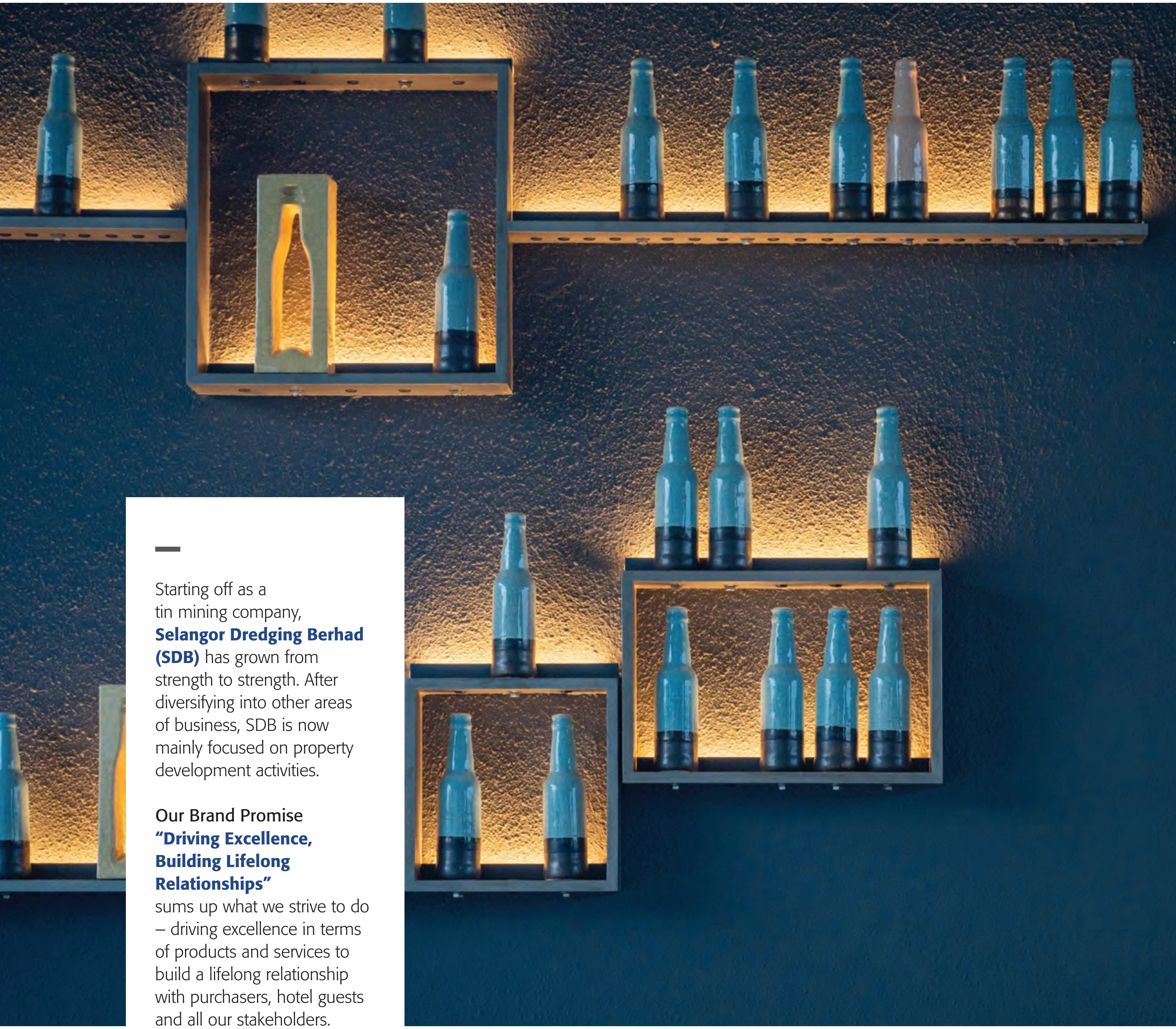
ANNUAL REPORT 2023

SDB Selangor Dredging Berhad

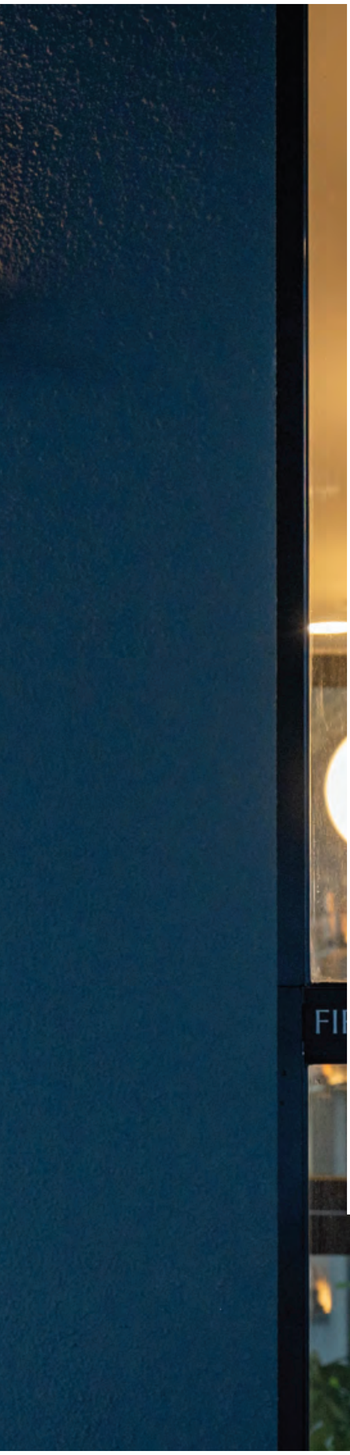
Registration No.196201000105 (4624-U)

DRIVING EXCELLENCE, BUILDING LIFELONG RELATIONSHIPS



Starting off as a tin mining company, **Selangor Dredging Berhad (SDB)** has grown from strength to strength. After diversifying into other areas of business, SDB is now mainly focused on property development activities.

Our Brand Promise
"Driving Excellence, Building Lifelong Relationships"
sums up what we strive to do – driving excellence in terms of products and services to build a lifelong relationship with purchasers, hotel guests and all our stakeholders.



OUR CORE VALUES

Passionate
Determination to strive for excellence and a total commitment towards lifelong learning

Innovative
Dynamic and forward-looking leaders of new products, services and constantly seeking ways to be more relevant to customers

Results Oriented
In line with good business practices, we work according to strategy and well-defined corporate and personal goals

Caring and Respectful
We seek to continuously build relationships by caring for our stakeholders and respecting people and the environment

WHAT'S INSIDE

NOTICE IS HEREBY GIVEN THAT THE SIXTY SECOND ("62ND") ANNUAL GENERAL MEETING ("AGM") OF SELANGOR DREDGING BERHAD WILL BE HELD ON A FULLY VIRTUAL BASIS AT A VENUE IN MALAYSIA WHERE THE CHAIRMAN IS PRESENT VIA THE ONLINE MEETING PLATFORM OF TIIH ONLINE PROVIDED BY TRICOR INVESTOR & ISSUING HOUSE SERVICES SDN. BHD. AT HTTPS://TIIH.ONLINE (DOMAIN REGISTRATION NUMBER WITH MYNIC:D1A282781) ON FRIDAY, 29 SEPTEMBER 2023 AT 9.00 A.M. TO TRANSACT THE FOLLOWING BUSINESSES:

NOTICE OF ANNUAL GENERAL MEETING

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the year ended 31 March 2023 and the Directors' and Auditors' Reports thereon. **(Please refer to explanatory Note A)**

2. To approve the payment of Single-Tier Dividend of 2.5 sen per ordinary share for the year ended 31 March 2023. **(Resolution 1)**

3. To approve the payment of Directors' Fees amounting to RM322,874 (2022: RM266,754) for the year ended 31 March 2023. **(Resolution 2)**

4. To approve the payment of Directors' benefits (excluding Directors' fees) to the Non-Executive Directors of up to RM20,000 from 1 October 2023 until the next annual general meeting of the Company. **(Resolution 3)**

5. To re-elect Mr Boh Boon Chiang who was appointed during the year and retire pursuant to Clause 107(1)(a) of the Company's Constitution. **(Resolution 4)**

6. To re-elect the following directors who retire by rotation pursuant to Clause 107(1)(b) of the Company's Constitution: -

   (a) Mr Chieng Ing Huong **(Resolution 5)**
   (b) Puan Selma Enolil Binti Mustapha Khalil **(Resolution 6)**

7. To re-appoint BDO PLT as Auditors of the Company and to authorise the Directors to determine their remuneration. **(Resolution 7)**

AS SPECIAL BUSINESS

8 **Authority to Allot Shares and Waiver of Pre-emptive Rights**

To consider and if thought fit, to pass the following Ordinary Resolution, with or without modifications: -

"THAT subject always to the Companies Act 2016 (the "Act"), the Company's Constitution, Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements ("MMLR") and any relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered pursuant to the Act, to issue and allot shares in the Company, at any time to such persons and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued during the preceding 12 months pursuant to this Resolution does not exceed 10% of the total number of issued shares of the Company for the time being;

THAT pursuant to Section 85 of the Act to be read together with Clause 56 of the Company's Constitution, that approval be and is hereby given to waive the pre-emptive rights of the shareholders of the Company to be offered new shares ranking equally to the existing issued shares arising from any issuance of new shares pursuant to this mandate.

AND THAT the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities;

AND FURTHER THAT such authority shall commence immediately upon the passing of this Resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company. **(Resolution 8)**

9 To transact any other business which due notice shall have been received.

By Order of the Board

WON SEE YEE
(MAICSA 7047024) CCM Practicing Certificate 201908003356
KUAN HUI FANG
(MIA 16876) CCM Practicing Certificate 202008001235
Secretaries

Kuala Lumpur
31 July 2023

NOTICE OF ANNUAL GENERAL MEETING

NOTES:

1. A member of the Company shall be entitled to appoint another person as his/her proxy to exercise all or any of his/her right to attend, participate, speak and vote at a meeting of members of the Company, subject to the Constitution of the Company. All meeting participants including the Chairman of the meeting, Board members, senior management and shareholders are required to participate in the meeting online.

2. Shareholders are to attend, speak (including posing questions to the Board of Directors of the Company via real time submission of typed texts) and vote (collectively, "participate") remotely in the 62nd AGM of the Company via the Remote Participation and Voting facilities ("RPV") provided by Tricor Investor & Issuing House Services Sdn. Bhd. via its **TIIH Online website at https://tiih.online.**

3. A member entitled to attend and vote at the meeting is entitled to appoint not more than two (2) proxies to attend and vote in his/her stead. Where a member appoints two (2) proxies, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy.

4. Where a member of the Company is an exempt authorised nominee which holds shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

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

6. The Form of Proxy, in the case of an individual, shall be signed by the appointor or his attorney, and in the case of a corporation, either under seal or under the hand of an officer or attorney duly authorised.

7. Form of Proxy duly completed and signed must be deposited at the Company's share registrar, Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8 Jalan Kerinchi, 59200 Kuala Lumpur or its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than 48 hours before the time for holding the meeting or any adjournment thereof. You may also submit the Form of Proxy electronically via TIIH Online at https://tiih.online not less than 48 hours before the time for holding the meeting or any adjournment thereof.

8. Only members whose names appear in the Record of Depositors on 22 September 2023 shall be entitled to participate in the 62nd AGM of the Company via RPV or appoint proxy/proxies to attend and/or vote on his/her behalf.

9. To participate in the 62nd AGM of the Company via RPV and appoint proxy/authorized representative, please follow the Procedures for RPV in the Administrative Guide.

Explanatory Notes to Ordinary Business and Special Business:

Note A – The shareholders' approval on the Audited Financial Statements are not required pursuant to Section 340(1)(a) of the Companies Act 2016 ("Act"), hence, the matter will not be put for voting.

Resolutions 2 & 3 – Pursuant to Section 230(1) of the Act, the fees of the directors and any benefits payable to the directors of a listed company and its subsidiaries shall be approved at general meeting. In this respect, the Board agreed that the shareholders' approval shall be sought at the 62nd AGM on the Directors' fees and benefits in two (2) separate resolutions as below:-

- Resolution No. 2 on payment of Directors' fees in respect of the financial year ended 31 March 2023
- Resolution No. 3 on payment of Directors' benefits (excluding Directors' fees) from 1 October 2023 until the next AGM.

The current structure for Directors' benefits of the Company is basically the meeting allowances for Board/Board Committee meetings attended. The Directors' benefits from 1 October 2023 until the conclusion of the next AGM is estimated not to exceed RM20,000. The Board will seek shareholders' approval at the next AGM in the event the amount of the Directors' benefits is insufficient due to an increase in Board/Board Committee meetings and/or increase in Board size.

Details of the Directors' Fees and benefits paid to the Non-Executive Directors are disclosed on pages 51 to 52 of the Statement on Corporate Governance in the Annual Report 2023.

Resolution 8 – To seek for the renewal of a Previous Mandate (as defined herein) to give flexibility to the Board of Directors to issue and allot shares up to 10% of the total number of issued share of the Company for the time being, at any time in their absolute discretion for such purposes as the Board of Directors' consider to be in the best interest of the Company (hereinafter referred to as the "General Mandate"). This General Mandate is sought to avoid any delays and costs involved with the convening of a general meeting. This General Mandate, unless revoked or varied by the Company in a general meeting, will expire at the conclusion of the next AGM of the Company.

The Company has been granted a general mandate by its shareholders at the last AGM held on 29 July 2022 (hereinafter referred to as the "Previous Mandate").

As at the date of this Notice, the Company did not implement its proposal for new allotment of shares under the Previous Mandate and hence, no proceeds were raised therefrom.

The General Mandate, upon renewal, will provide flexibility to the Company for any possible fund-raising activities, including but not limited to further placing of shares, for purpose of funding future investment project(s), working capital and/or acquisition(s).

The waiver of pre-emptive rights will allow the Board of Directors to issue new Ordinary Shares of the Company which rank equally to existing issued shares of the Company, to any person without having to offer the new shares to all existing shareholders of the Company prior to issuance of new shares in the Company under the General Mandate.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad:-

1. Details of individual who are standing for election as Directors (excluding Directors for re-election)

   No individual is seeking election as a Director at the 62nd AGM of the Company.

2. General mandate for issue of securities in accordance with Paragraph 6.03 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

   The details of the proposed authority for Directors of the Company to issue shares in the Company pursuant to Sections 75 and 76 of the Act is set out under Explanatory Note.

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS HEREBY GIVEN THAT the single-tier dividend of 2.5 sen per ordinary share in respect of the financial year ended 31 March 2023, if approved at the 62nd Annual General Meeting of the Company, will be paid on 13 October 2023 to Depositors of ordinary shares registered in the Record of Depositors of the Company on 3 October 2023.

A Depositor shall qualify for entitlement to the dividend only in respect of:

(a) Shares transferred into the Depositor's securities account before 4.30 p.m. on 3 October 2023 in respect of transfers; and
(b) Shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

By Order of the Board

WON SEE YEE (*MAICSA 7047024) CCM Practicing Certificate 201908003356*
KUAN HUI FANG (*MIA 16876) CCM Practicing Certificate 202008001235*
Secretaries

Kuala Lumpur
31 July 2023

ADMINISTRATIVE GUIDE

FOR THE SIXTY SECOND ANNUAL GENERAL MEETING ("62nd AGM") OF SELANGOR DREDGING BERHAD

62nd Annual General Meeting

29 September 2023 9.00 a.m.

TIIH Online provided by Tricor Investor & Issuing House Services Sdn. Bhd. in Malaysia via its website at https://tiih.online

MODE OF MEETING

The 62nd Annual General Meeting ("62nd AGM") of the Company will be conducted on a virtual basis using online remote voting via Remote Participation and Voting ("RPV") facilities. This is in line with the Guidance Note on the Conduct of General Meetings for Listed Issuers issued by the Securities Commission Malaysia (including any amendment that may be made from time to time).

REMOTE PARTICIPATION AND VOTING FACILITIES ("RPV")

Shareholders are to attend, speak (in the form of real time submission of typed texts) and vote (collectively, "participate") remotely at the 62nd AGM using RPV provided by Tricor Investor & Issuing House Services Sdn. Bhd. ("Tricor") via its **TIIH Online** website at https://tiih.online. Please refer to Procedure for RPV.

A shareholder who has appointed a proxy(ies) or attorney(s) or authorised representative(s) to participate at this 62nd AGM via RPV must request his/her proxy(ies) or attorney or authorised representative to register himself/herself for RPV at TIIH Online website at https://tiih.online. Please refer to Procedure for RPV.

As the 62nd AGM is a fully virtual AGM, shareholders who are unable to participate in this 62nd AGM may appoint the Chairman of the meeting as his/her proxy and indicate the voting instructions in the proxy form.

PROCEDURES FOR RPV

Shareholder(s) or proxy(ies) or corporate representative(s) or attorney(s) who wish to participate the 62nd AGM remotely using the RPV are to follow the requirements and procedures as summarized below:

BEFORE THE 62nd AGM DAY

Register as a user with TIIH Online

- Using your computer, access the website at https://tiih.online. Register as a user under the "e-Services". Refer to the tutorial guide posted on the homepage for assistance.
- Registration as a user will be approved within one working day and you will be notified via email.
- If you are already a user with TIIH Online, you are not required to register again. You will receive an e-mail to notify you that the remote participation is available for registration at TIIH Online.

Submit your registration for RPV

- Registration is open from Monday, 31 July 2023 until the day of 62nd AGM Friday, 29 September 2023. Shareholder(s) or proxy(ies) or corporate representative(s) or attorney(s) are required to pre-register their attendance for the 62nd AGM to ascertain their eligibility to participate the 62nd AGM using the RPV.
- Login with your user ID and password and select the corporate event: "**(REGISTRATION) SELANGOR DREDGING BERHAD 62nd AGM**"
- Read and agree to the Terms & Conditions and confirm the Declaration.
- Select "Register for Remote Participation and Voting".
- Review your registration and proceed to register.
- System will send an e-mail to notify that your registration for remote participation is received and will be verified.
- After verification of your registration against the General Meeting Record of Depositors dated 22 September 2023, the system will send you an e-mail after 27 September 2023 approve your registration for remote participation and the procedures to use the RPV are detailed therein. In the event your registration is not approved, you will also be notified via email.
  (Note: Please ensure to allow sufficient time required for the approval as a new user of TIIH Online as well as the registration for RPV in order that you can login to TIIH Online and participate the 62nd AGM remotely).

ON THE DAY OF THE 62nd AGM

Login to TIIH Online

- Login with your user ID and password for remote participation at the 62nd AGM at any time from 8.00 a.m. i.e. 1 hour before the commencement of the 62nd AGM on Friday, 29 September 2023 at 9.00 a.m.

Participate through Live Streaming

- Select the corporate event: "**(LIVE STREAM MEETING) SELANGOR DREDGING BERHAD 62nd AGM**" to engage in the proceedings of the 62nd AGM remotely.
- If you have any question for the Chairman/ Board, you may use the query box to transmit your question. The Chairman/ Board will endeavor to respond to questions submitted by you during the 62nd AGM. If there is time constraint, the responses will be e-mailed to you at the earliest possible, after the meeting.

Online Remote Voting

- Voting session commences from 9.00 a.m. on Friday, 29 September 2023 until a time when the Chairman announces the end of the session. Select the corporate event: "**(REMOTE VOTING) SELANGOR DREDGING BERHAD 62nd AGM**" or if you are on the live stream meeting page, you can select "**GO TO REMOTE VOTING PAGE**" button below the Query Box.
- Read and agree to the Terms & Conditions and confirm the Declaration.
- Select the CDS account that represents your shareholdings.
- Indicate your votes for the resolutions that are tabled for voting.
- Confirm and submit your votes.

End of remote participation

- Upon the announcement by the Chairman on the closure of the 62nd AGM, the live streaming will end.

Note to users of the RPV facilities:

1. Should your registration for RPV be approved we will make available to you the rights to join the live streamed meeting and to vote remotely. Your login to TIIH Online on the day of meeting will indicate your presence at the virtual meeting.
2. The quality of your connection to the live broadcast is dependent on the bandwidth and stability of the internet at your location and the device you use.
3. In the event you encounter any issues with logging-in, connection to the live streamed meeting or online voting on the meeting day, kindly call Tricor Help Line at 011-40805616 / 011-40803168 / 011-40803169 / 011-40803170 for assistance or e-mail to tiih.online@my.tricorglobal.com for assistance.

APPOINTMENT OF PROXY OR ATTORNEY OR CORPORATE REPRESENTATIVE

Shareholders who appoint proxy(ies) to participate via RPV at 62nd AGM must ensure that the duly executed proxy forms are deposited in a hard copy form or by electronic means to Tricor no later than **Wednesday, 27 September 2023 at 9.00 a.m**.

The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner:

(i) In hard copy form

In the case of an appointment made in hard copy form, the form of proxy must be deposited with the Company's Share Registrar at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.

(ii) By electronic form

The form of proxy can be electronically lodged with the Share Registrar of the Company via TIIH Online at https://tiih.online. Kindly refer to the Procedure for Electronic Submission of Form of Proxy.

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

Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia not later than **Wednesday, 27 September 2023 at 9.00 a.m**. to participate via RPV in the 62nd AGM. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.

For a corporate member who has appointed a representative, please deposit the **ORIGINAL** certificate of appointment with Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia to participate via RPV in 62nd AGM. The certificate of appointment should be executed in the following manner:

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

(ii) If the corporate member does not have a common seal, the certificate of appointment should be affixed with the rubber stamp of the corporate member (if any) and executed by:
- (a) at least two (2) authorised officers, of whom one shall be a director; or
- (b) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.

PROCEDURES FOR ELECTRONIC SUBMISSION OF PROXY FORM

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

Steps for Individual Shareholder

Register as a User with TIIH Online

- Using your computer, please access the website at https://tiih.online. Register as a user under the "e-Services" by selecting "**Create Account by Individual Holder**". Please do refer to the tutorial guide posted on the homepage for assistance.
- If you are already a user with TIIH Online, you are not required to register again.

Proceed with submission of Form of Proxy

- After the release of the Notice of Meeting by the Company, login with your user name (i.e. email address) and password.
- Select the corporate event: "**SELANGOR DREDGING BERHAD 62ND AGM - SUBMISSION OF PROXY FORM**".
- Read and agree to the Terms & Conditions and confirm the Declaration.
- Insert your CDS account number and indicate the number of shares for your proxy(ies) to vote on your behalf.
- Appoint your proxy(ies) and insert the required details of your proxy(ies) or appoint Chairman as your proxy.
- Indicate your voting instructions – FOR or AGAINST, otherwise your proxy(ies) will decide your vote.
- Review and confirm your proxy(ies) appointment.
- Print form of proxy for your record.

Steps for Corporation or Institutional Shareholders

Register as a User with TIIH Online

- Access TIIH Online at https://tiih.online.
- Under e-Services, the authorised or nominated representative of the corporation or institutional shareholder selects "**Create Account by Representative of Corporate Holder**".
- Complete the registration form and upload the required documents.
- Registration will be verified, and you will be notified by email within one (1) to two (2) working days.
- Proceed to activate your account with the temporary password given in the email and re-set your own password.

Note: The representative of a corporation or institutional shareholder must register as a user in accordance with the above steps before he/she can subscribe to this corporate holder electronic proxy submission. Please contact the persons stated under "**ENQUIRY**" section below if you need clarifications on the user registration.

Proceed with submission of Form of Proxy

- Login to TIIH Online at https://tiih.online.
- Select the corporate event: "**SELANGOR DREDGING BERHAD 62ND AGM - SUBMISSION OF PROXY FORM**"
- Read and agree to the Terms & Conditions and confirm the Declaration.
- Proceed to download the file format for "**SUBMISSION OF PROXY FORM**" in accordance with the Guidance Note set therein.
- Prepare the file for the appointment of proxy(ies) by inserting the required data.
- Submit the proxy appointment file.
- Login to TIIH Online, select corporate event: "**SELANGOR DREDGING BERHAD 62ND AGM – SUBMISSION OF PROXY FORM**".
- Proceed to upload the duly completed proxy appointment file.
- Select "**Submit**" to complete your submission.
- Print the confirmation report of your submission for your record.

POLL VOTING

The voting at the 62nd AGM will be conducted by poll in accordance with Paragraph 8.29A of Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The Company has appointed Tricor as Poll Administrator to conduct the poll by way of electronic voting (e-voting).

Shareholders or proxy(es) or corporate representative(s) or attorney(s) can proceed to vote on the resolutions at any time from **Wednesday, 27 September 2023 at 9.00 a.m.** but before the end of the voting session which will be announced by the Chairman of the meeting. Kindly refer to Procedures for RPV for guidance on how to vote remotely from TIIH Online website at https://tiih.online.

Upon completion of the voting session for the 62nd AGM, the Scrutineers will verify the poll results followed by the Chairman's declaration whether the resolutions are duly passed.

PRE-MEETING SUBMISSION OF QUESTION TO THE BOARD OF DIRECTORS

Shareholders may submit questions for the Board in advance of the 62nd AGM via Tricor's TIIH Online website at https://tiih.online by selecting "e-Services" to login, pose questions and submit electronically no later than **Wednesday, 27 September 2023 at 9.00 a.m.** The Board will endeavor to answer the questions received at the 62nd AGM.

DOOR GIFT/FOOD VOUCHER

There will be no door gifts or food vouchers for attending the 62nd AGM.

NO RECORDING OR PHOTOGRAPHY

Unauthorized recording and photography are strictly prohibited at the 62nd AGM.

ENQUIRY

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

Tricor Investor & Issuing House Services Sdn. Bhd.

General Line	: +603-2783 9299
Fax Number	: +603-2783 9222
E-mail	: is.enquiry@my.tricorglobal.com

CORPORATE INFORMATION

BOARD OF DIRECTORS

Chairman	**Mr Eddy Chieng Ing Huong** *Non-Independent Non-Executive*
Managing Director	**Ms Teh Lip Kim** *Non-Independent Executive*
Directors	**Mr Boh Boon Chiang** *Independent Non-Executive*
	Ms Teh Lip Pink *Non-Independent Non-Executive*
	Puan Selma Enolil Binti Mustapha Khalil *Independent Non-Executive*

SECRETARIES

Ms Won See Yee	*(MAICSA 7047024)* *CCM Practicing Certificate 201908003356*
Ms Kuan Hui Fang	*(MIA16876)* *CCM Practicing Certificate 202008001235*

AUDIT COMMITTEE

Chairman	Mr Boh Boon Chiang
Members	Mr Eddy Chieng Ing Huong Puan Selma Enolil Binti Mustapha Khalil

NOMINATING COMMITTEE

Chairman	Mr Boh Boon Chiang
Members	Mr Eddy Chieng Ing Huong Puan Selma Enolil Binti Mustapha Khalil

REMUNERATION COMMITTEE

Chairman	Mr Eddy Chieng Ing Huong
Members	Mr Boh Boon Chiang Puan Selma Enolil Binti Mustapha Khalil

INVESTMENT COMMITTEE

Chairman	Mr Eddy Chieng Ing Huong
Members	Ms Teh Lip Kim Puan Selma Enolil Binti Mustapha Khalil

RISK MANAGEMENT AND SUSTAINABILITY COMMITTEE

Chairman	Ms Teh Lip Kim
Members	Mr Loong Ching Hong Mr Lew Shih Kee

REGISTERED OFFICE

18th Floor, West Block, Wisma Golden Eagle Realty
142-C, Jalan Ampang, 50450 Kuala Lumpur
Tel : 603-2161 3377 Fax : 603-2161 6651
Website : www.sdb.com.my

REGISTRAR

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

AUDITORS

BDO PLT
Level 8, BDO @ Menara CenTARa
360 Jalan Tuanku Abdul Rahman, 50100 Kuala Lumpur
Tel : 603-2616 2888
Fax : 603-2616 3190

PRINCIPAL BANKERS

Public Bank Berhad
Oversea-Chinese Banking Corporation Limited - Singapore

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad

LIST OF PRINCIPAL OFFICES

SDB Properties Sdn Bhd
12th Floor, South Block, Wisma Golden Eagle Realty
142-A, Jalan Ampang, 50450 Kuala Lumpur
Tel : 603-2711 2288 Fax : 603-2711 2219

Supergreen Solutions Sdn Bhd
B-1-07, Block B, 19 Sentral, Jalan Harapan, Seksyen 19
46300 Petaling Jaya, Selangor Darul Ehsan
Tel : 03-7931 2290

Hotel Maya Kuala Lumpur
138, Jalan Ampang, 50450 Kuala Lumpur
Tel : 603-2711 8866 Fax : 603-2711 9966
Website : www.hotelmaya.com.my

SDB Asia Pte Ltd
60 Paya Lebar Road, #06-03,
Paya Lebar Square, Singapore 409051
Tel : 65-6238 2288
Website : www.sdb.com.sg

CORPORATE STRUCTURE

SDB Selangor Dredging Berhad 196201000105 (4624-U)

SDB Properties Sdn Bhd
198901012746 (190055-A)
100%

- SDB Damansara Sdn Bhd
  199201014354 (245857-U)
  100%
- Prestij Permai Sdn Bhd
  199901023668 (498568-P)
  100%
- Hayat Abadi Sdn Bhd
  199901023496 (498396-X)
  100%
- SDB SS2 Development Sdn Bhd
  200601003707 (723454-V)
  100%
- SDB Ampang Sdn Bhd
  200701020914 (778930-P)
  100%
- Crescent Consortium Sdn Bhd
  200701036969 (794998-H)
  100%
- SDB Property Management Sdn Bhd
  201301008205 (1038047-H)
  100%
- SDB HOST Sdn Bhd
  201501031927 (1157251-T)
  100%
- SDB Subang Development Sdn Bhd
  201901026373 (1335702-V)
  100%
- SDB Teambuild Sdn Bhd
  201401020722 (1096808-X)
  50%

Seldredge Industries Sdn Berhad
198101012760 (78890-A)
100%

SDB Interiors Sdn Bhd
198101012763 (78893-H)
100%

SDB International Sdn Bhd
198101012761 (78891-P)
100%

- SDB Asia Pte Ltd
  (200618870N)
  100%
- SDB Green Energy Pte Ltd
  (201102729E)
  100%
- Chedstone Investment Holdings Pte Ltd (200707403H)
  50%
- Champsworth Development Pte Ltd (200711535D)
  50%
  - Tiara Land Pte Ltd
    (200704699H)
    100%

SuperGreen Solutions Sdn Bhd
201501028083 (1153407-M)
100%

SDB Mining Sdn Bhd
201701013437 (1227602-A)
100%

- Extra Diligent Sdn Bhd
  201601032337 (1203278-V)
  45%
- Fortress Minerals Limited
  (201732608K)
  29.61%

PROFILE OF BOARD OF DIRECTORS

MR EDDY CHIENG ING HUONG

CHAIRMAN

Nationality
Malaysian

Gender / Age
Male / 66

Mr Eddy Chieng Ing Huong, aged 66, Male, Malaysian Chinese, a Non-Independent and Non-Executive Director, was appointed as a Director on 30 July 1999. Mr Chieng is the Chairman of the Board, Investment and Remuneration Committees and he is also a member of the Audit and Nominating Committees.

Mr Chieng graduated from the University of New South Wales, Australia with a Bachelor of Commerce Degree with Merit in Accounting, Finance and Information Systems. He is a Fellow of the Institute of Chartered Accountants, Australia and a member of the Malaysian Institute of Accountants.

Mr Chieng has extensive senior management experience and were involved in a number of successful entrepreneurial businesses in Malaysia and overseas; primarily in ASEAN, Hong Kong and Australia.

Mr Chieng is the Executive Chairman of Esthetics International Group Berhad. He was previously the Founder/Managing Director of Nationwide Express Courier Services Berhad, Executive Director of OSK Holdings Berhad, Independent Non-Executive Director of Ancom Berhad, Nylex (Malaysia) Berhad, Oroton Group Limited (ASX listed), Senior Independent Director of QL Resources Berhad and Chairman of Asia Poly Holdings Berhad. In addition, he was instrumental in bringing Fedex to Malaysia and was a Director of Federal Express Malaysia for a number of years.

Mr Chieng is not related with any director and/or substantial shareholder of the Company. Mr Chieng has no conflict of interest with the Company except as disclosed under Note 33 of the Financial Statements. Mr Chieng has no convictions of any offences within the past five years and has not been imposed by the relevant regulatory bodies any penalty during the financial year 2023.

MS TEH LIP KIM

MANAGING DIRECTOR

Nationality
Malaysian

Gender / Age
Female / 56

Ms Teh Lip Kim, aged 56, Female, Malaysian Chinese, is the Managing Director and a substantial shareholder of the Company. She was appointed to the Board as Executive Director on 1 August 1996 and was promoted to the position of Managing Director on 1 July 1998. She is a member of the Investment Committee and she also holds directorships in other subsidiary companies of Selangor Dredging Berhad and Fortress Minerals Limited, a company listed in Catalist Board of Singapore.

Ms Teh graduated with a Bachelor of Science (Honours) in Accounting and Economics from Southampton University in United Kingdom. Prior to her return to Malaysia, she completed her Masters in Shipping, Trade and Finance from the City University Business School in 1990. Upon graduation, she ventured into her own business and was also involved in the management of properties, plantations and hotels owned by her family.

Ms Teh is the sister of Ms Teh Lip Pink, a Non-Independent and Non-Executive Director and a substantial shareholder of the Company. Ms Teh has no conflict of interest with the Company except as disclosed under Note 33 of the Financial Statements. Ms Teh has no convictions of any offences within the past five years and has not been imposed by the relevant regulatory bodies any penalty during the financial year 2023.

PROFILE OF
BOARD OF DIRECTORS

MR BOH BOON CHIANG

INDEPENDENT NON-EXECUTIVE DIRECTOR

Nationality
Malaysian

Gender / Age
Male / 61

Mr Boh Boon Chiang, aged 61, Male, Malaysian Chinese, an Independent Non-Executive Director, was appointed on 8 June 2023. He is also Chairman of Audit and Nominating Committees, and a member of Remuneration and Investment Committees.

He graduated with Master of Business Administration from the University of Bath, United Kingdom in 2001. He is a professionally qualified accountant with The Association of Chartered Certified Accountants (ACCA) and a member of the Malaysian Institute of Accountants (MIA).

Mr Boh has more than 30 years of commercial experience in various sectors including construction, manufacturing and education and extensive exposure in financial management including corporate affairs, business development, taxation and finance.

Mr Boh was the Financial Controller of an established education provider (formerly listed in Bursa) from 1996 to 2002. He was then appointed as the Chief Financial Officer and Chief Operating Officer of the same group in 2006 and 2007 respectively. He was also appointed as the Managing Director of a University College operated by the same group in 2009. He then served as the Chief Executive Officer of a company involved in early childhood education since 2003. He served as the Group Chief Operating Officer of another company listed in Bursa since 2011 where the business of its subsidiaries is mainly involved in the trading in household electrical and electronic appliances. He also served as the Deputy Group Chief Executive Officer of the same group in 2017 before his retirement from active employment. He is Business Coach of Vistage Malaysia Sdn Bhd from March 2020 onwards.

Mr Boh presently sits in the Board of icapital.biz Berhad and Esthetics International Group Berhad, companies listed on Main Market of Bursa Securities. He also a director of Merdeka University Berhad.

Mr Boh does not have any family relationship with any director and/or substantial shareholder of the Company. Mr Boh has no conflict of interest with the Company. He has no convictions of any offences within the past five years and has not been imposed by the relevant regulatory bodies any penalty during the financial year 2023.

MS TEH LIP PINK

NON-INDEPENDENT NON-EXECUTIVE DIRECTOR

Nationality
Malaysian

Gender / Age
Female / 71

Ms Teh Lip Pink, aged 71, Female, Malaysian Chinese, a Non-Independent and Non-Executive Director and a substantial shareholder, was appointed as a Director of the Company on 28 July 1994. She graduated with a Higher National Diploma in Business Studies from United Kingdom. She is also a Director of other subsidiary companies of Selangor Dredging Berhad and other private companies.

Ms Teh is the sister of Ms Teh Lip Kim, the Managing Director and a substantial shareholder of the Company. Ms Teh has no conflict of interest with the Company except as disclosed under Note 33 of the Financial Statements. Ms Teh has no convictions of any offences within the past five years and has not been imposed by the relevant regulatory bodies any penalty during the financial year 2023.

PROFILE OF
BOARD OF DIRECTORS

PUAN SELMA ENOLIL BINTI MUSTAPHA KHALIL

INDEPENDENT NON-EXECUTIVE DIRECTOR

Nationality
Malaysian

Gender / Age
Female / 52

Puan Selma Enolil Binti Mustapha Khalil, aged 52, Female, Malaysian Malay, an Independent Non-Executive Director, was appointed as a Director on 31 December 2018. She is also a member of the Audit, Investment, Nominating and Remuneration Committees.

She graduated from University of Wales, Aberystwyth with a Bachelor of Laws in 1994. She obtained her Certificate in Legal Practice in 1995 and was called to the Malaysian Bar as an Advocate and Solicitor in 1996.

She started her career as an Advocate and Solicitor with Messrs Abu Talib Shahrom & Zahari in December 1996. She left Messrs Abu Talib Shahrom & Zahari in October 1998 to join TNB Remaco Sdn Bhd as a legal executive. She left TNB Remaco Sdn Bhd in June 2000 and resumed practicing law as an Advocate and Solicitor with Messrs Raslan Loong in July 2000. She left Messrs Raslan Loong in August 2003 and co-founded Messrs Enolil Loo, Advocates and Solicitors in September 2003, in which she is currently a Partner.

Puan Selma presently sits on the board of directors of Techbond Group Berhad, a company listed on the Main Market of Bursa Securities. She is also a director of Powerwell Holdings Berhad and Unique Fire Holdings Berhad, companies listed on the ACE Market of Bursa Securities, and trustee of Ericsen Foundation.

Puan Selma does not have any family relationship with any director and/or substantial shareholder of the Company. Puan Selma has no conflict of interest with the Company. She has no convictions of any offences within the past five years and has not been imposed by the relevant regulatory bodies any penalty during the financial year 2023.

PROFILE OF KEY SENIOR MANAGEMENT

MR LOONG CHING HONG

GROUP GENERAL MANAGER

Nationality
Malaysian

Gender / Age
Male / 57

Mr Loong Ching Hong, aged 57, Malaysian Chinese, is the Group General Manager of Selangor Dredging Berhad. He is a member of the Malaysian Institute of Accountants and the Fellow Member of Chartered Association of Certified Accountants, United Kingdom.

He started his career as an Audit Senior in Chew Wai Khoon & Co and then as a Cost Controller in J.Walter Thompson Sdn Bhd. From 1990 to 1995, he worked as an Accountant in IJM Corporation Berhad, a public listed company in Malaysia.

In 1996, he joined Selangor Dredging Berhad as Deputy Group Financial Controller and was later promoted to Group Financial Controller within the same year.

In 2000, he became the Group General Manager of the Company. He currently holds directorship in subsidiary and associated companies of Selangor Dredging Berhad and Fortress Minerals Limited, a company listed in Catalist Board of Singapore.

Mr Loong does not have any family relationship with any director and/or substantial shareholder of the Company. Mr Loong has no conflict of interest with the Company. He has no convictions of any offences within the past five years and has not been imposed any penalty by the relevant regulatory bodies during the financial year 2023.

***19Trees, Taman Melawati -** Serene and sophisticated, 19Trees is an urban sanctuary nestled within a lush tropical landscape.*

CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the Board of Directors ("the Board") of Selangor Dredging Berhad ("SDB" or "the Group"), it gives me great pleasure to present to you the Annual Report of the Group for the financial year ended 31 March 2023 ("FY2023").

OPERATING ENVIRONMENT

In comparison to FY2022, the property sector in Malaysia and Singapore experienced recovery and growth in terms of both transactions and value for the year under review. This development is primarily supported by the full resumption of economic activities and the lifting of any movement restrictions. However, the property sector continues to face challenges in rising building material costs and a workforce shortage which impact productivity and construction activity.

As we reflect on the year under review, it was an improvement compared to FY2022. Nevertheless, at the Group-level, we continue to implement various cost-saving measures in line with our efforts to be more prudent.

Jia, Bukit Jalil South -
Designed to celebrate family living, Jia is also a refuge to de-stress and unwind, with specially curated common areas, parks and landscaping.

REVIEW OF RESULTS

The Group reported a pre-tax profit of RM12.55 million (2022: RM12.13 million) for the fiscal year that ended on March 31 2023, on the back of a higher turnover of RM137.74 million (2022: RM98.48 million). After accounting for taxation, the Group reported a net profit of RM6.25 million, compared to the RM6.76 million net profit posted in the previous corresponding period.

I am happy to announce that the Group has also launched two new projects in Klang Valley, Malaysia – namely 19Trees and Jia. At the same time, in Singapore, One Draycott has received its Temporary Occupation Permit ("TOP") in April 2023.

The Group also reported RM17.06 million net profit from its iron ore mining operations.

GROUP OPERATIONS

As we moved on to our property development business, we reported a gross profit of RM60.55 million on a turnover of RM118.39 million. Compared to FY2022, the increase was principally due to the sales from the two ongoing projects in Malaysia.

In Malaysia, the newly launched 19Trees and Jia projects are low density, gated and guarded developments that are designed with the post-pandemic environment in mind. The developments are located at strategic locations, namely in Taman Melawati and Taman Bukit Serdang respectively. Both developments are exquisitely designed to provide residents with new lifestyle solutions, especially the ability to work from home in a post-pandemic environment. Additionally, 19Trees and Jia are family-oriented homes that feature space, flexibility and adaptability for a contemporary multigenerational family living.

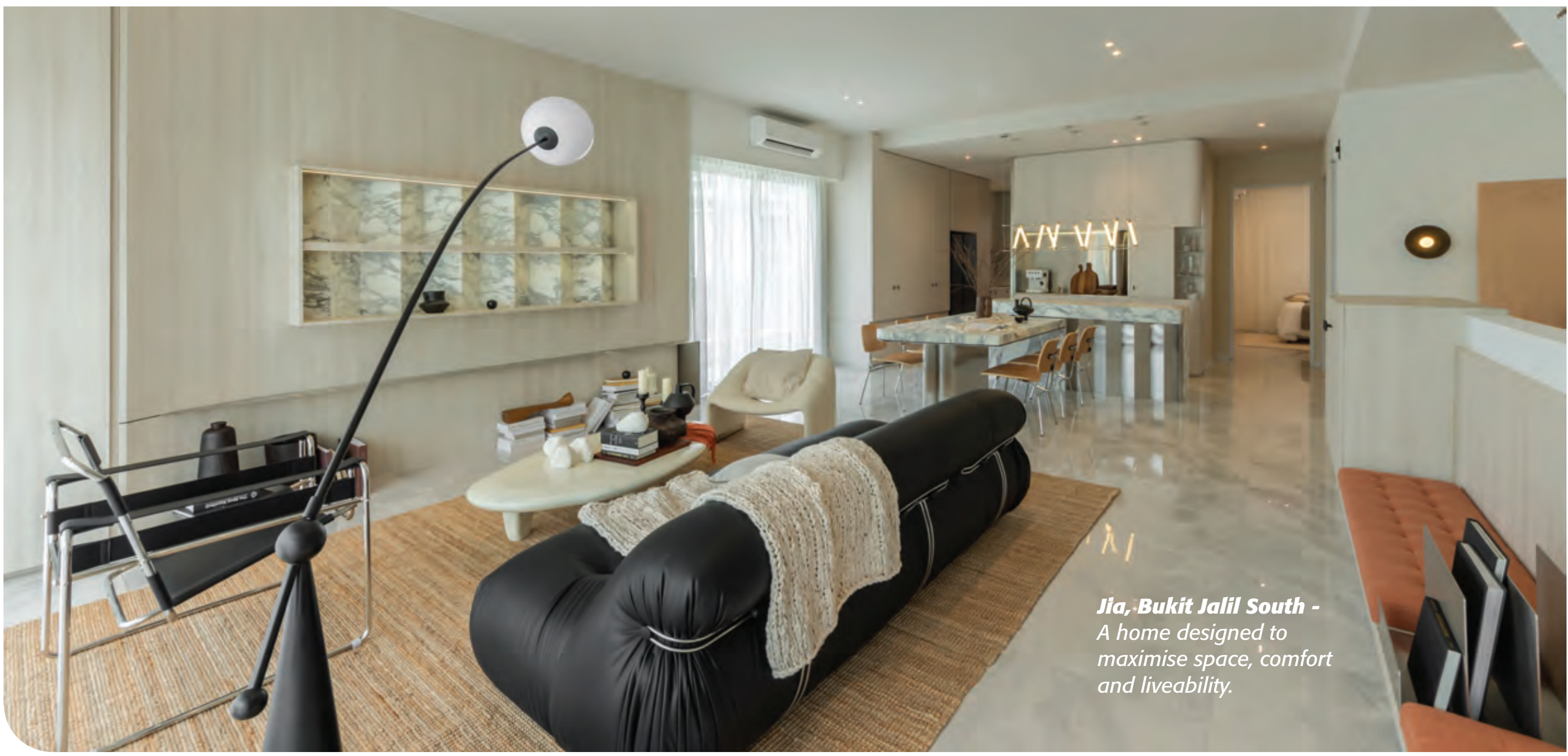
In Singapore, the Group has obtained TOP for One Draycott, a bespoke luxury development located at 1 Draycott Park, District 10. This freehold development is situated in the upscale Ardmore-Draycott residential enclave and in close proximity to the Scotts and Orchard Road shopping belt.

On the other hand, Myra, which is situated on a 0.7-acre freehold parcel on Meyappa Chettiar Road and Woodsville Close in Potong Pasir, District 13 is expected to obtain TOP in the first half of 2024.

The Group's hospitality division, represented by Hotel Maya Kuala Lumpur, recorded a revenue of RM17.01 million, compared to RM5.39 million posted in the previous corresponding period. Hotel Maya, which has just completed its renovation and beautification of 155 guests' rooms in 2022 has a new addition to further enhance hotel guests' experience.

In April 2023, a famous Malaysian celebrity and Master Chef winner Dato Fazley Yaakob opened Suka Sucre at Hotel Maya Kuala Lumpur. The restaurant offers a menu of Malaysian-fusion dishes with the theme "Rembau To Paris" that blends Negeri Sembilan and French flavours.

With regards to the Group's involvement in the mining sector, our associate company Fortress Minerals Limited ("Fortress Minerals") is a leading high-grade iron ore producer. On 7 April 2021, Fortress Minerals completed the acquisition of the entire issued and paid-up share capital of Fortress Mengapur Sdn Bhd (formerly known as Monument Mengapur Sdn Bhd) and its subsidiaries ("Fortress Mengapur"). Following the completion of the acquisition, Fortress Mengapur has become a wholly-owned subsidiary of Fortress Minerals. For the year under review, Fortress Minerals has generated a steady stream of income and contributed RM17.06 million (2022: RM18.58 million) of net profit to the Group.



Jia, Bukit Jalil South -
A home designed to maximise space, comfort and liveability.

19Trees, Taman Melawati - *The Clubhouse features a 25m nature-inspired lap pool, children's pool, function room and gym for the residents' enjoyment.*

SUSTAINABILITY & CORPORATE RESPONSIBILITY

As a leading boutique property developer, we continue to acknowledge and recognise the importance of sustainability as a critical enabler for our long-term growth. We continue to enhance our sustainability reporting by adopting the economic, environmental, social as well as the governance dimensions of sustainability into our operations. In 2023, we formally incorporated our Sustainability Framework as part of the Group's long-term strategy, further reaffirming our position and commitment to drive the Group's sustainability agenda.

Our Corporate Social Responsibility initiative, namely One-Two-Boost continues to create opportunities for individuals with special needs and disabilities. Since 2020, we have collaborated with Traditional Chinese Medicine physicians from the Nanjing University of Chinese Medicine to create specially prescribed herbal remedies and nourishing products to boost a person's immunity and well-being. At the same time, at SDB's offices, we continue to be a pioneer and leader in providing equal work opportunities and hiring individuals with special needs.

AWARDS

In line with our Brand Promise, "Driving Excellence, Building Lifelong Relationships", I am delighted to announce that SDB is the World Gold Winner in the Residential Mid-Rise Category of the esteemed FIABCI World Prix d'Excellence Awards 2023 for Jui Residences. The conserved National Aerated Water Co. Ltd. Building, a cultural heritage at Jui Residences also won the FIABCI Singapore Award in the Heritage category. Last but not least, Jui Residences was also conferred with The EdgeProp Singapore Excellence Awards 2022 for Top Development in the Mixed-Used Completed Category.

DIVIDEND

The Board of Directors has recommended a dividend of 2.5 sen per share amounting to RM10,653,192 for the year under review. This will be tabled at the Annual General Meeting for the shareholders' approval.

OUTLOOK & PROSPECTS

As the economy returns to normalcy, we are seeing an improvement in the property market. However, the recovery is also subjected to many factors, including the impact of rising cost of construction materials and workers shortage which affect productivity, as well as rising interest rates and inflation which could affect future residential purchases.

ACKNOWLEDGEMENT

Against an improved economic backdrop, the Group was able to record an overall improved result for FY2023. I would like to express my great appreciation to the management and employees for their resilience, commitment, and dedication during this period.

In addition, I would also like to thank our stakeholders, namely our customers, business associates, governmental authorities and our shareholders for their continued support and confidence in SDB.

Thank you.

EDDY CHIENG ING HUONG
Chairman

GROUP

PRE-TAX PROFIT

RM12.55 MILLION

NET PROFIT

RM6.25 MILLION

PROPERTY DEVELOPMENT

GROSS PROFIT

RM60.55 MILLION

MANAGEMENT DISCUSSION AND ANALYSIS

Jia, Bukit Jalil South -
The Linear Park enhances residents' well-being and quality of life with abundant natural lighting and ventilation.

OPERATING ENVIRONMENT

For the year under review, the property sector in Malaysia and Singapore saw improvement both in terms of transactions and value compared with FY2022. The market is supported mainly by the full resumption of economic activities and the full reopening of international borders.

On the business operation side, the property sector faced challenges in price hikes of building materials and labour shortage, which continue to impact productivity and construction.

FINANCIAL PERFORMANCE

For the year ended 31 March 2023, the Group registered a pre-tax profit of RM12.55 million (2022: pre-tax profit of RM12.13 million) on the back of a higher turnover of RM137.74 million (2022: RM98.48 million). After accounting for taxation, the Group posted a net profit of RM6.25 million, compared to the RM6.76 million net profit posted in the previous corresponding period.

The result is largely supported by two new projects in Malaysia – namely 19Trees at Taman Melawati and Jia at Taman Bukit Serdang. In Singapore, One Draycott has obtained its Temporary Occupation Permit ("TOP") in April 2023, and Myra is schedule for completion in the first half of 2024. At the time of writing, the total unbilled sales from the Group's projects in Malaysia and Singapore stand at RM630 million. This will contribute to the Groups' revenue in the next two to three years.

The Group also registered a net profit of RM17.06 million from its iron ore mining business by its associate company Fortress Minerals Limited.

For the year under review, the Group did not incur any significant capital expenditure projects that would require substantial financial resources. The focus was on enhancing operational efficiencies and leveraging on cost-effective measures in line with its efforts to be more prudent.

PROPERTY DEVELOPMENT

For the year under review, the Group property development division recorded a gross profit of RM60.55 million on a turnover of RM118.39 million. This stemmed primarily from the sales of 19Trees and Jia. Both projects are currently under construction. In Singapore, One Draycott has obtained TOP in April 2023, and Myra is targeted to obtain TOP by the first half of 2024.

MANAGEMENT DISCUSSION AND ANALYSIS

19Trees, Taman Melawati - *A multigenerational family home that balances harmony and privacy.*

Malaysia

In Malaysia, the Group has launched two new projects, located on the outskirts of Kuala Lumpur. These projects are low density, gated and guarded developments that are designed with the post-pandemic environment in mind.

19Trees is an urban sanctuary nestled within a lush tropical landscape. The 14-acre development comprises 222 units of exquisitely designed strata terrace houses located in Taman Melawati, Selangor. At the time of writing, 75% of the project's units have been sold. Jia comprises 324 units of similar strata terrace houses and is situated within a thoughtfully designed and planned community in Taman Bukit Serdang, Selangor. At the time of writing, 88% of the project's units have been sold.

Both 19Trees and Jia developments incorporate elements of a 'hybrid lifestyles' that provide choices and solutions for post-pandemic lifestyle needs, especially the ability to work from home. These projects, which are uniquely gated and guarded developments, are designed to serve the need of modern-day homebuyers by featuring space, flexibility and adaptability for contemporary family living.

For the year under review, efforts are focused on marketing activities for 19Trees and Jia in order to generate and convert more leads to sales. As family-oriented homes designed for multigenerational family living, both 19Trees and Jia are well-received by the public. The Group continues to market both developments to drive sales momentum, by organising various family-oriented activities, including a Chinese New Year celebration in February 2023 and Hari Raya Aidilfitri Open House in May 2023 at Jia and 19Trees showhouses respectively.

Jia, Bukit Jalil South - *A freehold, low density development that is designed for lifestyle that blurs the boundary between nature and home.*

One Draycott, 1 Draycott Park -
The completed development, located in the coveted Ardmore-Draycott residential enclave obtained its Temporary Occupation Permit in April 2023.

Myra, Potong Pasir -
The development, targeted to be completed by the first half of 2024 embraces a modernist spatial design, giving residence a sense of liberating spaciousness and intimacy.

Singapore

In Singapore, the Group has obtained TOP for One Draycott in April 2023. The development, located at 1 Draycott Park, District 10, is a bespoke luxury and freehold residential that features 64 units of apartments by world-renowned architects from CarverHaggard of London. Due to its location in the upscale Ardmore-Draycott residential enclave and proximity to the Scotts and Orchard Road shopping belt, One Draycott is targeted at high-net-worth individuals and families.

Despite various macroeconomic headwinds and cooling measures rolled out by the government in 2022, the Ardmore-Draycott area continues to be a sought-after address. In April 2023, the government implemented a new round of cooling measures which includes the doubling of Additional Buyer's Stamp Duty ("ABSD") for foreigners from 30% to 60%. This latest measure also saw increments on ABSD for second property purchases by Singaporean citizens and permanent residents.

Following the development, the Group has re-strategised and embarked on a post-TOP launch for One Draycott in June 2023. One Draycott's status as a completed project offers advantages for prospective buyers because the property is ready for immediate occupancy or rental. Prospective buyers are also presented with an appealing price-point, which is a reasonable entry point compared to other developments in a highly coveted enclave.

The two-bedroom condo unit, ranging from 732 sq ft and 797 sq ft for apartments to 1,238 sq ft and 1,345 sq ft for penthouses at One Draycott are suited for a small family or a young executive couple. While simplicity is the cornerstone of its interior scheme, each space is designed with its own unique identity and functionality. Clean and minimalistic, complemented with a bright and airy aesthetics convey an atmosphere of luxury for One Draycott's residents.

The Group's other ongoing project in Singapore, Myra has reached 45% completion. The project, which was announced in September 2020 is sited on a 0.7-acre freehold parcel on Meyappa Chettiar Road and Woodsville Close in Potong Pasir, District 13. The development comprises a 12-storey tower with 85 residential units that are designed by UK-based Pitman Tozer Architects and Singapore-based JGP Architecture. Myra is built on the principles of liveability. At the time of writing, Myra is targeted to obtain TOP in the first half of 2024. At the moment, efforts are focused on selling the remaining units at Myra through accelerated marketing efforts.

At Jui Residences, the iconic National Aerated Water Company Ltd. Building marks a new beginning with two new tenants – PlayFACTO School and iSTEAKS Reserved. The heritage building, which is associated with the bottling of Singapore's popular soft drink labels in the past, including Sinalco and Kickapoo is now home to a premium education centre that provides student care services and children enrichment as well as a premium steakhouse. Jui Residences is also the World Gold Winner of the coveted FIABCI Prix' d'Excellence Awards 2023 for the Residential Mid-Rise Category.

HOSPITALITY

The Group's hospitality division is represented by Hotel Maya Kuala Lumpur, which is located in the heart of Kuala Lumpur City Centre. The boutique urban retreat is located just a short distance from the Petronas Twin Towers. For the year under review, revenue is recorded at RM17.01 million, compared to RM5.39 million posted in the previous corresponding period. The improved result is driven by the rebound in travels which drives strong demand and Malaysia's hotel market recovery. Additionally, Hotel Maya sales team has been instrumental in acquiring new Government-Linked Companies and Japanese accounts, which have further contributed to overall revenue.

In 2022, Hotel Maya has completed its renovation and beautification to further enhance its guests' experience. A total of 155 hotel rooms were uniquely styled with custom-designed Batik artistry.

Hotel Maya, Kuala Lumpur -
An urban resort in Kuala Lumpur City Centre, blending modern luxury and tranquility for an unforgettable experience.

HOSPITALITY

REVENUE

RM17.01 MILLION

Hotel Maya, Kuala Lumpur -
Suka Sucre restaurant, by Celebrity Chef Dato' Fazley Yaakob (center) serves Malaysian-fusion dishes that fuse Negeri Sembilan and French flavours.

These Batik imprints are found on the bed headboards as well as inside the guests' elevators, giving visitors a truly unique Malaysian hospitality experience.

To further enhance hotel guests dining experience, Suka Sucre, a well-known Malaysian restaurant has started operation at Hotel Maya since April 2023. Suka Sucre is an award-winning family restaurant by a famous Malaysian celebrity and Master Chef winner, Dato' Fazley Yaakob. The restaurant's extensive menu serves many Malaysian-Fusion dishes with the theme "Rembau To Paris", while featuring a creative mix of Negeri Sembilan and French flavours.

Fortress Minerals - The associate company is well-positioned to meet the increased steel demand in the market.

Mining

NET PROFIT

RM17.06 MILLION

MINING

With regards to the Group's involvement in the mining sector, the Group's 29.61%-owned indirect Singapore-listed associate Fortress Minerals Limited ("Fortress Minerals") is a leading high-grade iron ore producer. Commercial production of iron ore by Fortress Minerals at Bukit Besi Mine, in Dungun, Terengganu began in April 2018.

Fortress Minerals had on 7 April 2021 completed the acquisition of the entire issued and paid up capital of Fortress Mengapur Sdn Bhd and its subsidiaries ("Fortress Mengapur"), which comprises the entire tenements held by its subsidiaries, namely Cermat Aman Sdn Bhd ("CASB") and Star Destiny Sdn Bhd ("SDSB"), which covers approximately 951.68 hectares of land in Pahang. Fortress Minerals commenced production at the CASB mine in its financial year 2023.

Fortress Minerals - In the mining business, SDB's Singapore-listed associate is a leading high-grade iron ore producer, with production sites in Terengganu and Pahang.

For the year under review, Fortress Minerals has generated a steady stream of income and contributed RM17.06 million (2022: RM18.58 million) of net profit to the Group. In the face of uncertainties and challenges, Fortress Minerals remain well-positioned to expand its production capabilities and focus on meeting the increased steel demand in the market. In 2023, Fortress Minerals was awarded two exploration licenses for two mining areas in Sabah, as part of its strategic growth plan to expand its commodities profile.

OUTLOOK & PROSPECTS

Amidst several macroeconomic headwinds, including rising interest rates and inflation that could affect residential purchases, SDB is concentrating its efforts on the two ongoing projects in Malaysia – which have commenced construction. The Group is also optimistic and believes that industry players and the government would find long-term solutions to address ongoing challenges such as the rising cost of construction materials and labour shortage. Following the full reopening of the economy, SDB will continue its effort to drive sales momentum and identify new projects.

As for our hospitality subsidiary, we expect Malaysia's hotel market recovery to continue, driven by strong demand. Following the weaker ringgit and Kuala Lumpur's status as a hub for leisure and business, Hotel Maya is well-positioned to capture the leisure and business travellers' market. Overall, SDB expects its financial performance for the coming year to be healthy. We would like to thank all our shareholders and stakeholders for their continued support, trust and confidence.

REPORTING PERIOD & SCOPE

This sustainability statement is prepared with reference to Bursa Malaysia Sustainability Reporting Guide (2nd Edition) which sets out the sustainability-related disclosure obligations prescribed in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and reporting framework recommendations.

The sustainability statement contains the Group's sustainability approach and performance data for our identified Environment, Social and Governance/Economic material matters for the reporting period of 1 April 2022 to 31 March 2023. Information and figures reported represent the latest available data as of the reporting period unless noted in the text.

The scope of the sustainability statement covers all of SDB's property businesses including property development, property management and hospitality.

ASSURANCE

This sustainability statement has been reviewed by our Managing Director and presented to SDB's Board of Directors.

INTRODUCTION

As a leading boutique property developer, Selangor Dredging Berhad ("SDB" or 'the Group') acknowledges and recognises the importance of sustainability as a critical enabler for our long-term growth. In line with the global sustainability agenda, we are determined to contribute to the **United Nations Sustainable Development Goals** ("UNSDG"). Since 2019, we have adopted five Sustainable Development Goals that are most relevant to our businesses. Going forward, we strive to integrate more of these Global Goals into our long-term sustainability journey here at SDB.

SUSTAINABILITY STATEMENT

Our sustainability tenets and commitments are aligned with our Brand Promise of "**Driving Excellence, Building Lifelong Relationships**", and guided by the Group's Core Values; which are **Passionate, Innovative, Results-Oriented** and **Caring & Respectful**.

In line with the enhanced sustainability reporting framework as outlined by Bursa Malaysia, we have also identified and adopted the economic, environmental, social as well as the governance dimensions of sustainability into our business operations. In 2023, we formally incorporated our Sustainability Framework as part of the Group's strategy. The framework has been adopted by SDB's Board of Directors, thus reaffirming our position and commitment to drive our sustainability agenda at the highest level of SDB's leadership.

OUR SUSTAINABILITY FOCUS AREAS

SDB adopts a holistic approach to business management by upholding the Economic, Environmental and Social ("EES") pillars of sustainability. At the same time, we also enhance our Sustainability Governance to help the Group to implement strategy, manage goal-setting and reporting, ensure accountability as well as strengthen relationships with our stakeholders.

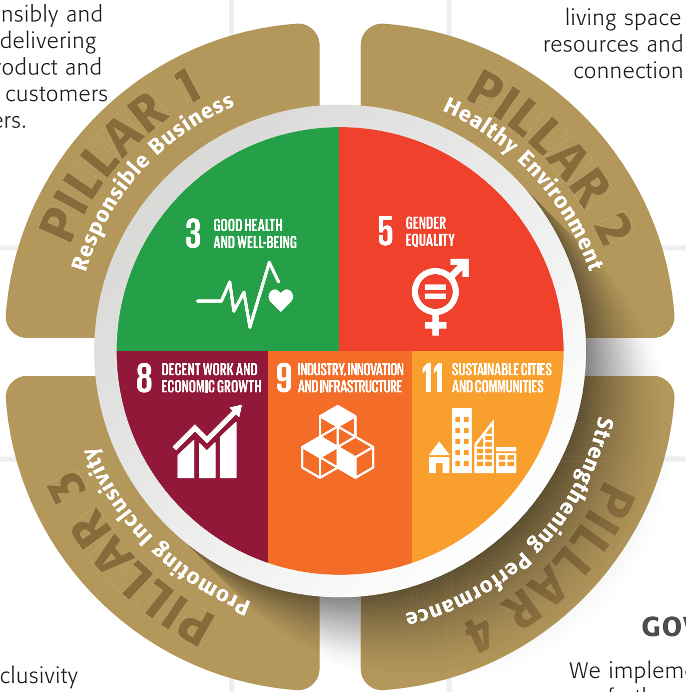
The UNSDG goals 3, 5, 8, 9 and 11 ensure that we take care of the well-being of our homebuyers and tenants, practise equality and diversity at our workplace, create jobs and contribute to economic growth as well as build quality and premium homes through innovative, practical and resilient building designs.

ECONOMIC

We strive to grow our business responsibly and sustainably by delivering value-added product and services to our customers and stakeholders.

ENVIRONMENTAL

We aim to build a healthy living space by conserving resources and maintaining a connection to the natural environment.



SOCIAL

We promote inclusivity through corporate social responsibility and by building long-term relationships with all of our stakeholders.

GOVERNANCE

We implement strategy to further strengthen our sustainability performance and governance in the short, medium and long-term.

OUR SUSTAINABILITY GOVERNANCE

Structure

Function

Having established a Risk Management & Sustainability Committee ("RMSC") in 2019, the core responsibilities of the RMSC are:

i. To implement the sustainability strategies within the parameters of the Group's risk appetite and approved by the Board;
ii. To oversee stakeholder engagement, to ensure that all issues and suggestions raised are taken into consideration in managing sustainability;
iii. To manage the Common Material Sustainability Matters for SDB, recommending strategies, setting policies, goals and targets;
iv. To coordinate and monitor the implementation of sustainability initiatives; and
v. To oversee the preparation of Sustainability Report / Statement and reporting it to SDB's Board for approval.

Governance

Within SDB's Sustainability Framework, the Board of Directors holds the ultimate responsibility for the strategic direction, management, general affairs and long-term success of the Group. In addition, the Board also has oversight of SDB's material sustainability issues.

The Risk Management & Sustainability Committee ("RMSC") was set up to ensure that the Group's sustainability agenda, commitments and issues are effectively discussed, approved and implemented. The RMSC is chaired by the Managing Director and its other members comprises the Group General Manager and the Head of Finance.

RMSC meetings are held two times per year, and the committee will report to the Board of Directors on the findings and recommendations of the RMSC for the year under review.

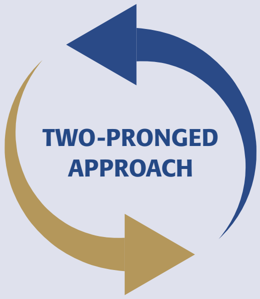
Sustainability functions across the business operations are assisted by an appointed Sustainability Officer and all Heads of Departments to ensure sustainable practices are fully embedded within every department and business unit.

OUR SUSTAINABILITY STRATEGY

SDB adopts a two-pronged approach strategy for sustainability. At the highest level of decision-making, the Board of Directors and Senior Management sets the overall direction by building the vision, goals, and putting in place proper governance, framework and policy. At the operational level, employees implement initiatives to instil the right mindset, habits and culture throughout the organisation.

Top Down Approach

The strategic direction and decision-making process for SDB's sustainability matters occurs at the highest level (the Board of Directors) and is communicated throughout the organisation.



Bottom Up Approach

Employees implementing initiatives at the operational level.

This approach builds and instil a sustainability culture that motivates change in the organisation.

1. Board of Directors
2. Senior Management
3. Middle Management
4. Department / Business Units
5. Employees

OUR 4Es STRATEGIC CONSIDERATIONS

For our property planning and development, we are guided by several key strategic considerations to ensure that our products have the distinctive SDB hallmark.

THE ENVIRONMENT

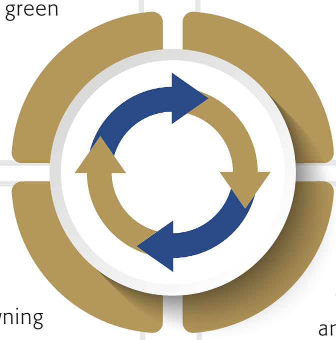
SDB homes are designed to be energy efficient. Each building is oriented to maximise natural lighting into the units, without the glare of direct sunlight. Our homes have large windows and balconies, as well as wide spaces to optimise natural ventilation in every unit, leading to lesser usage of both artificial lighting and cooling.

Our developments have larger-than-conventional green spaces and aesthetically pleasing surroundings.

THE ECONOMICS

We try our best to develop homes that will provide returns on investment.

Our developments are built not only with niche concepts but are also in strategic locations close to amenities.



THE EMOTION

We design our developments to ensure every single part of it contributes to a holistic home-owning experience.

Pioneering the concept of Spatial Planning, we take pride in ensuring that there are no wasted spaces inside and outside of your home, ensuring a continuous joyful living experience for you and your loved ones.

THE ENGAGEMENT

We create partnerships with consultants, architects and designers who share the same values as we do, thus creating a team with the same goal of building homes and not cookie cutter houses.

We strive to provide the most accurate information to our customers to make an informed choice when buying a house as well as excellent customer care services and after-sale support.

OUR SUSTAINABILITY FRAMEWORK

Our sustainability framework is a structured approach to integrate our sustainability vision and objectives into our strategy and decision-making processes. The framework helps us to assess, plan, implement, and monitor sustainability initiatives and practices while addressing the interconnections between the economic, environmental, social, and governance aspects of sustainability within SDB.

SUSTAINABILITY VISION

To be a leading property developer, recognised for delivering high-quality and innovative products.
We strive to create a liveable and sustainable environment that will enhance the lives of those who live and work.

Alignment With United Nations' Sustainable Development Goals

3 GOOD HEALTH AND WELL-BEING | 5 GENDER EQUALITY | 8 DECENT WORK AND ECONOMIC GROWTH | 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE | 11 SUSTAINABLE CITIES AND COMMUNITIES

Goals	Growing Responsible Business Responsibly	Building A Healthy Living Environment	Promoting Inclusivity & Diversity	Strengthening Sustainability Performance
Key Focus Areas	• Generating Revenue And Profit for Shareholders • Creating Jobs & Contributing To Economic Growth • Supporting Local Suppliers, Contractors etc.	• Conserving Energy • Conserving Water • Reducing Waste • Connecting Human With The Natural Environment • Conservation & Rehabilitation	• Promoting Diversity At The Workplace • Providing Equal Employment & Training Opportunity • Taking Care Of The Welfare Of Employees • Engaging Customers And Stakeholders • Contributing To Social Well-Being	• Enhancing Corporate & Sustainability Governance • Enhancing Corporate Disclosure & Improving Sustainability Reporting • Protecting Data Privacy • Ensuring Business Continuity
EESG Dimensions	**ECONOMIC**	**ENVIRONMENTAL**	**SOCIAL**	**GOVERNANCE**

SUSTAINABILITY STRATEGY
Two-Pronged Approach & 4Es Strategic Considerations

Governance	Risk Management & Sustainability Committee			
Core Business	Property			
Policy	Sustainability Policy			
Objectives	1. To deliver excellence by creating positive and long-lasting values to our customers. 2. To establish and maintain a life-long relationships with all of our stakeholders.			
Core Values	Passionate	Innovative	Results-Oriented	Caring & Respectful
Brand Manifesto	7 Points Brand Manifesto			
Brand Promise	Driving Excellence, Building Lifelong Relationships			

OUR STAKEHOLDERS

SDB has identified the following stakeholders, illustrating our accountability in communicating the Group's value creation. Our stakeholders' engagement process entails identifying and prioritising these stakeholders' expectations, through effective engagement channels while developing responses to address the various sustainability-related issues.

Our Interactive Engagement Process

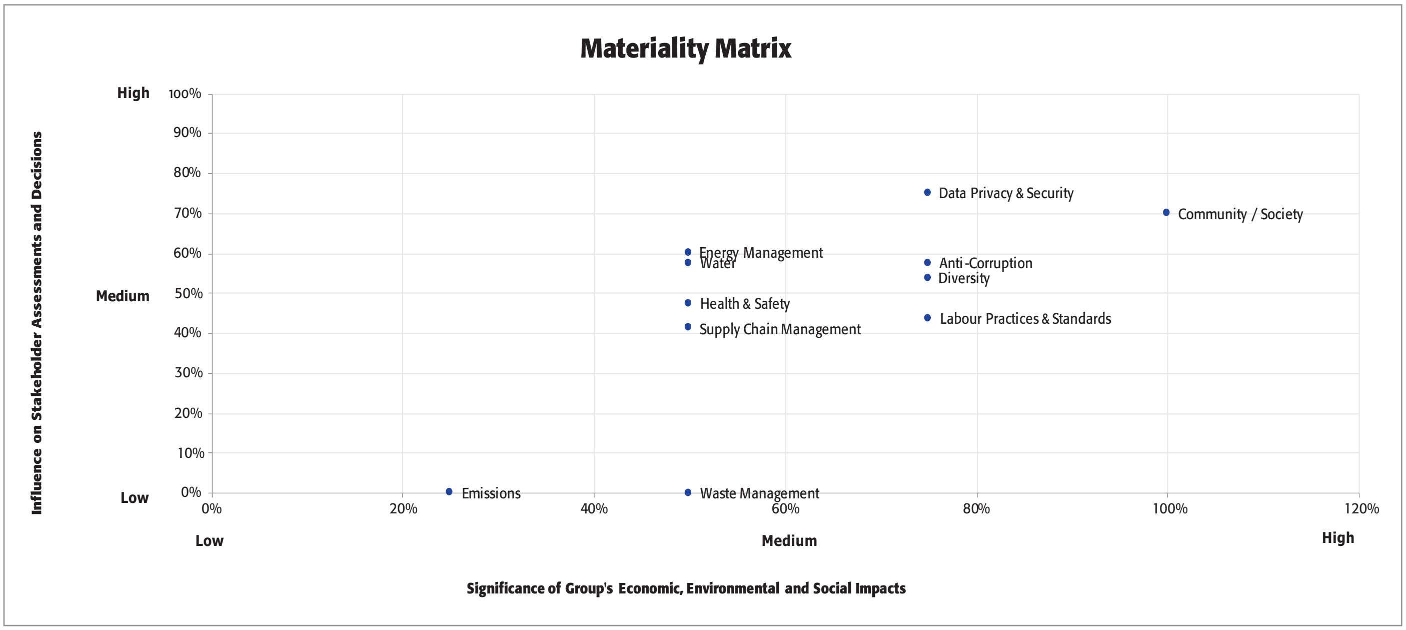
1. Identify Stakeholders
2. Engage Stakeholders
3. Identify Sustainability Areas of Interest
4. Develop Responses to Address Sustainability Issues

Stakeholders & Engagement Channels

No.	Stakeholders	Importance	Engagement Channels
1	Shareholders / Investors	Our shareholders and investors provide us with steady financial capital input.	• General Meetings • Bursa Malaysia Announcements • Media Statements • Annual Reports
2	Management	Our management set the overall strategy and business direction that guide the Group.	• Board Meetings • Business Review Meetings • Strategic & Operational Meetings
3	Employees	Our employees are SDB's most valuable assets that will directly contribute to the Group's business sustainability and success.	• Performance Management • Employee Events / Workshops / Training / Surveys • Emails / Group Chats
4	Customers / Tenants / Resident Associations	Our business viability and growth depend on our customers who support our products and services.	• Digital / Social Media • Customer Events • Surveys / Feedback
5	Contractors / Consultants / Vendors	Our contractors and vendors provide critical inputs and supports for our business to function.	• Pre-Qualification / Tender & Procurement Process • Face To Face Meetings • Formal Correspondence
6	Industry Organisations & Associations	The network and the community in the environment in which we operate provide a sense of social belonging and support to ensure the Group's long-term success.	• Events • Digital / Social Media • Corporate Social Responsibility Activities
7	Community		
8	Financiers / Banks	Financial institutions provide the Group with access to capital.	• Annual Reports • Media Statements • Meetings
9	Governments / Regulators	Regulators provide an enabling environment and framework which is paramount to SDB's business.	• Meetings • Briefings & Consultations • Site Inspections
10	Media	The media serves as an intermediary between the Group and the general public.	• Media Statements • Press Conference • Events

OUR MATERIAL SUSTAINABILITY MATTERS

Material sustainability matters are matters concerning different stakeholder groups, that affect SDB's ability to create value over time. The Group has reviewed and analysed the following material sustainability matters, including the areas of interest under the EES (Economic, Environmental, Social) plus Governance sustainability dimensions that affect the Group's operations.



No.	Common Material Sustainability Matters	Indicators	Linkage to Stakeholders
M1	Anti-Corruption	• Anti-Corruption Policy • Actions To Address Corruption	• Shareholders / Investors • Financiers / Banks • Management
M2	Community/Society	• Community / Customer Engagement • Social Contributions	• Community • Customers / Tenants / Residents Association
M3	Diversity	• Employees Age & Gender Diversity • Composition of BOD	• Management • Employees
M4	Energy Management	• Energy Usage / Consumption	• Contractors / Consultants / Vendors
M5	Health & Safety	• Workplace Safety & Health • OHS Training	• Employees • Customers / Tenants / Resident Associations
M6	Labour Practices & Standards	• Human & Labour Rights • Workers' Safety	• Employees
M7	Supply Chain Management	• Procurement Practices • Supporting Local Suppliers	• Contractors / Consultants / Vendors
M8	Data Privacy & Security	• Personal Data Protection	• All
M9	Water	• Water Usage / Consumption	• Customers / Tenants / Resident Associations
M10	Waste Management	• Waste Generated • Waste Treatment & Disposal	• Contractors / Consultants / Vendors • Customers / Tenants / Resident Associations
M11	Emissions	• Scope 1 Emissions • Scope 2 Emissions • Scope 3 Emissions	• All

***Windows On The Park, Cheras -** Having more green leaves per unit area through a three-tier planting system with carefully chosen flora increases the Green Plot Ratio of the development.*

Environmental Sustainability

Environmental sustainability is a recurring theme throughout our businesses. The Group acknowledges the importance of the environment as an enabler in meeting our business goals. In the ESG - Environmental consideration, our key sustainability focus areas are Energy, Water, Biophilic Design and Conservation.

Energy

Energy conservation through building design plays a pivotal role in mitigating negative environmental impacts and promoting sustainability. In SDB's developments, we employed a myriad of innovations (Eg. Larger Window Opening, Thicker Window Frame etc.) to improve natural lighting and air circulation. For non-landed developments, the rectilinear design provides more natural lighting and cross ventilation to each living unit. By maintaining an ideal atmosphere and temperature range within the living space, we helped residents to lessen the use of artificial lighting and cooling, thus reducing the overall buildings' energy usage and minimising the carbon footprint.

Water

As urbanisation and development continue to increase, efficient water management becomes critical for sustainable growth. Conserving water in buildings and infrastructure reduces the strain on local water sources. A key environmental feature at SDB developments is the curated landscapes and green spaces – which require a large amount of water to maintain. Implementing water-saving practices such as Rainwater Harvesting Systems can contribute to reducing water stress and ensuring a resilient water supply. At SDB, rainwater harvesting tanks are found in some of our landed and highrise developments, where the collected rainwater is used to water the plants.

Biophilic Design

Integrating the natural and built environment, we consistently employed the Biophilic Design approach to increase residents' connectivity to the natural environment. For many of the curated landscapes at SDB's developments, the trees, shrubs and other plants are specially selected by the landscape architects. These plants are planted in different tiers of greenery to mimic the rainforest's canopies. Having more green leaves per unit area increases the Green Plot Ratio of the development. Additionally, some plants are also selected for its beneficial properties to repel harmful insects; and to soothe and purify the surrounding air.

Conservation & Rehabilitation

We are committed to preserving and conserving important cultural heritage in the community in which we operate. SDB adopts sustainable construction practices that minimise the environmental impact of its construction activities. We are also committed to ensuring the long-term sustainability of the environment. Doing our part as a responsible developer, SDB helped to transform a 200-metre stretch river at By The Sea development in Penang into an environmentally and ecologically sustainable ecosystem. By enhancing the economic value of the river, and safeguarding the area against floods and erosion, we help to provide a cleaner and healthier living space for the residents' community.

		(Sub-Categories) & Indicators	Measurements				Link to UNSDGs
ENVIRONMENTAL		**ENERGY**					
	Energy Management	**Window Opening** To conserve energy. Larger windows and sliding doors give more natural light and enhance air circulation, thus reducing electricity consumption. Thicker window frames also improve thermal and acoustic properties.	Landed		Highrise		9 Industry, Innovation and Infrastructure; 11 Sustainable Cities and Communities
			Statutory Requirements / Industry Standard	Projects & SDB's Specifications	Statutory Requirements / Industry Standard	SDB's Specifications	
		• Frame Thickness	-	-	1.2mm	1.5mm	
		• Natural Lighting	>10%	19Trees 10% - 28% Jia 11% - 34%	>10%	20% - 59%	
		• Natural Ventilation	>5%	19Trees 5% - 25% Jia 5% - 31%	>5%	10% - 19%	
		Rectilinear Design A rectilinear design floor layouts provides more natural lighting and unobstructed cross ventilation.	Landed		Highrise		
		• Does The Company Utilised Rectilinear Design In Its Projects?	-		Yes		
		Projected Energy Savings Through LED Lighting At Common Areas (For Selected Projects) To utilise energy efficient light bulb that reduces overall energy usage and cost.	Landed		Highrise		
		• UNA (Serviced Apartments)	-		127, 644 kWH		
		• 19Trees (Terrace Villa)	43, 740 kWH		-		
		• Jia (Terrace Villa)	46, 524 kWH		-		
		Isolator Point For EV Charging (For Selected Projects) To promote the use of energy-efficient transportation. Electric vehicles are better for the environment and cost less to run in the long term.	Landed		Highrise		
		• No. Of Isolator Point For EV Charging	**Project**	**Isolator Points**	**Project**	**Isolator**	
			19Trees	222	-	-	
			Jia	324	-	-	
		Does The Company Follow A Developmental And Design Policy/Approach That Reduces Energy Consumption And Promotes Energy Efficiency?	Yes				
	Water	**WATER**					
		Rainwater Harvesting (RWH) System (For Selected Projects) To collect and store rainwater for later use and also help reduce the demand on municipal water supplies.	Landed		Highrise		9 Industry, Innovation and Infrastructure; 11 Sustainable Cities and Communities
		• Does The Company Utilised Rainwater Harvesting Technology In Its Projects?	Yes		Yes		
		• List Of Projects With Rainwater Harvesting System.	**Project**	**No. Of RWH Tank**	**Project**	**No. Of RWH Tank**	
			19Trees	1	Windows On The Park	3	
			Jia	1	The Hub	1	
		BIOPHILIC DESIGN					
		Greenery Provision (For Selected Projects) To connect human with nature in the built environment through landscape design.	Landed		Highrise		9 Industry, Innovation and Infrastructure; 11 Sustainable Cities and Communities
			Statutory Requirements / Industry Standards	Projects & SDB's Specifications	Statutory Requirements / Industry Standards	SDB's Specifications	
		• Total Green Area	10%	19Trees 17% Jia 12.2%	-		
		• Green Plot Ratio	0.54:1	19Trees 1.9:1 Jia 1.16:1	-		
		• Three-Tier Planting	Many of SDB's developments also feature a three-layered or three-tier planting system with carefully chosen flora - with a mixture of beneficial plant species that enhances the surrounding air quality and act as natural harmful insects' (mosquitos) repellent.				
		CONSERVATION AND REHABILITATION	Cumulative Projects Undertaken				11 Sustainable Cities and Communities
		No. Of Projects Undertaken	**Year**	**Projects**			
			2013	Sungai Satu River Rehabilitation at By The Sea, Penang.			
			2018	Sungai Penchala Rejuvenation at THE HUB, SS2.			

SDB HQ, Kuala Lumpur -
Since 2022, we collaborated with local NGOs through Bursa Malaysia's re.Food programme to donate excess food to the underprivilege communities.

Societal
SUSTAINABILITY

Societal sustainability is about making sure that the communities and societies in which we operate can thrive in a healthy, fair and equal manner. In our ESG - Societal consideration, the key sustainability focus areas are Diversity, Welfare & Well-Being, Engagement and Social Contributions.

Diversity

SDB maintains a consistent employment workforce of over 200 people to date (including Hotel Maya), from pre and post-pandemic periods. We continuously embrace diversity, inclusion, empowerment and equality in the workplace, starting from the highest level of leadership. Our commitment to provide a conducive and safe working environment for all employees is demonstrated through the various employee engagement activities (including the Peer To Peer Assessment), which are focused on fostering a positive and collaborative workplace culture that requires the participation of employees from all levels.

Employee Welfare & Well-Being

At SDB head office, we implemented a flexible working hour scheme for employees who are not involved in providing critical services. The Group is in full compliance with the industry's established safety and health standards at its workplace. As we strive to provide a continuous learning environment, we initiated several employee well-being programmes in 2022, as we gradually recovered from the COVID-19 pandemic. A timely Meditation & Mental Awareness programme was conducted to help improve our employees' work performances and overall well-being by heightening their state of mental awareness (Refer to our Sustainability Case Study on page 43).

Customer Engagement

We strive to build life-long relationships with all of our customers and stakeholders through continuous engagements. Feedback and grievances are collected and channelled to the respective teams to ensure that they are addressed, while ensuring that our products and services continue to meet our customer's expectations. These customers' satisfaction levels are tracked through the Customer Satisfaction Index and Net Promoter Score.

Social Contribution

In line with our commitment to give back to society, SDB has collaborated with Bursa Malaysia's re.Food programme to drive an internal Food Bank initiative. From 2022 until mid-2023, a total of 600 kg of donated food items was contributed by SDB's employees and distributed to needy communities. At the same time, SDB continues to be the pioneer and leader in providing equal work opportunities to individuals with special needs. In 2023, we also collaborated with the Enabling Academy, Yayasan Gamuda to train SDB supervisors who are managing their special needs co-workers through the Job Coach Introductory Workshop.

		(Sub-Categories) & Indicators		Measurements			Link to UNSDGs
SOCIAL	Diversity	**BOARD & EMPLOYEE DIVERSITY**		2021	2022	2023	5 Gender Equality; 8 Decent Work and Economic Growth
		Board Diversity					
		Percentage By Gender	Male	40%	40%	40%	
			Female	60%	60%	60%	
		Percentage By Age Profile	50 – 59 Years	60%	60%	40%	
			60 – 69 Years	40%	20%	40%	
			70 – 79 Years	0%	20%	20%	
		Percentage By Ethnicity	Chinese	80%	80%	80%	
			Bumiputera	20%	20%	20%	
		Employee Diversity					
		Percentage By Gender	Male	57%	56%	55%	
			Female	43%	44%	45%	
		Percentage By Age Profile	20 – 29 Years	13%	19%	18%	
			30 – 39 Years	36%	32%	31%	
			40 – 49 Years	35%	32%	35%	
			50 – 59 Years	15%	15%	14%	
			60 – 69 Years	2%	2%	3%	
		Percentage By Ethnicity	Bumiputera	55%	58%	59%	
			Chinese	33%	32%	32%	
			Indian	7%	6%	5%	
			Others	5%	4%	4%	
		Percentage Of Special Needs Employees		5%	6%	6%	
	Labour Practices and Standards	**EMPLOYEE TRAINING**		2021	2022	2023	3 Good Health and Well-Being; 5 Gender Equality
		No. Of Employee Training Conducted		13	18	24	
	Health and Safety	**EMPLOYEE WELFARE AND WELL-BEING**		2021	2022	2023	3 Good Health and Well-Being
		No. Of Employee Benefitted From Well-Being Programme					
		Enhancing Employees' Financial Literacy		-	-	70	
		Enhancing Employees' Performance Through Meditation & Mental Awareness		-	-	20 (Cohort 1 & Cohort 2)	
	Community/Society	**CUSTOMER ENGAGEMENT**		2020	2021	2022	3 Good Health and Well-Being
		Customer Satisfaction Index		80%	80%	82%	
		Net Promoter Score		87%	85%	85%	
		SOCIAL CONTRIBUTIONS		2021	2022	2023	3 Good Health and Well-Being; 5 Gender Equality; 8 Decent Work and Economic Growth
		No. Of Job Created For Special Needs Individual					
		One-Two-Boost		8	8	8	
		SDB Head Office		1	2	3	
		Hotel Maya		0	1	1	
		No. Of Beneficiaries From Social Enterprise Project		-	-	2 NGOs	
		• SDB's Food Bank Programme (Weight (kg) Of Food Donated To NGOs For Distribution To The Underprivileged Communities)		-	-	600kg	

***One Draycott, 1 Draycott Park** - A freehold development in the exclusive Ardmore-Draycott residential enclave in Singapore, offering homes with luxury in every detail.*

Governance & Economic SUSTAINABILITY

The ESG – Governance consideration refers to the systems, structures, and processes that govern how SDB is directed and managed. Governance encompasses the principles and practices that guide our decision-making, accountability, transparency, and ethical behaviour. This sustainability dimension is inherently linked to economic performances thus Governance/Economic will be discussed together.

Governance

An underlying principle of SDB's business philosophy is the practice of fair dealings in all of the Group's business transactions, which has contributed to SDB's long-term business viability and sustainability since 1962. The practice of ethical engagement within the marketplace is something that the Group takes very seriously in its day-to-day operations. In line with that, the Group has established a transparent procurement process, which has enabled us to conduct our business dealings with integrity. Through our open tender system, all of our appointed business partners including our contractors, consultants and vendors must comply with all statutory regulations, standards and code of practices as per outlined in the contract terms and conditions. We remain committed to giving our homebuyers and tenants the assurance that they have made the right economical choice by delivering to them products and services that meet the criteria of value, quality and satisfaction.

Additionally, the Group has a zero-tolerance policy towards bribery and corruption, a stance which was championed by SDB's Board of Directors and Senior Management team. Towards this end, a third-party assessment of all the Group's policies was conducted in 2020 to ensure that there are adequate control measures in place to address and manage our anti-bribery and anti-corruption stance. At the operational level, all employees are made aware of the Anti-Bribery and Anti-Corruption Policy ("ABAC") and have attended a training course to familiarise themselves with the policy. In addition, we have also established a comprehensive Whistleblowing Policy and a whistleblowing channel for employees to report any misconduct or grievances that may arise.

Economic

In achieving economic sustainability, we engage with local contractors and consultants, as well as utilise locally-sourced materials in our developments, subject to practicability, as part of our effort to support the local construction industry and to deliver indirect economic impact.

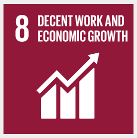
As part of our Brand Promise, we empathise with the needs of our customers and go beyond the minimal requirements each time in all of our deliverables. From designing the home to managing and maintaining property purchases, we developed not a one-off, but rather a life-long relationship with our customers and remain committed to serving their needs and providing services that will bring economic value to them in the long run. We conducted Projects Quality Assessments in all of our developments (including BuildQAS Assessments) for our homebuyers.

		(Sub-Categories) & Indicators	Measurements			Link to UNSDGs
GOVERNANCE		COMPANY LEVEL	2021	2022	2023	8 DECENT WORK AND ECONOMIC GROWTH
		Does The Company Have A Sustainability Framework?	No	No	Yes	
		Does The Company Have A Sustainability Policy?	No	No	Yes	
		Does The Company Publish A Sustainability Report/Statement?	Yes	Yes	Yes	
		Are The Sustainability Reports/Statements Validated By External Third Party?	No	No	No	
	Anti-Corruption	Does The Company Have An Anti-Corruption & Bribery Policy?	Yes	Yes	Yes	
	Data Privacy and Security	Does The Company Follow A Data Privacy & Protection Policy?	Yes	Yes	Yes	
		Does The Company Have A Business Continuity Plan In Place?	Yes	Yes	Yes	

		(Sub-Categories) & Indicators	Measurements				Link to UNSDGs
ECONOMIC		COMPANY LEVEL	2021		2022	2023	8 DECENT WORK AND ECONOMIC GROWTH
		Revenue (million)	144.20		98.48	137.74	
		Profit (million)	(11.55)		6.76	6.25	
		STAKEHOLDERS LEVEL	2021		2022	2023	11 SUSTAINABLE CITIES AND COMMUNITIES
		No. Of Employees	211		211	213	
	Supply Chain Management	**Projects Quality Assessment For Homebuyers (For Selected Projects)**	Midrise/Highrise Projects				
			Year	Project	Target Score	Score	
		BuildQAS Assessment Building Quality Assessment System *(Malaysia Projects Only)*	2018	The Hub	75%	75.3%	
			2019	SqWhere		76.1%	
			2021	UNA		79.7%	
		SUPPLY CHAIN LEVEL	2021		2022	2023	8 DECENT WORK AND ECONOMIC GROWTH
		Percentage Budget Spent On / Contract Awarded To Local Suppliers (For Selected Projects)					
		19Trees (Terrace Villa)	-		-	88%	
		Jia (Terrace Villa)	-		-	85%	
		UNA (Serviced Apartments)	-		-	75%	
		Does The Company Have A Policy/Approach For Supporting Locally-Based Suppliers?	Yes		Yes	Yes	

ONE-TWO-BOOST

OUR CORPORATE SOCIAL RESPONSIBILITY



SDB's Corporate Social Responsibility ("CSR") initiatives are driven by a strong purpose of inclusivity and revolve around offering support and creating opportunities for individuals with special needs and disabilities. Since 2011, the Group has embarked on several initiatives, namely One-Two-Juice (a fresh juice kiosk), One-Two-Wash (a car wash service) and One-Two-Gift to help special needs individuals to acquire life-long skills that will prepare them for an independent life on their own.

In line with our sustainability and corporate responsibility commitment to embrace social diversity, we champion for inclusion, empowerment and equality by supporting and providing opportunities for people with special needs to contribute positively to society.

Since 2020, we have collaborated with Traditional Chinese Medicine ("TCM") physicians, Dr Lin Cze-Pern and Dr Go Pei Heng from the Nanjing University of Chinese Medicine to create specially prescribed herbal soups, nourishing tea and drink packs to boost a person's immunity and well-being. These traditional herbal formulations are packed by a group of special needs young adults, with proper guidance and supervision from their appointed job coaches.

One-Two-Boost was launched as a platform to enable a group of special needs young adults to continue working during the movement restriction periods. At that time, the initiative was timely because it also contributed to societal well-being through its immune-boosting herbal products. As a result, our One-Two-Boost team is able to learn many technical skills, such as mixing herbs and improving their social interaction skills through teamwork. Most importantly, the initiative contributed to public awareness of the various challenges, especially in employment that these special needs young adults are facing.

The One-Two-Boost website is at (www.12boost.com.my), and the public can directly purchase its herbal and health products from the site.

Sustainability Case Study

Embracing Mindfulness As A Tool To Boost Employees' Performance And Well-Being

In December 2022, SDB launched a programme aimed at promoting mindfulness among its employees. The programme, called "Improving Performance and Well-being through Meditation & Awareness," is designed to teach and train SDB employees to be more present and mindful in their daily lives, by letting go of distractions and negative thoughts to attain greater relaxation, calmness, and clarity.

The programme was initiated by SDB's Managing Director, Ms Teh Lip Kim, who is herself a meditation practitioner. The timely initiative comes by when many individuals are feeling overwhelmed and struggling to manage the demands of modern life. The constant barrage of stimuli, from email notifications to social media updates, can leave people feeling exhausted and unable to focus.

By promoting mindfulness, SDB hopes to provide its employees with a tool to attain a greater sense of mental clarity and well-being. Classes for the first cohort of the meditation programme began in December 2022 and lasted for five months until April 2023. The sessions were led by Ms Maria Linghult (pic – seated third from right), a meditation practitioner with over 25 years of experience. Over the course of the programme, participants learned various meditation techniques designed to help them focus their minds and be fully present at the moment.

Participants learned to let go of distractions and negative thoughts and achieve a greater sense of relaxation, calmness, and clarity. The benefits of mindfulness are numerous and have been proven to have a positive impact on both physical and mental health. By training the mind to focus and be fully present at the moment, individuals can complete tasks more efficiently and effectively without distraction. This can lead to improved performance, resilience, and productivity, as well as better workload management and job satisfaction. Additionally, by becoming aware of one's own inner thoughts and emotional state, individuals can better self-regulate and manage their stress, leading to improved mental and emotional health. This, in turn, can lead to greater creativity and innovation, as individuals are better able to tap into their creative potential and generate new ideas.

At SDB, mindfulness is especially important because the company strives to be a developer that can perceive and envision its customers' needs. By considering the emotional aspect that its products can bring, SDB builds houses that evoke positive feelings and promote well-being. Mental awareness can facilitate this connection between the architect, the space, and the people living in it.

The programme has already had a positive impact on SDB employees, who report feeling more focused and productive as a result of their mindfulness practice. SDB plans to continue offering the programme to its employees and expanding it to include more participants. The company also hopes to inspire other organisations to adopt mindfulness practices and promote employee well-being.

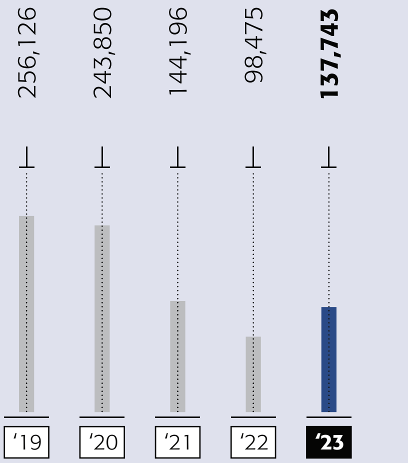
GROUP FINANCIAL HIGHLIGHTS

GROUP YEAR ENDED 31 MARCH	'23 RM'000	'22 RM'000	'21 RM'000 Restated	'20 RM'000 Restated	'19 RM'000
Profitability					
Turnover	137,743	98,475	144,196	243,850	256,126
Profit / (Loss) before taxation	12,550	12,125	(8,170)	4,154	35,715
Provision for taxation	(6,299)	(5,367)	(3,376)	(11,057)	(11,299)
Profit / (Loss) after taxation	6,251	6,758	(11,546)	(6,903)	24,416
Minority interest	-	-	-	-	-
Earnings / (Loss) for the year	6,251	6,758	(11,546)	(6,903)	24,416
Profit available for appropriation	500,282	494,031	479,057	490,603	513,663
Dividend net of tax	-	-	-	8,523	10,653
Key Balance Sheet Data					
Total assets	1,387,191	1,351,184	1,382,943	1,394,122	1,447,403
Issued share capital	213,541	213,541	213,541	213,541	213,541
Shareholders' fund	860,796	843,128	836,978	826,102	849,018
Total bank borrowings	445,924	415,523	426,698	427,093	412,959
No of ordinary shares in issue ('000)	426,128	426,128	426,128	426,128	426,128
Share Informance					
Return on equity	0.73%	0.80%	-1.38%	-0.84%	2.88%
Return on total assets	0.45%	0.50%	-0.83%	-0.50%	1.69%
Gearing ratio	29.54%	26.51%	31.97%	31.77%	30.54%
Interest cover	1.79	1.99	0.38	1.21	2.92
Earnings / (Loss) after tax (sen)	1.47	1.59	(2.71)	(1.62)	5.73
Dividend after tax (sen) *	2.50	-	-	-	2.00
Net asset backing (sen)	202.00	197.86	196.41	193.86	199.24
Price earning ratio (x)	29.99	32.47	(19.19)	(25.93)	11.52
Gross dividend yield	5.68%	0.00%	0.00%	0.00%	3.03%
Share price as at 31 March (RM)	0.44	0.52	0.52	0.42	0.66

** Dividend declared during the financial year.*

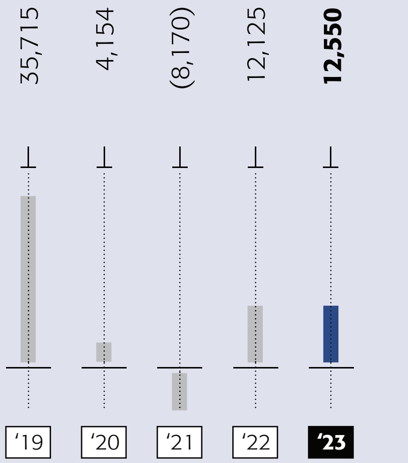
TURNOVER

(RM'000)



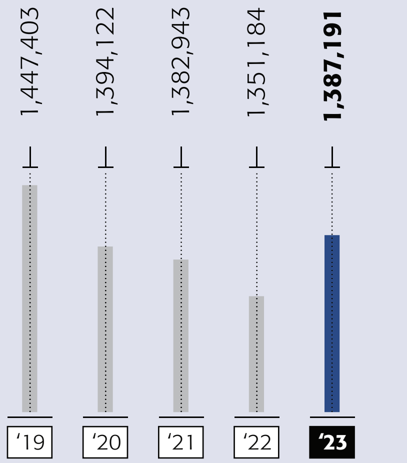
PROFIT / LOSS BEFORE TAXATION

(RM million)



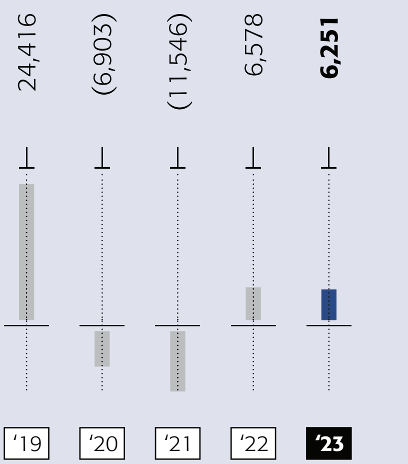
TOTAL ASSETS

(RM'000)



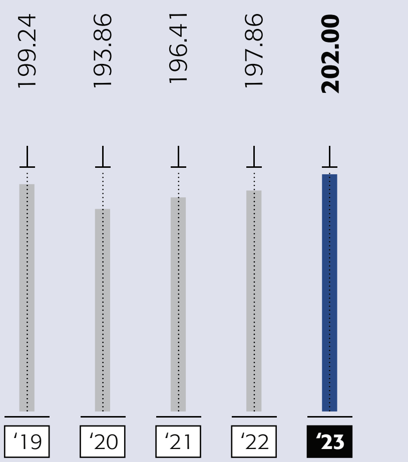
PROFIT / LOSS AFTER TAXATION

(RM'000)



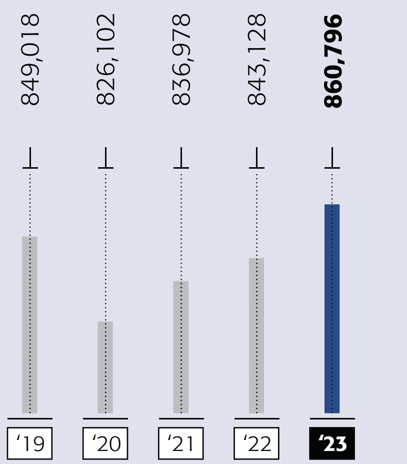
NET ASSETS BACKING

(SEN)



SHAREHOLDERS' FUND

(RM'000)



OVERVIEW STATEMENT ON CORPORATE GOVERNANCE

The Board is supportive of the adoption of principles and best practices as enshrined in the Malaysian Code on Corporate Governance throughout the Group, for the protection and enhancement of stakeholders' value and the performance of the Group.

This overview statement reports on how the Group has applied the 3 principles below set out in the MCCG, during the financial year ended 31 March 2023 and after consideration of the Group's structure, business environment and industry practices:

(a) Board leadership and effectiveness;
(b) Effective audit and risk management; and
(c) Integrity in corporate reporting and meaningful relationship with stakeholders.

The Corporate Governance Report is accessible on the Company's website at www.sdb.com.my and an announcement made by the Company on the website of Bursa Securities at "http://www.bursamalaysia.com"

During the financial year ended 31 March 2023, the Board believes that the practices set out in the MCCG have, in all material respects, been applied to achieve their intended outcomes which are found to be suitable and appropriate to the Group as set out in this statement and the Corporate Governance Report subject to any explanations for any departure disclosed therein.

The Board is pleased to disclose below the manners in which it has applied the principles of good corporate governance and considered that it had complied with the best practices provisions except as stated otherwise.

(A) BOARD LEADERSHIP AND EFFECTIVENESS

Composition of the Board

The present size and composition of the Board is optimum and well balanced. As presently constituted, the Board has the stability, continuity and commitment as well as capacity to discharge its responsibilities effectively.

The Board is of the opinion that the presence of the existing Independent Directors, though not forming half of the Board's composition, amply provides the element of independence in the Board's composition and conduct, giving the assurance that there is balance of power and authority on the Board. The Board will review its composition from time to time to ensure that such level of independence is not in any way compromised.

Profile of the Board members is as set out on pages 12 to 16 of this Annual Report.

Principal Responsibility of the Board

The Board is entrusted with the stewardship role of the Group. It is responsible for providing oversight of the Group's strategic direction, overseeing the Group's business operations, as well as identifying key risk factors that have significant impact on the Group's operations and performance. In achieving these goals, the Board performs regular reviews over the risk management and internal control system to ensure its integrity and adequacy in providing reasonable assurance of risk mitigation.

The principal responsibilities of the Board are generally summarised as follows:

- review and adopt the overall strategic plans and programmes for the Company and Group;
- establish such committees, policies and procedures to effectively discharge the Board's roles and responsibilities;
- ensure the Company has appropriate corporate governance structures in place including standards of ethical behaviour and promoting a culture of corporate responsibility;
- promote better investor relations and shareholder communications;
- review the adequacy and the integrity of the management information and internal controls systems of the Company and Group; and
- identify principal risks and ensure implementation of a proper risk management system to manage such risks.

Board Independence and Effectiveness

The Board is entrusted for the oversight and overall management of the business affairs of the Company. The Board is responsible for determining all major policies, reviewing the system of internal control, ensuring that effective strategies and management are in place, for assessing the performance of the Company and its management team.

The Board has established clear functions reserved for the Board and those delegated to the management. The Board deliberates business plan and approves the performance targets and the goals of the business to be met by the Company and subsidiary companies.

Managing Director is responsible for the day-to-day business operations of the Group while the Independent Non-Executive Directors provide scrutiny and unbiased and independent views, advice and judgement to decisions and proposals of the Managing Director. The Board collectively is responsible for the effective implementation and monitoring of the Group's strategic plans.

The Independent Non-Executive Directors do not involve in the day-to-day management of the Group's business operations. Therefore, the Independent Non-Executive Directors remain free from conflict of interest and thus enable them to carry out their duties as independent directors effectively. They provide impartial views and insight to the Managing Director in matters relating to financial management, corporate governance, risk management and internal control. Strategies proposed by the Managing Director are deliberated from both quantitative and qualitative aspects, taking into account the interest of various stakeholders as well as the impact of risk factors that exist in the operating environment. Presence of the Independent Directors complements the Board by ensuring there is an effective check and balance in the functioning of the Board.

SEPARATION OF THE POSITIONS OF THE CHAIRMAN AND THE EXECUTIVE DIRECTORS

The position of Chairman and the Managing Director are held by different individuals. There is a division of responsibility between the Chairman who is leading the Board in the oversight of management and Managing Director, who responsible for managing the overall business and day to day operations of the Company to ensure that there is a balance of power and authority, promotion of accountability and facilitation of division of responsibilities between them.

The key duties and responsibilities of the Chairman are to provide leadership to the Board, instill good corporate governance practices, chairing the meetings of the Board and shareholders, ensuring that the Board fully discharges its responsibilities and acting as liaison person between the Board and the management.

Board Charter and Code of Conduct

The Board has formally adopted a Board Charter, which provides guidance to the Board in the fulfilment of its roles, duties and responsibilities which are in line with the principles of good corporate governance. The Board Charter provides guidance for Directors and Management on the responsibilities of the Boards, its Committees and requirements of Directors and it is subject to periodical review to ensure consistency with the Board's strategic intent as well as relevant standards of corporate governance.

The Board is mindful of the importance of the establishment of clear roles and responsibilities in discharging its fiduciary and leadership functions as recommended by the Code including those reserved for the Board's approval and those which the Board may delegate to the Board Committees, the Executive Director and the Management. There is a clear division of responsibilities between the Chairman and the Executive Director.

The Board is also committed to conducting business in accordance with the highest standards of business ethics and complying with applicable laws, rules and regulations. The Code of Conduct and Ethics provide guidance for Directors regarding ethical and behavioural considerations and/or actions as they address their duties and obligations during their appointment.

Board reviewed the Board Charter and Code of Conduct in July 2022 and made available for reference in Company's website, www.sdb.com.my.

Qualified and Competent Company Secretaries

The Board is well supported by qualified and competent Company Secretaries on matters relating to the Company's policies and procedures that require compliance to applicable rules, regulations and the Code.

The Company Secretaries of the Company are experienced, play an important role in advising the Board on issues relating to corporate compliance with the relevant laws, rules, procedures and regulations affecting the Board and the Group, as well as best practices of governance. The Directors have ready and unrestricted access to the advice and services of the Company Secretaries. The Board is regularly kept up to date on and apprised of any regulations and guidelines.

The Company Secretaries also safeguard all statutory books and records of the Company and maintain the statutory registers of the Company. Company Secretaries also ensure all Board meetings are properly convened, and that accurate and proper records of the proceedings and resolutions passed are recorded.

Board Meeting and Supply of Information to the Board

The Board meets regularly, at least once in every quarter, to review the Group's operations and to approve the quarterly reports and annual financial statements. During the financial year, the Board met on five (5) occasions where it deliberated upon and considered a variety of matters mainly to review the Group's operations and the quarterly and annual financial statements.

The details of the attendance by individual Director during the financial year are as follows:-

Name of Directors	Total Meetings Attended
Mr Eddy Chieng Ing Huong	5/5
Ms Teh Lip Kim	5/5
Ms Teh Lip Pink	5/5
Puan Selma Enolil binti Mustapha Khalil	5/5
Dato' Christopher Chan Choun Sien *(Resigned w.e.f. 1 June 2023)*	5/5
Mr Boh Boon Chiang *(Appointed w.e.f. 8 June 2023)*	0/5

The Board meets to review and discuss matters specifically reserved to itself for decision to ascertain the direction and control of the Group. Key matters tabled at Board meetings include review and adoption of the Group's quarterly and year-end financial results, business plan, annual budget, risk management, assets acquisition and disposal, approval of major capital expenditure projects and consideration of significant financial matters, Group policies and delegated authority limits.

All Directors are provided with agenda and set of Board papers issued prior to Board meetings to allow reasonable time for the Board members to obtain further explanations or clarification, where necessary and to make an informed decision. Senior management is invited to attend these meetings to explain and clarify matters being tabled. The Board has direct access to senior management staff to obtain complete and unimpeded information to assist them in discharging their duties. The proceedings of all board meetings are recorded by the Company Secretary and filed properly in the minute's book of the Company upon confirmation by the Board.

In addition, all Directors have access to the advice and services of the Company Secretary who is a qualified professional with the required experience to advise the Board. When necessary, Directors may also obtain independent professional advice at the Company's expense in furtherance of their duties.

Directors' Training

The Board recognises the needs to attend training to enable them to discharge their duties effectively. The training needs of each Director is assessed and proposed by the individual director.

Newly appointed Director(s) will be provided with a brief induction of the Group for an insight of the Group's business operation and financial performance. In addition, the Board is updated by the Company Secretaries from time to time on changes of statutory requirements such as amendments to Bursa Malaysia Securities Berhad Main Market Listing Requirements ("MMLR").

During the financial year and as at the date of the issuance of this Annual Report, the Directors (save for Mr Boh Boon Chiang who was appointed on 8 June 2023) have attended training pertaining to the Enhanced Practices and Disclosures of Sustainability Statement conducted by Mr. Ch'ng Boon Huat, the Corporate Advisory Director of Tricor Hive Sdn Bhd, on 24 February 2023.

Board Committees

The Board has set up five Board Committees, i.e. Investment, Audit, Nominating, Remuneration Committees and Risk Management and Sustainability Committee to delegate specific powers and responsibilities to support the role of the Board to provide assurance and accountability to its shareholders, all of which have their own terms of reference.

The Committees have been granted with full authority to investigate any matter within their scope of responsibility and to obtain satisfactory information as it may require from directors and/or employees of the Group. In the event where independent professional advice are needed to discharge their duties, the Committees are entitled to engage external professionals and/or consultants at the cost of the Group after due consultation with the Board.

The Investment Committee was established on 23 August 2001 with the responsibilities of approving Group acquisition and disposals of investment up to RM15 million and manage risk of the Group in order to maximise return to the shareholders.

Nominating Committee

The Nominating Committee was established to ensure that the Board has an appropriate balance, size and the required mix of skills, experience and core competencies to govern the organization towards achieving its intended goals and objectives. The Nominating Committee shall propose new candidates for the Board and assess Directors on an on-going basis.

The Terms of Reference of the Nominating Committee can be viewed at the Company's website at www.sdb.com.my.

The summary functions of the Nominating Committee are as follows:

- To recommend candidates for all directorships.
- To recommend appointments to the Board Committees.
- To annually review the required mix of skills and experience and other qualities, including core competencies that the Non-Executive Directors should bring to the Board.
- To implement a process, to be carried out annually for assessing the effectiveness of the Board as a whole, the committees of the Board and for assessing the contribution of each individual Director.

During the financial year, the Nominating Committee has undertaken the following activities:-

1. Annual assessment to evaluate the performance of each individual Director, the effectiveness of the Board and the Board Committees. The effectiveness of the Board and Board Committees are assessed in the areas of board structure/mix, decision making and boardroom participation and activities, meeting administration and conducts, skill and competencies and role and responsibilities whilst the performance of the individual Directors are assessed in the areas of contribution and interaction with peer, quality of the input of the Director, understanding of role, etc.

2. Reviewed and recommended the suitable candidate in accordance to Fit & Proper Policy as set out in the Board Charter as Board Member of the Company;

3. Conducted the fit & proper assessment in accordance with the Fit & Proper Policy as set out in the Board Charter in the process of assessing retiring directors of the Company.

Board Nominating Process

The Nominating Committee is responsible to identify candidate to the Board if there is vacancy arise from resignation, retirement or any other reasons or if there is a need to appoint additional director with the required skill or profession to the Board in order to close the competency gap in the Board identified by the Committee. The potential candidate may be proposed by existing director, senior management staff, shareholder or third party referrals.

Upon receiving of the proposal, the Committee is responsible to conduct assessment and evaluation on the proposed candidate.

The Nominating Committee would consider the criteria set out in the Directors' Fit and Proper Policy, including character, expertise and experience, integrity, competencies and time to effectively discharge his/her role as a Director, with due regard to the benefits of diversity in skills, experience, age, gender and cultural background that would suit the Company's strategic goals to join the Board.

The assessment/evaluation process may include, at the Committee's discretion, reviewing of the candidate resume, curriculum vitae and other biographical information, confirming the candidate's qualifications and conducting legal and other background searches as well as formal or informal interview at the Committee's discretion.

Upon completion of the assessment and evaluation of the proposed candidate, the Committee would make its recommendation to the Board. Based on the recommendation of the Committee, the Board would evaluate and decide on the appointment of the proposed candidate.

The Chairman of the Board would then make an invitation or offer to the proposed/potential candidate to join the Board as a director. With the acceptance of the offer/invitation, the candidate would be appointed as director of the Company.

Annual Assessment of Existing Directors and Board Committees

An assessment of the Board's performance is carried out for the year under review, including the Independent Directors' performance and role of chairman.

The assessment criteria include of Board structure, operation and interaction, dynamics and functioning, governance, risk management and sustainability.

The Board is satisfied with the existing number and composition of its members and is of the view that with the current mix of skills, knowledge, experience and strengths, the Board is able to discharge its duties and responsibilities effectively.

Assessment of Independent Directors

The existing independent directors are independent from management and free from any business or other relationships which may interfere with the exercise of their independent judgement. The Board has undertaken an annual assessment on the Independent Directors via disclosed interests and the criteria of "independence" as prescribed under Chapter 1 of the MMLR.

Re-election

In accordance with the Company's Constitution, all Directors shall retire from office at least once in each three years and a retiring Director is eligible for re-election and the election of each Director is voted on separately. This re-election process provides an opportunity for the shareholders to renew their mandates. In order to assist the shareholders in their decision, sufficient information such as personal profiles, meeting attendance and their shareholdings in the Company for each Director is furnished in the Annual Report.

The Constitution further provides that all newly appointed Directors shall retire from office but shall be eligible for re-election in the next Annual General Meeting subsequent to their appointment.

Board Diversity Policy

The Board Diversity Policy adopted by the Company recognises the benefits of having a diverse Board as an important element in supporting the attainment of the Group's strategic objectives and maintaining the Group's competitive advantage. The Group believes that a diverse Board will leverage differences in thoughts, perspectives, knowledge, skill, age, ethnicity, race and gender which will ensure that the Group remains current and retains its competitive advantage.

The Group practices the selection of suitable candidates as new Board members based on the candidates' competency, knowledge, skills, experience, character, time commitment and other qualities in meeting the needs of the Group. The ultimate decision will be based on merit and contribution that the selected candidates could bring to the Board. The Group is in support of and adopts the policy of non-discrimination on the basis of gender, age, race and religion.

Despite no specific targets being set in relation to boardroom gender diversity, the Board is committed to improving boardroom diversity to create a diverse Board in terms of race, religion, gender, regional and industry experience, cultural and geographical background, ethnicity, age and perspective.

Remuneration Committee

The Remuneration Committee was established on 23 August 2001 and is entrusted with the role of reviewing and recommending the annual bonus and salary increment of the Executive Directors and members of the Senior Management of the Company. Executive Directors' remuneration is decided by the Board with the Directors concerned abstaining from deliberations and voting accordingly.

Remuneration Policy

The remuneration of the Executive Director shall be reviewed by the Remuneration Committee and for their recommendation to the Board for approval.

Executive Director shall also be entitled to other benefits provided to employee of the Company and other additional benefits if so proposed by the Remuneration Committee for their consideration and recommendation to the Board for approval.

Non-Executive Directors' remuneration is based on a standard fixed fee and meeting allowance, with the Chairman receiving higher amount in recognition of his additional responsibilities. An additional fee is also paid to Non-Executive Directors sitting on Board Committees.

Fees payable to the Directors of the Company are subject to yearly approval by shareholders at the Annual General Meeting. The aggregate Director's remuneration paid or payable to the Directors of the Company for the financial year ended 31 March 2023 is as follows:

Received on Company Basis

	Directors' Fee RM	Meeting Allowances RM	Salaries & Other Emoluments RM	Benefit-in-Kind RM
Eddy Chieng Ing Huong	88,000	2,500	-	-
Teh Lip Kim	40,000	-	644,849	-
Teh Lip Pink	40,000	2,500	-	-
Selma Enolil Bt Mustapha Khalil	48,000	2,500	-	-
Dato' Christopher Chan Choun Sien *(Resgined w.e.f. 1 June 2023)*	56,000	2,500	-	-
Boh Boon Chiang (Appointed w.e.f. 8 June 2023)	-	-	-	-

Received on Group Basis

	Directors' Fee RM	Meeting Allowances RM	Salaries & Other Emoluments RM	Benefit-in-Kind RM
Eddy Chieng Ing Huong	92,000	2,500	-	-
Teh Lip Kim	82,874	-	1,289,697	-
Teh Lip Pink	44,000	2,500	-	-
Selma Enolil Bt Mustapha Khalil	48,000	2,500	-	-
Dato' Christopher Chan Choun Sien *(Resigned w.e.f. 1 June 2023)*	56,000	2,500	-	-
Boh Boon Chiang *(Appointed w.e.f. 8 June 2023)*	-	-	-	-

The remuneration of the top five key senior management of the Company for the financial year ended 31 March 2023 as follows:-

Key Senior Management Remuneration	Number
RM650,000 - RM700,000	1
RM350,000 – RM400,000	2
RM300,000 - RM350,000	2

Further details on the other Board Committees are contained in the Audit Committee Report and the Statement on Risk Management and Internal Control.

Financial Reporting

The Board has a general responsibility for taking the necessary steps to safeguard and enhance the value of shareholders in the Company. The Company, through the accounts, maintains an appropriate and transparent relationship with the external auditors.

The Board is responsible to present a balanced, clear and comprehensive assessment of the Group's financial performance through the quarterly and annual financial statements to shareholders. The Board and the Audit Committee have to ensure that the financial statements are drawn up in accordance with the provisions of the Companies Act 2016 and applicable approved accounting standards in Malaysia. In presenting the financial statements, the Board has reviewed and ensured that appropriate accounting policies have been used, consistently applied and supported by reasonable judgements and estimates.

In discharging its responsibilities, the Board is assisted by the Audit Committee to ensure accuracy and adequacy of information to be disclosed.

Succession Planning

The Board reckoned the importance of succession planning to ensure the sustainability and continuity of the Group. The Board ensuring that all candidates appointed to senior management positions are of sufficient caliber. Succession planning also includes appointing, assessing, training, fixing the compensation of and where appropriate, replacing senior management when necessary.

Whistleblowing Policy and Procedure

A Whistleblowing Policy and Procedure has been implemented to provide a channel to enable Directors, Employees, Shareholders, Vendors or any parties with a business relationship with the Company with an avenue to report suspected wrongdoings that may adversely impact the Group.

The Whistleblowing Policy and Procedure is published on the Company's website.

Anti-Bribery and Anti-Corruption Policy

An Anti-Bribery and Anti-Corruption Policy was established to set out the Group's approach against all forms of bribery, corruption and politicking and the Group takes a strong stance against such acts.

The Group's practices are in accordance to the Malaysian Anti-Corruption Commission Act 2009 and its amendments. The Anti-bribery and Corruption Policy is published on the Company's website.

(B) EFFECTIVE AUDIT AND RISK MANAGEMENT

Audit

The role, functions, responsibilities and activities of the Audit Committee are reported under the Audit Committee Report on page 64 of this Annual Report.

Relationship with External Auditors and Assessment of their Suitability & Independence

The Company has established a formal and transparent arrangement for maintaining appropriate relationships with the Group's auditors. Liaison and unrestricted communication exist between the Audit Committee and the external auditors.

In addition, the external auditors will be invited to attend the Company's Annual General Meeting and will be available to answer any questions from the shareholders on the conduct of the statutory audit and the contents of the audited financial statements as well as any corporate exercise undertaken by the Group where the external auditors are involved.

The Audit Committee had obtained confirmation from the external auditors, BDO PLT that they are independent in accordance with the Bylaws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants.

An annual assessment which taking into consideration of several criterial like Fees, Service quality, Sufficiency of resources, Independence and professionalism, will be conducted on the suitability of the External Auditors.

Risk Management and Internal Control

The Board recognises the importance of a sound system of internal control for the Group including risk assessment and acknowledges its ultimate responsibilities in maintaining the same. In recognition of the importance of having in place a structured and organised approach to identify and manage appropriately risk factors affecting the Company, a risk management and internal control framework has been established to set out principles of the Company's risk identification and management culture, which provide input of its internal control system.
Another check-and-balance measure in the Company's internal control system is through the conduct of internal audit. The internal audit function is outsourced to an independent professional internal audit services firm which reports directly to the Audit Committee.

Some internal control weaknesses were identified during the financial year under review, all of which have been or are being addressed by the Management. None of these weaknesses has resulted in any material loss that would require disclosure in the Group's financial statement. The Group's state of risk management and internal control is spelt out in the Statement on Risk Management and Internal Control on pages 55 to 60 of this Annual Report 2023.

The cost incurred for the internal audit function for the financial year ended 31 March 2023 is RM31,000.

(C) CORPORATE REPORTING AND RELATION WITH SHAREHOLDERS AND INVESTORS

Communication with Shareholders

Communication between the Company and its shareholders are done in the following manner:-

Relationship with Shareholders and Investors

The Board recognises the value of good investor relation and the importance of disseminating information in a fair and equitable manner, the participation of shareholders and investors, both individual and institutional, at Annual General Meeting is encouraged. Such information is disseminated via the Company's annual reports, quarterly financial results and various prescribed announcements made to Bursa Securities from time to time in the Bursa Securities' website at www.bursamalaysia.com.

The Group also maintains a website at www.sdb.com.my which provides information, qualitative and quantitative, on the Group's operations and corporate developments.

General Meeting

The Annual General Meeting represents the principal forum for dialogue and interaction with all the shareholders of the Company. The Company values feedback from its shareholders and encourages them to actively participate in discussion and deliberations.

The Company convened a virtual AGM last year and has adopted online remote voting for the conduct of poll on all resolutions. All shareholders were briefed on the voting procedures by the poll administrator prior to the poll voting and an independent scrutineer was appointed to validate the votes cast and announce the poll results. In the event that shareholders are unable to virtually attend the AGM in person, they are encouraged to appoint proxies to virtually attend and vote in his/her stead. The outcome of the meeting is announced to Bursa Securities on the same day, which is also accessible on the Company's website.

(D) COMPLIANCE WITH THE CODE

This Statement is prepared in compliance with the MMLR and it is to be read together with the Corporate Governance Report 2023 of the Company, which is available at website, www.sdb.com.my.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Directors **("Board")** of Selangor Dredging Berhad **("SDB" or "the Group")** is pleased to present the Statement on Risk Management and Internal Control of the Group which outlines the nature and scope of risk management and the internal control systems of the Group for the financial year ended 31 March 2023. This statement is prepared in accordance with paragraph 15.26(b) of the Bursa Malaysia Securities Berhad **("Bursa Malaysia")** Main Market Listing Requirements **("MMLR")** and guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers **("the Guidelines")** and Practice 9.1 for Principle B of the Malaysian Code on Corporate Governance **("MCCG")**.

BOARD RESPONSIBILITY

The Board reaffirms its overall responsibility for the Group's risk management and internal control systems covering not only financial controls but also strategic, operational and compliance to regulatory requirement. This also includes ensuring the adequacy and effectiveness of such systems to safeguard shareholders' investments and the Group's assets through regular reviews. The implementation of these control systems is undertaken by the management which regularly reports on key risks identified and actions taken to mitigate and/or minimise such risks. The oversight of these critical areas is carried out by the Board and assisted with the establishment of the Risk Management Committee ("RMC") at Senior Management level, which are empowered by their respective terms of reference since 2016. And on 26 August 2019, the RMC was renamed to Risk Management and Sustainability Committee ("RMSC") and tabled for review to the Board, and approved for adoption by the Board to also encompass the sustainability criteria. The RMSC is chaired by the Managing Director and its other members comprising the Group General Manager and the Head of Finance.

The Group's risk management and internal control systems are designed to efficiently and effectively manage risks that may prevent the achievement of the Group's business objectives, and to provide information for accurate reporting, decision making and ensuring compliance with regulatory and statutory requirements. The Board also ensures that there is a robust framework of ongoing risk management processes in identifying, evaluating and managing significant risks faced by SDB in order to promote a sustainable and long-term success for the Group. Due to the inherent limitations in the systems of internal control and risk management, the Board recognises that these systems can only manage rather than eliminate all risks of failure to achieve business objectives, and as such, can only provide reasonable but not absolute assurance against material misstatement, loss or fraud. Furthermore, consideration is given to the cost of implementation as compared to the expected benefits to be derived from the implementation of the internal control system.

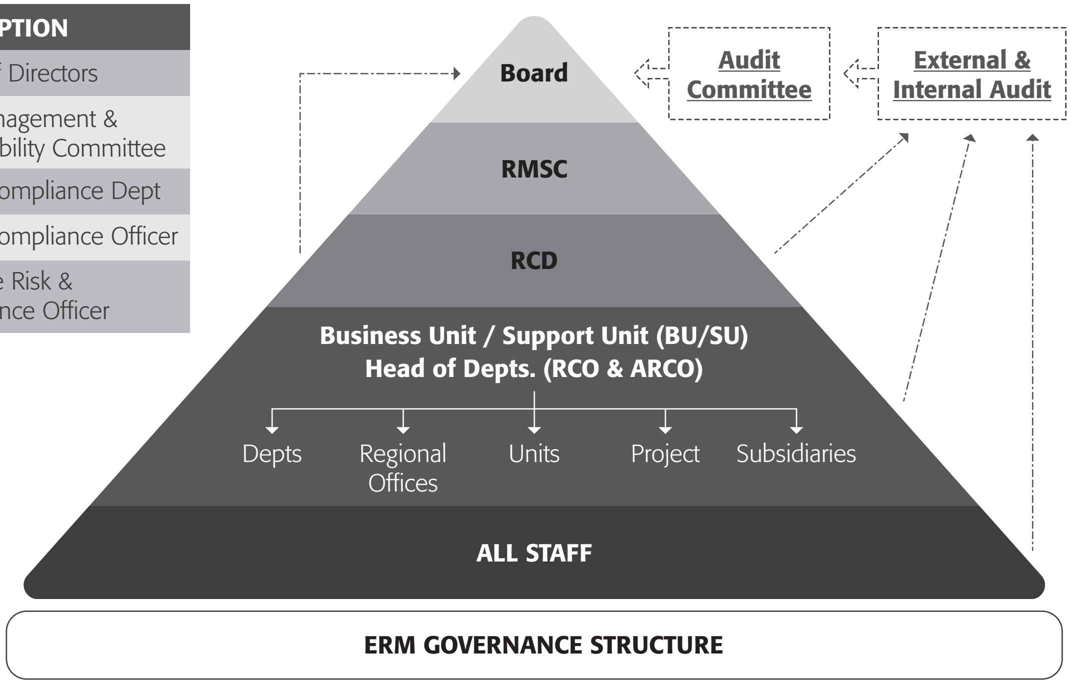
ENTERPRISE RISK MANAGEMENT ("ERM")

The Group has established an ERM Framework to proactively identify, evaluate, mitigate and manage key risks to an optimal level. In line with the Group's commitment to deliver sustainable value, this ERM Framework aims to provide an integrated and organised approach Group-wide. It outlines the ERM methodology which is in line with the Principles and Guidelines of ISO31000:2018 Risk Management, mainly promoting the risk ownership and continuous monitoring of key risks faced by the Group that were identified via the Risk and Control Self-Assessment ("RCSA") process. The ERM assessment reviews are carried out on a quarterly basis to address major risk factors of concern together with the necessary action plan, if any from the perspectives of regulatory & legal, governance & operational controls, financial, customers, products & services, suppliers, project management, information technology, fraud and corruption, branding and human capital. And all these factors will ultimately be evaluated based on the objective of achieving sustainability in conducting business.

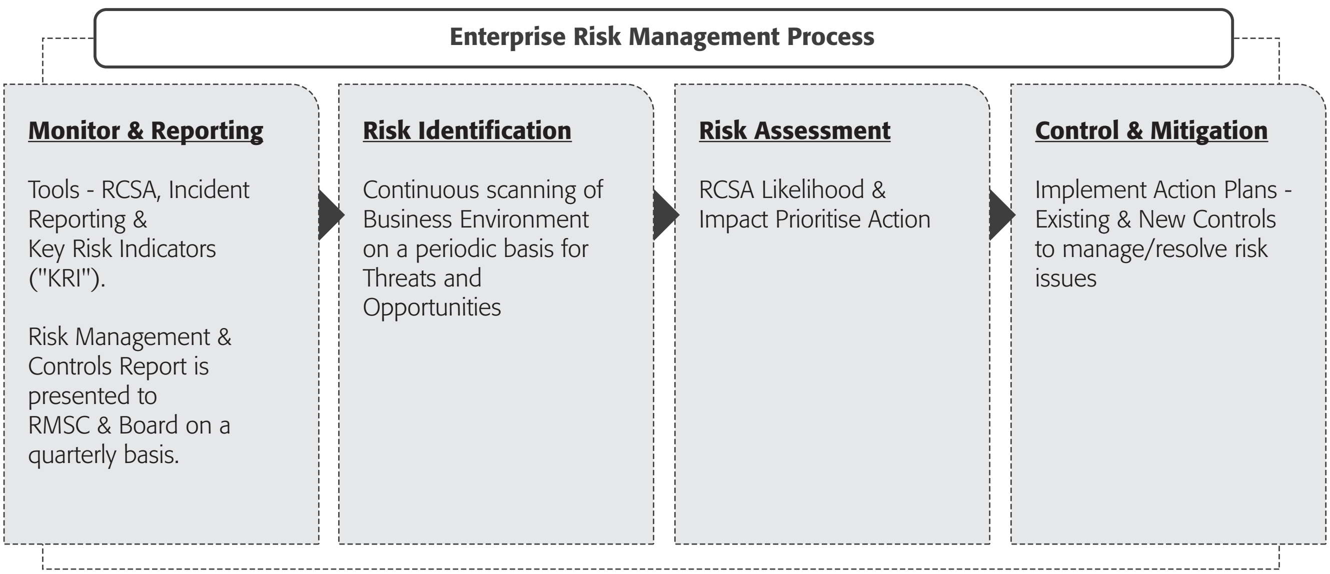
STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Group's ERM Governance Structure as shown below:

ABBR	DESCRIPTION
Board	Board of Directors
RMSC	Risk Management & Sustainability Committee
RCD	Risk & Compliance Dept
RCO	Risk & Compliance Officer
ARCO	Alternate Risk & Compliance Officer



The Group's ERM process as shown below:



The Group's identified Risk Factors & Mitigation Plans for the financial year under review are outlined as follows:

No.	Risk Factor	Risk Description	Mitigation Plan
1.	External	Competitive Market Landscape - increasing competitiveness to gain market presence / share	Fully utilising current landbank and at the same time to continue to monitor for bargain sales on landbank. The management continues with strategic partnership on joint venture.
2.	Operational	Project Management Risk in achieving SDB's Planning & Design requirement (Concept, Approval, Timing & Costing)	SDB continues to prioritise good project management across the property value chain, from landbanking to construction and handover, in order to ensure timely completion of all projects at targeted, high-quality levels. The project team will manage and collaborate with contractors, consultants, and other government organisations. Aside from that, the appointed Contractors and consultants are reviewed annually based on a set of key performance criteria to assure the delivery of a quality final result.
3.	Regulatory	Changes in Government Regulations - tightening of bank lending to curb rising national household debt and rise of property prices	Management regularly monitors the growth and changes in the Malaysia and Singapore markets for future developments in order to maintain a sustainable company aim. SDB continues to work closely with regulatory authorities, governmental departments, and organisations to ensure compliance.
4.	Customers	Changes in customer preferences affecting property demands	Increasing a wider network of credible sales agencies to better position SDB's product in the market. Engaging the public through a market study and collaborating closely with real estate brokers to gather clients' input and priorities. Branding and promotion strategies are always evolving to meet the needs of the market. Product launch objectives are developed based on current and anticipated conditions.
5.	Financial	Risk of Uncontrollable Expenditure	SDB practices prudent expenditure and implements different cost-cutting strategies throughout the Group. Likewise, each department takes a prudent approach to expenditures. The budget is prepared once a year and the Management will closely monitors actual expenditure against projected expenditure on a monthly basis. Always looking out for better value services for money.

Risk Management Activities

As part of the Group's effort to instil a proactive risk management culture and ownership, the following activities were undertaken during the year under review:

- Conducted ERM awareness training for new hiring during induction training, in building up and maintaining a strong risk culture in SDB;
- Ensuring effective application of ERM in the day-to-day business operations;
- Regular discussions with Head of Business Units to obtain endorsement on key risk areas and commitments on action plans;
- Providing risk advisory and independent assessment as and when necessary, as well as facilitated discussions across the Group;
- Refinement of the risk depository system to enhance risk tracking and monitoring;
- Conducts random compliance checks on departments on a frequent basis; and
- Monitoring and follow-up until completion on all individual departments identified issues with the agreed action plans and timelines.

During the financial year, the Board was updated on regular basis on the latest status of the corporate risk scorecard where each department have identified their risks, the probability of those risks occurring, the impact if they do occur and the action plans being taken to manage those risks to the desired level, through the RCSA process of verification and review by Risk & Compliance Department ("RCD"). All department are required to report to RCD of any risk-related incident(s), and to report the data of identified relevant KRI by a set timeline to RCD. Upon completion of review, the Risk & Compliance Manager will consolidate all information into a Risk Management & Controls Report, and presents it to the RMSC and the Board for deliberation and guidance on it.

KEY ELEMENTS OF INTERNAL CONTROL AT SDB:

- **Terms of Reference**

  Clear definition of the terms of reference, i.e. functions, authorities and responsibilities of the various committees of Senior Management and the Board have been established.

- **Organisational Structure and Accountability Levels**

  The Group has a well-defined organisational structure with clear reporting lines of responsibility. Delegation of authority and key business functions of the Group are centralised, to ensure accountability and quick impartment of risk management strategies. Including the setting up of the RMSC and appointing all Head of Departments as a Risk and Compliance Officer ("RCO") in their respective departments' in ensuring accountability. In addition, the Head of Departments are also required to appoint an Alternate Risk & Compliance Officer ("ARCO") within their respective departments to assist them with managing risk and implementing control activities.

- **Limits of Authority ("LOA")**

  The LOA has been established as part of SDB's effort in ensuring an optimal balance between strong corporate governance practices and operational efficiency. It is a written delegation of authority by the Board to the Investment Committee and Management within the SDB Group. Its key objectives are to provide a holistic view of the authority limits set, to encourage delegation, empowerment and accountability, and to eliminate guesswork, confusion hence providing clarity. The LOA document is subject to periodical review to incorporate any changes that affect the authority limits.

- **Management Styles and Control Procedures**

  Weekly operational meetings are conducted among senior management to discuss and review the business plans, budgets, financial and operational performances of the Group.

  Operating policies and procedures are made available to guide staff in their day-to-day work processes. Such operating policies and SOPs have been established, reviewed and updated periodically to meet changing business and operational needs, as well as regulatory requirements.

  Establishment of dual control and clear line on segregation of duties via independent checks, review and reconciliation activities to prevent unauthorised activities, power abuse, fraud, corruption, bribery and human errors.

  Quality control and progress of the project is monitored via frequent schedule site visits by the relevant teams, regular site meetings with the contractors and deployment of fulltime staff on-site. A monthly project site report is presented to management for review. Moreover, external certification/standards such as the Building Quality Assessment System ("BuildQAS") are adopted to strengthen and improve the output processes and quality.

- **Human Resource Policy**

  There are proper guidelines within the Group for recruitment and selection, compensation and benefits, performance management, code of conduct, and other relevant procedures in line with its Brand Promise and core values. Training and development programmes are identified and scheduled for employees to acquire the necessary knowledge and competency to meet their job expectations and to multi task when necessary, which is a step-in succession planning. The Whistleblowing Policy and Procedure has been revised in line with the established Anti-Bribery and Anti-Corruption ("ABAC") Policy in compliance to the Malaysian Anti-Corruption Commission Act 2009 and its amendments, as well as the establishment of SDB's own ABAC Policy and Covid-19 SOP.

- **Business Continuity Management**

  Business Continuity Plan and Disaster Recovery Plan are in place with daily backup and system vendors' support to provide assurance for business continuity. There are also offline procedures to implement in case of system failure. And annual testing is conducted at least twice without fail.

- **Internal Audit**

  On a half-yearly basis for the financial year, an independent internal audit function provides assurance to the Audit Committee through the execution of internal audit checks based on an approved risk-based internal audit plan. Findings arising from these checks are presented, together with management's response and proposed action plans, to the Audit Committee for its review. Further details of the activities of the internal audit function are provided in the Audit Committee's Report.

- **Tender**

  Review and award of major contracts are carried out through a rigorous tendering process by a Tender Committee. A minimum of three tenderers are called for and tenders are awarded based on selection criteria including quality, pricing, track record and speed of delivery. The tenders are reviewed by a Tender Committee, which comprises a few key selected members of the senior management to ensure transparency and independence in the award of contracts.

- **Insurance on Key Assets**

  Adequate insurance of the major assets and resources of the Group are in place to ensure that these are sufficiently covered against any mishap that may result in material losses to the Group.

- **Safety and Security**

  Management has always placed importance in complying with the Occupational Safety and Health Act, 1994 to ensure that all the employees are aware of the safety procedures that are in place for their own safety during any emergencies and that the Group's assets and resources are well protected from any accident or mishap.

It also important to note that the Internal Audit independently reviews the ERM framework and internal control systems to provide to the Audit Committee with sufficient assurance that the systems of internal control are effective to address the risks identified.

The Board is satisfied with the Group's system of risk management and the internal controls, and is of the view that the system which is in place for the year under review is sound and adequate to safeguard shareholders' investments, customers' interests, employee's well-being and the Group's assets. The Board is conscious of the fact that the system of risk management and internal control practices must continuously be evolved and enhanced to support the Group's operations and adapt to suit changing business environment. Therefore, the Board with the assistance of RMSC will, when necessary, put in place appropriate measures to further strengthen the system of internal control.

The Group's system of internal control applies principally to SDB and its subsidiaries. Joint ventures and associates have been excluded because the Group does not have full management and control over them.

Assurance Provided by Group Managing Director and Head of Finance

In line with the Guidelines, the **Group Managing Director and Head of Finance** have provided assurance to the Board that the Group's risk management and internal control system are in place and operating reliably in all material aspects to meet the Group's objectives during the financial year under review.

Review of the Statement by External Auditors

As required by Paragraph 15.23 of the MMLR of Bursa Malaysia, the external auditors have reviewed this Statement on Risk Management and Internal Control in accordance with Audit and Assurance Practical Guide 3, and reported to the Board that nothing has come to their attention that causes them to believe that the Statement on Risk Management and Internal Control intended to be included in the annual report for the Fiscal Year-End 2023 has not been prepared, in all material aspects, in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, nor is the Statement on Risk Management and Internal Control factually inaccurate.

STATEMENT ON DIRECTORS' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Board is responsible for ensuring that the financial statements for each financial year give a true and fair view of the state of affairs of the Group and of the Company as at the end of the financial year and of the results and cash flows of the Group and of the Company for that period.

In preparation of the financial statements, the Board has ensured that:

1. Suitable accounting policies have been adopted and applied consistently.

2. Judgements and statements made are reasonable and prudent.

3. Suitable accounting standards have been followed subject to any material departures disclosed and explained in the financial statements.

The Board confirms that the financial statements have been prepared on a going concern basis.

The Board is responsible for ensuring that the Group and the Company keep accounting records which disclose with reasonable accuracy at any time the financial position of the Group and of the Company and which enable them to ensure that the financial statements comply with the provisions of the Companies Act 2016 and the applicable approved accounting standards in Malaysia. The Board has overall responsibilities for taking steps as are reasonably available to them to safeguard the assets of the Group to prevent and detect fraud and other irregularities

OTHER CORPORATE DISCLOSURE

1. **Utilisation of Proceeds**

   No proceeds were raised by the Company for any corporate exercise during the financial year.

2. **Sanctions and/or Penalties**

   There were no sanctions and/or penalties imposed on the Company or its subsidiaries, Directors or management by the relevant regulatory bodies.

3. **Audit and Non-Audit Fees**

   During the financial year under review, the fees paid/payable to the external auditors in relation to audit and non-audit services rendered to the Group are as follows:-

Purpose	Group RM	Company RM
Audit Fees	201,556	50,000
Review of Statement on Risk Management and Internal Control	3,000	3,000
Total	**204,556**	**53,000**

4. **Material Contracts**

   During the financial year, there was no material contract entered into by the Company or its subsidiary involving interest of Directors and major shareholders of the Company that have not been reflected in the financial statement.

5. **Revaluation Policy on Properties**

   The revaluation policy on properties is as disclosed in the financial statements for the financial year ended 31 March 2023.

6. **Recurrent Related Party Transaction of a Revenue or Trading Nature**

   During the financial year, the Company and its subsidiaries had not entered into any recurrent related party transactions, which are of revenue or trading nature, which requires shareholders' mandate.

AUDIT COMMITTEE REPORT

The Board is pleased to present the Audit Committee Report which provides insights into the manner in which the Audit Committee discharged its functions for the Group during the financial year ended 31 March 2023.

(A) COMPOSITION

The Audit Committee comprises three members, all of whom are Non-Executive Directors, and two being Independent Directors.

Mr Eddy Chieng Ing Huong, the member of the Audit Committee is a member of Institute of Chartered Accountants, Australia and also The Malaysian Institute of Accountants. Accordingly, the Company complies with paragraph 15.09(1)(c)(i) of the Bursa Malaysia Securities Berhad Main Market Listing Requirements ("MMLR").

(B) MEETING AND ATTENDANCE

The Audit Committee met on four (5) occasions during the financial year and the attendance of each member of the Audit Committee is as follows:

	Composition of the Audit Committee	Attendance at the Audit Committee Meetings
Chairman	Mr Boh Boon Chiang *(appointed w.e.f. 8.6.2023)*	0/5
	Dato' Christopher Chan Choun Sien *(resigned w.e.f. 1.6.2023)*	5/5
Members	Mr Eddy Chieng Ing Huong	5/5
	Puan Selma Enolil Binti Mustapha Khalil	5/5

The Managing Director and Group General Manager were invited to attend all the meetings to provide clarification on Group's financial performance and business operations.

The representative from the Internal Auditors attended all the meetings to table the internal audit reports, internal audit progress reports and annual audit plan. The External Auditors, Messrs BDO PLT, were present at three of the total meetings held.

Minutes of each Committee Meeting were tabled to the Board for information, and for further direction by the Board, where necessary.

(C) SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE

During the financial year, the following activities were carried out by the Audit Committee in discharging its duties and functions:

(a) Financial Reporting

- Reviewed the quarterly and audited financial reports of the Company and the Group, focusing particularly on the following areas, prior to submission to the Board for approval and subsequent release to the Bursa Malaysia Securities Berhad accordingly:-
  - The overall performance of the Group;
  - Compliance with accounting standards and regulatory requirements;
  - Changes in or implementation of accounting policies and practices;
  - Significant issues arising from the audit; and
  - Going concern assumption.

(b) Audit Reports

- Reviewed the internal audit plans for the financial year for the Company and Group as prepared by the Internal Auditors.
- Reviewed the internal audit reports, audit recommendations made and management's response to these recommendations for the Company and Group as prepared by the Internal Auditors.

(c) External Audit

- Reviewed the external auditors' scope of work and audit plan for the financial year, prior to the commencement of audit.
- Met with the external auditors three times a year.
- Reviewed the suitability and performance of the external auditors for re-appointment and fees, based on the outcome of the annual assessment of the external auditors, which included an assessment of the engagement teams' qualifications, credentials and experience, particularly in the financial services sector, their audit work approach, and their ability to provide value added advice and services, as well as to perform the work within timeline agreed.

(d) Risk Management and Internal Control

Reviewed the Audit Committee Report and Statement on Risk Management and Internal Control and recommended to the Board for approval prior to their inclusion in the Company's Annual Report.

(e) Related Party Transactions

Reviewed the related party transactions and ensured that they are not more favourable to the related parties than those generally available to the public and complies with MMLR.

(D) INTERNAL AUDIT FUNCTION

In discharging its function, the Audit Committee is supported by an internal audit function whose primary responsibility is to evaluate and report on the adequacy and effectiveness of the overall system of internal control of the Group. The internal audit function of the Group has been outsourced to Tricor Axcelasia Sdn Bhd.

The activities of the Internal Auditors during the financial year ended 31 March 2023 were as follows:

- Conducted discussions with management in identifying significant concerns and risk areas perceived by management for inclusion in the Internal Audit Plan for the Group;
- Developed and proposed an Internal Audit Plan for the year which was discussed and accepted by the Audit Committee and Board;
- Conducted periodic audits on internal controls relating to operating system and standard operating procedures to monitor compliance and assess the adequacy and effectiveness of controls implemented by various companies within the Group;
- Attended and reported to the Audit Committee at Audit Committee meetings held during the financial year ended 31 March 2023; and
- Highlighted areas of concern to the Audit Committee and ensuring that recommendations provided by the Internal Auditors are duly attended to and adhered by management within stipulated time frame. In the Internal Audit Progress Reports, the Internal Auditors had reported their findings in their subsequent follow-up reviews to the Audit Committee.

(E) TERMS OF REFERENCE

The details of terms of reference of the Audit Committee are available on the Company's website at www.sdb.com.my.

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Financial Statements

DIRECTORS' REPORT

The Directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 March 2023.

PRINCIPAL ACTIVITIES

The principal activities of the Company and its subsidiaries are provision of management services, investment holding, property leasing, property development, hotel operator, property support and management services, trading and installation of energy efficient products and property investment.

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

RESULTS

	Group RM'000	Company RM'000
Profit/(Loss) for the financial year	6,251	(4,313)
Profit/(Loss) attributable to:		
- equity holders of the Company	6,251	(4,313)

DIVIDEND

No dividend has been paid, proposed or declared by the Company since the end of the previous financial year. The Directors recommend a single-tier dividend of 2.5 sen per ordinary share of approximately RM10,653,192 in respect of the financial year ended 31 March 2023, which is subject to the approval of shareholders at the forthcoming Annual General Meeting. The financial statements for the financial year ended 31 March 2023 do not reflect this proposed cash dividend. The proposed cash dividend, shall be accounted for as an appropriation of retained earnings in the financial year ending 31 March 2024.

RESERVES AND PROVISIONS

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

ISSUE OF SHARES AND DEBENTURES

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

OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up unissued ordinary shares of the Company during the financial year.

DIRECTORS

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

Selangor Dredging Berhad

Eddy Chieng Ing Huong
Teh Lip Kim
Teh Lip Pink
Selma Enolil Binti Mustapha Khalil
Boh Boon Chiang (Appointed on 8 June 2023)
Dato' Christopher Chan Choun Sien (Resigned on 1 June 2023)

Subsidiaries of Selangor Dredging Berhad

Teh Lip Kim
Loong Ching Hong
Eddy Chieng Ing Huong
Teh Lip Pink

DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings required to be kept pursuant to Section 59 of the Companies Act 2016 in Malaysia, the following Directors have interests in the ordinary shares of the Company and its related corporations as follows:

	Number of ordinary shares			
	Balance as at 1.4.2022	**Bought**	**Sold**	**Balance as at 31.3.2023**
Shares in the Company				
Teh Lip Kim				
- direct	87,428,596	-	-	87,428,596
- indirect	170,638,756	-	-	170,638,756
Teh Lip Pink				
- direct	425,000	-	-	425,000
- indirect	65,629,978	-	-	65,629,978

By virtue of Teh Lip Kim's substantial interests in the shares of the Company, she is deemed to have interest in the shares of all the subsidiaries to the extent that the Company has an interest.

None of the other Directors holding office at the end of the financial year held shares or had beneficial interest in the shares of the Company or its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the Directors have received or became entitled to receive any benefit (other than those benefits included in the aggregate amount of remuneration received or due and receivable by Directors as shown in the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest, other than the following:

(a) benefits which may be deemed to have arisen by virtue of those contracts and transactions entered into in the ordinary course of business by the Company and its subsidiaries with Directors or with companies in which the Directors are deemed to have substantial financial interests; and

(b) certain Directors who received remuneration from the subsidiaries as Directors of the subsidiaries.

The details of the above transactions are disclosed in Note 33 to the financial statements.

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

DIRECTORS' REMUNERATION

The details of Directors' remuneration were as follows:

	Group RM'000	Company RM'000
Executive Directors' remuneration:		
- Fees	75	32
- Salaries and other emoluments	1,290	644
	1,365	676
Non-Executive Directors' remuneration:		
- Fees	252	186
- Other emoluments	10	10
Total	1,627	872

INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS AND AUDITORS

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

OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY

(I) AS AT THE END OF THE FINANCIAL YEAR

(a) Before the financial statements of the Group and 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 had satisfied themselves that there are no known bad debts to be written off and that adequate allowance had been made for doubtful debts; and

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

(b) In the opinion of the Directors, the results of the operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature except for the Additional Buyer's Stamp Duty of One Draycott project incurred by a joint venture amounting to SGD13,750,000 (equivalent to RM44,543,000) recognised in statement of profit or loss under share of (loss)/profit of joint ventures and associates up to the Group's interest in the joint venture.

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

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

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

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

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

(d) In the opinion of the Directors:

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

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

(III) AS AT THE DATE OF THIS REPORT

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

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

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

EVENT SUBSEQUENT TO THE END OF THE REPORTING PERIOD

Dilution of equity interest in an associate

On 10 April 2023, Fortress Minerals Limited, an associate of the Group, increased its share capital via private placement of shares to certain existing shareholders other than the Group. The Group's interest in the associate was diluted to 29.61% pursuant to the private placement by the associate. The estimated financial impact of dilution amounted to RM5.8 million.

AUDITORS

The auditors, BDO PLT (201906000013 (LLP0018825-LCA) & AF 0206), have expressed their willingness to continue in office.

Auditors' remuneration of the Company and its subsidiaries for the financial year ended 31 March 2023 were as follows:

	Company RM'000	Subsidiaries RM'000
Statutory audit	50	148
Non-statutory audit	3	4
	53	152

Signed on behalf of the Board in accordance with a resolution of the Directors dated 13 July 2023.

Selma Enolil Binti Mustapha Khalil
Director

Teh Lip Kim
Director

Kuala Lumpur
13 July 2023

STATEMENT BY DIRECTORS

PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

In the opinion of the Directors, the financial statements set out on pages 78 to 160 have been drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the provisions of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2023 and of the financial performance and cash flows of the Group and of the Company for the financial year then ended.

On behalf of the Board,

Selma Enolil bin Mustapha Khalil
Director

Teh Lip Kim
Director

Kuala Lumpur
13 July 2023

STATUTORY DECLARATION

PURSUANT TO SECTION 251(1)(b) OF THE COMPANIES ACT 2016

I, Loong Ching Hong (CA 9449), being the officer primarily responsible for the financial management of Selangor Dredging Berhad, do solemnly and sincerely declare that the financial statements set out on pages 78 to 160 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 in Malaysia.

Subscribed and solemnly)
declared by the abovenamed at)
Kuala Lumpur in the Federal Territory)
this 13 July 2023)

Loong Ching Hong

Before me:
No. W729
Mardhiyyah Abdul Wahab
Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SELANGOR DREDGING BERHAD
(Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Selangor Dredging Berhad, which comprise the statements of financial position as at 31 March 2023 of the Group and of the Company, the statements of profit or loss, statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 78 to 160.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 March 2023, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards ("IFRSs") and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Group level

Property development revenue recognition

Revenue from property development recognised over time during the financial year as disclosed in Note 25 to the financial statements amounted to RM92.4 million.

We determined this to be a key audit matter because it requires management to exercise significant judgements in determining the satisfaction of performance obligations as stated in the contracts with customers as well as the costs in applying the input method to recognise revenue over time. The determination of stage of completion requires management to exercise significant judgement in estimating the total costs to complete.

In estimating the total costs to complete, the Group considers the completeness and accuracy of its costs estimation, including its obligations to contract variations, claims and costs contingencies.

Key Audit Matters (continued)

Group level (continued)

Property development revenue recognition (continued)

Audit response

Our audit procedures included the following:

(i) Recomputed the results of the input method determined by management for revenue recognition based on verified actual costs incurred to-date and budgeted costs;

(ii) Assessed the estimated total costs to complete through inquiries with operational and financial personnel of the Group;

(iii) Inspected documentation to support cost estimates made including contract variations and cost contingencies; and

(iv) Compared contract budgets to actual outcomes to assess reliability of management's budgeting process.

Company level

Recoverability of amounts owing by subsidiaries

As at 31 March 2023, the amounts owing by subsidiaries, net of impairment losses of RM4.8 million, were RM224.1 million as disclosed in Note 15 to the financial statements.

We determined this to be a key audit matter because it requires management to exercise significant judgement in determining the probability of default by subsidiaries, appropriate forward looking information and significant increase in credit risk.

Audit response

Our audit procedures included the following:

(i) Recomputed probability of default using historical data and forward looking information adjustment applied by the Company;

(ii) Assessed the appropriateness of the indicators of significant increase in credit risk applied by the management and the resultant basis for classification of exposure into respective stages; and

(iii) Evaluated management's basis for determining recoverable cash flows, where applicable.

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SELANGOR DREDGING BERHAD
(Incorporated in Malaysia)

Responsibilities of the Directors for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

(f) 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.

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

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

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors are disclosed in Note 7 to the financial statements.

Other Matters

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

BDO PLT
201906000013 (LLP0018825-LCA) & AF 0206
Chartered Accountants

Brendan Francis Lim Jern Zhen
03591/09/2023 J
Chartered Accountant

Kuala Lumpur
13 July 2023

STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2023

	Note	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	3	264,841	268,026	6,402	6,712
Inventories	5	190,797	184,912	-	-
Investment properties	6	70,053	31,148	2,100	2,100
Investments in subsidiaries	7	-	-	464,718	464,718
Investments in associates	8	145,695	134,422	-	-
Investments in joint ventures	9	166,119	179,077	-	-
Intangible assets	10	562	545	-	-
Amounts owing by subsidiaries	15	-	-	8,200	-
Amount owing by an associate	16	3,372	3,372	-	-
Amounts owing by joint ventures	17	156	91	-	-
Deferred tax assets	11	2,723	5,867	-	-
		844,318	807,460	481,420	473,530
Current assets					
Inventories	5	309,292	378,626	-	-
Contract assets	12	99,856	6,658	-	-
Trade receivables	13	23,674	28,061	-	-
Other receivables, deposits and prepayments	14	17,390	11,687	216	201
Amounts owing by subsidiaries	15	-	-	215,932	207,130
Amounts owing by joint ventures	17	101	111	38	27
Current tax assets		7,581	7,255	1,229	1,438
Deposits and short term fund	18	22,820	2,456	391	390
Cash and bank balances	19	62,159	108,870	28,659	5,354
		542,873	543,724	246,465	214,540
TOTAL ASSETS		1,387,191	1,351,184	727,885	688,070

	Note	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
EQUITY AND LIABILITIES					
Equity attributable to owners of the parent					
Share capital	20	213,541	213,541	213,541	213,541
Revaluation reserve (non-distributable)	21	93,238	93,238	3,268	3,268
Exchange translation reserve (non-distributable)	21	45,874	34,457	-	-
Other reserve (distributable)	21	7,861	7,861	7,861	7,861
Retained earnings (distributable)	21	500,282	494,031	329,594	333,907
TOTAL EQUITY		860,796	843,128	554,264	558,577
LIABILITIES					
Non-current liabilities					
Bank borrowings	22	105,548	109,432	29,875	8,750
Lease liabilities	4	6,473	7,454	1,948	2,231
Deferred tax liabilities	11	9,887	10,237	334	684
		121,908	127,123	32,157	11,665
Current liabilities					
Trade payables	23	30,174	45,174	-	-
Other payables and accruals	24	15,237	12,084	669	552
Contract liabilities	12	1,110	1,131	-	-
Amounts owing to subsidiaries	15	-	-	66,387	45,517
Amount owing to a joint venture	17	16,609	15,532	-	-
Bank borrowings	22	340,376	306,091	74,125	71,500
Lease liabilities	4	981	921	283	259
		404,487	380,933	141,464	117,828
TOTAL LIABILITIES		526,395	508,056	173,621	129,493
TOTAL EQUITY AND LIABILITIES		1,387,191	1,351,184	727,885	688,070

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

STATEMENTS OF PROFIT OR LOSS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

	Note	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
Revenue	25	137,743	98,475	83	81
Cost of sales	26	(96,121)	(85,281)	(31)	(97)
Gross profit/(loss)		41,622	13,194	52	(16)
Other income		27,821	39,260	11,822	9,292
Selling and distribution expenses		(8,856)	(9,369)	-	-
Administrative and general expenses		(25,880)	(33,676)	(6,696)	(6,244)
Other expenses		(7,310)	(6,265)	-	-
Net reversal of impairment losses/ (impairment losses) on financial assets and contract assets		8,537	(609)	(2,217)	418
Share of (loss)/profit of joint ventures and associates, net of tax		(7,526)	21,786	-	-
Finance costs	27	(15,858)	(12,196)	(6,459)	(4,078)
Profit/(Loss) before tax	28	12,550	12,125	(3,498)	(628)
Tax expense	30	(6,299)	(5,367)	(815)	(682)
Profit/(Loss) for the financial year		6,251	6,758	(4,313)	(1,310)

	Note	Group 2023 RM'000	Group 2022 RM'000
Profit for the financial year attributable to:			
- equity holders of the Company		6,251	6,758
Basic earning per share (sen)	31	1.47	1.59
Diluted earning per share (sen)	31	1.47	1.59

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

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Profit/(Loss) for the financial year	6,251	6,758	(4,313)	(1,310)
Other comprehensive income/(loss), net of tax:				
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of foreign operation	16,247	1,644	-	-
Share of other comprehensive loss of an associate	(4,830)	(2,252)	-	-
Total comprehensive income/(loss) for the financial year	17,668	6,150	(4,313)	(1,310)

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

	← Non-distributable →			← Distributable →		
Group	**Share capital RM'000**	**Revaluation reserve RM'000**	**Exchange translation reserve RM'000**	**Other reserve RM'000**	**Retained earnings RM'000**	**Total equity RM'000**
2023						
Balance as at 1 April 2022	213,541	93,238	34,457	7,861	494,031	843,128
Profit for the financial year	-	-	-	-	6,251	6,251
Other comprehensive income for the financial year, net of tax	-	-	11,417	-	-	11,417
Total comprehensive income for the financial year	-	-	11,417	-	6,251	17,668
Balance as at 31 March 2023	213,541	93,238	45,874	7,861	500,282	860,796
2022						
Balance as at 1 April 2021	213,541	101,454	35,065	7,861	479,057	836,978
Profit for the financial year	-	-	-	-	6,758	6,758
Transfer of reserves upon disposal of non-current assets held for sale	-	(8,216)	-	-	8,216	-
Other comprehensive loss for the financial year, net of tax	-	-	(608)	-	-	(608)
Total comprehensive (loss)/income for the financial year	-	(8,216)	(608)	-	14,974	6,150
Balance as at 31 March 2022	213,541	93,238	34,457	7,861	494,031	843,128

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

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

Company 2023	Share capital RM'000	Non-distributable Revaluation reserve RM'000	← Distributable Other reserve RM'000	Retained earnings RM'000 →	Total equity RM'000
Balance as at 1 April 2022	213,541	3,268	7,861	333,907	558,577
Loss for the financial year	-	-	-	(4,313)	(4,313)
Other comprehensive income for the financial year, net of tax	-	-	-	-	-
Total comprehensive loss for the financial year	-	-	-	(4,313)	(4,313)
Balance as at 31 March 2023	213,541	3,268	7,861	329,594	554,264
2022					
Balance as at 1 April 2021	213,541	3,268	7,861	335,217	559,887
Loss for the financial year	-	-	-	(1,310)	(1,310)
Other comprehensive income for the financial year, net of tax	-	-	-	-	-
Total comprehensive loss for the financial year	-	-	-	(1,310)	(1,310)
Balance as at 31 March 2022	213,541	3,268	7,861	333,907	558,577

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

	Note	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit/(Loss) before tax		12,550	12,125	(3,498)	(628)
Adjustments for:					
Amortisation of intangible assets	10	9	9	-	-
Depreciation of property, plant and equipment	3	6,523	4,894	423	466
Fair value adjustments of investment properties	6	(2,713)	(3,876)	-	-
Finance costs	27	15,858	12,196	6,459	4,078
Gain on disposal of property, plant and equipment		-	(17)	-	-
Gain on disposal of non-current asset held for sale		-	(19,010)	-	-
Impairment losses on:					
- amounts owing by subsidiaries	37(c)	-	-	2,217	-
- amounts owing by joint ventures	37(c)	-	907	-	-
- trade receivables	37(c)	106	-	-	-
- other receivables	37(c)	600	203	-	-
- contract assets	37(c)	-	130	-	-
- investments in subsidiaries		-	-	-	200
Interest income		(668)	(322)	(9,943)	(7,394)
Property, plant and equipment written off		-	9	-	-
Reversal of impairment losses on:					
- other receivables	37(c)	(142)	-	-	-
- trade receivables	37(c)	(8,913)	(261)	-	-
- contract assets	37(c)	(129)	(370)	-	-
- amounts owing by subsidiaries	37(c)	-	-	-	(418)
- amounts owing by joint ventures	37(c)	(59)	-	-	-
Share of profit of associates		(17,063)	(18,584)	-	-
Share of loss/(profit) of joint ventures		24,589	(3,202)	-	-
Unrealised loss/(gain) on foreign exchange	28	982	(3,658)	-	-
Write down of inventories	5	-	873	-	-
Reversal of write down of inventories	5	(57)	(247)	-	-
Operating profit/(loss) before working capital changes		31,473	(18,201)	(4,342)	(3,696)
Changes in inventories		33,199	51,496	-	-
Changes in receivables		7,033	9,815	(15)	2
Changes in payables		(11,976)	(37,426)	117	(2)
Changes in contract assets and contract liabilities		(93,090)	43,804	-	-
Cash (used in)/generated from operations		(33,361)	49,488	(4,240)	(3,696)
Dividend received from an associate		3,964	4,794	-	-
Dividend received from a joint venture		-	15,452	-	-
Tax paid		(3,889)	(3,846)	(956)	(1,016)
Tax refunded		58	46	-	-
Net cash (used in)/from operating activities		(33,228)	65,934	(5,196)	(4,712)

	Note	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of property, plant and equipment	3	(2,890)	(11,716)	(113)	(32)
Purchase of land held for development	5(a)(i)	(5,885)	(9,097)	-	-
Proceeds from disposal of property, plant and equipment		2	18	-	-
Proceeds from disposal of non-current asset held for sale		-	41,117	-	-
Advances to subsidiaries		-	-	(1,039)	(11,950)
Repayment from/(Advances to) joint ventures		1,081	16,355	(11)	(14)
Advances to associates			(765)	-	-
Interest received		668	322	9,943	7,394
Net movement in deposits pledged with licensed bank for more than 3 months		(197)	-	-	-
Additional investments in subsidiaries		-	-	-	(200)
Net cash (used in)/from investing activities		(7,221)	36,234	8,780	(4,802)
CASH FLOWS FROM FINANCING ACTIVITIES					
Drawdown of bank borrowings		66,441	23,763	26,250	19,000
Net repayments of bank borrowings		(36,361)	(35,022)	(2,500)	(2,500)
Interest paid		(15,585)	(11,885)	(3,680)	(2,717)
Net repayments of lease liabilities		(1,194)	(1,194)	(348)	(342)
Net cash from/(used in) financing activities		13,301	(24,338)	19,722	13,441
Net (decrease)/increase in cash and cash equivalents		(27,148)	77,830	23,306	3,927
Cash and cash equivalents at beginning of financial year		109,333	31,406	5,354	1,427
Effect of exchange rate changes		604	97	-	-
Cash and cash equivalents at end of financial year		82,789	109,333	28,660	5,354
Represented by:					
Deposits	18	22,819	2,456	390	390
Short term fund	18	1	-	1	-
Cash and bank balances	19	62,159	108,870	28,659	5,354
		84,979	111,326	29,050	5,744
Less: Amount pledged as security for bank guarantee facility					
- deposits	18	(390)	(390)	(390)	(390)
Deposits more than 3 months		(1,800)	(1,603)	-	-
		82,789	109,333	28,660	5,354

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	Lease liabilities (Note 4)		Bank borrowings (Note 22)	
	Group RM'000	Company RM'000	Group RM'000	Company RM'000
At 1 April 2021	9,716	2,734	426,698	63,750
Cash flows	(1,194)	(342)	(11,259)	16,500
Non-cash flows:				
- Exchange difference	-	-	84	-
- Lease termination	(458)	-	-	-
- Unwinding of interest	311	98	-	-
At 31 March 2022/1 April 2022	8,375	2,490	415,523	80,250
Cash flows	(1,194)	(348)	30,080	23,750
Non-cash flows:		-		
- Exchange difference	-	-	321	-
- Unwinding of interest	273	89	-	-
At 31 March 2023	7,454	2,231	445,924	104,000

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

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2023

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

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

The accounting policies adopted are consistent with those of the previous financial year except for the effects of adoption of new MFRSs and Amendments to MFRSs during the financial year. The new MFRSs and Amendments to MFRSs adopted during the financial year are disclosed in Note 2.1 to the financial statements.

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

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

(b) Basis of consolidation

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

The Company controls an investee if and only if the Company has all the following:

(i) power over the investee;

(ii) exposure, or rights, to variable returns from its involvement with the investee; and

(iii) the ability to use its power over the investee to affect the amount of the investor's returns.

Potential voting rights are considered when assessing control only if the rights are substantive.

The Company reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Consolidation of an investee shall begin from the date the Company obtains control of the investee and cease when the investor loses control of the investee.

The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

All intra-group balances, transactions, income and expenses are eliminated in full on consolidation and the consolidated financial statements reflect external transactions only.

Changes of interests in subsidiaries

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

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Basis of consolidation (continued)

Loss of control

When the Group loses control of a subsidiary:

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

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

(iii) It recognises any investment retained in the former subsidiary at its fair value when control is lost and subsequently accounts for it and for any amounts owed by or to the former subsidiary in accordance with relevant MFRSs. That fair value shall be regarded as the fair value on initial recognition of a financial asset in accordance with MFRS 9 or, when appropriate, the cost on initial recognition of an investment in an associate or joint venture.

(c) Accounting for business combinations

The Group accounts for each business combination by applying the acquisition method.

The consideration transferred in a business combination shall be measured at fair value, which shall be calculated as the sum of the acquisition date fair values of the assets transferred by the acquirer, the liabilities incurred by the acquirer to former owners of the acquiree and the equity interests issued by the acquirer.

The Group accounts for acquisition related costs as expenses in the periods in which the costs are incurred and the services are received.

For each business combination, the Group measures at the acquisition date, components of non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation at either: (i) fair value; or (ii) the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets.

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

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

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

A business combination in which the amount in (b) above exceeds the aggregate of the amounts in (a) above, the Group recognises the resulting gain in profit or loss on the acquisition date.

(d) Investments in subsidiaries

In the Company's separate financial statements, investments in subsidiaries are measured at cost less impairment losses, if any. Impairment losses are charged to profit or loss.

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

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Equity accounting of associates

An associate is an entity over which the Group and the Company have significant influence and that is neither a subsidiary nor an interest in a joint arrangement. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is neither control nor joint control over those policies.

In the separate financial statements of the Company, an investment in associate is stated at cost less impairment losses, if any.

An investment in associate is accounted for in the consolidated financial statements using the equity method of accounting. The investment in associate in the consolidated statement of financial position is initially recognised at cost and adjusted thereafter for the post acquisition change in the share of net assets of the investments of the Group.

The interest in an associate is the carrying amount of the investment in the associate under the equity method together with any long term interest that, in substance, form part of the net investment in the associate of the Group.

The share of profit or loss of the associate by the Group during the financial year is included in the consolidated financial statements, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases. Distributions received from the associate reduce the carrying amount of the investment. Adjustments to the carrying amount could also be necessary for changes in the proportionate interest of the Group in the associate arising from changes in the associate's equity that have not been recognised in the associate's profit or loss. Such changes include those arising from the revaluation of property, plant and equipment and from foreign exchange translation differences. The share of those changes by the Group is recognised directly in equity of the Group.

When the share of losses of the Group in the associate equals to or exceeds its interest in the associate, the carrying amount of that interest is reduced to zero and the Group does not recognise further losses unless it has incurred legal or constructive obligations or made payments on its behalf.

The most recent available financial statements of the associate are used by the Group in applying the equity method. When the end of the reporting periods of the financial statements are not coterminous, the share of results is arrived at using the latest audited financial statements for which the difference in end of the reporting periods is no more than three months. Adjustments are made for the effects of any significant transactions or events that occur between the intervening periods.

When the Group ceases to have significant influence over an associate, any retained interest in the former associate at the date when significant influence is lost is measured at fair value and this amount is regarded as the initial carrying amount of a financial asset. The difference between the fair value of any retained interest plus proceeds from the interest disposed of and the carrying amount of the investment at the date when equity method is discontinued is recognised in profit or loss.

When the interest of the Group in an associate decreases but does not result in a loss of significant influence, any retained interest is not re-measured. Any gain or loss arising from the decrease in interest is recognised in profit or loss. Any gains or losses previously recognised in other comprehensive income are also reclassified proportionately to the profit or loss if that gain or loss would be required to be reclassified to profit or loss on the disposal of the related assets or liabilities.

(f) Equity accounting of joint ventures

Joint ventures are entities with contractually agreed sharing of control between the parties, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control, and the parties have rights to the net assets of the arrangement.

Investments in joint ventures are accounted for in the consolidated financial statements using the equity method of accounting. Under the equity method, the investments in joint ventures are initially recognised at cost and adjusted thereafter for post-acquisition changes in the Group's share of net assets of the joint ventures.

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Equity accounting of joint ventures (continued)

The Group's share of net profit or loss and changes recognised directly in the other comprehensive income of the joint ventures are recognised in the consolidated statement of profit or loss and consolidated statement of comprehensive income, respectively.

An investment in a joint venture is accounted for using the equity method from the date on which the Group obtains joint control until the date the Group ceases to have a joint control over the joint venture.

Goodwill relating to a joint venture is included in the carrying value of the investment and it is not tested for impairment separately. Instead, the entire carrying amount of the investment is tested for impairment.

Discount on acquisition is excluded from the carrying amount of the investment and is instead included as income in the determination of the Group's share of the joint venture's profit or loss in the period in which the investment is acquired.

Unrealised gains or losses on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures.

Equity accounting is discontinued when the carrying amount of the investment in a joint venture diminishes by virtue of losses to zero, unless the Group has legal or constructive obligations or made payments on behalf of the joint venture.

The results and reserves of joint ventures are accounted for in the consolidated financial statements based on financial statements made up to the end of the financial year and prepared using accounting policies that conform to those used by the Group for like transactions in similar circumstances.

When the Group ceases to have joint control over a joint venture, any retained interest in the former joint venture is recognised at fair value on the date when joint control is lost. Any gain or loss arising from the loss of joint control over a joint venture is recognised in profit or loss.

In the Company's separate financial statements, investments in joint ventures are measured at cost less impairment losses, if any. Impairment losses are recognised in profit or loss.

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

(g) Financial instruments

Regular way purchases and sales of financial assets are recognised on trade date, the date on which the Group and the Company commit to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group and the Company have transferred substantially all the risks and rewards of ownership.

<u>Financial assets</u>

At initial recognition, the Group and the Company measure a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely for payment of principal and interest ("SPPI").

Subsequent measurement of debt instruments depends on the Group's and the Company's business model for managing the asset and the cash flow characteristics of the asset. The Group and the Company classify its debt instruments under amortised cost category.

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Financial instruments (continued)

Financial assets (continued)

(i) Amortised cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent SPPI are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses.

(ii) Fair value through profit or loss ("FVTPL")

Financial assets that do not meet the criteria for amortised cost or fair value through other comprehensive income ("FVOCI") are measured at FVTPL. The Group and the Company may also irrevocably designate financial assets at FVTPL if doing so significantly reduces or eliminates a mismatch created by assets and liabilities being measured on different bases. Fair value changes is recognised in profit or loss in the period which it arises.

A financial asset or part of it is derecognised when, and only when the contractual rights to the cash flows from the financial asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised in equity, is recognised in profit or loss.

Financial liabilities

A financial liability is any liability with contractual obligation to deliver cash or another financial asset to another enterprise, or to exchange financial instruments with another enterprise under conditions that are potentially unfavourable. Financial liabilities are classified as either financial liabilities at FVTPL or other financial liabilities. The Group's and the Company's significant financial liabilities include trade and other payables, term loans and short-term borrowings which are initially measured at fair value and subsequently measured at amortised cost.

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

Financial liabilities are classified as at FVTPL when financial liabilities are either held for trading or it is designated as at FVTPL. Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss.

(ii) Amortised cost

Financial liabilities are initially measured at fair value, net of transaction costs.

Financial liabilities are subsequently measured at amortised cost.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged or cancelled or expires. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Financial instruments (continued)

Financial guarantee contract

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

The Group designates corporate guarantees given to banks for credit facilities granted to subsidiaries as insurance contracts as defined in MFRS 4 Insurance Contracts. The Group recognises these insurance contracts as recognised insurance liabilities when there is a present obligation, legal or constructive, as a result of a past event, when it is probable that an outflow of resources embodying economic benefits would be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

At the end of each reporting period, the Group assess whether its recognised insurance liabilities are adequate, using current estimates of future cash flows under its insurance contracts. If this assessment shows that the carrying amount of the insurance liabilities is inadequate, the entire deficiency shall be recognised in profit or loss.

Equity instrument

Dividends from equity investments are recognised in profit or loss as other income when the Group's and the Company's right to receive payments is established.

Changes in the fair value of financial assets at FVOCI are recognised in the statement of comprehensive income as applicable.

When the Group repurchases its own shares, the shares repurchased would be accounted for using the treasury stock method.

Where the treasury stock method is applied, the shares repurchased and held as treasury shares shall be measured and carried at the cost of repurchase on initial recognition and subsequently. It shall not be revalued for subsequent changes in the fair value or market price of the shares.

The carrying amount of the treasury shares shall be offset against equity in the statement of financial position. To the extent that the carrying amount of the treasury shares exceeds the share premium account, it shall be considered as a reduction of any other reserves as may be permitted by the Companies Act 2016 in Malaysia.

No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the own equity instruments of the Company. If such shares are issued by resale, any difference between the sales consideration and the carrying amount is shown as a movement in equity.

(h) Property, plant and equipment

(i) Measurement basis

Property, plant and equipment (excluded right-of-use assets) are stated at cost less accumulated depreciation and impairment losses, if any.

The cost of property, plant and equipment includes expenditure that is directly attributable to the acquisition of the assets.

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

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Property, plant and equipment (continued)

(i) Measurement basis (continued)

Property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected from their use or disposal. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss and the revaluation surplus related to those assets, if any, is transferred directly to retained earnings.

The Group revalues its freehold hotel property and freehold land and building once in every two (2) to five (5) years to ensure that the carrying amount of a revalued asset does not differ materially from its fair value. The valuation is carried out by independent firm of professional valuers using the open market basis. Surplus arising from revaluation is dealt with through the asset revaluation reserve account, net of deferred tax, if any. Any deficit arising is set-off against the asset revaluation reserve to the extent of a previous increase for the same property. In all other cases, a decrease in carrying amount will be charged to profit or loss. For a revaluation increase subsequent to a revaluation deficit of the same asset, the surplus is recognised as income to the extent that it reverses the deficit previously recognised as an expense with the balance of increase credited to revaluation reserve.

(ii) Depreciation

Freehold land is not depreciated.

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

The principal annual rates used for this purpose are:

Freehold hotel property and other buildings	2%
Plant and machinery	20%
Motor vehicles	20%
Renovation, furniture, fittings and equipment	10% - 50%

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

(i) Leases

(i) The Group as lessee

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

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

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

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

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

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Leases (continued)

(i) The Group as lessee (continued)

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

The right-of-use assets are initially measured at cost, which comprise the initial amount of the lease liabilities adjusted for any lease payments made at or before the commencement date of the leases.

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

The right-of-use assets are depreciated on the straight-line basis over the earlier of the estimated useful lives of the right-of-use assets or the end of the lease term. The lease terms of right-of-use assets are as follows:

Buildings	2 - 9 years
Office equipment	2 - 5 years

The lease liability is initially measured at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the Group's incremental borrowing rate. Subsequent to the initial recognition, the Group measures the lease liability by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect lease payments made, and remeasuring the carrying amount to reflect any reassessment or lease modifications.

(ii) The Group as lessor

The Group classified its leases as either operating leases or finance leases. Leases where the Group retains substantially all the risks and rewards of ownership of the leased assets are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

If the Group transfers substantially all the risks and rewards incidental to ownership of the leased assets, leases are classified as finance leases and are capitalised at an amount equal to the net investment in the lease.

(j) Investment properties

Investment properties are properties held to earn rental income or for capital appreciation or both rather than for use in the production or supply of goods and services or for administrative purposes, or sale in the ordinary course of business.

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met; and excludes the costs of day-to-day servicing of an investment property.

Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the end of each reporting period. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the period in which they arise.

Investment properties are derecognised upon disposal or when they are permanently withdrawn from use and no future economic benefits are expected from their disposal. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss.

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Intangible assets

Intangible asset is franchise license which is measured at cost less any accumulated amortisation and accumulated impairment losses, if any. Franchise license is amortised on a straight-line basis over a period of twenty four (24) years. In the event that the expected future economic benefits are no longer probable of being recovered, the license agreement is written down to its recoverable amount.

(l) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost of materials being the cost of purchase, is determined either on the first-in-first-out basis or the weighted average basis in respect of consumables. Net realisable value is the estimate of selling price in the ordinary course of business, less cost to completion and selling expenses.

Cost of inventories of completed houses is determined based on specific identification method.

Land held for property development

Land held for property development consists of land where no development activities have been carried out or where development activities are not expected to be completed within the normal operating cycle. Such land is classified within non-current assets and is stated at the lower of cost and net realisable value. Cost comprises cost of land and all related costs incurred on activities necessary to prepare the land for its intended use.

Land held for property development is reclassified as property development costs and included under current assets when development activities have commenced and where it can be demonstrated that the development activities can be completed within the normal operating cycle.

Property development costs

Property development costs are determined based on a specific identification basis. Property development costs comprising costs of land, direct materials, direct labour, other direct costs, attributable overheads and payments to subcontractors that meet the definition of inventories are recognised as an asset and are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable variable selling expenses. The asset is subsequently recognised as an expense in profit or loss when or as the control of the asset is transferred to the customer over time or at a point in time.

Completed development properties

Cost includes, where relevant, cost associated with the acquisition of land, including all related costs incurred subsequent to the acquisition necessary to prepare the land for its intended case, related development costs to projects, direct building costs and other costs of bringing the inventories to their present location and condition.

(m) Share capital

Ordinary shares are recorded at proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity.

Dividends to shareholders are recognised in equity in the period in which they are declared and paid.

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) Revenue and other income recognition

(i) The Group recognises revenue from property development over time if it creates an asset with no alternative use to the Group and the Group has an enforceable right to payment for performance completed to date. Revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation.

The progress towards complete satisfaction of the performance obligation is measured based on the Group's efforts or inputs to the satisfaction of the performance obligation (e.g. by reference to the property development costs incurred to date as a percentage of the estimated total costs of development of the contract).

(ii) The Group recognises revenue at a point in time for the sale of completed development properties, when the control of the properties has been transferred to the purchasers, being when the properties have been completed and delivered to the customers and it is probable that the Group will collect the considerations to which it would be entitled to in exchange for the assets sold.

(iii) Rental income is accounted for on a straight line basis over the lease term of an ongoing lease. The aggregate cost of incentives provided to the lessee is recognised as a reduction of rental income over the lease term on a straight line basis.

(iv) Revenue from services rendered in respect of sale of hotel rooms, food and beverages and other ancillary services is recognised at point in time in profit or loss as and when services are rendered.

(v) Revenue from contract works are recognised over the period of the contracts by reference to the progress towards complete satisfaction of that performance obligations. Progress is determined on the proportion of construction contract costs incurred for work performed to date against total estimated construction contract costs where the outcome of the project can be estimated reliably.

(vi) Revenue from contract works are recognised at point in time when the construction works have been completed and accepted by the customers.

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

(viii) Interest income is recognised on a time proportion basis using the effective interest rate applicable. If the collectibility of the interest income is in doubt, the recognition of interest income is deferred until prospect of collection becomes certain.

(ix) Management fees are recognised at point over time when or as a performance obligation in the contract with customer is satisfied, i.e. when the "control" of the services underlying the particular performance obligation is transferred to the customer.

(o) Foreign currencies

(i) Functional currency

Functional currency is the currency of the primary economic environment in which an entity operates.

The financial statements of each entity within the Group are measured using their respective functional currency.

(ii) Transactions and balances in foreign currencies

Transactions in currencies other than the functional currency ("foreign currencies") are translated to the functional currency at the rate of exchange ruling at the date of the transaction.

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(o) Foreign currencies (continued)

(ii) Transactions and balances in foreign currencies (continued)

Monetary items denominated in foreign currencies at the end of each reporting period are translated at foreign exchange rates ruling at that date.

Non-monetary items which are measured in terms of historical costs denominated in foreign currencies are translated at foreign exchange rates ruling at the date of the transaction.

Non-monetary items which are measured at fair values denominated in foreign currencies are translated at the foreign exchange rates ruling at the date when the fair values were determined.

Exchange differences arising on the settlement of monetary items and the translation of monetary items are included in profit or loss for the period.

When a gain or loss on a non-monetary item is recognised directly in other comprehensive income, any corresponding exchange gain or loss is recognised directly in other comprehensive income. When a gain or loss on a non-monetary item is recognised in profit or loss, any corresponding exchange gain or loss is recognised in profit or loss.

(iii) Translation of foreign operations

For consolidation purposes, all assets and liabilities of foreign operations that have a functional currency other than RM (including goodwill and fair value adjustments arising from the acquisition of the foreign operations) are translated at the exchange rates ruling at the end of each reporting period.

Income and expense items are translated at exchange rates approximating those ruling on transactions dates.

All exchange differences arising from the translation of the financial statements of foreign operations are dealt with through the exchange translation reserve account within equity. On the disposal of a foreign operation, the cumulative exchange translation reserves relating to that foreign operation are recognised in profit or loss as part of the gain or loss on disposal.

(p) Impairment of non-financial assets

Property, plant and equipment, right-of-use assets, intangible assets, investments in subsidiaries, associates and joint ventures are assessed at the end of each reporting period to determine whether there is any indication of impairment.

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

An impairment loss is recognised whenever the carrying amount of an asset or a cash-generating unit exceeds its recoverable amount. Impairment losses are charged to profit or loss. Impairment loss on a revalued asset is recognised in revaluation surplus to the extent that the impairment loss does not exceed the amount in the revaluation surplus, excess loss is charged to profit or loss.

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

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(q) Impairment of financial assets

The Group applies the simplified approach to measure expected credit losses (“ECL”). This entails recognising a lifetime expected loss allowance for all trade receivables and contract assets. Loss rates are determined based on grouping of receivables sharing the same credit risk characteristics and past due days. During this process the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables and contract assets.

Management assesses the ECL for portfolios of trade receivables based on customer segments, historical information on payment patterns, terms of payment, concentration maturity, and information about the general economic situation in the countries.

For other receivables and intercompany balances, the Group and the Company apply 3-stage approach to measure expected credit losses which reflect their credit risk and how the loss allowance is determined. The Group and the Company assessed the intercompany receivables as performing category with a low risk of default and a strong capacity to meet contractual cash flows. For those in which the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those in which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. A significant increase in credit risk is presumed if a debtor is more than 60 days past due in making a contractual payment.

For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised. A financial asset is ‘credit impaired’ when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit impaired includes the following observable data:

(i) Significant financial difficulties of the debtor;
(ii) A breach of contract such as a default or being more than 90 days past due;
(iii) The restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
(iv) It is probable that the debtor will enter bankruptcy or other financial reorganisation; or
(v) The disappearance of an active market for a security because of financial difficulties.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportable forward looking information. The Group has identified the Malaysia housing index, gross domestic product (GDP), unemployment rate and inflation rate as the key macroeconomic factors.

It requires management to exercise significant judgement in determining the probability of default by trade receivables, other receivables, amounts owing by subsidiaries, amounts owing by associates, amounts owing by joint ventures and appropriate forward looking information and significant increase in credit risk.

(r) Contract assets and liabilities

Contract asset is the right to consideration in exchange for goods and services that the Group has transferred to a customer. If the Group transfers goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Contract assets are subject to impairment assessment based on the ECL model.

Contract liability is the unsatisfied obligation by the Group to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) Employee benefits

(i) Short term employee benefits

Wages, salaries, paid annual leave, paid sick leave, bonuses and non-monetary benefits are recognised as expenses in the period in which the associated services are rendered by employees other than those that are attributable to property development activities in which case such expenses are capitalised in the property development costs.

(ii) Post-employment benefits

The Company and its Malaysian subsidiary companies pay monthly contributions to the Employees Provident Fund ("EPF") which is a defined contribution plan.

The legal or constructive obligation of the Company and its Malaysian subsidiary companies are limited to the amount that they agree to contribute to the EPF. The contributions to the EPF are charged to profit or loss in the period to which they relate.

Some of the Company's foreign subsidiary companies make contributions to their respective countries' statutory pension schemes which are recognised as an expense in profit or loss as incurred.

(t) Borrowing costs

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

(u) Taxation

The income tax expense in profit or loss represents the aggregate amount of current tax and deferred tax.

Current tax is the expected income tax payable or receivable on the taxable income or loss for the year, estimated using the tax rates enacted or substantively enacted by the end of the reporting period.

On the statement of financial position, a deferred tax liability is recognised for taxable temporary differences while a deferred tax asset is only recognised for deductible temporary differences and unutilised tax losses to the extent that it is probable that taxable profit will be available in future against which the deductible temporary differences and unutilised tax losses can be utilised.

No deferred tax is recognised for temporary differences arising from the initial recognition of:

(i) goodwill, or

(ii) an asset or liability which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(u) Taxation (continued)

Deferred tax assets and liabilities are measured based on tax consequences that would follow from the manner in which the asset or liability is expected to be recovered or settled, and based on the tax rates enacted or substantively enacted by the end of the reporting period that are expected to apply to the period when the asset is realised or when the liability is settled.

Current tax and deferred tax are charged or credited directly to other comprehensive income if the tax relates to items that are credited or charged, whether in the same or a different period, directly to other comprehensive income.

(v) Cash and cash equivalents

Cash and cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value.

For the purpose of the statements of cash flows, cash and cash equivalents are presented net of bank overdrafts and exclude fixed deposits and bank balances pledged to secure banking facilities.

(w) Non-current assets held for sale

The Group classifies non-current assets held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets classified as held are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset is available for immediate sale in its present condition. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of classification.

Property, plant and equipment are not depreciated once classified as held for sale.

(x) Segment reporting

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

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

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

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

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

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(y) Provisions

Provisions are recognised when there is a present obligation, legal or constructive, as a result of a past event, when it is probable that an outflow of resources embodying economic benefits would be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, the amount of a provision would be discounted to its present value at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits would be required to settle the obligation, the provision would be reversed.

Provisions are not recognised for future operating losses. If the Group has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision.

(z) Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources would be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the financial statements.

A contingent asset is a possible asset that arises from past events whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group. The Group does not recognise contingent assets but discloses its existence where inflows of economic benefits are probable, but not virtually certain.

In the acquisition of subsidiaries by the Group under business combinations, contingent liabilities assumed are measured initially at their fair value at the acquisition date.

(aa) Earning/(Loss) per share

(a) Basic

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

(b) Diluted

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

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(ab) Fair value measurement

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

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

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

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

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

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

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

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

2. ADOPTION OF NEW MFRSs AND AMENDMENTS TO MFRSs

2.1 New MFRSs adopted during the financial year

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

Title	Effective Date
Annual Improvements to MFRS Standards *2018 - 2020*	1 January 2022
Amendments to MFRS 3 *Reference to the Conceptual Framework*	1 January 2022
Amendments to MFRS 116 *Property, Plant and Equipment - Proceeds before Intended Use*	1 January 2022
Amendments to MFRS 137 *Onerous Contracts - Cost of Fulfilling a Contract*	1 January 2022

Adoption of the above Standards and Amendments did not have any material effect on the financial performance or position of the Group and of the Company.

2. ADOPTION OF NEW MFRSs AND AMENDMENTS TO MFRSs (continued)

2.2 New MFRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2023

The following are Standards of the MFRS Framework that have been issued by the MASB but have not been early adopted by the Group and the Company:

Title	Effective Date
MFRS 17 *Insurance Contracts*	1 January 2023
Amendments to MFRS 17 *Insurance Contracts*	1 January 2023
Amendments to MFRS 17 *Initial application of MFRS 17 and MFRS 9 - Comparative Information*	1 January 2023
Amendments to MFRS 101 *Disclosure of Accounting Policies*	1 January 2023
Amendments to MFRS 108 *Definition of Accounting Estimates*	1 January 2023
Amendments to MFRS 112 *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*	1 January 2023
Amendments to MFRS 16 *Lease Liability in a Sale and Leaseback*	1 January 2024
Amendments to MFRS 107 and MFRS 7 *Supplier Finance Arrangements*	1 January 2024
Amendments to MFRS 101 *Classification of Liabilities as Current or Non-current*	1 January 2024
Amendments to MFRS 101 *Non-Current Liabilities with Covenants*	1 January 2024
Amendments to MFRS 10 and MFRS 128 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	*Deferred*
Amendments to MFRS 112 *International Tax Reform - Pillar Two Model Rules*	Refer paragraph 98M of MFRS 112

The Group and the Company are in the process of assessing the impact of implementing these Standards and Amendments, since the effects would only be observable for the future financial year.

3. PROPERTY, PLANT AND EQUIPMENT

Group 2023	Freehold hotel property (Owned) RM'000	Freehold land and buildings (Owned) RM'000	Buildings (Right-of-use assets) RM'000	Plant and machinery (Owned) RM'000	Motor vehicles (Owned) RM'000	Renovation, furniture, fittings and equipment (Owned) RM'000	Office equipment (Right-of use assets) RM'000	Total RM'000
At 1 April 2022								
- *cost*	-	-	15,855	42	2,974	55,226	119	74,216
- *valuation*	199,000	36,220	-	-	-	-	-	235,220
	199,000	36,220	15,855	42	2,974	55,226	119	309,436
Additions - *cost*	-	-	-	-	-	2,890	-	2,890
Disposal - *cost*	-	-	-	-	(83)	(190)	-	(273)
Write off - *cost*	-	-	-	-	-	(143)	-	(143)
Foreign exchange adjustments	-	-	439	-	-	45	-	484
At 31 March 2023								
- *cost*	-	-	16,294	42	2,891	57,828	119	77,174
- *valuation*	199,000	36,220	-	-	-	-	-	235,220
	199,000	36,220	16,294	42	2,891	57,828	119	312,394

3. PROPERTY, PLANT AND EQUIPMENT (continued)

Group 2023	Freehold hotel property (Owned) RM'000	Freehold land and buildings (Owned) RM'000	Buildings (Right-of-use assets) RM'000	Plant and machinery (Owned) RM'000	Motor vehicles (Owned) RM'000	Renovation, furniture, fittings and equipment (Owned) RM'000	Office equipment (Right-of use assets) RM'000	Total RM'000
Accumulated depreciation								
At 1 April 2022								
- *cost*	-	-	1,514	42	2,602	34,985	83	39,226
- *valuation*	1,112	1,072	-	-	-	-	-	2,184
	1,112	1,072	1,514	42	2,602	34,985	83	41,410
Charge for the year								
- *cost*	-	-	1,149	-	258	2,054	27	3,488
- *valuation*	2,379	656	-	-	-	-	-	3,035
Disposal	-	-	-	-	(83)	(188)	-	(271)
Write off	-	-	-	-	-	(143)	-	(143)
Foreign exchange adjustments	-	-	3	-	-	31	-	34
At 31 March 2023								
- *cost*	-	-	2,666	42	2,777	36,739	110	42,334
- *valuation*	3,491	1,728	-	-	-	-	-	5,219
	3,491	1,728	2,666	42	2,777	36,739	110	47,553
Carrying value								
At 31 March 2023								
- *cost*	-	-	13,628	-	114	21,089	9	34,840
- *valuation*	195,509	34,492	-	-	-	-	-	230,001
	195,509	34,492	13,628	-	114	21,089	9	264,841
The carrying value of revalued assets stated under the historical cost convention								
At 31 March 2023	40,797	29,643	-	-	-	-	-	70,440

3. PROPERTY, PLANT AND EQUIPMENT (continued)

Group 2022	**Freehold hotel property (Owned) RM'000**	**Freehold land and buildings (Owned) RM'000**	**Buildings (Right-of-use assets) RM'000**	**Plant and machinery (Owned) RM'000**	**Motor vehicles (Owned) RM'000**	**Renovation, furniture, fittings and equipment (Owned) RM'000**	**Office equipment (Right-of use assets) RM'000**	**Total RM'000**
At 1 April 2021								
- *cost*	-	-	10,099	42	3,050	51,591	119	64,901
- *valuation*	199,000	36,220	-	-	-	-	-	235,220
	199,000	36,220	10,099	42	3,050	51,591	119	300,121
Additions - *cost*	-	-	6,295	-	-	5,421	-	11,716
Disposal - *cost*	-	-	-	-	(76)	(744)	-	(820)
Write off - *cost*	-	-	-	-	-	(1,048)	-	(1,048)
Lease termination	-	-	(560)	-	-	-	-	(560)
Foreign exchange adjustments	-	-	21	-	-	6	-	27
At 31 March 2022								
- *cost*	-	-	15,855	42	2,974	55,226	119	74,216
- *valuation*	199,000	36,220	-	-	-	-	-	235,220
	199,000	36,220	15,855	42	2,974	55,226	119	309,436
Accumulated depreciation								
At 1 April 2021								
- *cost*	-	-	508	42	2,409	35,039	56	38,054
- *valuation*	-	416	-	-	-	-	-	416
	-	416	508	42	2,409	35,039	56	38,470
Charge for the year								
- *cost*	-	-	1,108	-	269	1,722	27	3,126
- *valuation*	1,112	656	-	-	-	-	-	1,768
Disposal	-	-	-	-	(76)	(743)	-	(819)
Write off	-	-	-	-	-	(1,039)	-	(1,039)
Lease termination	-	-	(102)	-	-	-	-	(102)
Foreign exchange adjustments	-	-	-	-	-	6	-	6
At 31 March 2022								
- *cost*	-	-	1,514	42	2,602	34,985	83	39,226
- *valuation*	1,112	1,072	-	-	-	-	-	2,184
	1,112	1,072	1,514	42	2,602	34,985	83	41,410

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3. PROPERTY, PLANT AND EQUIPMENT (continued)

Group 2022	**Freehold hotel property (Owned) RM'000**	**Freehold land and buildings (Owned) RM'000**	**Buildings (Right-of-use assets) RM'000**	**Plant and machinery (Owned) RM'000**	**Motor vehicles (Owned) RM'000**	**Renovation, furniture, fittings and equipment (Owned) RM'000**	**Office equipment (Right-of use assets) RM'000**	**Total RM'000**
Carrying value								
At 31 March 2022								
- *cost*	-	-	14,341	-	372	20,241	36	34,990
- *valuation*	197,888	35,148	-	-	-	-	-	233,036
	197,888	35,148	14,341	-	372	20,241	36	268,026
The carrying value of revalued assets stated under the historical cost convention								
At 31 March 2022	41,856	30,272	-	-	-	-	-	72,128

Company 2023	**Freehold land and buildings (Owned) RM'000**	**Buildings (Right-of-use assets) RM'000**	**Motor vehicles (Owned) RM'000**	**Renovation, furniture, fittings and equipment (Owned) RM'000**	**Office equipment (Right-of use assets) RM'000**	**Total RM'000**
At 1 April 2022						
- *cost*	-	2,806	798	4,511	25	8,140
- *valuation*	4,150	-	-	-	-	4,150
	4,150	2,806	798	4,511	25	12,290
Additions - *cost*	-	-	-	113	-	113
Disposal - *cost*	-	-	-	(26)	-	(26)
At 31 March 2023						
- *cost*	-	2,806	798	4,598	25	8,227
- *valuation*	4,150	-	-	-	-	4,150
	4,150	2,806	798	4,598	25	12,377

3. PROPERTY, PLANT AND EQUIPMENT (continued)

Company 2023	**Freehold land and buildings (Owned) RM'000**	**Buildings (Right-of-use assets) RM'000**	**Motor vehicles (Owned) RM'000**	**Renovation, furniture, fittings and equipment (Owned) RM'000**	**Office equipment (Right-of use assets) RM'000**	**Total RM'000**
Accumulated depreciation						
At 1 April 2022						
- *cost*	-	415	797	4,334	17	5,563
- *valuation*	15	-	-	-	-	15
	15	415	797	4,334	17	5,578
Charge for the year						
- *cost*	-	313	1	88	6	408
- valuation	15	-	-	-	-	15
Disposal - cost	-	-	-	(26)	-	(26)
At 31 March 2023						
- cost	-	728	798	4,396	23	5,945
- valuation	30	-	-	-	-	30
	30	728	798	4,396	23	5,975
Carrying value						
At 31 March 2023						
- cost	-	2,078	-	202	2	2,282
- valuation	4,120	-	-	-	-	4,120
	4,120	2,078	-	202	2	6,402
The carrying value of revalued asset stated under the historical cost convention						
At 31 March 2023	1,932	-	-	-	-	1,932

3. PROPERTY, PLANT AND EQUIPMENT (continued)

Company 2022	**Freehold land and buildings (Owned) RM'000**	**Buildings (Right-of-use assets) RM'000**	**Motor vehicles (Owned) RM'000**	**Renovation, furniture, fittings and equipment (Owned) RM'000**	**Office equipment (Right-of use assets) RM'000**	**Total RM'000**
At 1 April 2021						
- *cost*	-	2,806	798	4,479	25	8,108
- *valuation*	4,150	-	-	-	-	4,150
	4,150	2,806	798	4,479	25	12,258
Additions - *cost*	-	-	-	32	-	32
At 31 March 2022						
- *cost*	-	2,806	798	4,511	25	8,140
- *valuation*	4,150	-	-	-	-	4,150
	4,150	2,806	798	4,511	25	12,290
Accumulated depreciation						
At 1 April 2021						
- *cost*	-	103	796	4,201	12	5,112
- *valuation*	-	-	-	-	-	-
	-	103	796	4,201	12	5,112
Charge for the year						
- *cost*	-	312	1	133	5	451
- *valuation*	15	-	-	-	-	15
At 31 March 2022						
- *cost*	-	415	797	4,334	17	5,563
- *valuation*	15	-	-	-	-	15
	15	415	797	4,334	17	5,578
Carrying value						
At 31 March 2022						
- *cost*	-	2,391	1	177	8	2,577
- *valuation*	4,135	-	-	-	-	4,135
	4,135	2,391	1	177	8	6,712
The carrying value of revalued asset stated under the historical cost convention						
At 31 March 2022	1,965	-	-	-	-	1,965

3. PROPERTY, PLANT AND EQUIPMENT (continued)

(a) The Group revalues its freehold hotel property, freehold land and buildings once in every two (2) to five (5) years to ensure that the carrying amount of a revalued asset does not differ materially from its fair value. The valuation is carried out by independent firm of professional valuers using the open market basis.

The latest valuations on freehold hotel property and freehold land and buildings in Malaysia were carried out by Raine & Horne International Zaki + Partners Sdn. Bhd. as at 31 March 2022. The fair value of the properties were determined using comparison method and therefore is categorised as Level 2 in the fair value hierarchy.

The professional valuers had adopted the fair value derived from comparison method instead of profits method. This was due to the prevailing economic uncertainty in adopting profits method compared to comparison method for indicating a specific final fair value.

(b) The fair value of freehold hotel property and freehold land and buildings are determined by independent professional valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The independent professional valuers provide the fair value of the property. The most significant input into this valuation approach is price per square foot of comparable properties. There was no transfer between levels in the fair value hierarchy of freehold hotel property, freehold land and buildings during the financial year.

(c) The freehold hotel property has been pledged as security for the bank borrowings as disclosed in Note 22 to the financial statements.

(d) Leasehold properties are mortgaged to a bank as security for the bank borrowings disclosed in Note 22 to the financial statements.

(e) The fair value measurements of the freehold hotel property, freehold land and buildings (at valuation) are based on the highest and best use which does not differ from their actual use.

4. LEASES

The Group as lessee

Right-of-use assets

Rights-of-use assets related to leased properties and office equipment that do not meet the definition of investment property are presented as property, plant and equipment (Note 3).

Carrying amount	**Balance as at 1.4.2022 RM'000**	**Depreciation RM'000**	**Foreign exchange adjustments RM'000**	**Balance as at 31.3.2023 RM'000**
Buildings	14,341	(1,149)	436	13,628
Office equipment	36	(27)	-	9
	14,377	(1,176)	436	13,637

4. LEASES (continued)

The Group as lessee (continued)

Right-of-use assets (continued)

Carrying amount	Balance as at 1.4.2021 RM'000	Addition RM'000	Lease termination RM'000	Depreciation RM'000	Foreign exchange adjustments RM'000	Balance as at 31.3.2022 RM'000
Buildings	9,591	6,295	(458)	(1,108)	21	14,341
Office equipment	63	-	-	(27)	-	36
	9,654	6,295	(458)	(1,135)	21	14,377

Lease liabilities

Carrying amount	Balance as at 1.4.2022 RM'000	Lease payments RM'000	Interest expense RM'000	Balance as at 31.3.2023 RM'000
Buildings	8,339	(1,163)	272	7,448
Office equipment	36	(31)	1	6
	8,375	(1,194)	273	7,454

Carrying amount	Balance as at 1.4.2021 RM'000	Lease termination RM'000	Lease payments RM'000	Interest expense RM'000	Balance as at 31.3.2022 RM'000
Buildings	9,652	(458)	(1,163)	308	8,339
Office equipment	64	-	(31)	3	36
	9,716	(458)	(1,194)	311	8,375

4. LEASES (continued)

The Company as lessee

Right-of-use assets

Rights-of-use assets related to leased properties and office equipment that do not meet the definition of investment property are presented as property, plant and equipment (Note 3).

Carrying amount	Balance as at 1.4.2022 RM'000	Depreciation RM'000	Balance as at 31.3.2023 RM'000
Buildings	2,391	(313)	2,078
Office equipment	8	(6)	2
	2,399	(319)	2,080

Carrying amount	Balance as at 1.4.2021 RM'000	Depreciation RM'000	Balance as at 31.3.2022 RM'000
Buildings	2,703	(312)	2,391
Office equipment	13	(5)	8
	2,716	(317)	2,399

Lease liabilities

Carrying amount	Balance as at 1.4.2022 RM'000	Lease payments RM'000	Interest expense RM'000	Balance as at 31.3.2023 RM'000
Buildings	2,481	(341)	89	2,229
Office equipment	9	(7)	-	2
	2,490	(348)	89	2,231

Carrying amount	Balance as at 1.4.2021 RM'000	Lease payments RM'000	Interest expense RM'000	Balance as at 31.3.2022 RM'000
Buildings	2,719	(335)	97	2,481
Office equipment	15	(7)	1	9
	2,734	(342)	98	2,490

4. LEASES (continued)

The Company as lessee (continued)

Right-of-use assets (continued)

	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
Represented by:				
Current liabilities	981	921	283	259
Non-current liabilities	6,473	7,454	1,948	2,231
	7,454	8,375	2,231	2,490
Lease liabilities owing to non-financial institutions	7,454	8,375	2,231	2,490

(a) The Group and the Company leases a number of buildings and office equipment in the locations, which they operate with fixed periodic rent over the lease term.

The Group has certain leases of building with lease term of 12 months or less, and low value leases of office equipment. The Group applies the "short-term lease" and "lease of low-value assets" exemptions for these leases.

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

	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
Depreciation charge of right-of-use assets (included in administration expense)	1,176	1,135	319	317
Interest expense on lease liabilities (included in finance costs)	273	311	89	98
Expense relating to short-term leases (included in cost of sales and administration expenses)	124	172	-	-
Expense relating to leases of low-value assets (included in administration expenses)	24	28	-	-
	1,597	1,646	408	415

(c) At the end of the financial year, the Group and the Company had total cash outflow for leases of RM1,342,000 and RM348,000 respectively (2022: RM1,394,000 and RM342,000 respectively).

4. LEASES (continued)

(d) The Group has several lease contracts that include extension and termination options. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

The followings are the undiscounted potential future rental payments that are not included in the lease term:

Group 2023	Within five years RM'000	More than five years RM'000	Total RM'000
Extension options expected not to be exercised	24	-	24
2022			
Extension options expected not to be exercised	19	5	24

(e) The following table sets out the carrying amounts, the weighted average incremental borrowing rates and the remaining maturities of the lease liabilities of the Group and of the Company:

Group	Weighted average incremental borrowing rate per annum %	Within 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	More than 5 years RM'000	Total RM'000
31 March 2023						
Lease liabilities	3.33% - 4.75%	981	1,036	3,728	1,709	7,454
31 March 2022						
Lease liabilities	3.33% - 4.75%	921	986	3,551	2,917	8,375
Company						
31 March 2023						
Lease liabilities	3.75% - 4.70%	283	304	1,386	258	2,231
31 March 2022						
Lease liabilities	3.75% - 4.70%	259	283	1,316	632	2,490

4. LEASES (continued)

(f) The table below summarises the maturity profile of the lease liabilities of the Group and of the Company at the end of the reporting period based on contractual undiscounted repayment obligations as follows:

Group	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
31 March 2023				
Lease liabilities	1,229	5,384	1,755	8,368
31 March 2022				
Lease liabilities	1,197	5,324	3,044	9,565
Company				
31 March 2023				
Lease liabilities	361	1,908	261	2,530
31 March 2022				
Lease liabilities	348	1,877	653	2,878

The Group and the Company as lessor

The Group and the Company have entered into non-cancellable lease agreements on of its certain owned commercial properties (Note 6) for terms of between two (2) to three (3) years and renewable at the end of the lease period subject to an increase clause. The monthly rental consists of a fixed base rent.

The Group and the Company have aggregate future minimum lease receivable as at the end of each reporting period as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Year 1	1,947	753	86	48
Year 2	1,250	384	-	51
Year 3	112	156	-	-
	3,309	1,293	86	99

5. INVENTORIES

	Note	Group 2023 RM'000	Group 2022 RM'000
Non-current assets			
Land held for property development			
At cost	(a)(i)	112,599	107,367
At net realisable value	(a)(i)	78,198	77,545
		190,797	184,912
Current assets			
Property development costs ("PDC")			
At cost	(a)(ii)	192,370	-
At net realisable value	(a)(ii)	-	221,894
		192,370	221,894
Completed development properties			
At cost		57,606	73,040
At net realisable value		59,141	83,534
		116,747	156,574
Consumables			
At cost		175	158
		309,292	378,626
Total inventories		500,089	563,538
Inventories recognised in profit or loss as cost of sales		22,171	83,357

(a) The details of the inventories are as follows:

(i) Non-current assets - Land held for property development

Group	Balance as at 1.4.2022 RM'000	Additions RM'000	Balance as at 31.3.2023 RM'000
Carrying amount			
Freehold land	150,768	131	150,899
Development costs	34,144	5,754	39,898
	184,912	5,885	190,797

5. INVENTORIES (continued)

(a) The details of the inventories are as follows: (continued)

(i) Non-current assets - Land held for property development (continued)

Group	Balance as at 1.4.2021 RM'000	Additions RM'000	Transfer to PDC RM'000	Balance as at 31.3.2022 RM'000
Carrying amount				
Freehold land	186,729	3,924	(39,885)	150,768
Leasehold land	32,322	45	(32,367)	-
Development costs	79,911	5,128	(50,895)	34,144
	298,962	9,097	(123,147)	184,912

(ii) Current assets - Property development costs

	Group 2023 RM'000	Group 2022 RM'000
At 1 April 2022/2021	221,894	152,094
Costs incurred during the year		
Freehold land at cost	2,304	89
Leasehold land at cost	-	75
Development costs	57,266	27,193
	59,570	27,357
Cost recognised as an expense in profit or loss in current year	(89,094)	(47,054)
Cost transferred from land held for development	-	123,147
Cost transferred to completed development properties	-	(33,650)
At 31 March 2023/2022	192,370	221,894

(b) Inventories are stated at lower of cost and net realisable value.

(c) As at the end of the reporting period, land held for property development with carrying amount of RM93,842,000 (2022: RM93,756,000) were pledged to licensed bank to secure the bank borrowings as disclosed in Note 22 to the financial statements.

(d) Included in property development costs above is land with carrying amount of RM84,502,000 (2022: RM155,737,000) which were pledged to licensed bank to secure the bank borrowings referred to in Note 22 to the financial statements.

(e) Included in land held for property development and property development costs is borrowing costs of RM548,000 (2022: RM971,000) incurred during the financial year. The interest rate ranges from 3.85% to 4.91% (2022: 3.68% to 4.75%) per annum.

(f) Leasehold land of the Group represent costs incurred as a consequence of having used the right-of-use assets to produce inventories during the financial year in accordance with MFRS 102 *Inventories*.

5. INVENTORIES (continued)

(g) The Group reversed RM57,000 (2022: RM247,000) in respect of completed development properties written down in the previous financial years as the Group had sold the properties during the financial year.

(h) In the previous financial year, written down of completed development properties to net realisable value of RM873,000 were made.

6. INVESTMENT PROPERTIES

	Group		Company	
	2023 RM'000	**2022 RM'000**	**2023 RM'000**	**2022 RM'000**
At 1 April 2022/2021	31,148	12,276	2,100	2,100
Fair value adjustments	2,713	3,876	-	-
Transfer from inventories	36,192	14,996	-	-
At 31 March 2023/2022	70,053	31,148	2,100	2,100
Comprise:				
Freehold land and buildings				
Office space in a 24-storey office building known as Plaza 138	2,940	2,940	2,100	2,100
Commerial kiosk located at The Hub SS2	2,988	2,988	-	-
Commerial building located at Batu Ferringhi	6,500	6,500	-	-
Commercial office lots located at Sqwhere, Sungai Buloh	47,235	8,330	-	-
Commercial supermarket located at Sqwhere, Sungai Buloh	10,390	10,390	-	-
	70,053	31,148	2,100	2,100

(a) The amount of rental income and direct operating expenses recognised on revenue generating investment properties are disclosed in Notes 25 and 28 to the financial statements.

(b) The fair values of the investment properties at 31 March 2023 are based on a valuation carried out by Raine & Horne International Zaki + Partners Sdn. Bhd., a firm of independent professional valuers who have appropriate professional qualifications and recent experience in the relevant location and assets being valued. The fair value of the investment properties was determined using comparison method and therefore is categorised as Level 2 in the fair value hierarchy.

(c) The comparison method entails comparing the property with comparable properties which have been sold or are being offered for sale and making adjustments for factors which affect value such as location and accessibility, size, building construction and finishes, building services, management and maintenance, age and state of repair, market conditions and other relevant characteristics. The most significant input into this valuation approach is price per square foot of comparable properties.

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

(d) Investment properties of the Group are mainly used to generate rental income. However, the fair value of the investment properties reflects the highest and best use of the said properties should the investment properties be disposed. Currently, management does not intend to dispose of the investment properties and the existing use of the investment properties remains for rental purposes.

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7. INVESTMENTS IN SUBSIDIARIES

	Company 2023 RM'000	Company 2022 RM'000
Unquoted shares at cost		
- ordinary shares	23,768	23,768
- non-cumulative redeemable preference shares	449,000	449,000
	472,768	472,768
Impairment losses	(8,050)	(8,050)
	464,718	464,718

(a) The subsidiaries are:

	Equity interest Direct 2023 %	Equity interest Direct 2022 %	Equity interest Indirect 2023 %	Equity interest Indirect 2022 %	Country of incorporation/ Principal place of business	Principal activities
SDB Properties Sdn. Bhd. ("SDBP")	100	100	-	-	Malaysia	Property development and the operation of a boutique urban resort hotel known as Hotel Maya Kuala Lumpur
Prestij Permai Sdn. Bhd. ("PPSB")	-	-	100	100	Malaysia	Property development
Hayat Abadi Sdn. Bhd. ("HASB")	-	-	100	100	Malaysia	Property development
SDB Damansara Sdn. Bhd. ("SDBD")	-	-	100	100	Malaysia	Property development
SDB SS2 Development Sdn. Bhd. ("SDBSS2")	-	-	100	100	Malaysia	Property development
SDB Ampang Sdn. Bhd. ("SDBA")	-	-	100	100	Malaysia	Property development
Crescent Consortium Sdn. Bhd. ("CCSB")	-	-	100	100	Malaysia	Property development
SDB Subang Development Sdn. Bhd. ("SDBSU")	-	-	100	100	Malaysia	Property development
Seldredge Industries Sdn. Bhd. ("SDI")	100	100	-	-	Malaysia	Property development
SDB International Sdn. Bhd. ("SDBI")	100	100	-	-	Malaysia	Investment holding
SDB Interiors Sdn. Bhd. ("SDBINT")	100	100	-	-	Malaysia	Provision of property support services

7. INVESTMENTS IN SUBSIDIARIES (continued)

(a) The subsidiaries are: (continued)

	Equity interest				Country of incorporation/ Principal place of business	Principal activities
	Direct		Indirect			
	2023 %	2022 %	2023 %	2022 %		
SDB Property Management Sdn. Bhd. ("SDBPM")	-	-	100	100	Malaysia	Provision of property management services
SDB Host Sdn. Bhd. ("SDBH")	-	-	100	100	Malaysia	Provision of property management services
SuperGreen Solutions Sdn. Bhd. ("SGS")	100	100	-	-	Malaysia	Trading and installation of energy efficient products
SDB Mining Sdn. Bhd. ("SDBM")	100	100	-	-	Malaysia	Investment holding
SDB Asia Pte. Ltd. ("SDBAS")*	-	-	100	100	Singapore	Investment in property and property development
SDB Green Energy Pte. Ltd. ("SDBGE")*	-	-	100	100	Singapore	Master Franchisee of energy efficient products

* *Subsidiaries not audited by BDO PLT*

(b) Reconciliation of movements in accumulated impairment losses is as follows:

	Company	
	2023 RM'000	2022 RM'000
At 1 April 2022/2021	8,050	7,850
Charge for the financial year	-	200
At 31 March 2023/2022	8,050	8,050

In the previous financial year, impairment losses on investments in subsidiaries amounting to RM200,000 had been recognised within administrative and general expenses due to declining business operations of certain subsidiary.

(c) In the previous financial year, the Company acquired 200,000 ordinary shares in SGS from SDBGE for cash consideration of RM200,000, representing 100% equity interest in SGS. SGS remained a wholly-owned subsidiary of the Group.

8. INVESTMENTS IN ASSOCIATES

	Group	
	2023 RM'000	2022 RM'000
Quoted equity shares, at cost	74,034	74,034
Unquoted equity shares, at cost	10,000	10,000
Group's share of post-acquisition reserves	72,881	57,644
Dividend received	(11,220)	(7,256)
	145,695	134,422

The associates are as follows:

	Equity interest Indirect		Country of incorporation/ Principal place of business	Principal activities
	2023 %	2022 %		
Fortress Minerals Limited ("FML")*	31	31	Singapore	Investment holding
Extra Diligent Sdn. Bhd. ("EDSB")*	45	45	Malaysia	Acquisition of mines, mining rights, metalliferous land and quarries, and dealings in minerals

* *Associates not audited by BDO PLT*

8. INVESTMENTS IN ASSOCIATES (continued)

(a) The associates have a different financial year end from the Group. In applying the equity method of accounting, the financial statements of the associates for the financial year ended 28 February 2023/28 February 2022 have been used and appropriate adjustments have been made for the effects of significant transactions between 1 March 2023/2022 and 31 March 2023/2022.

Summarised financial information of the associates are as follows:

2023	**FML RM'000**	**EDSB RM'000**
Assets and liabilities		
Non current assets	326,608	7,025
Current assets	88,165	796
Non current liabilities	(59,476)	-
Current liabilities	(77,876)	(7,803)
Net assets	277,421	18
Results		
Revenue	237,133	-
Cost of sales	(69,950)	-
Gross profit	167,183	-
Other operating income	2,080	-
Selling and distribution expenses	(30,262)	-
Adminstrative and general expenses	(16,920)	(14)
Other operating expenses	(42,624)	-
Finance cost	(4,481)	-
Profit/(Loss) before tax	74,976	(14)
Tax expense	(19,897)	-
Profit/(Loss) for the financial year	55,079	(14)
Other comprehensive loss for the financial year	(15,586)	-
Share of profit/(loss) by the Group for the financial year	17,069	(6)
Share of other comprehensive loss by the Group for the financial year	(4,830)	-
Dividend received	3,964	-

8. INVESTMENTS IN ASSOCIATES (continued)

(a) The associates have a different financial year end from the Group. In applying the equity method of accounting, the financial statements of the associates for the financial year ended 28 February 2023/28 February 2022 have been used and appropriate adjustments have been made for the effects of significant transactions between 1 March 2023/2022 and 31 March 2023/2022. (continued)

Summarised financial information of the associates are as follows: (continued)

2022	FML RM'000	EDSB RM'000
Assets and liabilities		
Non current assets	311,796	7,033
Current assets	74,932	803
Non current liabilities	(85,808)	-
Current liabilities	(60,426)	(7,803)
Net assets	240,494	33
Results		
Revenue	180,756	-
Cost of sales	(41,620)	-
Gross profit	139,136	-
Other operating income	2,821	-
Selling and distribution expenses	(20,001)	-
Adminstrative and general expenses	(4,645)	(15)
Other operating expenses	(36,269)	-
Finance cost	(3,284)	-
Profit/(Loss) before tax	77,758	(15)
Tax expense	(17,817)	-
Profit/(Loss) for the financial year	59,941	(15)
Other comprehensive loss for the financial year	(7,267)	-
Share of profit/(loss) by the Group for the financial year	18,591	(7)
Share of other comprehensive loss by the Group for the financial year	(2,252)	-
Dividend received	4,794	-

The information above represents the amounts in the financial statements of associates and do not reflect the Group's proportionate share in those amounts.

8. INVESTMENTS IN ASSOCIATES (continued)

(a) The associates have a different financial year end from the Group. In applying the equity method of accounting, the financial statements of the associates for the financial year ended 28 February 2023/28 February 2022 have been used and appropriate adjustments have been made for the effects of significant transactions between 1 March 2023/2022 and 31 March 2023/2022. (continued)

The reconciliation of the above summarised financial information to the carrying amounts of the Group's interest in associates is as follows:

	Group 2023	
	FML RM'000	**EDSB RM'000**
Net assets attributable to shareholders of associates	277,421	18
Proportion of ownership interest held by the Group	31%	45%
Group's share of net assets	85,973	8
Goodwill	49,753	9,964
Elimination of consolidation adjustments	-	(3)
Carrying value of Group's interest in associates	135,726	9,969

	Group 2022	
	FML RM'000	**EDSB RM'000**
Net assets attributable to shareholders of associates	240,494	33
Proportion of ownership interest held by the Group	31%	45%
Group's share of net assets	74,529	15
Goodwill	49,753	9,964
Elimination of consolidation adjustments	165	(4)
Carrying value of Group's interest in associates	124,447	9,975

(b) FML is a public listed company in Singapore. The fair value of Group's interest in FML as at 31 March 2023 is RM205,868,000 (2022: RM218,991,000).

9. INVESTMENTS IN JOINT VENTURES

	Group 2023 RM'000	Group 2022 RM'000
Capital contribution, at cost	99,735	99,735
Group's share of post-acquisition reserves and retained profits less losses	48,160	72,749
Foreign exchange adjustments	33,676	22,045
Dividend received	(15,452)	(15,452)
	166,119	179,077

The joint ventures are as follows:

	Equity interest Indirect 2023 %	Equity interest Indirect 2022 %	Country of incorporation/ Principal place of business	Principal activities
Chedstone Investment Holdings Pte. Ltd. ("CHI")*	50	50	Singapore	Property development
Champsworth Development Pte. Ltd. ("CD")*	50	50	Singapore	Property development
SDB Teambuild Sdn. Bhd. ("SDBT")	50	50	Malaysia	Contractor for building and project management service
Subsidiaries of CD				
Tiara Land Pte. Ltd. ("TLPL") *	50	50	Singapore	Property development

* *Joint ventures not audited by BDO PLT*

	Group 2023 RM'000	Group 2022 RM'000
Reconciliation of net assets to carrying amount as at 31 March		
Carrying amount in the statement of financial position	166,119	179,077
Group's share of (loss)/profit, net of tax	(24,589)	3,202

9. INVESTMENTS IN JOINT VENTURES (continued)

(a) Summarised financial information of material joint ventures is as follows:

2023	CHI RM'000	CD and its subsidiaries RM'000
Assets and liabilities		
Current assets	77,035	672,708
Current liabilities	(355)	(417,149)
Net assets	76,680	255,559
Proportion of the ownership of the Group	50%	50%
Carrying amount of the investments in joint ventures	38,340	127,779
Results		
Revenue	-	146,929
Cost of sales	-	(119,113)
Gross profit	-	27,816
Other operating income	2,304	752
Selling and distribution expenses	-	(7,363)
Other expenses	(3)	(213)
Administrative and general expenses	(1,120)	(52,491)
Finance cost	-	(19,981)
Profit/(Loss) before tax	1,181	(51,480)
Taxation	(478)	1,598
Profit/(Loss) for the financial year	703	(49,882)
Share of profit/(loss) by the Group for the financial year	352	(24,941)

9. INVESTMENTS IN JOINT VENTURES (continued)

(a) Summarised financial information of material joint ventures is as follows: (continued)

2022	CHI RM'000	CD and its subsidiaries RM'000
Assets and liabilities		
Current assets	71,085	652,687
Current liabilities	(52)	(365,566)
Net assets	71,033	287,121
Proportion of the ownership of the Group	50%	50%
Carrying amount of the investments in joint ventures	35,516	143,561
Results		
Revenue	-	185,403
Cost of sales	-	(148,469)
Gross profit	-	36,934
Other operating income	1,322	440
Selling and distribution expenses	-	(12,023)
Other expenses	-	(230)
Administrative and general expenses	(980)	(6,916)
Finance cost	-	(10,081)
Profit before tax	342	8,124
Tax expense	(131)	(1,930)
Profit for the financial year	211	6,194
Share of profit by the Group for the financial year	105	3,097

(b) The summarised aggregate financial information of the Group's share of other individually immaterial joint venture as at 31 March is as follows:

	Group	
	2023 RM'000	2022 RM'000
Net loss for the financial year	(16)	(13)
Total comprehensive loss	(16)	(13)
Unrecognised share of loss for the financial year	16	13
Carrying amount of unrecognised share of losses	985	969

10. INTANGIBLE ASSETS

	Group	
	2023 RM'000	2022 RM'000
Franchise licenses		
Cost		
As at 1 April 2022/2021	587	584
Foreign exchange adjustments	26	3
At 31 March 2023/2022	613	587
Accumulated amortisation		
At 1 April 2022/2021	42	33
Amortisation charge for the year	9	9
At 31 March 2023/2022	51	42
Net carrying amount	562	545

11. DEFERRED TAX

(a) The deferred tax are made up of the following:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
As at 1 April 2022/2021	(4,370)	(1,965)	(684)	(645)
Recognised in profit or loss (Note 30)	(2,794)	(2,405)	350	(39)
As at 31 March 2023/2022	(7,164)	(4,370)	(334)	(684)
Represented by:				
Deferred tax assets, net	2,723	5,867	-	-
Deferred tax liabilities, net	(9,887)	(10,237)	(334)	(684)
	(7,164)	(4,370)	(334)	(684)

11. DEFERRED TAX (continued)

(b) The components of the Group's and the Company's deferred tax assets/(liabilities) are as follows:

	Group		Company	
	2023 RM'000	**2022 RM'000**	**2023 RM'000**	**2022 RM'000**
Deferred tax assets:				
Tax effect of unutilised tax losses	-	74	-	-
Tax effect of unabsorbed capital allowances	29	55	-	25
Other temporary differences	2,818	6,935	-	693
Deferred tax assets (before off-setting)	2,847	7,064	-	718
Offsetting	(124)	(1,197)	-	(718)
Deferred tax assets (after off-setting)	2,723	5,867	-	-
Deferred tax liabilities:				
Recognised in profit or loss:				
Property, plant and equipment ("PPE")	-	(937)	-	(936)
Tax effects of fair value gain on investment properties subject to real property gain tax	(166)	(297)	-	(132)
Other temporary differences	136	(219)	-	-
Recognised in other comprehensive income:				
Tax effects of revaluation gain on PPE	(9,981)	(9,981)	(334)	(334)
Deferred tax liabilities (before off-setting)	(10,011)	(11,434)	(334)	(1,402)
Offsetting	124	1,197	-	718
Deferred tax liabilities (after off-setting)	(9,887)	(10,237)	(334)	(684)

The following temporary differences and unutilised tax losses exist as at 31 March of which the deferred tax benefits have not been recognised in the financial statements:

	Group	
	2023 RM'000	**2022 RM'000**
Unutilised tax losses		
- expires by 31 March 2028	17,570	18,690
- expires by 31 March 2029	2,804	6,430
- expires by 31 March 2030	4,946	7,498
- expires by 31 March 2031	43,586	43,586
- expires by 31 March 2032	11,095	11,095
- expires by 31 March 2033	19,182	-
Unabsorbed capital allowances	1,546	1,365
Other deductible temporary differences	10,070	16,323
	110,799	104,987

11. DEFERRED TAX (continued)

Deferred tax assets of certain subsidiaries have not been recognised in respect of these items as it is not probable that future taxable profits of the subsidiaries would be available against which the deductible temporary differences could be utilised.

The amount and availability of these items to be carried forward up to the periods as disclosed above are subject to the agreement of the respective local tax authorities. Unutilised tax losses of the subsidiaries incorporated in Malaysia can be carried forward up to 10 consecutive years of assessment immediately following the year of assessment under the tax legislation of Inland Revenue Board.

12. CONTRACT ASSETS/(LIABILITIES)

	Group	
	2023 RM'000	2022 RM'000
Revenue recognised in profit or loss to date	1,652,662	1,518,796
Progress billings to date	(1,553,889)	(1,513,113)
Less: Impairment losses (Note 37(c))	(27)	(156)
	98,746	5,527
Represented by:		
Contract assets		
Cost to obtain a contract	3,676	262
Construction contracts	53	146
Property development contracts	96,127	6,250
	99,856	6,658
Contract liabilities		
Construction contracts	(1,110)	(1,131)
	98,746	5,527

a) Contract assets and contract liabilities movements are as follow:

	Group	
	2023 RM'000	2022 RM'000
At 1 April 2022/2021	5,527	49,092
Movements in impairment loss	129	240
Revenue recognised during the year	128,365	86,961
Progress billings	(35,275)	(130,766)
At 31 March 2023/2022	98,746	5,527

12. CONTRACT ASSETS/(LIABILITIES) (continued)

b) Revenue expected to be recognised in the future relating to performance obligations that are unsatisfied (or partially unsatisfied) at the end of the reporting period, are as follows:

Group	Within one year RM'000	More than one year RM'000	Total RM'000
31 March 2023	319,752	129,737	449,489
31 March 2022	-	-	-

13. TRADE RECEIVABLES

	Group 2023 RM'000	2022 RM'000
Progress billings receivables	15,577	18,832
Retention sums receivables	7,907	16,102
Other trade receivables	1,203	2,947
	24,687	37,881
Less: Impairment losses (Note 37(c))	(1,013)	(9,820)
Total trade receivables	23,674	28,061

(a) Progress billings to house buyers are due within 21 days as stipulated in the sale and purchase agreements. The retention sums are due upon the expiry of the defect liability period stated in the sale and purchase agreements. The defect liability periods range from 6 to 24 months.

(b) Monthly rentals from tenants were due at the beginning of the month.

(c) Normal credit terms granted to other customers is 30 days. For major established customers, the credit terms may be extended to 60 days based on the discretion of management.

(d) All trade receivables are denominated in Ringgit Malaysia.

14. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Other receivables	7,860	5,069	21	3
Deposits	6,537	6,517	79	79
	14,397	11,586	100	82
Less: Impairment losses (Note 37(c))	(1,930)	(1,472)	(1)	(1)
Total other receivables	12,467	10,114	99	81
Prepayments	4,923	1,573	117	120
	17,390	11,687	216	201

(a) Included in deposits are rental deposits held by the following parties:

	Group	
	2023 RM'000	2022 RM'000
Teh Lip Ling, a close family member of Teh Lip Kim and Teh Lip Pink, Directors of the Company	-	6
Teh Lip Bin, a close family member of Teh Lip Kim and Teh Lip Pink, Directors of the Company	-	6
Teh Kien Toh Sdn. Bhd., a company in which Teh Lip Kim and Teh Lip Pink, Directors of the Company, have interests	-	6

(b) The currency exposure profile of other receivables and deposits is as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
- Ringgit Malaysia (“RM”)	12,353	10,020	99	81
- Singapore Dollar (“SGD”)	97	76	-	-
- Australian Dollar (“AUD”)	17	18	-	-
	12,467	10,114	99	81

15. AMOUNTS OWING BY/(TO) SUBSIDIARIES

(a) The amounts owing by subsidiaries consist of the following:

	Company 2023 RM'000	Company 2022 RM'000
Non-current assets		
Interest-free advances	181	-
Interest bearing advances	8,019	-
	8,200	-
Less: Impairment losses	-	-
	8,200	-
Current assets		
Interest-free advances	18,843	1,155
Interest bearing advances	201,901	208,570
	220,744	209,725
Less: Impairment losses	(4,812)	(2,595)
	215,932	207,130
Total amounts owing by subsidiaries	224,132	207,130

(b) Amounts owing by subsidiaries are unsecured, which represent interest-free advances, or interest bearing advances at 5.00% (2022: 4.00%) per annum. Current amounts owing by subsidiaries are repayable within 12 months (2022: 12 months) in cash and cash equivalents, while non-current amounts owing by subsidiaries are not payable within the next twelve months.

(c) The amounts owing to subsidiaries consist of the following:

	Company 2023 RM'000	Company 2022 RM'000
Current liabilities		
Interest-free advances	1,039	169
Interest bearing advances	65,348	45,348
	66,387	45,517

Amounts owing to subsidiaries included under current liabilities represent unsecured, interest-free or interest bearing advances at a rate of 5.00% (2022: 4.00%) per annum, which are payable on demand in cash and cash equivalents.

(d) All amounts owing by/(to) subsidiaries are denominated in Ringgit Malaysia.

(e) The movements in the impairment allowance for amounts owing by subsidiaries are disclosed in Note 37(c) to the financial statements.

16. AMOUNT OWING BY AN ASSOCIATE

	Group 2023 RM'000	Group 2022 RM'000
Non-current assets		
Interest-free advances	3,420	3,420
Less: Impairment losses	(48)	(48)
	3,372	3,372

(a) Amount owing by an associate represents advances and payments made on behalf, which are unsecured, interest-free and are not payable within the next twelve months.

(b) The amount owing by an associate is denominated in Ringgit Malaysia.

(c) The movements in the impairment allowance for amount owing by an associate are disclosed in Note 37(c) to the financial statements.

17. AMOUNTS OWING BY/(TO) JOINT VENTURES

(a) The amounts owing by joint ventures consist of the following:

	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
Non-current assets				
Interest-free advances	1,071	730	-	-
Less: Impairment losses	(915)	(639)	-	-
	156	91	-	-
Current assets				
Interest-free advances	101	446	38	27
Less: Impairment losses	-	(335)	-	-
	101	111	38	27
	257	202	38	27

(b) Amounts owing by joint ventures represent advances and payments made on behalf, which are unsecured and interest-free. Current amounts owing by joint ventures are repayable within 12 months (2022: 12 months) in cash and cash equivalents, while non-current amounts owing by joint ventures are not payable within the next twelve months.

17. AMOUNTS OWING BY/(TO) JOINT VENTURES (continued)

(c) The currency exposure profile of amounts owing by joint ventures is as follows:

	Group		Company	
	2023 RM'000	**2022 RM'000**	**2023 RM'000**	**2022 RM'000**
- RM	219	137	38	27
- SGD	38	65	-	-
	257	202	38	27

(d) The movements in the impairment allowance for amounts owing by joint ventures are disclosed in Note 37(c) to the financial statements.

No expected credit losses were recognised by the Company arising from the amounts owing by joint ventures as the amount is negligible.

(e) The amount owing to a joint venture consists of the following:

	Group	
	2023 RM'000	**2022 RM'000**
Current liability		
Interest-free advances	16,609	15,532

Amount owing to a joint venture included under current liabilities represent unsecured, non-interest bearing advances, which are payable on demand in cash and cash equivalents.

(f) The amount owing to a joint venture is denominated in Singapore Dollar.

18. DEPOSITS AND SHORT TERM FUND

	Group		Company	
	2023 RM'000	**2022 RM'000**	**2023 RM'000**	**2022 RM'000**
Deposits with licensed banks	22,819	2,456	390	390
Short term fund	1	-	1	-
	22,820	2,456	391	390

18. DEPOSITS AND SHORT TERM FUND (continued)

(a) Deposits include the following amounts which have been pledged as security for a bank guarantee facilities:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Stamp duty payable on facility agreements	390	390	390	390

(b) The effective interest rates of the deposits range from 1.48% to 2.89% (2022: 1.50% to 1.85%) per annum.

(c) Deposits of the Group and of the Company have maturities ranging from 30 days to 365 days (2022: 30 days to 365 days).

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

(e) The currency exposure profile of deposits and short term fund is as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
- RM	2,497	2,456	391	390
- SGD	20,323	-	-	-
	22,820	2,456	391	390

(f) The short term fund is managed and invested into money market instruments. The short term fund is readily convertible to cash.

(g) Placement in short term investment aims to invest in highly liquid instruments which are investing its assets in money market instruments and are redeemable with one (1) day notice. The short term investment is subject to an insignificant risk of changes in value and form part of cash and cash equivalents. Funds distribution income from these funds was tax-exempted, was calculated daily and distributed at every month end.

19. CASH AND BANK BALANCES

(a) Included in cash and bank balances of the Group is a balance of RM16,152,000 (2022: RM32,887,000) held under Housing Development Account pursuant to Section 7A of Housing Development (Control and Licensing) Act, 1966, as amended by the Housing Developers (Housing Development Account) (Amendment) Regulations, 2015, which is not available for general use by the Group.

Funds maintained in the Housing Development Accounts earn interest ranging from 0.67% to 1.04% (2022: 0.50% to 0.79%) per annum.

(b) No expected credit losses were recognised arising from the cash and bank balances because the probability of default by these financial institutions were negligible.

19. CASH AND BANK BALANCES (continued)

(c) The currency exposure profile of cash and bank balances is as follows:

	Group		Company	
	2023 RM'000	**2022 RM'000**	**2023 RM'000**	**2022 RM'000**
- RM	59,924	84,813	28,659	5,354
- SGD	2,235	24,057	-	-
	62,159	108,870	28,659	5,354

20. SHARE CAPITAL

	Group and Company	
	2023 RM'000	**2022 RM'000**
Issued and fully paid:		
426,127,662 ordinary shares	213,541	213,541

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one (1) vote per ordinary share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

There is no par value for these ordinary shares.

21. RESERVES

	Group		Company	
	2023 RM'000	**2022 RM'000**	**2023 RM'000**	**2022 RM'000**
Non-distributable				
Revaluation reserve	93,238	93,238	3,268	3,268
Exchange translation reserve	45,874	34,457	-	-
	139,112	127,695	3,268	3,268
Distributable				
Other reserve	7,861	7,861	7,861	7,861
Retained earnings	500,282	494,031	329,594	333,907
	647,255	629,587	340,723	345,036

21. RESERVES (continued)

(a) Revaluation reserve

The revaluation reserve is used to record the changes in the fair value of land and buildings.

(b) Exchange translation reserve

Exchange translation reserve is used to record foreign currency exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the presentation currency of the Group. It is also used to record the exchange differences arising from monetary items which form part of the net investment in foreign operations of the Group, where the monetary item is denominated in either the functional currency of the reporting entity or the foreign operation.

(c) Other reserve

The distributable other reserve represents realised capital gains transferred from retained earnings.

22. BANK BORROWINGS

	Group		Company	
	2023 RM'000	**2022 RM'000**	**2023 RM'000**	**2022 RM'000**
Secured				
Term loans	134,065	114,495	-	-
Revolving credits	241,859	231,028	54,000	30,250
Unsecured				
Revolving credits	70,000	70,000	50,000	50,000
	445,924	415,523	104,000	80,250
Repayments due within 12 months *(included under current liabilities)*	(340,376)	(306,091)	(74,125)	(71,500)
Repayments due after 12 months *(included under non-current liabilities)*	105,548	109,432	29,875	8,750

(a) The bank borrowings are repayable as follows:

	Group		Company	
	2023 RM'000	**2022 RM'000**	**2023 RM'000**	**2022 RM'000**
- not later than one (1) year	340,376	306,091	74,125	71,500
- later than one (1) year but not later than two (2) years	26,630	44,362	3,875	2,500
- later than two (2) years but not later than five (5) years	45,955	56,386	11,625	3,750
- later than five (5) years	32,963	8,684	14,375	2,500
	445,924	415,523	104,000	80,250

22. BANK BORROWINGS (continued)

(b) The range of interest rates at the end of the reporting period for bank borrowings are as follows:

	Group		Company	
	2023	2022	2023	2022
Term loans	4.60% - 5.50%	3.60% - 4.50%	-	-
Revolving credits	2.71% - 5.01%	1.71% - 4.53%	2.71% - 5.01%	3.73% - 4.53%

(c) The bank borrowings are secured as follows:

(i) negative pledge over the entire assets of the Company;

(ii) pledge over the hotel property of the Group as indicated in Note 3 to the financial statements;

(iii) mortgage over the leasehold property of the Group as indicated in Note 3 to the financial statements; and

(iv) various land belonging to the Group as indicated in Note 5 to the financial statements.

(d) The currency exposure profile of borrowings is as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
- RM	441,091	410,817	104,000	80,250
- SGD	4,833	4,706	-	-
	445,924	415,523	104,000	80,250

23. TRADE PAYABLES

	Group	
	2023 RM'000	2022 RM'000
Contractors' claims	10,248	1,200
Retention sums	3,290	3,016
Accrued property development cost	15,869	40,534
Others	767	424
	30,174	45,174

(a) The normal credit terms extended by suppliers ranges from 30 to 90 days. Retention sums are payable upon the expiry of the defect liability periods of 12 to 24 months.

(b) All trade payables are denominated in Ringgit Malaysia.

24. OTHER PAYABLES AND ACCRUALS

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Other payables, deposits and accruals	12,434	9,051	515	398
Interest payable	563	1,276	129	129
Tenants' deposits	1,164	947	25	25
Deposits received from property purchasers	1,076	810	-	-
	15,237	12,084	669	552

The currency exposure profile of other payables and accruals is as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
- RM	15,042	11,973	669	552
- SGD	195	111	-	-
	15,237	12,084	669	552

25. REVENUE

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Revenue from contracts with customers	137,612	98,346	-	-
Other revenue				
- Rental income	131	129	83	81
	137,743	98,475	83	81
Recognised over time:				
Property development revenue	92,387	52,487	-	-
Construction revenue	448	518	-	-
Management services	1,174	1,235	-	-
Recognised at point in time:				
Rental of hotel rooms, food and beverages and other ancillary services	16,260	5,391	-	-
Property development revenue	26,750	38,138	-	-
Construction revenue	593	577	-	-
	137,612	98,346	-	-

Revenue from contracts with customers is disaggregated in Note 35 to the financial statements by geographical area.

26. COST OF SALES

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Cost of property development	87,194	80,527	-	-
Cost of letting of properties	84	144	31	97
Cost of hotel services rendered	7,973	3,614	-	-
Construction cost	870	996	-	-
	96,121	85,281	31	97

27. FINANCE COSTS

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Interest expenses on:				
- Revolving credits	12,375	10,077	3,680	2,717
- Term loans	3,210	1,808	-	-
- Advances from subsidiaries	-	-	2,690	1,263
- Lease interest	273	311	89	98
	15,858	12,196	6,459	4,078

28. PROFIT/(LOSS) BEFORE TAX

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Profit/(Loss) before tax is stated after charging:				
Auditors' remuneration				
- Statutory audit:				
- current year	198	170	50	44
- Non-statutory audit:				
- current year	7	1	3	3
- under provision in prior years	-	1	-	-
Direct operating expenses on revenue generating investment properties	215	306	31	97
Directors' remuneration				
- fees	327	322	218	218
- other emoluments	1,300	1,296	654	651
Loss on foreign exchange:				
- Realised, net	26	4,013	-	-
- Unrealised, net	982	15	-	-
Rental of equipment	45	38	-	-
Rental of premises	103	154	-	-
Rental of parking	-	8	-	-

28. PROFIT/(LOSS) BEFORE TAX (continued)

	Group		Company	
	2023 RM'000	**2022 RM'000**	**2023 RM'000**	**2022 RM'000**
Profit/(Loss) before tax is stated after crediting:				
Fair value gain on investment poperties	2,713	3,876	-	-
Forfeiture income from purchaser	7,977	-	-	-
Interest income from:				
- subsidiaries	-	-	9,936	7,388
- fixed deposits	452	90	7	6
- others	216	232	-	-
Gain on disposal of non-current assets held for sale	-	19,010	-	-
Gain on foreign exchange:				
- Realised, net	-	13	-	-
- Unrealised, net	-	3,673	-	-
Rental income	2,243	2,224	-	-

29. DIRECTORS' REMUNERATION

	Group		Company	
	2023 RM'000	**2022 RM'000**	**2023 RM'000**	**2022 RM'000**
Executive Directors' remuneration:				
- Fees	75	73	32	32
- Salaries and other emoluments	1,290	1,289	644	644
	1,365	1,362	676	676
Non-Executive Directors' remuneration:				
- Fees	252	249	186	186
- Other emoluments	10	7	10	7
Total	1,627	1,618	872	869

30. TAX EXPENSE

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Malaysian tax based on results for the year				
- current	3,452	2,103	1,123	686
- under/(over) provision in prior years	53	859	42	(43)
Deferred tax (income)/expense (Note 11)				
- current	(395)	3,313	(394)	39
- under/(over) provision in prior years	3,189	(908)	44	-
	6,299	5,367	815	682

(a) The Malaysian income tax is calculated at the statutory tax rate of 24% (2022: 24%) of the estimated taxable profits for the fiscal year.

(b) Tax expense for other taxation authorities are calculated at the rates prevailing in those respective jurisdictions.

(c) The provision for taxation differs from the amount of taxation determined by applying the applicable statutory tax rates to the profit/(loss) before tax and is analysed as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Profit/(Loss) before tax ("PBT/"LBT")	12,550	12,125	(3,498)	(628)
Less: Share of results of joint ventures and associates	7,526	(21,786)	-	-
PBT/(LBT) before share of results	20,076	(9,661)	(3,498)	(628)
Taxation at applicable statutory tax rate of 24%	4,818	(2,319)	(839)	(151)
Tax effects arising from:				
- non-taxable income	(5,736)	(9,550)	(466)	(294)
- non-deductible expenses	2,752	3,881	1,900	1,170
Difference in tax rates	(172)	998	-	-
Movements in unrecognised deferred tax assets	1,395	12,406	134	-
Under/(Over) provision in prior years	3,242	(49)	86	(43)
	6,299	5,367	815	682

30. TAX EXPENSE (continued)

(d) Tax on each component of other comprehensive income are as follows:

	Group 2023 Before tax RM'000	Tax effect RM'000	After tax RM'000
Items that may be reclassified subsequently to profit or loss			
Foreign currency translations	16,247	-	16,247
Share of other comprehensive loss from an associate	(4,830)	-	(4,830)

	2022 Before tax RM'000	Tax effect RM'000	After tax RM'000
Items that may be reclassified subsequently to profit or loss			
Foreign currency translations	1,644	-	1,644
Share of other comprehensive loss from an associate	(2,252)	-	(2,252)

31. EARNING PER SHARE

(a) Basic earning per ordinary share

The basic earning per share has been calculated by dividing the Group's profit for the year attributable to shareholders of the Company by the weighted average number of shares in issue:

	Group 2023	2022
Profit attributable to shareholders of the Company (RM'000)	6,251	6,758
Weighted average number of ordinary shares in issue ('000 unit)	426,128	426,128
Basic earning per share (sen)	1.47	1.59

(b) Diluted earning per ordinary share

Diluted earning per ordinary share equals basic earning per ordinary share as there were no dilutive potential ordinary shares in issue as at 31 March 2023 and 31 March 2022.

32. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Salaries and bonuses	16,738	15,750	3,671	3,500
Defined contribution plans	2,250	2,121	530	507
Other staff-related expenses	2,161	1,734	228	103
	21,149	19,605	4,429	4,110

The employee benefits expenses of the Group and of the Company are recognised in the following line items of financial statements:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Cost of sales	-	67	-	67
Administrative and general expenses	21,149	18,424	4,429	4,043
Recognised in profit or loss	21,149	18,491	4,429	4,110
Capitalised in property development costs	-	1,114	-	-
	21,149	19,605	4,429	4,110

Included in employee benefits expenses of the Group and the Company are Directors' remuneration as disclosed in Note 29 to the financial statements.

33. RELATED PARTY DISCLOSURES

(a) Identities of related parties

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

Related parties of the Group include:

(i) its subsidiaries, joint ventures and associates;

(ii) key management personnel, which comprises persons (including the Directors of the Group) having authority and responsibility for planning, directing and controlling the activities of the Group directly or indirectly; and

(iii) companies in which the Directors/shareholders of the Company or their close family members have substantial financial interests or significant influence.

33. RELATED PARTY DISCLOSURES (continued)

(b) Significant related party transactions determined on a basis negotiated between the Group and the Company with its related parties during the financial year were as follows:

	Transaction value			
	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Transactions with subsidiaries				
Interest received/receivable from SDBP	-	-	9,581	6,901
Interest received/receivable from SDBINT	-	-	78	61
Interest received/receivable from SGS	-	-	277	202
Interest received/receivable from SDBI	-	-	-	224
Management fee income from SDBINT	-	-	43	36
Management fee income from SDI	-	-	131	94
Management fee income from SDBP	-	-	609	484
Management fee income from CCSB	-	-	7	18
Management fee income from SDBPM	-	-	344	366
Management fee income from PPSB	-	-	121	197
Management fee income from SDBA	-	-	5	13
Management fee income from SDBAS	-	-	23	34
Management fee income from SDBSS2	-	-	74	97
Management fee income from SDBH	-	-	38	33
Management fee income from SGS	-	-	54	110
Management fee income from HASB	-	-	145	29
Management fee income from SDBD	-	-	81	174
Management fee income from SDBM	-	-	5	-
Management fee income from SDBI	-	-	5	2
Management fee income from SDBSU	-	-	12	12
Management fee income from SDBT	-	-	6	1
Management fee income from CD	-	-	101	54
Management fee income from CHI	-	-	-	7
Management fee income from TLPL	-	-	58	123
Management fee paid to SDBP	-	-	162	140
Management fee paid to PPSB	-	-	7	1
Management fee paid to SGS	-	-	37	-
Interest paid/payable to SDBM	-	-	684	447
Interest paid/payable to SDBI	-	-	1,079	356
Interest paid/payable to SDI	-	-	927	460

33. RELATED PARTY DISCLOSURES (continued)

(b) Significant related party transactions determined on a basis negotiated between the Group and the Company with its related parties during the financial year were as follows: (continued)

	Transaction value			
	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Transactions with Directors, close members of their families and companies in which they and/or close members of their families have interests were as follows:				
Rental paid to Dr Teh Lip Bin, a close family member of Teh Lip Kim and Teh Lip Pink	-	6	-	-
Rental paid to Teh Lip Ling, a close family member of Teh Lip Kim and Teh Lip Pink	-	6	-	-
Rental paid to Teh Kien Toh Sdn. Bhd., a company in which Teh Lip Kim and Teh Lip Pink have interests	-	6	-	-
Medical fees paid to Klinik Ian Ong, a clinic belonging to a close family member of Teh Lip Kim and Teh Lip Pink	80	73	56	43
Consultancy fee paid to Providence Business Advisory Services Sdn. Bhd., a company in which Eddy Chieng Ing Huong has interest	156	144	111	-

(c) Key management personnel compensation

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Directors				
Short-term employee benefits				
- fees	327	322	218	218
- remuneration	1,094	1,090	551	548
Total short-term employee benefits	1,421	1,412	769	766
Post-employment benefits				
- EPF	206	206	103	103
Sub-total	1,627	1,618	872	869

33. RELATED PARTY DISCLOSURES (continued)

(c) Key management personnel compensation (continued)

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Other key management personnel				
Short-term employee benefits - salary, bonus and allowances	2,636	2,218	1,182	1,114
Post-employment benefits - EPF	428	366	212	194
Sub-total	3,064	2,584	1,394	1,308
Total compensation	4,691	4,202	2,266	2,177

(d) Material contracts

There were no material contracts, which have been entered into by the Company or its subsidiaries which involved Directors' and major shareholders' interests subsisting at the end of the financial year ended 31 March 2023 or entered into since the end of the previous financial year.

34. FINANCIAL GUARANTEES

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Corporate guarantees given to financial institutions for credit facility granted to subsidiaries	-	-	495,243	429,027
Bank guarantees given by financial institutions in respect of construction and property projects	20,500	20,500	10,000	10,000
	20,500	20,500	505,243	439,027
Total guarantee utilised	14,662	5,852	328,049	320,889

The Directors are of the view that the chances of financial institutions to call upon the guarantees are remote.

35. SEGMENTAL ANALYSIS

The Group's operating segment and reportable segments are business units engaging in providing different products and services and operating in different geographical locations.

(a) Primary reporting format - business segment

The Group's operations comprise the following business segments:

(i) Property investment - letting of commercial properties

(ii) Hotel operations - operation of hotel and related services

(iii) Investment holding - investment holding

(iv) Property development - property development

(v) Others - provision of management and property support services

Transactions between segments were entered into in the normal course of business and were established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties. The effects of such inter-segmental transactions are eliminated on consolidation.

35. SEGMENTAL ANALYSIS (continued)

2023	Property investment RM'000	Hotel operations RM'000	Investment holding RM'000	Property development RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
Revenue							
External sales	264	17,010	-	118,387	2,082	-	137,743
Inter-segment sales	-	-	-	-	262	(262)	-
Total revenue	264	17,010	-	118,387	2,344	(262)	137,743
Results							
Segment results	(128)	(1,831)	3,607	60,554	3,221	(27,825)	37,598
Finance costs	(95)	-	(6,459)	(39,957)	(765)	31,418	(15,858)
Share of loss of joint ventures and associates	-	-	(7,526)	-	-	-	(7,526)
Unallocated corporate expenses							(1,664)
Profit before tax							12,550
Tax expense							(6,299)
Profit for the financial year							6,251
Assets							
Segment assets	78,902	215,352	-	1,540,365	7,595	(810,378)	1,031,836
Investing assets	-	-	1,060,781	-	-	(1,027,544)	33,237
Investments in associates	-	-	149,659	-	-	(3,964)	145,695
Investments in joint ventures	-	-	166,119	-	-	-	166,119
Current tax assets	-	-	1,437	6,141	3	-	7,581
Deferred tax assets	-	-	-	2,723	-	-	2,723
Consolidated total assets							1,387,191
Liabilities							
Segment liabilities	(173,297)	(2,445)	(19,868)	(1,076,859)	(2,738)	758,699	(516,508)
Deferred tax liabilities	(376)	(9,511)	-	-	-	-	(9,887)
Consolidated total liabilities							(526,395)
Other information							
Capital expenditure	113	357	7	1,571	842	-	2,890
Depreciation and amortisation	421	3,312	-	2,457	342	-	6,532

35. SEGMENTAL ANALYSIS (continued)

2022	Property investment RM'000	Hotel operations RM'000	Investment holding RM'000	Property development RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
Revenue							
External sales	129	5,391	-	90,625	2,330	-	98,475
Inter-segment sales	12	-	-	-	4,822	(4,834)	-
Total revenue	141	5,391	-	90,625	7,152	(4,834)	98,475
Results							
Segment results	(42)	(2,613)	35,179	22,540	5,187	(56,064)	4,187
Finance costs	-	(8)	(4,302)	(31,926)	(716)	24,756	(12,196)
Share of profit of joint ventures and associates	-	-	21,786	-	-	-	21,786
Unallocated corporate expenses							(1,652)
Profit before tax							12,125
Tax expense							(5,367)
Profit for the financial year							6,758
Assets							
Segment assets	40,119	215,623	-	1,446,965	8,438	(703,727)	1,007,418
Investing assets	-	-	1,013,503	-	-	(996,358)	17,145
Investments in associates	-	-	139,216	-	-	(4,794)	134,422
Investments in joint ventures	-	-	179,077	-	-	-	179,077
Current tax assets	-	-	1,643	5,610	2	-	7,255
Deferred tax assets	-	-	-	5,867	-	-	5,867
Consolidated total assets							1,351,184
Liabilities							
Segment liabilities	(128,820)	(1,796)	(19,233)	(1,030,199)	(10,385)	692,614	(497,819)
Deferred tax liabilities	(684)	(9,553)	-	-	-	-	(10,237)
Consolidated total liabilities							(508,056)
Other information							
Capital expenditure	32	1,915	-	9,758	11	-	11,716
Depreciation and amortisation	40	2,048	466	2,155	194	-	4,903

35. SEGMENTAL ANALYSIS (continued)

(b) Secondary reporting format - geographical segment

The operations of the Group are mainly carried out in Malaysia and Singapore.

In presenting information on the basis of geographical areas, segment revenue is based on the geographical location from which the sale transactions originated.

Segment assets are based on the geographical location of the assets of the Group.

Revenue from external customers	**2023 RM'000**	**2022 RM'000**
Malaysia	137,135	97,899
Singapore	608	576
	137,743	98,475

Major customers

There are no major customers with revenue equal or more than ten percent (10%) of the Group revenue. As such, information on major customers is not presented.

	2023 RM'000	**2022 RM'000**
Non-current assets		
Malaysia	833,636	801,154
Singapore	7,678	6,706
	841,314	807,860

36. FINANCIAL INSTRUMENTS

(a) Classification of financial instruments

Group	**Amortised cost RM'000**	**Total RM'000**
2023		
Financial assets		
Trade receivables	23,674	23,674
Other receivables and deposits (excluding prepayments)	12,467	12,467
Amounts owing by associates	3,372	3,372
Amounts owing by joint ventures	257	257
Deposits and short term fund	22,820	22,820
Cash and bank balances	62,159	62,159
Total financial assets	124,749	124,749

36. FINANCIAL INSTRUMENTS (continued)

(a) Classification of financial instruments (continued)

Group	Amortised cost RM'000	Total RM'000
2023		
Financial liabilities		
Trade payables	30,174	30,174
Other payables and accruals	15,237	15,237
Amount owing to a joint venture	16,609	16,609
Bank borrowings	445,924	445,924
Total financial liabilities	507,944	507,944
2022		
Group		
Financial assets		
Trade receivables	28,061	28,061
Other receivables and deposits (excluding prepayments)	10,114	10,114
Amounts owing by associates	3,372	3,372
Amounts owing by joint ventures	202	202
Deposits	2,456	2,456
Cash and bank balances	108,870	108,870
Total financial assets	153,075	153,075
Financial liabilities		
Trade payables	45,174	45,174
Other payables and accruals	12,084	12,084
Amount owing to a joint venture	15,532	15,532
Bank borrowings	415,523	415,523
Total financial liabilities	488,313	488,313

36. FINANCIAL INSTRUMENTS (continued)

(a) Classification of financial instruments (continued)

Company	Amortised cost RM'000	Total RM'000
2023		
Financial assets		
Other receivables and deposits (excluding prepayment)	99	99
Amounts owing by subsidiaries	224,132	224,132
Amounts owing by joint ventures	38	38
Deposits and short term fund	391	391
Cash and bank balances	28,659	28,659
Total financial assets	253,319	253,319
Financial liabilities		
Other payables and accruals	669	669
Amounts owing to subsidiaries	66,387	66,387
Bank borrowings	104,000	104,000
Total financial liabilities	171,056	171,056
2022		
Company		
Financial assets		
Other receivables and deposits (excluding prepayment)	81	81
Amounts owing by subsidiaries	207,130	207,130
Amounts owing by joint ventures	27	27
Deposits	390	390
Cash and bank balances	5,354	5,354
Total financial assets	212,982	212,982
Financial liabilities		
Other payables and accruals	552	552
Amounts owing to subsidiaries	45,517	45,517
Bank borrowings	80,250	80,250
Total financial liabilities	126,319	126,319

36. FINANCIAL INSTRUMENTS (continued)

(b) Fair value of financial instruments

The carrying amounts of the financial instruments of the Group and of the Company at the reporting date approximate or were at their fair values.

(i) Financial instruments that are not carried at fair values and whose carrying amounts are reasonable approximation of fair values

The carrying amounts of financial assets and financial liabilities, such as trade and other receivables, amounts owing by/(to) subsidiaries, amounts owing by associates, amounts owing by/(to) joint ventures, trade and other payables and bank borrowings, are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's activities are exposed to a variety of financial risks, including foreign currency exchange risk, interest rate risk, credit risk and liquidity and cash flow risks. The Group's overall financial risk management objective is to minimise potential adverse effects on the financial performance of the Group.

Financial risk management is carried out through risk reviews, internal control systems, insurance programmes and adherence to financial risk management policies.

There have been no significant changes on the Group's exposure to financial risks from the previous year. Also, there have been no changes to the Group's risk management objectives, policies and processes since the previous financial year end.

The Group’s management reviews and agrees on policies managing each of the financial risks and they are summarised as follows:

(a) Foreign currency exchange risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the respective functional currencies of Group entities. The foreign currencies in which these transactions are denominated are mainly in SGD.

The Group also holds cash and cash equivalents denominated in foreign currencies for working capital purposes. At the reporting date, such foreign currency balances (mainly in SGD) amount to RM22,558,000 (2022: RM24,057,000).

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(a) Foreign currency exchange risk (continued)

The following table demonstrates the sensitivity analysis on the outstanding foreign currency denominated monetary items of the Group's and of the to a reasonably possible change in the SGD and AUD exchange rates against the Ringgit Malaysia ("RM"), with all other variables held constant.

	Group	
	2023 RM'000	**2022 RM'000**
Profit/(Loss) after tax		
SGD/RM		
- strengthen by 10% (2022: 10%)	81	292
- weaken by 10% (2022: 10%)	(81)	(292)
AUD/RM		
- strengthen by 10% (2022: 10%)	1	1
- weaken by 10% (2022: 10%)	(1)	(1)

(b) Interest rate risk

Financial assets

Surplus funds are placed in fixed deposits with licensed banks and finance companies to earn interest income based on prevailing market rates. The Group manages its interest rate risks by placing such funds on short tenures of one (1) year or less.

The interest rate profile of amounts owing by subsidiaries and deposits with licensed banks have been disclosed in Notes 15 and 18 to the financial statements respectively.

Financial liabilities

The Group's policy is to borrow principally on a floating rate basis but to retain a proportion of fixed rate borrowings. The objective of a mix of fixed and floating rate borrowings is to reduce the impact of an upward change in interest rates while enabling benefits to be enjoyed if interest rates fall. The mix between fixed and floating rate borrowings is monitored so as to ensure that the Group's financing cost is kept at the lowest possible. The Group does not generally hedge interest rate risks. Hedging of risk through the use of financial instruments may be adopted should its use result in significant cost savings. The Group has a policy to ensure that interest rates obtained are competitive.

It is the Group's policy not to trade in interest rate swap agreements.

The interest rate profile of amounts owing to subsidiaries and borrowings have been disclosed in Notes 15 and 22 to the financial statements respectively.

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(b) Interest rate risk (continued)

The following table demonstrates the sensitivity analysis if interest rates increase or decrease by one-hundred (100) basis points with all other variables held constant.

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Profit/(Loss) after tax				
Deposit with licensed bank				
- increase by 1%	173	19	3	3
- decrease by 1%	(173)	(19)	(3)	(3)
Amounts owing by subsidiaries (interest bearing)				
- increase by 1%	-	-	1,595	1,585
- decrease by 1%	-	-	(1,595)	(1,585)
Floating rate borrowing				
- increase by 1%	(3,389)	(3,158)	(790)	(610)
- decrease by 1%	3,389	3,158	790	610
Amounts owing to subsidiaries (interest bearing)				
- increase by 1%	-	-	(496)	(345)
- decrease by 1%	-	-	496	345

(c) Credit risk

Credit risk arises from the possibility that a counter party may be unable to meet the terms of a contract in which the Group has a gain position.

In the case of property development activities, the Group's credit risk is primarily attributable to progress billings receivable from house buyers. The Group mitigates the risk of default by maintaining its name as the registered owner of the development properties until full settlement by the purchaser of the self-financed portion of the purchase consideration and upon undertaking of end-financing by the purchaser's end-financier.

For other activities, the Group minimises and monitors its credit risk by dealing with credit worthy counterparties, setting credit limits on exposures, applying credit approval controls and obtaining collateral or security deposits where appropriate. Trade and financial receivables are monitored on an ongoing basis via group-wide management reporting procedures.

With regard to surplus cash, the Group seeks to invest its cash assets safely by depositing them with licensed financial institutions.

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(c) Credit risk (continued)

As at the end of each reporting period, the credit risk exposure relating to trade receivables, other receivables, amount owing by an associate and amounts owing by joint ventures of the Group are summarised in the table below:

	Group	
	2023	**2022**
	RM'000	**RM'000**
Maximum exposure	39,762	41,749
Collateral obtained	-	-
Net exposure to credit risk	39,762	41,749

The Group does not have any significant concentration of credit risk to any individual customer or counterparty as at the end of the reporting period.

During the financial year, the Group did not renegotiate the terms of any trade receivables.

Movements in the impairment allowance for receivables are as follows:

	Group	
	2023	**2022**
	RM'000	**RM'000**
Trade receivables		
At 1 April 2022/2021	9,820	10,081
Charge for the financial year	106	-
Reversal of impairment losses	(8,913)	(261)
At 31 March 2023/2022	1,013	9,820
Other receivables		
Lifetime ECL – not credit impaired		
At 1 April 2022/2021	1,472	1,269
Charge for the financial year	600	203
Reversal of impairment losses	(142)	-
At 31 March 2023/2022	1,930	1,472
Contract assets		
At 1 April 2022/2021	156	396
Charge for the financial year	-	130
Reversal of impairment losses	(129)	(370)
At 31 March 2023/2022	27	156

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(c) Credit risk (continued)

Movements in the impairment allowance for receivables are as follows: (continued)

	Group	
	2023 RM'000	**2022 RM'000**
Amounts owing by associates		
Lifetime ECL – not credit impaired		
At 31 March 2023/2022	48	48
Amounts owing by joint ventures		
Lifetime ECL – not credit impaired		
At 1 April 2022/2021	974	67
Charge for the financial year	-	907
Reversal of impairment losses	(59)	-
At 31 March 2023/2022	915	974

	Company	
	2023 RM'000	**2022 RM'000**
Other receivables		
Lifetime ECL – not credit impaired		
At 31 March 2023/2022	1	1
Amounts owing by subsidiaries		
Lifetime ECL – not credit impaired		
At 1 April 2022/2021	2,595	3,013
Charge for the financial year	2,217	-
Reversal of impairment loss	-	(418)
At 31 March 2023/2022	4,812	2,595

(d) Liquidity and cash flow risks

The Group seeks to ensure all business units maintain optimum levels of liquidity at all times, sufficient for their operating, investing and financing activities.

Therefore, the policy seeks to ensure that each business unit, through efficient working capital management (i.e., inventory, accounts receivable and accounts payable management), must be able to convert its current assets into cash to meet all demands for payment as and when they fall due.

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(d) Liquidity and cash flow risks (continued)

Besides maintaining an adequate current ratio, each business unit is required to submit cash flow projections to Group management on a monthly basis. Each unit must seek to ensure that projected cash inflows from operating and non-operating activities adequately cover funding requirements of operating and non-operating outflows. At a minimum, all projected net borrowings should be covered. Also, debt maturities are closely monitored to ensure that the Group is able to meet its obligations as they fall due.

Daily bank balances are prepared and any excess funds are invested in fixed deposits with licensed financial institutions at the most competitive interest rates obtainable.

The table below summarises the maturity profile of the Group's and the Company's financial liabilities based on the contractual undiscounted cash flows.

Group	Less than 1 year RM'000	1 to 5 years RM'000	More than 5 years RM'000	Total RM'000
2023				
Trade payables	30,174	-	-	30,174
Other payables and accruals	15,237	-	-	15,237
Amount owing to a joint venture	16,609	-	-	16,609
Bank borrowings	365,143	87,674	34,016	486,833
	427,163	87,674	34,016	548,853
2022				
Trade payables	45,174	-	-	45,174
Other payables and accruals	12,084	-	-	12,084
Amount owing to a joint venture	15,532	-	-	15,532
Bank borrowings	320,327	107,503	9,011	436,841
	393,117	107,503	9,011	509,631
Company				
2023				
Other payables and accruals	669	-	-	669
Amounts owing to subsidiaries	66,387	-	-	66,387
Bank borrowings	75,448	16,372	14,435	106,255
	142,504	16,372	14,435	173,311
2022				
Other payables and accruals	552	-	-	552
Amounts owing to subsidiaries	45,517	-	-	45,517
Bank borrowings	74,658	6,971	2,560	84,189
	120,727	6,971	2,560	130,258

38. CAPITAL MANAGEMENT

The Group's objectives when managing capital is to maintain an optimal capital base and safeguard the Group's ability to continue as a going concern, so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Directors monitor and maintain a prudent level of gearing ratio that complies with debt covenants and regulatory requirements.

The gearing ratios were as follows:

	Group		**Company**	
	2023 RM'000	**2022 RM'000**	**2023 RM'000**	**2022 RM'000**
Total borrowings (Note 22)	445,924	415,523	104,000	80,250
Less: Cash and bank balances, net of pledged bank balances	(62,159)	(108,870)	(28,659)	(5,354)
Deposits, net of deposits pledged	(22,429)	(2,066)	-	-
Net debt	361,336	304,587	75,341	74,896
Total equity	860,796	843,128	554,264	558,577
Net debt	361,336	304,587	75,341	74,896
	1,222,132	1,147,715	629,605	633,473
Gearing ratio	30%	27%	12%	12%

There were no changes in the Group's approach to capital management during the financial year.

Under the requirement to Bursa Malaysia Practice Note No. 17/2005, the Group is required to maintain a consolidated shareholders' equity of more than 25% of the issued and paid-up capital (excluding treasury shares, if any), and such shareholders' equity is not less than RM40 million. The Group has complied with this requirement.

39. EVENT SUBSEQUENT TO THE END OF THE REPORTING PERIOD

Dilution of equity interest in an associate

On 10 April 2023, Fortress Minerals Limited, an associate of the Group, increased its share capital via private placement of shares to certain existing shareholders other than the Group. The Group's interest in the associate was diluted to 29.61% pursuant to the private placement by the associate. The estimated financial impact of dilution amounted to RM5.8 million.

40. AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

These financial statements were authorised for issue on 13 July 2023 by the Board of Directors.

ANALYSIS OF SHAREHOLDINGS

AS AT 30 JUNE 2023

Financial year ended : 31 March 2023
Class of stock : Ordinary share
Voting rights : 1 vote per share

ANALYSIS OF SHAREHOLDINGS AS AT 30 JUNE 2023

	Number of Holders	Holdings	Total Holdings	%
	459	less than 100	7,290	0.00
	1,696	100 - 1,000	1,404,911	0.33
	3,846	1,001 - 10,000	17,120,064	4.02
	989	10,001 - 100,000	29,138,475	6.84
	160	100,001 to less than 5% of issued shares	105,507,370	24.76
	4	5% and above of issued shares	272,949,552	64.05
Total	**7,154**		**426,127,662**	**100.00**

DIRECTORS' SHAREHOLDINGS AS AT 30 JUNE 2023

		No. of Shares			
	Name of Directors	Direct Holding	Percentage %	Indirect Holding	Percentage %
1.	Mr Eddy Chieng Ing Huong	-	-	-	-
2.	Ms Teh Lip Kim	87,428,596	20.52	170,638,756	40.04
3.	Mr Boh Boon Chiang	-	-	-	-
4.	Ms Teh Lip Pink	425,000	0.10	65,629,978	15.40
5.	Puan Selma Enolil Binti Mustapha Khalil	-	-	-	-

SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS AS AT 30 JUNE 2023

	Name of Shareholders	Direct Shareholding	Percentage %	Deemed Interest	Percentage %
1.	Teh Wan Sang & Sons Sdn Bhd	98,258,478	23.06	-	-
2.	Teh Kien Toh Sdn Bhd	65,629,978	15.40	-	-
3.	Ms Teh Lip Kim	87,428,596	20.52	169,755,756	39.84
4.	HLB Nominees (Asing) Sdn Bhd Pledged Securities Account for Teh Lip Bin (CCTS)	2,000,000	0.47	163,888,456	38.46
5.	Ms Teh Lip Pink	425,000	0.10	65,629,978	15.40

ANALYSIS OF SHAREHOLDINGS
AS AT 30 JUNE 2023

LIST OF 30 LARGEST SHAREHOLDERS AS AT 30 JUNE 2023

Name of shareholders	Shares held	%
1. Teh Wan Sang & Sons Sdn Berhad	98,258,478	23.06
2. Teh Lip Kim	87,428,596	20.52
3. Teh Kien Toh Sdn Bhd	65,629,978	15.40
4. Citigroup Nominees (Asing) Sdn Bhd Exempt An for Bank Of Singapore Limited (Foreign)	21,632,500	5.08
5. Wang, Kun-Lung	13,120,000	3.08
6. Chan Keong Hon Sdn Bhd	7,225,580	1.70
7. Citigroup Nominees (Asing) Sdn Bhd Exempt An for Bank Of Singapore Limited (Foreign)	6,264,100	1.47
8. Teh Wan Sang & Sons Housing Development Sdn Bhd	5,867,300	1.38
9. Teo Kwee Hock	3,096,000	0.73
10. UOB Kay Hian Nominees (Asing) Sdn Bhd Exempt An for UOB Kay Hian Pte Ltd (A/C Clients)	2,962,889	0.70
11. Citigroup Nominees (Tempatan) Sdn Bhd Exempt An for Bank of Singapore Limited (Local)	2,776,000	0.65
12. Tan Poay Seng	2,533,000	0.59
13. Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Loong Ching Hong (E-KLC)	2,461,500	0.58
14. Gan Teng Siew Realty Sdn Berhad	2,224,900	0.52
15. Huang Phang Lye	2,003,800	0.47
16. HLIB Nominees (Asing) Sdn Bhd Pledged Securities Account for Teh Lip Bin (CCTS)	2,000,000	0.47
17. UOB Kay Hian Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Teo Siew Lai	1,864,600	0.44
18. Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Cho Chun Hong (E-BPJ/TDA)	1,760,500	0.41
19. Rengo Malay Estate Sdn Bhd	1,717,700	0.40
20. Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Surinder Singh A/L Wassan Singh (E-IMO)	1,595,000	0.37
21. Chan Sook Yuen @ Janett Shook Yuen Chan	1,547,800	0.36
22. Ang Hong Mai	1,410,000	0.33
23. HLIB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Teh Lip Ling (CCTS)	1,341,000	0.31
24. HSBC Nominees (Asing) Sdn Bhd Exempt An for BNP Paribas Singapore Branch (A/C Clients-FGN)	1,163,200	0.27
25. Ng Poh Cheng	1,158,200	0.27
26. Bidor Tahan Estates Sdn Bhd	1,000,000	0.23
27. Chinchoo Investment Sdn Berhad	1,000,000	0.23
28. Gemas Bahru Estates Sdn. Bhd.	1,000,000	0.23
29. Key Development Sdn Berhad	1,000,000	0.23
30. Citigroup Nominees (Asing) Sdn Bhd Exempt An for OCBC Securities Private Limited (Client A/C-NR)	884,957	0.21
	343,927,578	**80.69**

LIST OF MATERIAL PROPERTIES

31 MARCH 2023

Properties	Description	Land area/ (Built-up area) (Square feet)	Tenure (Expiry)	Age of building (Years)	Net book value as at 31.3.2023 (RM'000)	Date of last revaluation completion (Date of acquisition)
Hotel Maya Kuala Lumpur 138, Jalan Ampang 50450 Kuala Lumpur	Boutique urban resort hotel with 284 rooms and 393 parking bays	(419,696)	Freehold (N/A)	25	195,034	16 March 2022
HS(M) 15142 (PT 18764) Tempat 8th Mile Ulu Klang, Mukim of Ulu Kelang, Daerah Gombak, Negeri Selangor	Development land	440,997	Freehold (N/A)	-	66,448	(26 January 2016)
Geran 43950 (Lot 52309), Geran 43951 (Lot 52310), Geran 43952 (Lot 52311) and Geran 43953 (Lot 52312), Mukim Kuala Lumpur, Dearah Kuala Lumpur, Negeri WP Kuala Lumpur	Development land	(250,371)	Freehold (N/A)	-	50,074	(24 August 2005)
Geran No. Hakmilik 35127, Lot 289 Seksyen 2, Bandar Batu Ferringgi, Daerah Timor Laut, Negeri Pulau Pinang	Development land	253,998	Freehold (N/A)	-	25,000	(18 September 2019)
SqWhere, Dataran Prestij, Jalan Sungai Buloh, Seksyen U19, 40160 Shah Alam, Selangor	801 Car Park bays	(117,736)	Leasehold (expiring on 14 Aug 2111)	3	18,367	3 December 2020
Unit E-01-01, E-02-1, F-01-01 & F02-1, Dataran Prestij, SqWhere, Jalan Sungai Buloh, Seksyen U19, 40160 Shah Alam, Selangor	4 units of office lots	(10,214)	Leasehold (expiring on 14 Aug 2111)	3	8,330	31 March 2023

LIST OF MATERIAL PROPERTIES

31 MARCH 2023

Properties	Description	Land area/ (Built-up area) (Square feet)	Tenure (Expiry)	Age of building (Years)	Net book value as at 31.3.2023 (RM'000)	Date of last revaluation completion (Date of acquisition)
G-G-01A & G-G-01B, Ground Floor, Block G, Dataran Prestij, SqWhere, Jalan Sungai Buloh, Seksyen U19, 40160 Shah Alam, Selangor	Commercial space used for a supermarket	(23,422)	Leasehold (expiring on 14 Aug 2111)	3	10,390	31 March 2023
Cube Office Block, Dataran Prestij, SqWhere, Jalan Sungai Buloh, Seksyen U19, 40160 Shah Alam, Selangor	38 units of office lots	(64,594)	Leasehold (expiring on 14 Aug 2111)	3	38,905	31 March 2023

SDB Selangor Dredging Berhad

Registration No.196201000105 (4624-U)

FORM OF PROXY

No. of shares held

CDS Account No.
- -

I/We____

(full name as per NRIC/company name in block capitals)

NRIC/Company No. ____

(new and old NRIC Nos)

of____

(full address)

being a member/members of SELANGOR DREDGING BERHAD hereby appoint *the Chairman of the meeting or _______________________________NRIC No. _______________________

(full name as per NRIC in block capitals) (new and old NRIC Nos)

of____

(full address)

or failing him_______________________________NRIC No. _______________________

(full name as per NRIC in block capitals) (new and old NRIC Nos)

of____

(full address)

or failing him/her, the CHAIRMAN OF THE MEETING as *my/our proxy, to vote for *me/us and on *my/our behalf at the Sixty Second Annual General Meeting ("Meeting") of the Company to be on a fully virtual basis at a venue in Malaysia where the Chairman is present via the online meeting platform of TIIH Online provided by Tricor Investor & Issuing House Services Sdn. Bhd. at https://tiih.online on Friday, 29 September 2023 at 9.00 a.m., or at any adjournment thereof and to vote as indicated below. * strike out whichever is not desired

The proxy is to vote on the Resolutions set out in the Notice of the Meeting as indicated with an "X" in the appropriate places. If no specific direction as to voting is given, the proxy will vote or abstain from voting at his discretion, as he will on any other matter arising at the Meeting.

NO.	RESOLUTION	FOR	AGAINST
1	Ordinary Resolution No.1		
2	Ordinary Resolution No.2		
3	Ordinary Resolution No.3		
4	Ordinary Resolution No.4		
5	Ordinary Resolution No.5		
6	Ordinary Resolution No.6		
7	Ordinary Resolution No.7		
8	Ordinary Resolution No.8		

(Please indicate with an "X" in the space provided above on how you wish your vote to be cast. If you do not do so, the proxy will vote or abstain from voting at his discretion)

The proportions of *my/our shareholding to be represented by *my/our proxy/proxies are as follows:

First named Proxy	%
Second named Proxy	%
	%

____

Signature of Member(s)

In case of a vote taken by a show of hands, the First Proxy shall vote on *my/our behalf.

Dated this ___________________ day of _______________ 2023.

____

Telephone No./Handphone No.

*Delete whichever is not applicable

Notes:

1. Only depositors whose names appear on the Record of Depositors as at 22 September 2023 shall be regarded as members and entitled to attend, speak and vote at the Annual General Meeting.

2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a Member of the Company and a Member may appoint any persons to be his proxy.

3. A Member shall be entitled to appoint up to two (2) proxies to attend and vote at the Annual General Meeting. Where a Member appoints two (2) proxies, the appointment shall be invalid unless the Member specifies the proportions of his holding to be represented by each proxy. Where a member of the Company is an Exempt Authorised Nominee which holds ordinary share in the Company for multiple beneficial owners in one securities account (omnibus account), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.

4. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing, or if the appointer is a corporation, either under its Common Seal or under the hand of its officer or attorney duly authorised.

5. The instrument appointing a proxy must be deposited physically at the Company's Share Registrar's office at Tricor Investor & Issuing House Services Sdn Bhd ("Tricor"), Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, or by electronic means via TIIH Online website at https://tiih.online, not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof.

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STAMP

Selangor Dredging Berhad
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