysia dan Pusat Maklumat Hartanah Negara (NAPIC), penawaran unit rumah kediaman hanyalah sebanyak 114,000 unit setahun dalam tempoh tiga tahun yang lalu iaitu pada 2014 – 2016 berbanding dengan permintaan (peningkatan bilangan isi rumah) yang berjumlah 154,000 unit. Kekurangan penawaran lebih 25 peratus ini menunjukkan bahawa saiz pasaran/peluang yang perlu direbut oleh syarikat.

Syarikat optimis dalam tempoh lima tahun beroperasi, syarikat akan menjana keuntungan dan dapat memberikan sumbangan kepada bukan sahaja kepada *stakeholder* malah membantu merancakkan industri perumahan negara. Syarikat telah mengorak langkah dengan pembelian tanah seluas 1.2141 hektar di mukim Sepang dan sebuah bangunan untuk merealisasikan visi yang telah dirancang. Bagi tanah di mukim Sepang, pembangunan tanah secara lot akan menjadi projek pertama syarikat bagi menimba pengalaman dalam industri ini. Pembinaan rumah untuk tanah Sepang

tidak dapat dibuat pada masa ini kerana faktor ekonomi yang belum pulih sepenuhnya akibat wabak Covid-19 yang melanda. Jualan tanah secara lot diharap dapat menjana pendapatan kepada syarikat untuk terus bersaing dalam perniagaan ini.

2.0 MAKLUMAT SYARIKAT

Nama Syarikat : KOPTG IKTIKAD SYUKUR SDN BHD
Alamat Perniagaan : B-1-9, Level 3, Blok B
Menara Uncang Emas
85, Jalan Loke Yew
55200 Kuala Lumpur
Nombor Telefon/Faks : 03-9202 9682
No. Pendaftaran SSM : 1183331-M
Jenis Perniagaan : Syarikat Sendirian Berhad
Tarikh Pendaftaran : 12 April 2016

Syarikat ini ditubuhkan pada tahun 2016 dengan tujuan untuk menceburi bidang pengurusan hartanah. Syarikat ini adalah sebuah syarikat sendirian berhad menurut syer. Berikut adalah visi, misi, dan motto syarikat.

Visi

Menjadi peneraju kepada pasaran perumahan mampu milik di kawasan rizab melayu di Lembah Klang dan kawasan sekitarnya menjelang 2025.

Misi

1. Meningkatkan kerjasama dengan rakan strategik untuk membina dan menjual rumah mampu milik di kawasan rizab melayu di Lembah Klang dan kawasan sekitarnya.
2. Meningkatkan pengeluaran bilangan rumah mampu milik untuk menampung permintaan pasaran di dalam kawasan rizab melayu di Lembah Klang dan sekitarnya

Moto

Keselesaan Dalam Kemampuan (Comfort and Affordable)



SURUHANJAYA SYARIKAT MALAYSIA
COMPANIES COMMISSION OF MALAYSIA



BORANG 9
AKTA SYARIKAT 1965

[Seksyen 16(4)]

No. Syarikat - MyCoID

1183331	M
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PERAKUAN PEMERBADANAN SYARIKAT SENDIRIAN


Dengan ini diperakui bahawa

KOPTG IKTIKAD SYUKUR SDN. BHD.

telah diperbadankan di bawah Akta Syarikat 1965, pada dan mulai dari 12 haribulan April 2016, dan bahawa syarikat ini adalah sebuah syarikat berhad menurut syer dan bahawa syarikat ini adalah sebuah syarikat sendirian.

Dibuat di bawah tandatangan dan meterai saya di Kuala Lumpur pada 12 haribulan April 2016.




DATO' ZAHRAH ABD WAHAB FENNER
PENDAFTAR SYARIKAT
MALAYSIA

User : norisa ishat Date : 12/04/2016 12:55:39 PM

3.0 PENGURUSAN SYARIKAT

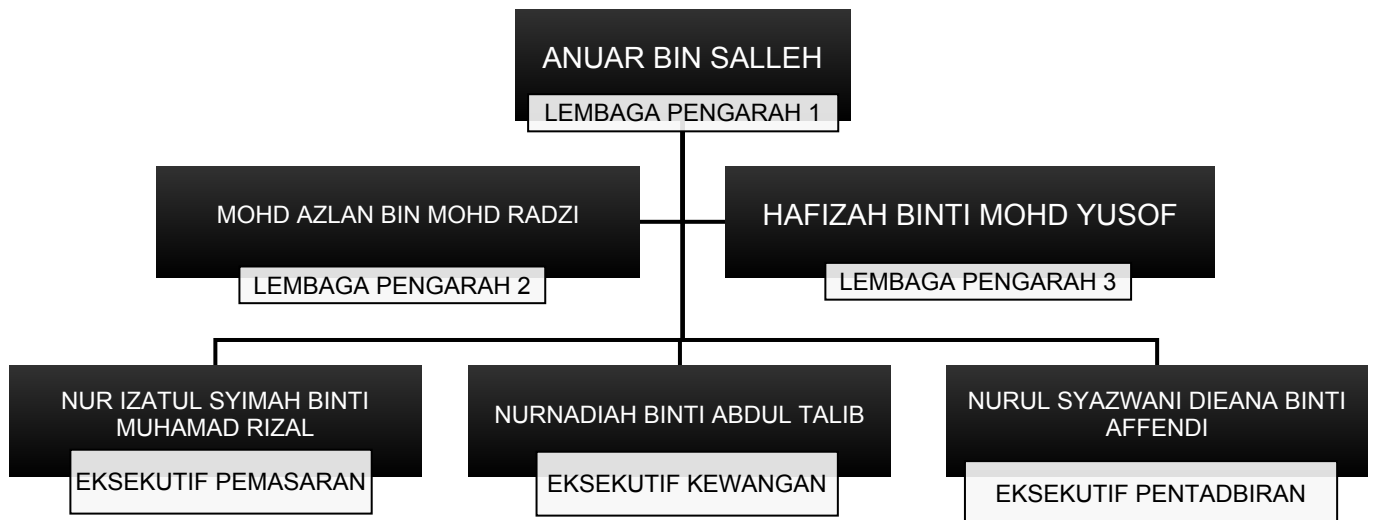
3.1. LEMBAGA PENGARAH SYARIKAT

- Anuar Bin Salleh (Mulai 01/06/2020)
- Mohd Azlan Bin Mohd Radzi (Mulai 19/11/2019)
- Hafizah Binti Mohd Yusof (Mulai 19/11/2019)

3.2. KAKITANGAN SYARIKAT 2020

- Nurnadiah Binti Abdul Talib
 - Eksekutif Kewangan (Mulai 12/05/2020)
- Nur Izatul Syimah Binti Muhamad Rizal
 - Eksekutif Pemasaran (Mulai 20/07/2020)
- Nurul Syazwani Dieana Binti Affendi
 - Eksekutif Pentadbiran (Mulai 27/07/2020)

3.3. CARTA ORGANISASI SYARIKAT 2020



4.0 HALA TUJU SYARIKAT

Permintaan kepada rumah kediaman di Malaysia umumnya dan di Lembah Klang secara amnya adalah sangat tinggi dan tidak mencukupi. Tambahan pula dengan harga permulaan yang ditawarkan adalah sangat munasabah bagi setiap kategori, permintaan kepada rumah kediaman sentiasa meningkat sama ada rumah kediaman bertingkat (*strata*) mahupun rumah kediaman atas tanah (*landed*). Selari dengan kepadatan dan pertambahan penduduk yang sentiasa meningkat dari masa ke semasa, syarikat melihat terdapat peluang yang boleh direbut dalam industri ini.

Persaingan di dalam bidang ini agak kompetitif namun sentiasa ada ruang yang boleh dimanfaatkan supaya KISSB mendapat keuntungan yang maksima daripada aktiviti perniagaannya. Persaingan bukan sahaja datang daripada syarikat kecil dan sederhana yang baru memulakan perniagaan dalam bidang ini malah pesaing yang besar serta kukuh juga menjadikan bidang ini satu cabaran yang perlu dihadapi dengan perancangan yang jitu.

Walaupun syarikat yang baru ditubuhkan empat tahun yang lalu, namun ia diterajui individu yang berpengalaman di dalam pengurusan hartanah. Berdasarkan kepada pengalaman tersebut terdapat beberapa perkara yang memberikan kelebihan kepada syarikat untuk terus bersaing dalam industri ini. Melalui pengalaman individu – individu tersebut, adalah diharapkan agar kos operasi dan kos pembinaan boleh diminimakan dengan pengurusan risiko yang lebih sistematik bagi mengelakkan daripada berlakunya kerugian besar kepada perniagaan. Sebagai membuktikan perkara tersebut, syarikat telah berjaya mendapatkan Kebenaran Merancang (KM) untuk tanah di Sepang dan pada bila-bila masa boleh membuat jualan lot kepada pelanggan.

Syarikat berupaya untuk membina sendiri rumah dengan kos yang kompetitif namun masih terdapat alternatif yang boleh mengurangkan kos serta risiko menjadi pilihan syarikat. Jualan lot menjadi pilihan kerana aliran tunai syarikat perlu diperkemas sebelum syarikat menroak langkah lebih jauh dalam perniagaan ini. Syarikat mempunyai cara yang tersendiri dalam menguruskan risiko-risiko yang mungkin akan berlaku kepada perniagaan seperti keadaan ekonomi yang tidak menentu, penurunan nilai ringgit, kenaikan harga minyak mentah dunia serta tekanan pasaran yang lain. Syarikat juga akan mempelbagaikan portfolio dalam pelaburan yang mana akan mengurangkan risiko kebergantungan hanya kepada satu portfolio sahaja.

5. LAPORAN AKTIVITI SYARIKAT SEPANJANG TAHUN 2019 (SEPINTAS LALU)

BIL	BULAN	PENERANGAN
1.	JANUARI	
	2	Pelaburan Pelaburan Komoditi Murabahah di Maybank sebanyak RM1,500,000.00.
2.	FEBRUARI	
	17	Pembelian Tanah 2 : GM 694, Lot 938, Mukim Labu, Daerah Sepang Bayaran deposit awal (<i>earnest deposit</i>) sebanyak RM69,960.00 .
	21	Kedai RM2 di PPA1M, Kepong Pembelian barang-barang untuk memulakan perniagaan.
3.	MAC	
	13	Pembelian Tanah 2 : GM 694, Lot 938, Mukim Labu, Daerah Sepang Pembayaran caj guaman sebanyak RM21,015.00 .
	13	Pembelian Tanah 2 : GM 694, Lot 938, Mukim Labu, Daerah Sepang Pembayaran baki deposit awal sebanyak RM590,040.00 .
	27	Pembelian Tanah 2 : GM 694, Lot 938, Mukim Labu, Daerah Sepang Perjanjian Jual Beli ditandatangani. Nota : Terma perjanjian jual beli adalah proses pindahmilik perlu diselesaikan dalam tempoh 5 bulan dari tarikh perjanjian iaitu pada Bulan Ogos 2019.

BIL	BULAN	PENERANGAN
4.	APRIL	
	1	Perletakan Jawatan BOD En.Anuar Bin Salleh meletakkan jawatan berkuatkuasa pada 01/04/2019
	3	Pembelian Tanah 1 : GM 718 Lot 959, Mukim Labu, Daerah Sepang Penyelesaian 20% baki akhir bayaran (RM522,729.00) bagi harga belian.
5.	MEI	
	10	Pelaburan Pelaburan IPO – Greatech Technology Berhad 500,000 unit
6.	JUN	
	22	Pembelian Tanah 2 : GM 694, Lot 938, Mukim Labu, Daerah Sepang <u>Mesyuarat Agung Tahunan Ke-6.</u> KISSB membawa usul berhubung pindahan wang sebanyak RM3 juta daripada KOPTG kepada KISSB. Mesyuarat bersetuju sebulat suara. Nota : (i) BOD perlu mengemukakan kertas cadangan untuk KOPTG di panjangkan kepada SKM (Suruhanjaya Koperasi Malaysia). (ii) Menurut klausa 2.2 dalam perjanjian jual beli – BOD perlu membuat pinjaman bank untuk meneruskan pembelian.
7.	JULAI	
	19	Surat peletakan jawatan BOD Ketiga-tiga BOD menghantar surat perletakan jawatan pada KOPTG. i. Mohamed Ridzan bin Hanan ii. Mohd Salleh bin Sadri iii. Roslee bin Arshad

BIL	BULAN	PENERANGAN
8.	OGOS	
	1	Peletakan jawatan ketiga-tiga BOD mula berkuatkuasa.
	16	Pindahan RM3,000,000.00 oleh KOPTG kepada KISSB Permohonan dan kertas cadangan pindahan RM3,000,000.00 yang disediakan oleh KOPTG dipanjangkan kepada SKM (Suruhanjaya Koperasi Malaysia).
9.	SEPTEMBER	-Tiada aktiviti
10.	OKTOBER	-Tiada aktiviti
11.	NOVEMBER	
	19	Pelantikan BOD baru Pelantikan En.Mohd Azlan Bin Mohd Radzi dan Pn.Hafizah Binti Mohd Yusof sebagai BOD mula berkuatkuasa.
	29	Pembelian Tanah 2 : GM 694, Lot 938, Mukim Labu, Daerah Sepang KISSB menghantar surat kepada peguam pemilik tanah melalui wakil peguam KISSB untuk permohonan lanjutan masa penyelesaian penuh sehingga pertengahan Februari 2020.
12.	DISEMBER	
	9	Pembelian Tanah 2 : GM 694, Lot 938, Mukim Labu, Daerah Sepang Surat daripada pemilik tanah melalui peguam menyatakan penjual tidak bersetuju untuk memberi lanjutan masa.
	20	Pembelian Tanah 2 : GM 694, Lot 938, Mukim Labu, Daerah Sepang Kaveat Persendirian dimasukkan oleh KISSB untuk Lot 938 bagi menjamin kepentingan KISSB dan KOPTG
	30	Pembelian Tanah 2 : GM 694, Lot 938, Mukim Labu, Daerah Sepang Surat daripada SKM bertarih 30/12/2019 tidak meluluskan

permohonan KOPTG untuk membuat pindahan wang
RM3,000,000.00 kepada KISSB.



SURUHANJAYA KOPERASI MALAYSIA
Menara Suruhanjaya Koperasi Malaysia
Changkat Semantan, Off Jalan Semantan
Bukit Damansara
50490 KUALA LUMPUR
MALAYSIA



Tel: +603-2083 4000
Faks: +603-2083 4100
Portal Rasmi: www.skm.gov.my

Ruj Kami : SKM.IP.(UU): 0163B/1A (27)
Tarikh : 30 Disember 2019

Puan Yati binti Musa
Pengerusi
Koperasi Pegawai Pejabat Pengarah
Tanah dan Galian Kuala Lumpur Berhad
A-2-5, Level 4, Blok A
Menara Uncang Emas
85, Jalan Loke Yew
55200 KUALA LUMPUR

Puan,

**PERMOHONAN KELULUSAN DI BAWAH SUBSEKSYEN 19(2) AKTA KOPERASI
1993**

Dengan segala hormatnya saya merujuk kepada perkara di atas.

2. Suruhanjaya Koperasi Malaysia (Suruhanjaya) mengambil maklum berkaitan permohonan **Koperasi Pegawai Pejabat Pengarah Tanah dan Galian Kuala Lumpur Berhad** (Koperasi) di bawah **subseksyen 19(2) Akta Koperasi 1993** untuk memindahkan wang berjumlah **RM3,000,000.00** (Ringgit Malaysia: Tiga Juta Sahaja) kepada subsidiari Koperasi iaitu **KOPTG Iktikad Syukur Sdn Bhd** sebagai modal kerja untuk membiayai kos pembelian hartanah berkeluasan 3.0 ekar di Lot 938, GM 694, Mukim Labu, Daerah Sepang.

3. Untuk makluman puan, Suruhanjaya **tidak meluluskan** permohonan Koperasi seperti di para 2 berasaskan justifikasi seperti berikut:

- (a) Pembelian tanah boleh dilaksanakan melalui Koperasi memandangkan Koperasi didaftarkan di bawah fungsi Perumahan dan dibenarkan menjalankan aktiviti berkaitan membina rumah kediaman dan pembangunan tanah sebagaimana menurut Undang-Undang Kecil (UUK) Koperasi; dan
- (b) KOPTG Iktikad Syukur Sdn Bhd mengalami kerugian sejak beberapa tahun serta tidak memberi apa-apa pulangan kepada Koperasi.

PENERAJU KECEMERLANGAN KOPERASI

**PERMOHONAN KELULUSAN DI BAWAH SUBSEKSYEN 19(2) AKTA KOPERASI
1993**

- KOPERASI PEGAWAI PEJABAT PENGARAH TANAH DAN GALIAN KUALA
LUMPUR BERHAD
 - SKM.IP.(UU): 0163B/1A (27)
 - Disember 2019
-

Sekian, terima kasih.

“BERKHIDMAT UNTUK NEGARA”

Saya yang menjalankan amanah,



(HAJI ABAS BIN ABU BAKAR)

Naib Pengerusi Eksekutif (Operasi dan Kawal Selia)

b.p. Pengerusi Eksekutif

Suruhanjaya Koperasi Malaysia

s.k. Pengerusi Eksekutif
Suruhanjaya Koperasi Malaysia

Pengarah
Suruhanjaya Koperasi Malaysia
Cawangan Wilayah Persekutuan

6.0 LAPORAN KEWANGAN SYARIKAT

KOPTG IKTIKAD SYUKUR SDN. BHD.

(Company No.: 1183331 - M)
Incorporated in Malaysia

REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2019

Company No.: 1183331 - M

KOPTG IKTIKAD SYUKUR SDN. BHD.
(Incorporated in Malaysia)

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H2A / NAF

Company No.: 1183331 - M

KOPTG IKTIKAD SYUKUR SDN. BHD.
(Incorporated in Malaysia)

CORPORATE INFORMATION

BOARD OF DIRECTORS

MOHD AZLAN BIN MOHD RADZI
HAFIZAH BINTI MOHD YUSOF
ANUAR BIN SALLEH

SECRETARY

ROZY BIN A. RAZAK (LS 0001706)

REGISTERED OFFICE

No. 63, Level 1,
Jalan Dato' Hj Eusoff, Damai Complex,
Off Jalan Ipoh,
50400 Kuala Lumpur,
Wilayah Persekutuan.

PRINCIPAL PLACE OF BUSINESS

B-1-9, Level 3, Block B,
Menara Uncang Emas,
85 Jalan Loke Yew,
55200 Kuala Lumpur,
Wilayah Persekutuan.

AUDITORS

KUZAIMI & CO. (AF 1492)
Chartered Accountants

PRINCIPAL BANKER

MAYBANK ISLAMIC BERHAD
IBS Kompleks Daya Bumi

Company No.: 1183331 - M

KOPTG IKTIKAD SYUKUR SDN. BHD.
(Incorporated in Malaysia)

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019**

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

PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of property developers and building contractors, travel agency and general trading.

There have been no significant changes to these principal activities during the financial year.

FINANCIAL RESULTS

	RM
Loss after tax	(166,527)
Accumulated losses brought forward	<u>(350,010)</u>
Accumulated losses carried forward	<u><u>(516,537)</u></u>

DIVIDENDS

No dividend have been paid or declared since the end of the previous year. The directors do not recommend that a dividend to be paid in respect of the current year.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions except as disclosed in the financial statements.

SHARES AND DEBENTURES

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

Company No.: 1183331 - M

KOPTG IKTIKAD SYUKUR SDN. BHD.
(Incorporated in Malaysia)

SHARE OPTIONS

No options have been granted by the Company to any parties during the year to take up unissued shares of the Company.

No shares have been issued during the year by virtue of the exercise of any option to take up unissued shares of the Company. As of the end of the year, there were no unissued shares of the Company under options.

DIRECTORS

The Directors of the Company who served since beginning of the financial year to the date of this report are:

Mohd Azlan Bin Mohd Radzi	(Appointed w.e.f. 19/11/2019)
Hafizah Binti Mohd Yusof	(Appointed w.e.f. 19/11/2019)
Anuar Bin Salleh	(Resigned w.e.f. 01/04/2019 and appointed w.e.f. 01/06/2020)
Mohd Salleh Bin Sadri	(Resigned w.e.f. 19/11/2019)
Roslee Bin Arshad	(Resigned w.e.f. 19/11/2019)
Mohamed Ridzan Bin Hanan	(Resigned w.e.f. 19/11/2019)

DIRECTORS' INTEREST

According to the register of Directors' shareholding under the Companies Act, 2016, the interests of the Directors in office at the end of the year in the ordinary shares of the Company and its related corporations during the year are as follows:

	<u>Number of Ordinary Shares</u>			<u>As at 31/12/2019</u>
	<u>As at 01/01/2019</u>	<u>Bought</u>	<u>Sold</u>	
Mohd Salleh Bin Sadri	1,500,001	-	1,500,001	-
Roslee Bin Arshad	1,500,001	-	1,500,001	-
Mohamed Ridzan Bin Hanan	1,500,001	-	1,500,001	-
Anuar Bin Salleh	1,500,001	-	1,500,001	-

HOLDING COMPANY

The Company is a subsidiary of Koperasi Pegawai Pejabat Pengarah Tanah dan Galian Kuala Lumpur Berhad, a Cooperation incorporated in Malaysia, which is also regarded by the directors as the ultimate holding company.

Company No.: 1183331 - M

KOPTG IKTIKAD SYUKUR SDN. BHD.
(Incorporated in Malaysia)

DIRECTORS' BENEFITS

During and at the end of the year, no arrangements subsisted to which the company is a party, with the object or objects of enabling directors of the Company to acquire benefits by means of the acquisition of share in, or debentures of, the company or any other body corporate.

Since the end of the previous year, no director has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of remunerations received or due and receivable by the directors show in the financial statements or the fixed salary of a full-time employee of the company) by reason of a contract made by the company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

DIRECTORS' REMUNERATIONS

The amounts of the remunerations of the directors or past directors of the Company comprising remunerations received or receivable from the Company during the year are as follows:

	2019
	RM
Remunerations	<u>78,000</u>
	<u><u>78,000</u></u>

None of the directors or past directors of the Company have received any other benefits otherwise than in cash from the Company during the year.

No payment has been paid to or payable to any third party in respect of the services provided to the Company by the directors or past directors of the Company during the year.

INDEMNIFYING DIRECTORS, OFFICERS OR AUDITORS

No indemnities have been given or insurance premiums paid, during or since the end of the year, for any person who is or has been the director, officer or auditor of the Company.

OTHER STATUTORY INFORMATION

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 allowance for doubtful debts and have satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and
- ii) to ensure that any current assets which were unlikely to be realised at their book values in the ordinary course of business have been written down to their estimated realizable values.

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

- i) which would render the amount written off for bad debts or the amount of the allowance for doubtful debts inadequate to any substantial extent in the financial statements of the Company; or
- ii) which would render the values attributed to current assets in the financial statements of the Company misleading, or
- iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Company misleading or inappropriate, or
- iv) not otherwise dealt with in this report or the financial statements which would render any amounts stated in the financial statements of the Company misleading.

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

- i) any charge on the assets of the Company which has arisen since the end of the financial year which secures the liabilities of any other person, or
- ii) any contingent liability of the Company which has arisen since the end of the financial year.

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

In the opinion of the Directors:

- i) the results of the operations of the Company for the current financial year were not substantially affected by any item, transaction or event of a material and unusual nature.
- ii) no item, transaction or event of a material and unusual nature occurred in the interval between the end of that financial year and at the date of this report which is likely to affect substantially the results of the operations of the Company for the financial year in which this report is made.

Company No.: 1183331 - M

KOPTG IKTIKAD SYUKUR SDN. BHD.
(Incorporated in Malaysia)

AUDITORS' REMUNERATIONS

Total amounts paid to or receivable by the auditors as remunerations for their services as auditors are as follows:

	2019 RM
Statutory audit	<u>7,700</u>

AUDITORS

The retiring auditors, Messrs. Kuzaimi & Co., have indicated their willingness to be re-appointed.

This report was approved by the Board of Directors

Signed on behalf of the Board of Directors



ANUAR BIN SALLEH
Director



MOHD AZLAN BIN MOHD RADZI
Director

Kuala Lumpur
Dated: **26 JUN 2020**

Company No.: 1183331 - M

KOPTG IKTIKAD SYUKUR SDN. BHD.
(Incorporated in Malaysia)

STATEMENT BY DIRECTORS
Pursuant to Section 251(2) of the Companies Act, 2016

The Directors of **KOPTG IKTIKAD SYUKUR SDN. BHD.** state that, in their opinion, the financial statements of the Company set out on pages 11 to 36 are drawn up in accordance with Malaysian Private Entities Reporting Standard and the requirements of the Companies Act, 2016 in Malaysia, so as to give a true and fair view of the state of affairs of the Company as at 31 December 2019 and of the results of its operations and of the cash flows of the Company for the year ended on that date.

On behalf of the Board of Directors


ANUAR BIN SALLEH
Director


MOHD AZLAN BIN MOHD RADZI
Director

Kuala Lumpur
Dated: **26 JUN 2020**

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

I, **ANUAR BIN SALLEH**, being the Director primarily responsible for the accounting records and financial management of **KOPTG IKTIKAD SYUKUR SDN. BHD.**, do solemnly and sincerely declare that the financial statements as set out on pages 11 to 36 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)
ANUAR BIN SALLEH)
at Shah Alam in the state of Selangor)
on **26 JUN 2020**)


ANUAR BIN SALLEH

Before me:


Commissioner for Oath


B 457
SITI MASPUAH
BINTI MAULAN
BC/S1722
1.1.2019 - 31.12.2021
MALAYSIA

No. 27-2, 2nd Floor,
Jalan Tengku Ampuan Zabedah F9/F
Seksyen 9, 40100 Shah Alam,
Selangor

6



KUZAIMI & CO (AF 1492)
Chartered Accountants | Tel : 03 - 5880 5256
15C, Tingkat 3, Jalan Tengku | Fax : 03 - 5880 5856
Ampuan Zabadah F9/F, | Email: kuzacsa@kuzac.com.my
Seksyen 9, 40100 Shah Alam, | Web : www.kuzac.com.my
Selangor Darul Ehsan.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KOPTG IKTIKAD SYUKUR SDN. BHD. (Company No.: 1183331- M)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **KOPTG IKTIKAD SYUKUR SDN. BHD.**, which comprise the statement of financial position as at 31 December 2019, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 11 to 36.

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 year then ended in accordance with Malaysian Private Entities Reporting Standard and the requirements of the Companies Act, 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the 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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
KOPTG IKTIKAD SYUKUR SDN. BHD. (Company No.: 1183331- M) (Continued)**

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 Directors' 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 Directors' Report 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 Directors' Report and, in doing so, consider whether the Directors' Report 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 the Directors' Report, 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 Malaysian Private Entities Reporting Standard 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the 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 International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
KOPTG IKTIKAD SYUKUR SDN. BHD. (Company No.: 1183331- M) (Continued)**

Auditors' Responsibilities for the Audit of the Financial Statements (Continued)

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

1. 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.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
4. 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the 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.
5. Evaluate the overall presentation, structure and content of the financial statements of the Company, including the disclosures, and whether the financial statements 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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
KOPTG IKTIKAD SYUKUR SDN. BHD. (Company No.: 1183331- M) (Continued)**

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.


KUZAIMI & CO.
AF 1492
Chartered Accountants


KUZAIMI BIN ABDULLAH
2417/04/21 (J)
Chartered Accountant

Date: 26 June 2020
Kuala Lumpur

KOPTG IKTIKAD SYUKUR SDN. BHD.
(Incorporated in Malaysia)

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019**

	Note	2019 RM	2018 RM
NON-CURRENT ASSETS			
Property, plant and equipment	6	32,813	28,980
Trademark	7	296	333
Investment property	8	4,593,209	4,581,854
		<u>4,626,318</u>	<u>4,611,167</u>
CURRENT ASSETS			
Inventories	9	5,001	-
Trade and other receivables	10	12,665	10,904
Deposits and prepayments	11	671,980	7,980
Cash and cash equivalents	12	188,581	1,558,050
		<u>878,227</u>	<u>1,576,934</u>
TOTAL ASSETS		<u>5,504,545</u>	<u>6,188,101</u>
EQUITY			
Share capital	13	6,000,004	6,000,004
Accumulated losses		(516,537)	(350,010)
		<u>5,483,467</u>	<u>5,649,994</u>
NON-CURRENT LIABILITY			
Deferred tax liabilities	14	428	-
		<u>428</u>	<u>-</u>
CURRENT LIABILITY			
Trade and other payables	15	20,650	538,107
		<u>20,650</u>	<u>538,107</u>
TOTAL LIABILITIES		<u>21,078</u>	<u>538,107</u>
TOTAL EQUITY AND LIABILITIES		<u>5,504,545</u>	<u>6,188,101</u>

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

Company No.: 1183331 - M

KOPTG IKTIKAD SYUKUR SDN. BHD.
(Incorporated in Malaysia)

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	2019 RM	2018 RM
Revenue	16	24,000	31,000
Cost of sales		<u>(1,140)</u>	<u>(15,194)</u>
Gross profit		22,860	15,806
Other operating income		36,548	42,388
Employee benefits		(84,497)	(126,001)
Other administration expenses		<u>(141,010)</u>	<u>(234,696)</u>
Loss before tax	17	(166,099)	(302,503)
Taxation expense	18	(428)	-
Loss after tax		<u><u>(166,527)</u></u>	<u><u>(302,503)</u></u>

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

Company No.: 1183331 - M

KOPTG IKTIKAD SYUKUR SDN. BHD.
(Incorporated in Malaysia)

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

	Share capital RM	Accumulated losses RM	Total RM
Balance at 31 December 2017	6,000,004	(47,507)	5,952,497
Issue of shares	-	-	-
Net loss for the year	-	(302,503)	(302,503)
Balance at 31 December 2018	6,000,004	(350,010)	5,649,994
Issue of shares	-	-	-
Net loss for the year	-	(166,527)	(166,527)
Balance at 31 December 2019	<u>6,000,004</u>	<u>(516,537)</u>	<u>5,483,467</u>

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

KOPTG IKTIKAD SYUKUR SDN. BHD.
(Incorporated in Malaysia)

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

	2019 RM	2018 RM
Cash flow from operating activities		
Loss before tax	(166,099)	(302,503)
Adjustment for:		
Amortisation	37	37
Depreciation of property, plant and equipment	4,521	3,220
Depreciation of investment property	31,746	31,746
Operating loss before working capital changes	<u>(129,795)</u>	<u>(267,500)</u>
Increase in inventories	(5,001)	-
Increase in trade and other receivables	(1,761)	(10,845)
(Increase) / Decrease in deposits and prepayments	(664,000)	745,069
(Decrease) / Increase in trade and other payables	<u>(517,457)</u>	<u>533,763</u>
Net cash (outflows) / inflows from operating activities	<u>(1,318,014)</u>	<u>1,000,487</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(8,354)	(32,200)
Purchase of trademark	-	(370)
Purchase of investment property	<u>(43,101)</u>	<u>(4,613,600)</u>
Net cash outflows from investing activities	<u>(51,455)</u>	<u>(4,646,170)</u>
Net decrease in cash and cash equivalents	(1,369,469)	(3,645,683)
Cash and cash equivalents at beginning of the financial year	<u>1,558,050</u>	<u>5,203,733</u>
Cash and cash equivalents at the end of financial year	<u><u>188,581</u></u>	<u><u>1,558,050</u></u>
Cash and cash equivalents at the end of financial year comprise:		
Cash and cash equivalents (Note 12)	<u>188,581</u>	<u>1,558,050</u>
	<u><u>188,581</u></u>	<u><u>1,558,050</u></u>

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

Company No.: 1183331 - M

KOPTG IKTIKAD SYUKUR SDN. BHD.
(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

1. GENERAL INFORMATION

The Company is a private Company incorporated and domiciled in Malaysia. The principal activities of the Company are as a property developers and building contractors, travel agency and general trading. There have been no significant changes to the principal activities of the Company during the financial year under review.

The Company's registered office is located at No. 63, Level 1, Jalan Dato' Hj Eusoff, Damai Complex, Off Jalan Ipoh, 50400 Kuala Lumpur, Wilayah Persekutuan.

The Company's principal place of business is located at B-1-9, Level 3, Block B, Menara Uncang Emas, 85 Jalan Loke Yew, 55200 Kuala Lumpur, Wilayah Persekutuan.

The number of employees of the Company at the end of the financial year is 3 (2018: 3).

The financial statements of the Company are presented in Ringgit Malaysia (RM).

The financial statements were authorized for issue by the Board of Directors on 26 June 2020.

2. COMPLIANCE WITH FINANCIAL REPORTING STANDARDS AND THE COMPANIES ACT 2016

The financial statements have been prepared in compliance with the Malaysian Private Entities Reporting Standard (MPERS) issued by the Malaysian Accounting Standard Board (MASB) and the provisions of the Malaysian Companies Act 2016.

3. BASIS OF PREPARATION

The financial statements of the Company have been prepared using cost and fair value bases.

Management has used estimates and assumptions in measuring the reported amounts of assets and liabilities at the end of the reporting period and the reported amounts of revenues and expenses during the reporting period. Judgements and assumptions are applied in the measurement, and hence, the actual results may not coincide with the reported amounts. The areas involving significant judgements and estimation uncertainties are disclosed in Note 5.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 Property, Plant and Equipment

Operating tangible assets that are used for more than one accounting period in the production and supply of goods and services, for administrative purposes or for rental to others are recognized as property, plant and equipment when the Company obtains control of the assets. The assets, including major spares, servicing equipment and stand-by equipment, are classified into appropriate classes based on their nature. Any subsequent replacement of a significant component in an existing asset is capitalized as a new component in the asset and the old component is derecognized.

All property, plant and equipment are initially measured at cost. For a purchased asset, cost comprises purchase price plus all directly attributable costs incurred in bringing the asset to its present location and condition for management's intended use. For a self-constructed asset, cost comprises all direct and indirect costs of construction (including provision for restoration and cost of major inspection) but excludes internal profits.

All property, plant and equipment are subsequently measured at cost less accumulated depreciation and accumulated impairment losses. Freehold land and capital work-in-progress are not depreciated but are subject to impairment test if there is any indication of impairment.

All other property, plant and equipment are depreciated by allocating the depreciable amount of a significant component or of an item over the remaining useful life. The depreciation methods used straight line and the annual rates used of the respective classes of property, plant and equipment are as follows:

Computer and software	25%
Furniture and fittings	10%
Renovation	10%

At the end of each reporting period, the residual values and depreciation methods for the property, plant and equipment are reviewed for reasonableness. Any change in estimate of an item is adjusted prospectively over its remaining useful life, commencing in the current period.

4.2 Intangible Asset

The company applies the cost model for the subsequent measurement of acquired identifiable intangible assets. After initial recognition, identifiable intangible asset are each measured at cost less accumulated amortisation and accumulated impairment losses. The amortisation method used and the estimated useful lives of the respective classes of intangible assets are as follows:

Trademarks	10%
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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.3 Investment Property

Investment property is property (land or building) held by the owner or by the lessee under a finance lease for capital appreciation, to earn rentals or both. An investment property is recorded at cost on initial recognition. The cost of a purchased investment property comprises purchase price and any directly attributable expenditure and other transaction costs. The cost of a self-constructed investment property comprises construction cost and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, but exclude internal profit.

Investment properties whose fair value can be measured reliably without undue cost or effort on an ongoing basis, are measured at fair value at each reporting date, with changes in fair value recognised in profit or loss for the period in which they arise. Fair value is determined by reference to a quoted market price, if observable.

If a reliable measure of fair value of an investment property is no longer available without undue cost or effort, the investment property shall thereafter be measured at cost less accumulated depreciation and any accumulated impairment losses, until a reliable measure of fair value becomes available. The carrying amount of the investment property on the date of transfer becomes its deemed cost for subsequent accounting purposes.

Investment properties whose fair value cannot be measured reliably without undue cost or effort on an ongoing basis, are measured at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land and investment properties under construction are not depreciated. All other investment properties are depreciated by allocating the depreciable amounts of assets less their residual values over their estimated useful lives, using straight-line method.

At the end of each reporting period, the estimated residual values, estimated useful lives and depreciation methods are reviewed for any significant changes. If there is any change, the depreciation of an asset is revised prospectively.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.4 Inventories

Inventories are measured at the lower of cost (determined on the first-in, first-out basis) and net realisable value (which is the estimated selling price less costs to complete and sell). Cost comprise purchase price and directly attributable costs of bringing the inventories to their present location and condition. For manufactured goods, cost includes conversion costs of labour and variable and fixed production overheads.

4.5 Cash and Cash Equivalents

The Company's cash management policy is to use cash and bank balances, bank overdrafts and short-term trade financing to manage cash flows to ensure sufficient liquidity to meet the Company's obligations.

4.6 Impairment of Non-Financial Assets

An impairment loss arises when the carrying amount of a Company's assets exceeds its recoverable amount. At the end of each reporting date, the Company assesses whether there is any indication that a stand-alone asset or a cash-generating unit may be impaired by using external and internal sources of information. If any such indication exists, the Company estimates the recoverable amount of the asset or cash-generating unit.

If an individual asset generates independent cash inflows, it is tested for impairment as a stand-alone asset. If an asset does not generate independent inflows, it is tested for impairment together with other assets in a cash-generating unit, at the lowest level in which independent cash inflows are generated and monitored for internal management purposes.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and the value in use. The Company determines the fair value less costs to sell of an asset or a cash-generating unit in a hierarchy based on: (i) price in a binding sale agreement (ii) market price traded in an active market; and (iii) estimate of market price using the best available information. The value in use is estimated by discounting the net cash inflows (by an appropriate discount rate) of the asset or unit, using reasonable and supportable management's budgets and forecasts of five years and extrapolation of cash inflows for period beyond the five years forecast or budget.

For an assets measured on a cost-based model, any impairment loss is recognised in profit or loss. For a cash-generating unit, any impairment loss is allocated to the assets of the unit pro rata based on the relative carrying amounts of the assets.

KOPTG IKTIKAD SYUKUR SDN. BHD.

(Incorporated in Malaysia)

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.6 Impairment of Non-Financial Assets (continued)

The Company reassesses the recoverable amount of an impaired asset or cash generating unit if there is any indication that an impairment loss recognised previously may have reversed. Any reversal of impairment loss for an asset carried at a cost-based model is recognised in profit or loss, subject to the limit that the revised carrying amount does not exceed the amount that would have been determined had no impairment loss been recognised previously.

4.7 Share Capital

Ordinary shares and non-redeemable preference share issued that carry no put option and no mandatory contractual obligation: (i) to deliver cash or another financial asset; or (ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the Company, are classified as equity instruments.

When ordinary shares and other equity instruments are issued in a private placement or in a rights issue to existing shareholders, they are recorded at the issue price. For ordinary shares and other equity instruments issued in exchange for non-monetary assets, they are measured by reference to the fair values of the assets received.

When ordinary shares and other equity instruments are issued as consideration transferred in a business combination or as settlement of an existing financial liability, they are measured at their fair value at the date of the exchange transaction. Transaction costs of an equity transaction are accounted for as a deduction from equity, net of any related income tax effect.

4.8 Financial Instruments

(a) Initial Recognition and Measurement

The Company recognises a financial asset or a financial liability (including derivatives instruments) in the statement of financial position when, and only when, it becomes a party to the contractual provisions of the instrument. On initial recognition, all financial assets and financial liabilities are measured at fair value, which is generally the transaction price, plus transaction costs if the financial asset or financial liability is not measured at fair value through profit or loss. For instruments measured at fair value through profit or loss, transaction costs are expensed to profit or loss when incurred.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.8 Financial Instruments (continued)

(b) Derecognition of Financial Instruments

A financial asset is derecognized when, and only when, the contractual rights to receive the cash flows from the financial asset expire, or when the Company transfers the contractual rights to receive cash flows of the financial asset, including circumstances when the Company acts only as collecting agent of the transferee, and retains no significant risks and rewards of ownership of the financial asset or no continuing involvement in the control of the financial asset transferred.

A financial liability is derecognized when, and only when, it is legally extinguished, which is either when the obligation specified in the contract is discharged or cancelled or expires. 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. For this purpose, the Company considers a modification as substantial if the present value of the revised cash flows of the modified terms discounted at the original effective interest rate differs by 10% or more when compared with the carrying amount of the original liability.

(c) Subsequent Measurement of Financial Assets

For the purpose of subsequent measurement, the Company classifies financial assets into two categories, namely: (i) financial assets at fair value through profit or loss, and (ii) financial assets at amortised cost.

After initial recognition, investments in preference shares and ordinary shares are measured at their fair values by reference to the active market prices, if observable, or otherwise by a valuation technique, without any deduction for transaction costs it may incur on sale or other disposal.

Investments in debt instruments, whether quoted or unquoted, are subsequently measured at amortised cost using the effective interest method. Investments in unquoted equity instruments and whose fair value cannot be reliably measured are measured at cost.

Other than financial assets measured at fair value through profit or loss, all other financial assets are subject to review for impairment.

(d) Subsequent Measurement of Financial Liabilities

After initial recognition, all financial liabilities are measured at amortised cost using the effective interest method.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.8 Financial Instruments (continued)

(e) Fair Value Measurement of Financial Instruments

The fair value of a financial asset or a financial liability is determined by reference to the quoted market price in an active market, and in the absence of an observable market price, by a valuation technique using reasonable and supportable assumptions.

(f) Recognition of Gains and Losses

Fair value changes of financial assets and financial liabilities classified as at fair value through profit or loss are recognised in profit or loss when they arise.

For financial assets and financial liabilities carried at amortised cost, a gain or loss is recognised in profit or loss only when the financial asset or financial liability is derecognised or impaired, and through the amortisation process of the instrument.

(g) Impairment and Uncollectibility of Financial Assets

At the end of each reporting period, the Company examines whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Evidence of trigger loss events include: (i) significant difficulty of the issuer or obligor; (ii) a breach of contract, such as a default or delinquency in interest or principal payments; (iii) granting exceptional concession to a customer; (iv) it is probable that a customer will enter bankruptcy or other financial reorganisation; (v) the disappearance of an active market for that financial asset because of financial difficulties; or (vi) any observable market data indicating that there may be a measurable decrease in the estimated future cash flows from a group of financial assets.

For a non-current loan and receivable carried at amortised cost, the revised estimated cash flows are discounted at the original effective interest rate. Any impairment loss is recognised in profit or loss and a corresponding amount is recorded in a loss allowance account. Any subsequent reversal of impairment loss of the financial assets is reversed in profit or loss with a corresponding adjustment to the loss allowance account, subject to the limit that the reversal should not result in the revised carrying amount of the financial asset exceeding the amount that would have been determined had no impairment loss been recognised previously.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.8 Financial Instruments (continued)

(g) Impairment and Uncollectibility of Financial Assets (continued)

For short-term trade and other receivables, where the effect discounting is immaterial, impairment loss is tested for each individually significant receivable wherever there is any indication of impairment. Individually significant receivables for which no impairment loss is recognised are grouped together with all other receivables by classes based on credit risk characteristics and aged according to their past due periods. A collective allowance is estimated for a class group based on the Company's experience of loss ratio in each class, taking into consideration current market conditions.

For an unquoted equity investment measured at cost less impairment, the impairment is the difference between the asset's carrying amount and the best estimate (which will necessarily be an approximation) of the amount (which might be zero) that the Company expects to receive for the asset if it were sold at the reporting date. The Company may estimate the recoverable amount using an adjusted net asset value approach.

4.9 Finance and Operating Lease

The company recognises a lease whenever there is an agreement, whether explicitly stated as a lease or otherwise, whereby the lessor conveys to the lessee in return for a payment or series of payments the right to use an asset for an agreed period of time. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. Title may or may not eventually be transferred. All other leases that do not meet this criterion are classified as operating leases.

(a) Lessee Accounting

The company capitalized the underlying leased asset and the related lease liability in a finance lease. The amount recognized at the commencement date is the fair value of the underlying leased asset or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease. The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease, if this is practicable to determine, if not, the lessee's incremental borrowing rate is used. Any initial direct costs of the lease are added to the amount recognized as an asset.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.9 Finance and Operating Lease (continued)

(a) Lessee Accounting (continued)

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent rents are charged as expenses in the periods in which they are incurred.

Capitalised leased assets are classified by nature and accounted for in accordance with the applicable Standards in MPERS. If there is no reasonable certainty that the lessee will obtain ownership by the end the lease term, the asset is depreciated over the shorter of the lease term and its useful life.

(b) Operating Leases

The company does not capitalize the underlying leased asset or recognize a lease liability in an operating lease. Instead, lease payments under an operating lease are recognized as an expense on the straight line basis over the lease term unless another systematic basis is more representative of the time pattern of the user's benefit.

4.10 Tax Assets and Tax Liabilities

A current tax for current and prior periods, to the extent unpaid, is recognized as a current tax liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognized as a current tax asset. A current tax liability (asset) is measured at the amount the Company expects to pay (recover) using tax rates and laws that have been enacted or substantially enacted by the reporting date.

A deferred tax liability is recognized for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of goodwill, or the initial recognition of an asset or liability in a transaction which is not a business combination and at the time on the transaction, affects neither accounting profit nor taxable profit (or tax loss).

The exceptions for initial recognition differences include items of property, plant and equipment that do not qualify for capital allowances and acquired intangible assets that are not deductible for tax purposes.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.10 Tax Assets and Tax Liabilities (continued)

A deferred tax asset is recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized, unless the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affect neither accounting profit nor taxable profit (or tax loss). The exceptions for the initial recognition differences include non-taxable government grants received and reinvestment allowances and investment tax allowances on qualifying property, plant and equipment.

A deferred tax asset is recognized for the carry – forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilized. Unused tax credits do not include unabsorbed reinvestment allowances and unabsorbed investment tax allowances because the Company treats these as part of initial recognition differences.

Deferred taxes are measured using tax rates (and tax laws) that have been enacted or substantially enacted by the end of the reporting period. The measurement of deferred taxes reflect the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets or liabilities. For an investment property measured at fair value, the Company does not have a business model to hold the property solely for rental income, and hence, the deferred tax liability on the fair value gain is measured based on the presumption that the property is recovered through sale at the end of the reporting period.

At the end of each reporting period, the carrying amount of deferred tax asset is reviewed, and is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of a part or all of that the deferred tax asset to be utilised. Any such reduction will be reversed to the extent that it becomes probable that sufficient taxable profit will be available. A current or deferred tax is recognized as income or expense in profit or loss for the period. For items recognized directly in equity, the related tax effect is also recognized directly in equity.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.11 Employee Benefits

The Company recognizes a liability when an employee has provided service in exchange for employee benefits to be paid in the future and an expense when the Company consumes the economic benefits arising from service provided by an employee in exchange for employee benefits.

(a) Short-Term Employee Benefits

Wages and salaries are accrued and paid on a monthly basis and are recognized as an expense, unless they relate to cost of producing inventories or other assets.

Paid absences (annual leave, maternity leave, paternity leave, sick leave, etc.) are accrued in each period if they are accumulating paid absences that can be carried forward, or in the case of non-accumulating paid absences, recognized as and when the absences occur.

(b) Post-Employment Benefits – Defined Contribution Plans

The company makes statutory contributions to approved provident funds and the contributions made are charged to profit or loss in the period to which they relate. When the contributions have been paid, the Company has no further payment obligations.

4.12 Provisions

The Company recognises a liability as a provision if the outflows required to settle the liability are uncertain in timing or amount.

A provision for warranty costs, restoration costs, restricting costs, onerous contracts or lawsuit claims is recognised when the Company has a present legal or constructive obligation as a result of a past event, and of which the outflows of resources on settlement are probable and a reliable estimate of the amount can be made. No provision is recognised if these conditions are not met.

Any reimbursement attributable to a recognised provision from a counter – party (such as an insurer) is not off set against the provision but recognised separately as an asset when, and only when, the reimbursement is virtually certain.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.12 Provisions (continued)

A provision is measured at the best estimate of the expenditure required to settle the present obligation at the end of the reporting period. For a warranty provision, a probability-weighted expected outcome of the resources required to settle the obligation is applied, taking into account the Company's experiences of similar transaction and supplemented with current facts and circumstances. For a restoration provision, where a single obligation is being measured, the Company uses the individual most likely outcome as the best estimate of the liability by reference to current prices that contractors would charge to undertake such obligation. For an onerous contract, a provision is measured based on the amount which costs to fulfil the contract exceed the benefits.

For a lawsuit provision, a probability-weighted expected outcome is applied in the measurement, taking into account past court judgements made in similar cases and advices of legal experts. A provision is measured at the present value of the expenditures expected to be required to settle the obligation using the discount rate that reflects the time value of money and the risk that the actual outcome might differ from the estimate made. The unwinding of the discount is recognised as an interest expense.

4.13 Borrowing Costs

Borrowing costs of the Company include interest on loans, finance lease liabilities and interest expense of other debt instruments calculated using the effective interest method. All borrowing costs are recognised as an expense when incurred.

4.14 Revenue Recognition and Measurement

The company measures revenue from a sale of goods or a service transaction at the fair value of the consideration received or receivable, which is usually the invoice price, net of any trade discounts and volume rebates given to a customer in a sale or service transaction.

Revenue from a sale of goods is recognized when: (i) the Company has transferred to the buyer the significant risks and rewards of ownership of the goods; (ii) the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold; (iii) the amount of the revenue can be measured reliably; (iv) it is probable that the economic benefits associated with the transaction will flow to the Company; and (v) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.14 Revenue Recognition and Measurement (continued)

For rendering of a construction service or for a real estate service contract with a customer that is performed over time, when the outcome of the contract can be estimated reliably, revenue is recognized over time by reference to the stage of completion of the contract at the end of the reporting period. The method used to measure the stage of outcome of a service contract cannot be estimated reliably, revenue is recognized only to the extent of the expenses recognized that are recoverable.

Other income items of the Company are recognized using the following bases:

- (a) Interest income from a debt instrument is recognized using the effective interest method;
- (b) Rental income from investment property is recognized on the straight-line basis over the term of the relevant tenancy agreement; and
- (c) Dividend from an equity investment is recognized when the Company's right, as a shareholder of the investee, is established, which is the date the dividend is appropriately authorized.

5. CRITICAL JUDGEMENTS AND ESTIMATION UNCERTAINTY

5.1 Judgements and Assumptions Applied

In the selection of accounting policies for the Company, the areas that require significant judgements and assumptions are in the classification of finance and operating leases and the classification of a property as an investment property or a property, plant and equipment.

(a) Classification of Finance and Operating Leases

The Company classifies a lease as finance lease or an operating lease based on the criterion of the extent to which significant risks and rewards incidental to ownership of the underlying asset lie. As a lessee, the Company recognizes a lease as a finance lease if it is expose to significant risks and rewards incidental to ownership of the underlying asset. In applying judgment, the Company considers whether there is significant economic incentive to exercise a purchase option and any optional renewal periods. A lease is classified as a finance lease if the lease term is for at least 75% the economic life of the underlying asset, the present value of lease payments is at least 90% of the fair value of the underlying asset, or the identified asset in the lease is a specialized asset which can only be used substantially by the lessee. All other leases that do not result in a significant transfer of risks and rewards are classified as operating leases.

5. CRITICAL JUDGEMENTS AND ESTIMATION UNCERTAINTY (CONTINUED)

5.1 Judgements and Assumptions Applied (continued)

(a) Classification of Finance and Operating Leases (continued)

The Company classifies a lease of land as a finance lease if the fair value of the leasehold land is 90% or more of the fair value of an equivalent freehold land or if the lease period, determined at the inception of the lease, is 50 years or more. Leases of land that do not meet any of these criteria are classified as operating lease.

(b) Classification of Investment Property

Certain property comprises of a portion that is held to earn rental income or capital appreciation, or for both, whilst the remaining portion is held for use in the production or supply of goods and services or for administrative purposes. If the portion held for rental and/or capital appreciation could be sold separately (or leased out separately as a finance lease), the Company accounts for that portion as an investment property. If the portion held for rental and/or capital appreciation could not be sold or leased out separately, it is classified as an investment property only if an insignificant portion of the property is held for use in the production or supply of goods and services or for an administrative purpose. Management uses its judgement to determine whether any ancillary services are of such significance that a property does not qualify as an investment property.

5. CRITICAL JUDGEMENTS AND ESTIMATION UNCERTAINTY (CONTINUED)

5.2 Estimation Uncertainty

The measurement of some assets and liabilities requires management to use estimates based on various observable inputs and other assumptions. The areas or items that are subject to significant estimation uncertainties of the Company are in measuring;

(a) Measurement of a Provision

The Company uses "best estimate" as the basis for measuring a provision. Management evaluates the estimate based on the Company's historical experiences and other inputs or assumptions, current developments and future events that are reasonably possible under the particular circumstances. In the case when a provision relates to large population of customers (such as a warranty provision), a probability-weighted estimate of the outflows required to settle the obligation is used. In the case of a single estimate (such as a provision for environmental restoration costs), a referenced contractor's price or market price is used as the best estimate. If an obligation is to be settled over time, the expected outflows are discounted at a rate that takes into account the time value of money and the risk that the actual outcome might differ from the estimates made. The actual outcome may differ from the estimate made and this may have a significant effect on the Company's financial position and results.

(b) Determining the Value In Use

In determining the value-in-use of a stand-alone asset or a cash-generating unit, management uses reasonable and supportable inputs about sales, costs of sales and other expenses based upon past experiences, current events and reasonably possible future developments. Cash flows are projected based on those inputs and discounted at an appropriate discount rate(s). The actual outcome or event may not coincide with the inputs or assumptions and the discount rate applied in the measurement, and this may have a significant effect on the Company's financial position and results.

5. CRITICAL JUDGEMENTS AND ESTIMATION UNCERTAINTY (CONTINUED)

5.2 Estimation Uncertainty (continued)

(c) Impairment or Write Down of Slow Moving and Obsolete Inventories

The Company writes down its slow moving and obsolete inventories on assessment of their fair value less costs to sell. Inventories are written down when events and circumstance indicate that the carrying amounts may not be recoverable. Management uses its judgement to analyses past sales trend and current economic trends to evaluate the adequacy of the impairment loss for slow moving obsolete inventories. The actual impairment loss can only be confirmed in any subsequent sales of those inventories and this may differ from the estimates made earlier. This may affect the Company's financial position and results.

(d) Loss Allowances of Financial Assets

The Company recognises impairment losses for loans and receivables using the incurred loss model. Individually significant loans and receivables are tested for impairment separately by estimating the cash flows expected to be recoverable. All other loans and receivables are categorised into credit risk classes and tested for impairment collectively, using the Company's past experiences of loss statistics, ageing of past due amounts and current economic trends. The actual eventual losses may be different from the allowances made and these may affect the Company's financial position and results.

(e) Depreciation of Property, Plant and Equipment

The cost of an item of property, plant and equipment is depreciated on the straight-line method or another systematic method that reflects the consumption of the economic benefits of the asset over its useful life. Estimates are applied in the selection of the depreciation method, the useful lives and the residual values. The actual consumption of the economic benefits of the property, plant and equipment may differ from the estimates applied and this may lead to a gain or loss on an eventual disposal of an item of property, plant and equipment.

KOPTG IKTIKAD SYUKUR SDN. BHD.
(Incorporated in Malaysia)
6. PROPERTY, PLANT AND EQUIPMENT

	Computer and software RM	Furniture and fittings RM	Renovation RM	Total RM
Gross carrying amount				
As at 1 January 2019	-	-	32,200	32,200
Additions	5,170	3,184	-	8,354
Disposals and deletion	-	-	-	-
As at 31 December 2019	<u>5,170</u>	<u>3,184</u>	<u>32,200</u>	<u>40,554</u>
Accumulated depreciation and impairment losses				
As at 1 January 2019	-	-	3,220	3,220
Charge for the year	1,012	289	3,220	4,521
Disposals and deletion	-	-	-	-
As at 31 December 2019	<u>1,012</u>	<u>289</u>	<u>6,440</u>	<u>7,741</u>
Net book value				
As at 31 December 2018	<u>-</u>	<u>-</u>	<u>28,980</u>	<u>28,980</u>
As at 31 December 2019	<u>4,158</u>	<u>2,895</u>	<u>25,760</u>	<u>32,813</u>

7. TRADEMARK

	Trademark RM	Total RM
Gross carrying amount		
As at 1 January 2019	370	370
Additions	-	-
Disposals and deletion	-	-
As at 31 December 2019	<u>370</u>	<u>370</u>
Accumulated depreciation and impairment losses		
As at 1 January 2019	37	37
Charge for the year	37	37
Disposals and deletion	-	-
As at 31 December 2019	<u>74</u>	<u>74</u>
Net book value		
As at 31 December 2018	<u>333</u>	<u>333</u>
As at 31 December 2019	<u>296</u>	<u>296</u>

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8. INVESTMENT PROPERTY

	Freehold land RM	Leasehold land and building RM	Total RM
Gross carrying amount			
As at 1 January 2019	2,613,600	2,000,000	4,613,600
Additions	43,101	-	43,101
Disposals and deletion	-	-	-
As at 31 December 2019	<u>2,656,701</u>	<u>2,000,000</u>	<u>4,656,701</u>
Accumulated depreciation and impairment losses			
As at 1 January 2019	-	31,746	31,746
Charge for the year	-	31,746	31,746
Disposals and deletion	-	-	-
As at 31 December 2019	<u>-</u>	<u>63,492</u>	<u>63,492</u>
Net book value			
As at 31 December 2018	<u>2,613,600</u>	<u>1,968,254</u>	<u>4,581,854</u>
As at 31 December 2019	<u>2,656,701</u>	<u>1,936,508</u>	<u>4,593,209</u>

The investment properties are measured at cost less accumulated depreciation and accumulated impairment losses. The annual depreciation rates used for the depreciation are as follows:-

Leasehold land and building	63 years
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9. INVENTORIES

Inventories consist of trading merchandise. The amount of inventories recognized as cost of sales amounted to RM Nil (2018: RM Nil).

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10. TRADE AND OTHER RECEIVABLES

	2019 RM	2018 RM
Other receivables	12,665	10,904
	<u>12,665</u>	<u>10,904</u>

All short term receivables are measured at undiscounted amounts because the effect of discounting is immaterial.

11. DEPOSITS AND PREPAYMENTS

	2019 RM	2018 RM
Deposits	671,980	7,980
	<u>671,980</u>	<u>7,980</u>

12. CASH AND CASH EQUIVALENTS

	2019 RM	2018 RM
Cash and bank balances	188,581	55,805
Fixed deposits	-	1,502,245
	<u>188,581</u>	<u>1,558,050</u>

13. SHARE CAPITAL

	2019		2018	
	Units	RM	Units	RM
Issued and fully paid-up ordinary share				
As at 1 January	6,000,004	6,000,004	6,000,004	6,000,004
Issue of shares for cash	-	-	-	-
As at 31 December	<u>6,000,004</u>	<u>6,000,004</u>	<u>6,000,004</u>	<u>6,000,004</u>

KOPTG IKTIKAD SYUKUR SDN. BHD.
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14. DEFERRED TAX LIABILITIES

	2019 RM	2018 RM
Taxable temporary differences of:		
- Equipments	<u>428</u>	<u>-</u>
As at 1 January	-	-
Recognised in the statement of comprehensive income (Note 18)	<u>428</u>	<u>-</u>
As at 31 December	<u>428</u>	<u>-</u>

The increase in the deferred tax liabilities in 2019 is due mainly to significant depreciation expenses which exceed their corresponding claims of capital allowances.

15. TRADE AND OTHER PAYABLES

	2019 RM	2018 RM
Other payables and accruals	<u>20,650</u>	<u>538,107</u>
	<u>20,650</u>	<u>538,107</u>

All short term payables are measured at undiscounted amounts because the effect of discounting is immaterial.

16. REVENUE

Revenue represents the invoice value of rental premises less sales return and discount.

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17. LOSS BEFORE TAX

Loss before tax has been arrived at after charging / (crediting) the followings:

	2019	2018
	RM	RM
Amortisation	37	37
Auditors' remunerations	7,700	2,900
Depreciation of investment property	31,746	31,746
Depreciation of property, plant and equipment	4,521	3,220
Expenses for employee benefits	84,497	126,001
Rental expenses	2,000	-
Dividend received	(1,438)	(7,636)
Interest on fixed deposit	<u>(4,607)</u>	<u>(34,752)</u>

Included in employee benefits expenses are directors' remuneration amount of RM 78,000 (2018: RM 124,000).

18. TAXATION EXPENSE

	2019	2018
	RM	RM
Current income tax expense :		
Deferred tax expenses (Note 14)	<u>428</u>	<u>-</u>
Total tax expense for the year	<u><u>428</u></u>	<u><u>-</u></u>

KOPTG IKTIKAD SYUKUR SDN. BHD.
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18. TAXATION EXPENSE (CONTINUED)

The significant differences between the tax expense and accounting loss multiplied by the statutory tax rate are due to the tax effects arising from the following items:

	2019	2018
	RM	RM
Loss before tax	<u>(166,099)</u>	<u>(302,503)</u>
Taxation at Malaysian statutory tax rate 17% / 18%	(28,237)	(54,451)
Expenses not deductible for tax purposes	12,213	5,995
Income not subject to tax	-	-
Utilisation of previously unrecognised tax losses and capital allowances	-	-
Deferred tax assets not recognised during the year	11,055	48,456
Overprovision of deferred tax assets in prior year	5,397	-
Overprovision in prior year	-	-
Tax expense for the year	<u>428</u>	<u>-</u>
Unabsorbed capital allowances carried forward	<u>3,819</u>	<u>-</u>
Unutilised tax losses carried forward	<u>142,080</u>	<u>80,870</u>

Due to uncertainty of future profits availability, deferred tax assets have not been recognized in respect of unabsorbed capital allowances and unutilised tax losses.

19. RELATED PARTY DISCLOSURE

Key management personnel compensation

	2019	2018
	RM	RM
Total compensation	<u>78,000</u>	<u>124,000</u>

KOPTG IKTIKAD SYUKUR SDN. BHD.
(Incorporated in Malaysia)

**DETAILED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019**

	2019	2018
	RM	RM
REVENUE	24,000	31,000
Less: COST OF SALES		
Purchase	5,001	-
Repair and maintenance	1,140	11,800
Water and electricity	-	3,394
Closing stock	(5,001)	-
	<u>1,140</u>	<u>15,194</u>
GROSS PROFIT	22,860	15,806
OTHER OPERATING INCOME		
Other income	3,187	-
Dividend received	1,438	7,636
Interest on fixed deposit	4,607	34,752
Investment income	27,316	-
	<u>36,548</u>	<u>42,388</u>
EMPLOYEE BENEFITS	(84,497)	(126,001)
OTHER ADMINISTRATION EXPENSES	(141,010)	(234,696)
LOSS BEFORE TAX	<u>(166,099)</u>	<u>(302,503)</u>

KOPTG IKTIKAD SYUKUR SDN. BHD.
(Incorporated in Malaysia)

**DETAILED EXPENSES
FOR THE YEAR ENDED 31 DECEMBER 2019**

	2019 RM	2018 RM
EMPLOYEE BENEFITS		
Directors' remuneration		
Directors allowance	78,000	124,000
Staff cost		
Salaries and wages	5,794	-
Allowance	-	200
Refreshment	103	301
Training and seminar	600	1,500
	<u>84,497</u>	<u>126,001</u>
OTHER ADMINISTRATION EXPENSES		
Accounting fees	-	2,600
Advertising and promotion	520	-
Amortisation	37	37
Auditors' remunerations	7,700	2,900
Bank charges	83	11
Consultant fee	20,000	-
Depreciation of investment property	31,746	31,746
Depreciation of property, plant and equipment	4,521	3,220
Goods and services tax expenses	-	47
Legal fee	-	6,275
License fee	600	-
Printing and stationary	7,440	5,734
Professional fee	30,198	53,870
Renewal fee	-	99
Rental of premises	2,000	-
Secretarial fees	14,382	1,580
Service tax	667	-
Stamp duty	18,188	126,438
Tax computation fee	2,245	-
Travelling and accomodation	83	139
Upkeep of computer and software	600	-
	<u>141,010</u>	<u>234,696</u>
TOTAL EXPENSES	<u>225,507</u>	<u>360,697</u>



KUZAIMI & CO (AF 1492)
Chartered Accountants | Tel : 03 - 5880 5256
15C, Tingkat 3, Jalan Tengku | Fax : 03 - 5880 5856
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Selangor Darul Ehsan.

Date: 11.08.2020

Board of Directors
KOPTG IKTIKAD SYUKUR SDN. BHD.
(Company No.: 1183331 - M)
Block B-1-9, Level 3,
Menara Uncang Emas (UE3),
85, Jalan Loke Yew,
55200 Kuala Lumpur.

Dear Sirs,

**MANAGEMENT LETTER
AUDIT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019**

We have finalised the audit of KOPTG IKTIKAD SYUKUR SDN. BHD. for the financial year ended 31 December 2019. We wish to bring your attention to the following matters which came to our notice during the course of our audit.

The purpose of our audit was to express an opinion on the financial statements which included the consideration of internal controls relevant to the preparation of the financial statements and the design of such audit procedures that were appropriate in the circumstances. Since these procedures are not designed for the purpose of expressing an opinion on the effectiveness of internal controls, the matters being reported are limited to only those significant deficiencies that we identified during the course of our audit.

We must emphasise that the matters raised may not be the only weaknesses in the internal control system, as the primary objective of our audit is not designed to evaluate internal controls but to express an opinion on the financial statements.

We also bring to your attention several other material issues that came to our notice.

We now report as follows:

1. [AUDIT ISSUES]

Matters arising

1. After completion of audit work and meeting with Director, Encik Anuar bin Salleh on 10 August 2020, we had been informed that the Director, Encik Mohd Salleh Sadri who has resigned effective on 19 November 2019 had made an advance to the Company of RM224,965 for the purpose of investment in public listed Company, Greatech Technology Berhad amounted RM305,000. On 17 June 2019, the Company sold the share and gained RM43,582. Encik Mohd Salleh Sadri had withdrawn the share of profit which is deemed belongs to him amounted RM16,266. As a result the company only recognized the gain from investment amounted RM27,316.

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Audit | Tax | Advisory

Our scope of audit work based on the materiality level set during our audit planning. The amount RM27,316 was determined as below our materiality level. Eventhough, the amount detected is below materiality level, we still want to highlight this issue in management letter. We concern that there would be any conflict of interest arise in the Company's Management.

Recommendations

We recommend the management of parent's Company to monitor all the activities taken up by the subsidiary. Hence, we would like to suggest for Company to come out with the corporate governance policy for the Company.

Management's response (Including actions to be taken)

Responded by: HAFIZAH BINTI MOHD YUSOF
Designation: BOARD OF DIRECTOR

We as the Board Of Director (BOD) of the company which was appointed on 19th November 2019 are being notified that the said amount had been transfer into Company's account for the purpose of investment in public listed Company, Greatech Technology Berhad by several documents found.

The Parent's company also has seek for legal advice pertaining this matter and had issued demand letter dated 28th May 2020 with reference KOPTG/138/SKB/2020(01) since there's no approval given to them either to deposit or withdraw any personal/individual money to or from company account. The said letter attached for your reference.

Further action based on corporate governance policy also has been taken by parent's Company and followed by advice from the lawyer appointed.

2. We identified that the issuance of payment voucher did not kept consistently by the management.

Recommendations

We recommend the management to always update and ensure the documentation system being kept in a good filing system to avoid any transaction being overlook and wrongly recorded at the end of financial year and follow the financial procedure.

Management's response (Including actions to be taken)

<p>Responded by: HAFIZAH BINTI MOHD YUSOF Designation: BOARD OF DIRECTOR (BOD)</p> <p>The issuance of payment voucher did not kept consistently because there is no competent employee to manage those document needed.</p> <p>Former employee that only served for a month are not monitored by former BOD.</p> <p>Action taken in year 2020 by newly appointed BOD are as below :-</p> <ul style="list-style-type: none">a) Qualified employees have been appointed to update and ensure the documentation system being kept in a good filing system and cross check has been doing for every transaction.b) All task performed by employees are monitored frequently by new management.

Yours faithfully,



KUZAIMI & CO. (AF 1492)
Chartered Accountants



KOPTG Iktikad Syukur Sdn Bhd (1183331-M)

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