5. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparing its financial statements, the Group have made significant judgements, estimates and assumptions that impact on the carrying value of certain assets and liabilities, income and expenses as well as other information reported in the notes. The Group periodically monitor such estimates and assumptions and makes sure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates.

The judgements made in the process of applying the Group accounting policies that have the most significant effect on the amounts recognised in the financial statements, and the estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(i) Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the coronavirus (COVID-19) pandemic has had, or may have, on the Group based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the Group operate. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Group unfavourably as at the reporting date or subsequently as a result of the COVID-19 pandemic.

(ii) Transfer of control in property development

The Group property development comprises both "sell and build" model and "build and sell" model. For the purposes of revenue recognition, management uses its judgement to determine whether control of housing and office units under development is transferred to customers over time or at a point in time. The Group uses the criterion of control from the perspective of a customer, judged in relation to the customer's ability to obtain economic benefits of the asset under development. The Group considers that if the asset under development has been assigned to a customer and the asset has no alternative use to the Group and the Group have enforceable rights to payments, control of the asset is transferred over time to the customer. Revenue is recognised over time based on the stage of completion. If a customer does not obtain control when the asset is under development, such as in build and sell units, revenue is recognised at a point in time when the construction of the asset is completed and handed over to the customer.

5. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(iii) Recognition of property development profits

The Group recognise property development revenue and expenses in the profit or loss by using the stage of completion method. The stage of completion is determined by the proportion that property development costs incurred for work performed to date bear to the estimated total property development costs.

Significant judgement is required in determining the stage of completion, the extent of the property development costs incurred the estimated total property development revenue and costs, as well as the recoverability of the development projects. In making the judgement, the Group evaluate based on past experience and by relying on the work specialists.

(iv) Income tax and deferred tax estimation

Management judgement is required in determining the provision for income taxes, deferred tax assets and liabilities and the extent to which deferred tax assets can be recognised. There are transactions and computations for which the ultimate tax determination may be difference from the initial estimate.

The Group recognise tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provision in the period in which such determination is made.

Recognition of deferred tax assets and liabilities involves making a series of assumptions. As far as deferred tax assets are concerned, their realisation ultimately depends on taxable profits being available in the future. Deferred tax assets are recognised only when it is probable that taxable profits will be available against which the deferred tax asset can be utilised and it is probable that the entity will earn sufficient taxable profit in future periods to benefit from a reduction in tax payments. This involves the Group making assumptions within its overall tax-planning circumstances activities and periodically reassessing them in order to reflect changed as well as tax regulations. Moreover, the measurement of a deferred tax asset and liability reflects the manner in which the entity expects to recover the asset's carrying value or settle the liability.

5. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(v) Net realisable value of inventories

Inventories are stated at the lower of cost and net realisable value. The cost of inventories is written down to their estimated realisable value when their cost may no longer be recoverable such as when inventories are damaged or become wholly or partly obsolete or their selling prices have declined. In any case, the realisable value represents the best estimate of the recoverable amount, is based on the most reliable evidence available at the reporting date and inherently involves estimates regarding the future expected realisable value. The benchmarks for determining the amount of write-downs to net realisable value include ageing analysis, technical assessment and subsequent events. In general, such an evaluation process requires significant judgement and may materially affect the carrying amount of inventories at the end of the reporting period. Carrying amount of inventories are as disclosed in Note 9 to the financial statements.

6. PROPERTY, PLANT AND EQUIPMENT

	Freehold land RM	Buildings RM	Site equipment RM	Office equipment RM	Renovation RM	Furniture and fittings RM	Motor vehicles RM	Total RM
Cost								
As at 1.1.2020	770,603	1,300,187	25,438	468,715	1,700,535	495,483	5,703,707	10,464,668
Additions	-	-	3,186	47,938	773	2,099	8,324	62,320
Disposals	-	-	-	-	-	-	(1,233,074)	(1,233,074)
As at 31.12.2020	770,603	1,300,187	28,624	516,653	1,701,308	497,582	4,478,957	9,293,914
Accumulated depreciation								
As at 1.1.2020	-	179,979	9,148	271,043	930,060	226,954	3,499,485	5,116,669
Charge for the financial year	-	26,004	2,721	37,662	255,547	46,092	651,091	1,019,117
Disposals	-	-	-	-	-	-	(1,165,289)	(1,165,289)
As at 31.12.2020	-	205,983	11,869	308,705	1,185,607	273,046	2,985,287	4,970,497
Net carrying amount								
As at 31.12.2020	770,603	1,094,204	16,755	207,948	515,701	224,536	1,493,670	4,323,417

6. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Freehold land RM	Buildings RM	Site equipment RM	Office equipment RM	Renovation RM	Furniture and fittings RM	Motor vehicles RM	Total RM
Cost								
As at 1.1.2019	770,603	1,300,187	21,418	434,473	1,692,227	483,805	5,396,111	10,098,824
Additions	-	-	4,020	39,292	8,308	11,678	1,428,408	1,491,706
Disposals	-	-	-	(5,050)	-	-	(1,120,812)	(1,125,862)
As at 31.12.2019	770,603	1,300,187	25,438	468,715	1,700,535	495,483	5,703,707	10,464,668
Accumulated depreciation								
As at 1.1.2019	-	153,975	6,872	236,024	680,645	181,327	3,789,407	5,048,250
Charge for the financial year	-	26,004	2,276	35,608	249,415	45,627	796,793	1,155,723
Disposals	-	-	-	(589)	-	-	(1,086,715)	(1,087,304)
As at 31.12.2019	-	179,979	9,148	271,043	930,060	226,954	3,499,485	5,116,669
Net carrying amount								
As at 31.12.2019	770,603	1,120,208	16,290	197,672	770,475	268,529	2,204,222	5,347,999

6. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(a) The following property, plant and equipment of the Group which stated at net carrying amount are charged to licensed banks for banking facilities granted to the Group as disclosed in Note 14 to the financial statements.

	2020 RM	2019 RM
Freehold land and buildings	770,603	770,603
Buildings	1,094,204	1,120,208
	1,864,807	1,890,811

(b) Included in the net carrying amount of property, plant and equipment of the Group are the following assets which acquired under finance lease arrangements:

	2020 RM	2019 RM
Motor vehicles	851,553	1,220,074

(c) Details of payments property, plant and equipment acquired during the financial year are as follows:

	2020 RM	2019 RM
Aggregate cost of property, plant and equipment acquired	62,320	1,491,706
Amount financed by finance lease arrangements	-	(400,000)
Cash outflows	62,320	1,091,706

7. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

(a) Right-of-use assets

	GROUP	
	2020 RM	2019 RM
Cost		
At beginning of year	831,244	746,625
Additions during the year	-	84,619
At end of year	831,244	831,244
Accumulated depreciation		
At beginning of year	(423,492)	(257,948)
Depreciation charge for the year	(166,125)	(165,544)
At end of year	(589,617)	(423,492)
Net carrying amount at end of year	241,627	407,752

(b) Lease liabilities

	GROUP	
	2020 RM	2019 RM
Non-current		
Lease liabilities	176,241	269,997
Current		
Lease liabilities	93,756	178,943
Total lease liabilities	269,997	448,940

The movement of lease liabilities during the financial year is as follows:

	2020 RM	2019 RM
At beginning of year	448,940	533,413
Addition during the year	-	84,619
	448,940	618,032
Interest charged	34,658	49,511
Payment of:		
- Principal	(178,943)	(169,092)
- Interest	(34,658)	(49,511)
At end of year	269,997	448,940

8. INVESTMENT IN SUBSIDIARIES

TSG's principal activity is investment holding. Details of the subsidiary companies which are all incorporated in Malaysia and involved in property development are as follow:

Name of subsidiaries	Interest in equity held by the Company 2020 %	2019 %
Teladan Setia Sdn. Bhd.	100	100
Held through subsidiary:		
Asal Harta Sdn. Bhd.	100	100
Midas Dimensi Sdn. Bhd.	100	100
Riverwell Resources Sdn. Bhd.	100	100
Oriview Realty Sdn. Bhd.	100	100

All subsidiaries are audited by RSM Malaysia.

Pursuant to the Share Sale Agreement dated 24 February 2020, the acquisition of the entire issued share capital of Teladan Setia Sdn Bhd by Teladan Setia Group Berhad has been completed on 5 January 2021. On completion, Teladan Setia Group Berhad has satisfied the purchase consideration by allotting 644,238,000 ordinary shares at the issue price of RM0.50 each (the "consideration shares") in favour of the vendors of Teladan Setia Sdn Bhd. In consideration of the issuance of the consideration shares, the vendors of Teladan Setia Sdn Bhd have transferred 3,750,000 ordinary shares to Teladan Setia Group Berhad. The shares transfer was completed on 20 January 2021.

9. INVENTORIES

	2020 RM	2019 RM
Non-current		
Land held for property development	99,126,740	171,747,966
Current		
At cost		
Completed development unit	41,567,790	51,138,199
Property development costs	236,112,263	131,613,075
Others	79,370	79,370
	277,759,423	182,830,644

9. INVENTORIES (CONTINUED)

The movements of land held for property development are as follows:

	2020 RM	2019 RM
At beginning of year	171,747,966	81,977,153
Addition during the financial year	14,412,341	89,770,813
Transfer to property development costs	(87,033,567)	-
At end of year	99,126,740	171,747,966

The movements of completed development units are as follows:

	2020 RM	2019 RM
At beginning of year	51,138,199	70,696,745
Transfer from property development costs	811,205	8,881,788
Reversal of cost over accrued in prior year	(220,605)	-
Sale of completed development units	(10,161,009)	(28,440,334)
At end of year	41,567,790	51,138,199

9. INVENTORIES (CONTINUED)

The movements of property development costs are as follows:

	2020 RM	2019 RM
At cost		
- Freehold land	60,724,253	78,997,378
- Leasehold land	8,327,344	8,327,344
Development expenditure	140,425,189	122,861,651
Balance at beginning of year	209,476,786	210,186,373
Cost incurred during the financial year		
Freehold land, at cost	10,257,217	-
Development expenditure	98,615,112	128,976,251
	108,872,329	128,976,251
Transfer to land held for property development		
Freehold land, at cost	87,033,567	-
	87,033,567	-
Reversal of cost of completed development projects		
Freehold land, at cost	(5,844,078)	(16,672,184)
Development expenditure	(39,491,753)	(104,131,866)
	(45,335,831)	(120,804,050)
Transfers to completed development units		
Freehold land, at cost	(122,524)	(1,600,941)
Development expenditure	(688,681)	(7,280,847)
	(811,205)	(8,881,788)
	359,235,646	209,476,786
Accumulated costs charged to profit or loss		
Balance as at 1 January	(77,863,711)	(75,085,343)
Cost charged during the financial year	(90,595,503)	(123,582,418)
Reversal of cost of completed development projects	45,335,831	120,804,050
Balance as at 31 December	(123,123,383)	(77,863,711)
Balance at end of year	236,112,263	131,613,075
Represented by:		
At cost		
- Freehold land	152,048,435	60,724,253
- Leasehold land	8,327,344	8,327,344
Development expenditure	198,859,867	140,425,189
Accumulated costs charged to profit or loss	(123,123,383)	(77,863,711)
	236,112,263	131,613,075

9. INVENTORIES (CONTINUED)

(i) Included in development expenditure is interest expense capitalised during the financial year of RM6,307,501 (2019: RM6,934,494) of the Group.

(ii) Development land which consist of freehold and leasehold land of the Group at carrying amount of RM160,375,779 (2019: RM69,051,597) have been pledged with licensed banks for bank borrowings granted to the Group as disclosed in Note 14 to the financial statements.

10. TRADE AND OTHER RECEIVABLES

	2020 RM	2019 RM
Trade		
Third parties	21,389,730	17,088,684
Non-trade		
Other receivables	831,605	1,148,120
Deposits	11,161,462	9,221,835
Prepayments	205,274	205,274
Interest receivables	69,283	78,451
	12,267,624	10,653,680
Total trade and other receivables	33,657,354	27,742,364
Trade and other receivables (excluding non-financial assets)	33,452,080	27,537,090
Add: Cash and cash equivalents (Note 12)	76,323,909	92,296,801
Total financial assets at amortised cost	109,775,989	119,833,891

Included in the deposits of RM4,199,339 (2019: RM2,753,721) paid for the Group for the purchase of land held for development.

11. CONTRACT ASSETS AND CONTRACT LIABILITIES

	2020 RM	2019 RM
Contract assets		
Balance as at beginning of year	56,869,773	16,279,594
Add: Revenue recognised in the financial year	149,565,786	232,988,035
Less: Billing during the financial year	(159,601,814)	(192,397,856)
Balance at end of year	46,833,745	56,869,773
Contract costs		
Balance as at beginning of year	4,181,800	946,188
Add: Contract cost incurred in the financial year	1,502,064	5,588,711
Less: Amortisation for the financial year	(2,555,315)	(2,353,099)
Balance at end of year	3,128,549	4,181,800
Represented by:		
Contract assets and contract costs	49,962,294	61,051,573

Contract costs comprises the following costs which were resulted from obtaining contracts:

- sales commission paid to intermediaries; and
- expenses borne on behalf of customers (i.e. legal fees and other expenses).

Sales commission paid to intermediaries are amortised to cost of sales when the related revenues are recognised.

Expenses borne on behalf of customers are considered as consideration payable to customers and are amortised against revenue when the related revenues are recognised.

12. CASH AND CASH EQUIVALENTS

	2020 RM	2019 RM
Cash and bank balances	20,637,524	46,635,280
Fixed deposits placed with licensed banks	18,226,356	14,504,315
Short-term funds	37,460,029	31,157,206
Balance as stated in the Statements of Financial Position	76,323,909	92,296,801
Less: Bank overdrafts	(5,140,548)	(4,745,215)
Less: Fixed deposits pledged with licensed banks	(14,151,001)	(12,780,307)
Less: Fixed deposits mature in more than three months	(131,617)	(808,840)
Balance for Statements of Cash Flows purposes	56,900,743	73,962,439

(a) Included in cash and bank balances of the Group are amounts totalling RM11,363,467 (2019: RM25,938,219) and held under the Housing Development Accounts ("HDA") pursuant to Section 7A of the Housing Development (Control and Licensing) Act 1966. These HDA accounts, which consist of monies received from purchasers, are for the payment of property development costs incurred. The surplus monies in these accounts, if any, will be released to the Group in accordance with the provisions of the Act.

(b) Fixed deposits of the Group have maturity periods of 1 to 15 months (2019: 1 to 15 months). The effective interest rates of the fixed deposits are between 1.51% to 3.51% (2019: 3.10% to 4.20%) per annum.

(c) Fixed deposits with licensed banks of the Group of RM14,151,001 (2019: RM12,780,307) pledged to licensed banks for bank guarantee facilities granted to the Group respectively.

(d) Short-term funds of the Group represent investment in highly liquid money market, which is readily convertible to a known amount of cash. The effective interest rate of the Group is 2.39% to 2.42% (2019: 3.52%) per annum.

13. SHARE CAPITAL

	2020 RM	2019 RM
Issued and fully paid		
Ordinary shares		
At beginning of financial year	3,750,002	3,750,000
Incorporation of TSG	-	2
At end of financial year	3,750,002	3,750,002

14. BANK BORROWINGS

	2020 RM	2019 RM
Non-current		
Term loans	110,576,332	105,912,564
Current		
Term loans	12,980,548	17,716,697
Bank overdrafts	5,140,548	4,745,215
Bridging loan	4,353,291	-
	22,474,387	22,461,912
Total bank borrowings	133,050,719	128,374,476

Term loans, bank overdrafts and bridging loan of the Group are secured by legal charges over certain property, plant and equipment, land held for development and property development costs of the Group disclosed in Note 6 and 9 to the financial statements.

Term loans, bank overdrafts and bridging loan are guaranteed jointly and severally by certain directors of the Group. The directors' personal guarantee has been removed upon the approval from financial institutions to be listed on Bursa Malaysia in March 2021.

The bank borrowing are secured by the properties of a subsidiary of RM3,247,913 (2019: RM2,198,763).

Term loans interest of the Group are payable between 3.32% to 7.91% per annum (2019: 4.88% to 8.27%). Term loans are repayable by monthly instalments of various amount each, inclusive of interest.

Bank overdrafts interests are payable at 6.67% to 7.38% per annum (2019: 8.00% to 8.27%) repayable on demand for the Group.

The bridging loans of the Group bear effective interest rate of 4.57% per annum (2019: Nil).

15. FINANCE LEASE LIABILITIES

	2020 RM	2019 RM
Future lease payments payable:		
- not later than one year	191,256	237,064
- more than one year to five years	241,424	405,308
Total future minimum lease payments	432,680	642,372
Less: Future finance charges	(35,846)	(56,680)
Present value of minimum lease payments	396,834	585,692
Payments due within 12 months as current	173,651	216,230
Non-current portion of lease liabilities	223,183	369,462
	396,834	585,692

The annual effective interest rates of the finance lease liabilities range from 4.49% to 4.86% (2019: 4.49% to 5.02%) per annum.

16. DEFERRED TAX LIABILITIES

	2020 RM	2019 RM
Balance as at 1 January/31 December	46,000	46,000

Deferred tax liabilities mainly arose from temporary differences from property, plant and equipment.

The deferred tax liabilities is made up of tax effects of temporary differences arising from:

	2020 RM	2019 RM
Excess of net book value over tax written down value of property, plant and equipment	191,667	191,667

17. TRADE AND OTHER PAYABLES

	2020 RM	2019 RM
Trade		
Third parties	13,093,321	18,916,986
Retention sum payables	15,908,077	20,143,485
Accrued development costs	342,042	6,488,990
	29,343,440	45,549,461
Non-trade		
Other payables	5,805,410	6,584,258
Dividend payable	-	13,700,000
Accrued expenses	1,350,391	2,561,414
Deposits received	660,427	463,198
	7,816,228	23,308,870
Total trade and other payables	37,159,668	68,858,331
Trade and other payables	37,159,668	68,858,331
Add: Lease liabilities (Note 7b)	269,997	448,940
Add: Bank borrowings (Note 14)	133,050,719	128,374,476
Add: Finance lease liabilities (Note 15)	396,834	585,692
Total financial liabilities carried at amortised cost	170,877,218	198,267,439

(i) The amounts due to subsidiary companies are unsecured, interest free and repayable on demand.

(ii) The normal credit term granted to the Group range from 30 to 60 (2019: 30 to 60) days.

(iii) Retention payables are relating to the development projects. Retentions are unsecured, interest-free and are expected to be paid within 12 to 24 months.

18. REVENUE

	2020 RM	2019 RM
Sale of development properties		
- recognised over time	135,121,952	193,062,970
- recognised at a point in time	14,443,834	39,925,065
	149,565,786	232,988,035

19. COST OF SALES

	2020 RM	2019 RM
Property development costs	85,577,094	123,582,418
Cost of inventories sold	10,161,009	28,440,334
Others	-	428,610
	95,738,103	152,451,362

20. FINANCE COSTS

	2020 RM	2019 RM
Bank overdraft interest	410,290	199,560
Term loan interest	150,398	197,586
Interest expense on finance leases	20,362	21,252
Interest expense on lease liabilities	34,658	49,511
	615,708	467,909

21. PROFIT BEFORE TAXATION

Profit before taxation for continuing operations is stated after charging/(crediting):

	2020 RM	2019 RM
Auditors' remuneration	95,000	92,000
Bad debt written off	288	16,400
Depreciation of		
- property, plant and equipment	1,019,117	1,155,723
- right-of-use assets	166,125	165,544
Directors' remuneration		
- salaries, bonus and allowance	1,792,371	4,565,000
- directors' fee	503,000	700,000
- EPF contributions	213,156	407,320
Staff costs (Note 23)	4,881,677	5,923,949
Interest income	(1,720,729)	(1,698,880)
Gain on disposal of property, plant and equipment	(277,214)	(459,242)

22. TAXATION

	2020 RM	2019 RM
Current financial year		
- income tax	9,341,000	13,795,000
- deferred tax	76,617	-
Over provision in prior years		
- income tax	(144,225)	(1,859,861)
- deferred tax	(76,617)	-
	9,196,775	11,935,139

A reconciliation of income tax expense on the profit before taxation with the applicable statutory income tax rate is as follows:

	2020 RM	2019 RM
Profit before taxation	34,475,505	55,336,851
Taxation at statutory tax rate of 24%	8,274,120	13,280,844
Tax effects in respect of:		
Non-allowable expenses	1,143,497	514,156
Overprovision in prior years		
- income tax	(144,225)	(1,859,861)
- deferred tax	(76,617)	-
Total tax expense	9,196,775	11,935,139

23. STAFF COSTS

	2020 RM	2019 RM
Salaries, allowances and bonus	4,188,148	4,956,627
EPF contributions	506,397	529,023
SOCSO contributions	32,459	32,312
Others	154,673	405,987
	4,881,677	5,923,949

24. CONTINGENT LIABILITIES

	2020 RM	2019 RM
Bank guarantee for deposits with the housing and local authorities as well as utilities' providers	18,138,425	14,532,096

25. RELATED PARTY TRANSACTIONS

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control. Related parties may be individuals or other entities.

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel includes all the directors of the Group.

The Group has related party relationship with its subsidiary, related companies and directors.

Key management personnel compensation

Key management personnel compensation consists of directors' remuneration as disclosed in Note 21 to the financial statements.

26. CAPITAL COMMITMENT

	2020 RM	2019 RM
Land held for property development		
- Authorised but not contracted for	-	12,752,364
- Authorised and contracted for	33,784,290	21,233,860
Freehold land		
- Authorised but not contracted for	4,009,761	-
Acquisition of Polyintan Sdn Bhd		
- Authorised and contracted for	11,467,872	-

27. FINANCIAL INSTRUMENTS

Categories of financial instruments

Trade and other receivables (excluding prepayments) and cash and cash equivalents are categorised as financial assets at amortised cost (Note 10) while trade and other payables, bank borrowings, lease liabilities and finance lease liabilities are categorised as financial liabilities carried at amortised cost (Note 17).

28. FINANCIAL RISK MANAGEMENT

The Group are exposed mainly to the following risks. Information on the management of the related exposures are detailed below.

(i) Credit risk
(ii) Liquidity risk
(iii) Market risk

(i) Credit risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group exposure to credit risk arises principally from its receivables from customers and investment in debt securities. The Group exposure to credit risk arises principally from loans and advances to subsidiaries and financial guarantees given to banks for credit facilities granted to subsidiaries.

28. FINANCIAL RISK MANAGEMENT (CONTINUED)

(i) Credit risk (continued)

Receivables and Contract assets

The management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on customers requiring credit over a certain amount. Based on the credit evaluation, the customers are rated into three risk categories, namely low risk, medium risk and high risk.

As at the end of the reporting period, the maximum exposure to credit risk arising from receivables and contract assets are represented by the carrying amounts in the statement of financial position.

Management has taken reasonable steps to ensure that receivables and contract assets that are neither past due nor impaired are stated at their realisable values. A significant portion of these receivables and contract assets are regular customers that have been transacting with the Group.

For significant receivables and contract assets that are not individually credit-impaired and all other receivables, the Group uses a provision matrix that categorise the different risk classes (low risk, medium risk and high risk) and the ageing profiles. The collective lifetime ECLs are measured based on the Group's past lost rate experiences, current conditions and forecast of future economic conditions. The past lost rates are adjusted upward in the measurement in worsening current conditions and forecasts of future macroeconomic conditions.

Ageing analysis of trade receivables as at the end of the reporting date was:

	Loan RM	Self-finance RM	Total RM
Group			
2020			
Not past due	6,495,989	1,457,086	7,953,075
Past due 1-30 days	4,433,734	198,348	4,632,082
Past due 31-120 days	6,397,757	1,511,921	7,909,678
Past due more than 120 days	404,288	490,607	894,895
	17,731,768	3,657,962	21,389,730
2019			
Not past due	6,142,748	1,416,035	7,558,783
Past due 1-30 days	4,487,645	20,000	4,507,645
Past due 31-120 days	3,130,465	60,000	3,190,465
Past due more than 120 days	1,634,163	197,628	1,831,791
	15,395,021	1,693,663	17,088,684

As the title and vacant possession of the sold properties would be transferred to the customers only upon full payment of the entire sale consideration, the management believes that credit risk inherent in the Group outstanding trade receivable balances and contract assets is not significant.

28. FINANCIAL RISK MANAGEMENT (CONTINUED)

(i) Credit risk (continued)

Receivables that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Group. None of the Group's trade receivables that are neither past due nor impaired have been renegotiated during the financial year.

Credit risk arising from property development

The Group does not have any significant credit risk from its property development activities as its services and products are predominantly rendered and sold to a large number of property purchasers using financing from reputable end-financiers.

Trade receivables are monitored on an on-going basis via Group management reporting procedures. The Group does not have any significant exposure to any individual customer or counterparty nor does the Group have any major concentration of credit risk related to any financial instruments. Credit risk with respect to trade receivables are limited as the ownership and rights to the properties revert to the Group in the event of default.

Credit risk arising from other activities of the Group

Concentration of credit risk with respect to trade receivables is limited due to the Group large number of customers. The Group historical experience in collection of trade receivables fall within the recorded allowances. Due to these factors, no additional credit risk beyond amounts allowed for collections losses is inherent in the Group trade receivables.

Credit risk arising from deposits with licensed banks

Concentration of credit risk arising from deposits with licensed banks is limited as bank deposits are held with banks with strong financial strength.

Credit risk arising from corporate guarantee

The corporate guarantee and undertakings are provided by the Group to banks to secure borrowings of certain subsidiaries. The Group monitor the financial performance (including the timeliness of loan repayments) of the subsidiaries on an on-going basis.

28. FINANCIAL RISK MANAGEMENT (CONTINUED)

(i) Credit risk (continued)

Credit risk arising from corporate guarantee (continued)

The maximum credit risk that the Group are exposed to, amounted to:

	2020 RM	2019 RM
Financial guarantee	7,605,781	7,483,208

representing the maximum amount of the Group could pay if the guarantees were called on.

Generally, the Group consider the financial guarantee to be of low credit risk as the guarantees are provided as credit enhancement to the subsidiaries secured borrowings.

As at the reporting date, there was no loss allowance for impairment as determined by the Group for the financial guarantee.

The fair value of the above financial guarantees has not been recognised since the fair value on initial recognition was not material.

Inter-company balances

The Group provides unsecured loans and advances to subsidiaries. The Group monitors the results of the subsidiaries regularly.

As at end of the reporting date, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

As at the end of the reporting date, there was no indication that the loans and advances to the subsidiaries and related companies are not recoverable.

(i) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group exposure to liquidity risk arises principally from its various payables.

28. FINANCIAL RISK MANAGEMENT (CONTINUED)

(ii) Liquidity risk (continued)

The Group maintain a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

The following table analyses financial liabilities by remaining contractual maturity (contractual and undiscounted cash flows):

	Carrying amount RM	Contractual interest rate/coupon	Contractual cash flows RM	Under 1 year RM	2-5 years RM	More than 5 years RM
2020						
Trade and other payables	37,159,668	-	37,159,668	20,936,642	16,223,026	-
Bank borrowings	133,050,719	3.32% - 7.91%	162,707,964	27,982,037	78,484,396	56,241,531
Finance lease liabilities	396,834	4.49% - 4.86%	432,680	191,256	241,424	-
Lease liabilities	269,997	7.72%	314,300	114,600	199,700	-
	170,877,218		200,614,612	49,224,535	95,148,546	56,241,531

28. FINANCIAL RISK MANAGEMENT (CONTINUED)

(ii) Liquidity risk (continued)

	Carrying amount RM	Contractual interest rate/coupon	Contractual cash flows RM	Under 1 year RM	2-5 years RM	More than 5 years RM
2019						
Trade and other payables	68,858,331	-	68,858,331	56,979,968	11,878,363	-
Bank borrowings	128,374,476	3.88% - 9.26%	155,493,179	26,326,938	74,657,043	54,509,198
Finance lease liabilities	585,692	4.49% - 4.86%	642,372	237,064	405,308	-
Lease liabilities	448,940	7.72%	527,900	213,600	314,300	-
	198,267,439		225,521,782	83,757,570	87,255,014	54,509,198

28. FINANCIAL RISK MANAGEMENT (CONTINUED)

(ii) Market risk

Market risk is the risk that changes in market prices, such as interest rates and other prices that will affect the Group financial position or cash flows.

Interest rate risk

The Group fixed rate borrowings are exposed to a risk of change in their fair value due to changes in interest rates. Short term receivables and payables are not significantly exposed to interest rate risk.

The interest rate profile of the Group significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

	2020 RM	2019 RM
Fixed rate instruments		
Lease liabilities	269,997	448,940
Floating rate instruments		
Bank borrowings	133,050,719	128,374,476

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments

At reporting date, if interest rates had been 100 basis points higher, with all other variables held constant, the Group profit after tax would have been RM1,011,185 (2019: RM975,646) lower, arising mainly as a result of higher interest expenses on bank overdrafts respectively for the Group. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

29. FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying amounts of cash and cash equivalents, trade and other receivables and trade and other payables, lease liabilities, finance lease liabilities and bank borrowings approximate at fair values due to the relatively short term nature of these financial instruments. As term loans were obtained from licensed bank at the prevailing market rate, the carrying value of these financial liabilities approximates their fair value.

30. CAPITAL MANAGEMENT

The Group objective when managing capital is to maintain a strong capital and safeguard the Group ability to continue as a going concern, so as to maintain investor and creditor confidence and to sustain future development of the business. The Group will seek additional capital injection or advances from its shareholders when necessary.

31. SIGNIFICANT EVENTS DURING THE REPORTING PERIOD

(i) The World Health Organisation declared the coronavirus disease ("COVID-19") a global pandemic on 11 March 2020. The Government of Malaysia imposed the Movement Control Order ("MCO") on 18 March 2020 to 31 March 2020 and had subsequently entered into the conditional and recovery phases of the MCO until 31 December 2020 in all states and federal territories in Malaysia.

The restrictions imposed have not, however, negatively impacted the Group's financial performance were allowed to operate throughout the MCO, under the guidelines set by the National Security Council ("NSC"), Ministry of Health ("MOH") and Ministry of International Trade and Industry ("MITI") respectively.

Based on the assessment of the Group, there were no material financial impact arising from the COVID-19 pandemic. The Group will continue to assess any impact of the COVID-19 pandemic on the financial statements of the Group for the financial year ending 31 December 2021.

(ii) On 16 April 2020, the Group has terminated the sale and purchase agreement ("SPA") with a third party on the purchase of a parcel of leasehold land of RM23,593,178. The Group has paid the deposit sum of RM2,359,318, along with an additional payment of RM3,000,000. In view of the termination of the SPA, the paid deposit of RM2,359,318 has been forfeited, and the remaining excess payment of RM3,000,000 shall be refunded to the Group in due course.

(iii) On 21 May 2020, the wholly owned subsidiary, Teladan Setia Sdn. Bhd. ("TSSB") entered into a sale and purchase agreement with a third party to purchase 4 plots of freehold land held under GRN 6720 Lot 34, GM 150 Lot 37, GRN 12906 Lot 39 and GM 151 Lot 40 Mukim Tanjung Minyak in Melaka for a purchase consideration of RM13,146,767 and the transaction has been completed on 10 November 2020;

(iv) On 7 October 2020, TSSB entered into a sale and purchase agreement with a third party to purchase a parcel of leasehold land held under PN 55269 Lot 14734, Mukim of Ayer Panas in Melaka for a purchase consideration of RM22,038,100;

(v) On 11 November 2020, TSSB entered into a conditional share sale agreement with Polywell Enterprise Sdn Bhd ("Polywell Enterprise") to acquire the entire equity interest of Polyintan Sdn Bhd ("Polyintan") for a total purchase consideration of RM1,825,954. This acquisition is conditional upon Polyintan obtaining a development order for the land that it owns;

31. SIGNIFICANT EVENTS DURING THE REPORTING PERIOD (CONTINUED)

(vi) On 19 November 2020, TSSB entered into a sale and purchase agreement with a third party to purchase a parcel of freehold land held under GM 25 Lot 13253, Mukim of Pringgit in Melaka for a purchase consideration of RM4,455,290; and

(vii) On 11 December 2020, the wholly owned subsidiary, Oriview Realty Sdn. Bhd. ("ORSB") entered into a sale and purchase agreement with a third party to purchase 2 plots of leasehold land held under PN 56988 Lot 14560 and PN 56989 Lot 14561, Mukim of Telok Mas in Melaka for a purchase consideration of RM15,500,000.

32. SUBSEQUENT EVENTS

(i) The impact of the COVID-19 pandemic is ongoing and while it has been financially positive for the Group up to 31 December 2020, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

On 13 January 2021, the Government of Malaysia had reimposed the Movement Control Order ("MCO 2.0") in several states and all federal territories in Malaysia to curb the third wave of COVID-19 pandemic in the country. However, the Group's main business activities of property development and trading and were allowed to operate during MCO 2.0 period under the guidelines set by NSC, MOH and MITI.

As at the date of authorisation of the financial statements, the COVID-19 pandemic situation is still evolving and uncertain. The Group will continue to actively monitor and manage its funds and operations to minimise any impact arising from the COVID-19 pandemic. Nevertheless, with the Group's past focus on cost efficiency, strong cash position and the resilient fundamentals of its business, the Group expects to sustain its operational and financial performance for the financial year ending 31 December 2021.

No other matter or circumstance has arisen since 31 December 2020 that has significantly affected, or may significantly affect the Group operations, the results of those operations, or the Group state of affairs in future financial years.

32. SUBSEQUENT EVENTS (CONTINUED)

(ii) Pursuant to the Share Sale Agreement dated 24 February 2020, the acquisition of the entire issued share of Teladan Setia Sdn Bhd ("TSSB") by Teladan Setia Group Berhad ("TSG") has been completed on 5 January 2021. On completion, TSG has satisfied the purchase consideration by allotting 644,238,000 ordinary shares at the issue price of RM0.50 each (the "consideration shares") in favour of the vendors of TSSB. In consideration of the issuance of the consideration shares, the vendors of TSSB have transferred 3,750,000 ordinary shares to TSG. The shares transfer was completed on 20 January 2021.

In conjunction with the Company's listing on the ACE Market of Bursa Securities on 23 February 2021, the Company issued its Prospectus for its IPO entailing the following:

(1) Public issue of 161,060,000 new shares ("Issue Shares") in the following manner:
   (a) 40,265,000 new shares available for application by the Malaysian public;
   (b) 10,469,000 new shares available for application by our eligible employees and persons who have contributed to the success of the Group;
   (c) 80,530,000 new shares by way of private placement to Bumiputera investors approved by Ministry of International Trade and Industry; and
   (d) 29,796,000 new shares by way of private placement to selected investors; and

(2) Offer for sales of 40,800,000 existing shares by way of private placement to selected investors at an IPO price of RM0.48 per share.

On 16 March 2021, TSG was listed on the ACE Market of Bursa Securities.

(iii) On 11 March 2021, the wholly owned subsidiary, Midas Dimensi Sdn. Bhd. ("MDSB") entered into a sale and purchase agreement with a third party to purchase 2 plots of freehold land held under PN 4632 Lot 1673 and PN 4633 Lot 1674, Mukim Machap district of Alor Gajah in Melaka for a purchase consideration of RM4,750,000.

(iv) Subsequent to the IPO after the end of the reporting period, the Group declared an interim single tier dividend of RM0.01 per ordinary shares amounting to RM8,052,980 in respect of the financial year end 31 December 2021 which was paid on 19 April 2021, and will be accounted for in the statement of changes in equity as an appropriation of retained earnings in the financial year ending 31 December 2021.

(v) On 9 April 2021, TSSB entered into a sale and purchase agreement with a third party to purchase a parcel of freehold land held under PN 4872 Lot 1142, Mukim Tanjong Minyak in Melaka for a purchase consideration of RM4,391,284.

(vi) On 14 April 2021, the wholly owned subsidiary, Asal Harta Sdn. Bhd. ("AHSB") entered into a sale and purchase agreement with a third party to purchase 3 plots of leasehold land held under PN 26769 Lot 4402, PN26770 Lot 4403 and PN 31981 Lot 4406, Mukim of Ayer Panas in Melaka for a purchase consideration of RM95,095,657.

33. COMPARATIVES

The acquisition of the entire issued share capital of TSSB by TSG is a business combination involving entities under common control and did not result in any change in economic substance. Accordingly, the Group is a continuation of the acquired entities and accounted for as follows:

(a) the assets and liabilities of the acquired entities are recognised and measured in the combined financial statements at the pre-combination carrying amounts, without restatement to fair value;
(b) the retained earnings and other equity balances of acquired entities immediately before the business combination are those of the Group; and
(c) the equity structure, however, reflects the equity structure of the Company and the difference arising from the change in equity structure of the Group will be accounted for in merger deficit/reserve.

34. OTHER INFORMATION

(a) The Company is a private limited liability company, incorporated and domiciled in Malaysia.

(b) The registered office is situated at:

No. 60-1, Jalan Lagenda 5
Taman 1 Lagenda
75400 Melaka

(c) The principal place of business is situated at:

No. 8 & 10, Ground Floor
Jalan Mutiara Melaka 2
Taman Mutiara Melaka
Batu Berendam
75350 Melaka

(d) The financial statements are presented in Ringgit Malaysia, which is also the Group functional currency.

35. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were authorised for issue in accordance with a resolution by the Board of Directors on 28 April 2021.

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

We, the undersigned, being two of the directors of **TELADAN SETIA GROUP BERHAD (Registration No. 201901004975 (1314302-V))** do hereby state that, in the opinion of the directors, the financial statements set out on pages 5 to 67 are drawn up in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirement of the Companies Act 2016 in Malaysia so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 December 2020 and of the results of their operations and the cash flows of the Group and of the Company for the financial year ended on that date.

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

TEO LAY BAN

SIA AH PEW

2 8 APR 2021

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

I, **TEO LAY BAN**, being the director primarily responsible for the financial management of **TELADAN SETIA GROUP BERHAD (Registration No. 201901004975 (1314302-V))** do solemnly and sincerely declare that the financial statements set out on pages 5 to 67 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.

TEO LAY BAN

Subscribed and solemnly declared
by the abovenamed at Melaka
in the State of Melaka on 2 8 APR 2021

Before me

PESURUHJAYA SUMPAH
No: M 084
Name: SHAHRIZAH BINTI YAHYA
BC/S/1135
1/01/2019 - 31/12/2021
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INDEPENDENT AUDITORS' REPORT
TO THE DIRECTORS OF TELADAN SETIA GROUP BERHAD

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Teladan Setia Group Berhad and its subsidiaries ("the Group"), which comprise the combined statements of financial position as at 31 December 2020 of the Group, and combined statements of profit or loss and other comprehensive income, combined statements of changes in equity and combined statements of cash flows of the Group for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 5 to 67.

In our opinion, the accompanying combined financial statements give a true and fair view of the financial position of the Group as at 31 December 2020 and of their financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

We are independent of the Group in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By- Laws") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

INDEPENDENT AUDITORS' REPORT
TO THE DIRECTORS OF TELADAN SETIA GROUP BERHAD (continued)

Key Audit Matter

Key audit matter is those matter that, in our professional judgement, was of most significance in our audit of the combined financial statements of the Group for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group.

Key audit matter	How our audit addressed the key audit matter
<u>Recognition of revenue and cost of sales from property development activities</u> *Refer to Note 3(k)* – Significant Accounting Policies, *Note 5(iii)* – Significant Accounting Estimates and Judgements, *Note* 18 – Revenue and *Note 19* – Cost of Sales. The Group uses percentage of completion method to account for the recognition of revenue and cost of sales from property development activities. We identified this area as area require audit focus due to the involvement of significant management's judgement and estimates in the estimation of budgeted property development costs (which is used to determine the percentage of completion and gross profit margin of property development activities of the Group). Estimation of budgeted property development costs requires management to exercise significant judgement in considering the completeness and accuracy of forecast costs to complete, including obligation to contract variations and cost contingencies.	The detail of our works performed are as following: - We evaluated the reasonableness of the management's key judgements used in the estimation of budgeted property development costs by examining documentation such as letter of award issued to contractors. - We verified the gross development value by examining the signed sales and purchase agreement and intended selling price of the unsold units to the latest transacted selling price. - We performed re-computation on the calculation of percentage of completion to ascertain there is no mathematical error which may render in the over/understatement of profit recognition. - We reviewed the stage of completion of all on-going development projects to determine if there is any exposure to the late ascertained damages and ascertain the adequacy of provision for late ascertained damages, if any; and - We reviewed the recognition of revenue and cost from property development activities whether in accordance with MFRS 15 Revenue from Contracts with Customers.

INDEPENDENT AUDITORS' REPORT
TO THE DIRECTORS OF TELADAN SETIA GROUP BERHAD (continued)

Information Other than the Financial Statements and Auditors' Report Thereon

The directors of the Group are responsible for the other information. The other information comprises the Directors' Report but does not include the financial statements of the Group and our auditors' report thereon.

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group 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 DIRECTORS OF TELADAN SETIA GROUP BERHAD (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:

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group or ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Group, including the disclosures, and whether the combined financial statements of the Group represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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INDEPENDENT AUDITORS' REPORT
TO THE DIRECTORS OF TELADAN SETIA GROUP BERHAD (continued)

Other Matter

This report has been prepared solely to the directors of the Group, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and the ACE Market Listing Requirements and should not be relied upon for any other purposes. We do not assume responsibility to any other person for the content of this opinion.

RSM Malaysia

RSM Malaysia
AF: 0768
Chartered Accountants

Se Kuo Shen
02949/03/2022 J
Chartered Accountant

Johor Bahru

28 April 2021