Annual Report 2026

SDB Selangor Dredging Berhad

Registration No.196201000105 (4624-U)

Driving Excellence, Building Lifelong Relationships

Inside This Report

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT THE SIXTY-FIFTH ANNUAL GENERAL MEETING OF SELANGOR DREDGING BERHAD TO BE HELD AT THE BALLROOM, HOTEL MAYA KUALA LUMPUR, 138, JALAN AMPANG, 50450 KUALA LUMPUR ON WEDNESDAY, 30 SEPTEMBER 2026 AT 9.00 A.M. TO TRANSACT THE FOLLOWING BUSINESSES:

AS ORDINARY BUSINESS

1	To receive the Financial Statements for the year ended 31 March 2026 and the Directors' and Auditors' Reports thereon.	**(Please refer to Explanatory Note A)**
2	To approve the payment of Dividend of 3 sen for the year ended 31 March 2026.	**(Resolution 1)**
3	To approve the payment of Directors' Fees amounting to RM278,744 (2025: RM280,409) for the year ended 31 March 2026.	**(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 2026 until the next annual general meeting of the Company.	**(Resolution 3)**
5	To re-elect Mr Eddy Chieng Ing Huong who retires pursuant to Clause 107(1)(b) of the Company's Constitution.	**(Resolution 4)**
6	To re-appoint BDO PLT as Auditors of the Company and to authorise the Directors to determine their remuneration.	**(Resolution 5)**

AS SPECIAL BUSINESS

7 **Authority to Allot Shares and Waiver of Pre-emptive Rights** **(Resolution 6)**

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 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."

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

By Order of the Board

WON SEE YEE *CCM Practicing Certificate 201908003356*
TAN AI PENG *CCM Practicing Certificate 201908003179*
Secretaries

Kuala Lumpur
31 July 2026

Notice of Annual General Meeting
(cont'd)

NOTES:

1. For the purpose of determining who shall be entitled to attend this Sixty-Fifth Annual General Meeting (**"65th AGM"**), the Company shall request from Bursa Malaysia Depository Sdn. Bhd., to make available to the Company, pursuant to Clause 61 of the Company's Constitution, Paragraph 7.16 of the Bursa Malaysia Securities Berhad (**"Bursa Securities"**) Main Market Listing Requirements (**"MMLR"**) and Subsection 34(1) of the Securities Industry (Central Depositories) Act 1991 (**"SICDA"**), a Record of Depositors (**"ROD"**) as at 17 September 2026 and only Depositors whose names appear on such ROD shall be regarded as a member and entitled to attend, speak, and vote at the 65th AGM.

2. 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.

3. 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.

4. Where a member of the Company is an authorised nominee as defined under the SICDA, 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.

5. 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.

6. 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 the drop box located 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 Vistra Share Registry and IPO (MY) portal at https://srmy.vistra.com not less than 48 hours before the time for holding the meeting or any adjournment thereof.

7. Pursuant to Paragraph 8.29(A) of MMLR, all resolutions set out in this Notice are to be voted by poll.

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) 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 65th AGM on the Directors' fees and benefits in two (2) separate resolutions as below:-

- Resolution 2 on payment of Directors' fees in respect of the financial year ended 31 March 2026.
- Resolution 3 on payment of Directors' benefits (excluding Directors' fees) from 1 October 2026 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 2026 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 81 to 89 of the Statement on Corporate Governance in the Annual Report 2026.

Resolution 6 – 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 may 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 26 September 2025 (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.

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS HEREBY GIVEN THAT the single-tier dividend of 3 sen per ordinary share in respect of the financial year ended 31 March 2026, if approved at the 65th Annual General Meeting of the Company, will be paid on 14 October 2026 to Depositors of ordinary shares registered in the Record of Depositors of the Company on 2 October 2026.

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 2 October 2026 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 *CCM Practicing Certificate 201908003356*
TAN AI PENG *CCM Practicing Certificate 201908003179*
Secretaries

Kuala Lumpur
31 July 2026

Administrative Guide

65th Annual General Meeting

Wednesday, 30 September 2026

9.00 a.m.

Ballroom, Hotel Maya Kuala Lumpur, 138, Jalan Ampang, 50450 Kuala Lumpur

Registration on the day of the 65th AGM

The registration counter will open at 7.30 a.m. on Wednesday, 30 September 2026. Shareholders or proxies are requested to produce/show their original MyKAD or Passport (for non-Malaysians) during registration for verification purpose. Please ensure the original MyKAD or Passport is returned to you thereafter.

Please take note that no person will be allowed to register on behalf of another person, even with the original MyKAD or Passport of that person. Upon verification, shareholders or proxies are required to write their names and sign on the Attendance List placed on the registration table. Shareholders or proxies will also be given identification wristbands for voting purposes.

Entitlement to participate in the AGM

Only members whose names appear in the Record of Depositors of our Company as at 17 September 2026 shall be entitled to attend the AGM or appoint proxy(ies) to attend on his/her behalf.

Lodgement of Proxy Form

If you wish to participate in the 65th AGM yourself, please do not submit any Proxy Form for the 65th AGM. You will not be allowed to participate in the 65th AGM together with a proxy appointed by you. Accordingly, Proxy Form and/or documents relating to the appointment of proxy(ies) or corporate representative(s) or attorney(s) for the 65th AGM whether in hard copy or by electronic means shall be deposited or submitted in the following manner **not later than Monday, 28 September 2026 at 9.00 a.m**:

(i) In hard copy form:

In the case of an appointment made in hard copy form, the Proxy Form must be deposited with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, deposited in the dropbox located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur.

(ii) By electronic form:

All members can have the option to submit the Proxy Form electronically via Vistra Share Registry and IPO (MY) portal ("The Portal") at https://srmy.vistra.com and the steps to submit are summarised below:

Procedure	Action
i. Steps for Individual Shareholders	
Register as a User at The Portal	1. Visit the website at https://srmy.vistra.com. 2. Click "Register" and select "Individual Holder" and complete the New User Registration Form. 3. For guidance, you may refer to the tutorial guide available on the homepage. 4. Once registration is completed, you will receive an email notification to verify your registered email address. 5. After verification, your registration will be reviewed and approved within one (1) working day. A confirmation email will be sent once approved. 6. Once you receive the confirmation, activate your account by creating your password. *If you are an existing user with The Portal or our TIIH Online portal previously, you are not required to register again.*
Proceed with submission of proxy form	1. After the release of the Notice of Meeting by the Company, login with your email address and password. 2. Select the corporate event: "**SELANGOR DREDGING BERHAD 65TH AGM**". 3. Navigate to the 3 dots at the end of the corporate event and choose **"SUBMISSION OF PROXY FORM"**. 4. Read and agree to the Terms and Conditions and confirm the Declaration. 5. Indicate the total number of shares assigned to your proxy(s) to vote on your behalf. 6. Appoint your proxy(ies) and insert the required details of your proxy(ies) or appoint the Chairman as your proxy. 7. Indicate your voting instructions – FOR or AGAINST or ABSTAIN. 8. Print the proxy form for your record.

Procedure	Action
ii. Steps for Corporation or Institutional Shareholders	
Register as a User at The Portal	1. Visit the website at https://srmy.vistra.com. 2. Click "Register" and select "Representative of Corporate Holder" and complete the New User Registration Form. 3. Complete the registration form with your personal details. 4. Once registration is completed, you will receive an email notification to verify your registered email address. 5. After verification, your registration will be reviewed and approval within two (2) working days. A confirmation email will be sent once approved. 6. Once you receive the confirmation, activate your account by creating your 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 Tricor if you need clarifications on the user registration.
Proceed with submission of proxy form	1. Login to https://srmy.vistra.com with your email address and password. 2. Select the corporate event: **"SELANGOR DREDGING BERHAD 65TH AGM".** 3. Navigate to the icon ">" at the end of the corporate event. 4. Read and agree to the Terms and Conditions and confirm the Declaration. 5. Select the corporate holder's name. 6. Proceed to download the submission file. 7. Prepare the file for the appointment of proxy(ies) by inserting the required data. 8. Proceed to upload the duly completed proxy appointment file. 9. Select "Confirm" to complete your submission. 10. Print the confirmation report of your submission for your record.

No recording or photography

Unauthorised recording and photography are strictly prohibited at the 65th AGM.

Parking Redemption

Parking redemption is only applicable for motorcars at basement of Hotel Maya Kuala Lumpur only.

Voting Procedure:

- The voting at the 65th AGM will be conducted on a poll in accordance with Paragraph 8.29A of Bursa Malaysia Securities Berhad Main Market Listing Requirements. The Company has appointed Tricor Investor & Issuing House Services Sdn Bhd as Poll Administrator to conduct the poll by way of electronic voting ("e-voting") and Independent Scrutineers to verify the poll results.
- Upon completion of the voting session for the 65th AGM, the Scrutineers will verify the poll results followed by the Chairman's declaration on whether the resolutions are duly passed.

65th AGM Enquiry:

If you have any enquiries on the above, please contact the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd. during office hours on Mondays to Fridays from 8.30 a.m. to 5.30 p.m. (except on public holidays):

Tricor Investor & Issuing House Services Sdn Bhd
Registration No. 197101000970 (11324-H)
Unit 32-01, Level 32, Tower A,
Vertical Business Suite, Avenue 3,
Bangsar South,
No. 8, Jalan Kerinchi,
59200 Kuala Lumpur, Malaysia
Tel : +603-2783 9299
Email : is.enquiry@vistra.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

Puan Selma Enolil Binti Mustapha Khalil
Independent Non-Executive

SECRETARIES

Ms Won See Yee
(MAICSA 7047024)
CCM Practicing Certificate 201908003356

Ms Tan Ai Peng
(MAICSA 7018419)
CCM Practicing Certificate 201908003179

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

Chairperson
Ms Teh Lip Kim

Members
Mr Loong Ching Hong
Mr Jason Tham Chun Shoong

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
Email : is.enquiry@vistra.com

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
RHB Bank Berhad

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
A5-8-01 CUBE Level 8, Dataran Prestij SqWhere
Jalan Sungai Buloh, Seksyen U19
40160 Shah Alam, Selangor
Tel : 603-7931 3296

One-Two-Boost
(operated by SDB Inclusion Sdn Bhd)
Lot LG-092, Lower Ground Floor, Mid Valley Megamall
Lingkaran Syed Putra, Mid Valley City, 59200 Kuala Lumpur
Website: www.12boost.com.my

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%
- SDB Property Services Sdn Bhd
  202501039837 (1641246-K)
  100%
- Crescent Consortium Sdn Bhd
  200701036969 (794998-H)
  100%
- SDB Property Management Sdn Bhd
  201301008205 (1038047-H)
  100%
- SDB Management Services Sdn Bhd
  (formerly known as SDB Host Sdn Bhd)
  201501031927 (1157251-T)
  100%
- SDB Subang Development Sdn Bhd
  201901026373 (1335702-V)
  100%
- Champsworth Development Sdn Bhd
  202401032863 (1578711-H)
  50%

SDB Inclusion Sdn Bhd
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%
- Steadfast Strategic Sdn Bhd
  202501057782 (1659188-H)
  37.86%

Profile of Board of Directors

Mr Eddy Chieng Ing Huong

CHAIRMAN

Nationality	Gender	Age
Malaysian	Male	69

Mr Eddy Chieng Ing Huong, age 69, 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 2026.

Ms Teh Lip Kim

MANAGING DIRECTOR

Nationality	Gender	Age
Malaysian	Female	59

Ms Teh Lip Kim, aged 59, 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 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 2026.

Profile of Board of Directors
(cont'd)

Mr Boh Boon Chiang

INDEPENDENT NON-EXECUTIVE DIRECTOR

Nationality	Gender	Age
Malaysian	Male	64

Mr Boh Boon Chiang, aged 64, Male, Malaysian Chinese, an Independent Non-Executive Director, was appointed as a Director on 8 June 2023. He is also Chairman of Audit and Nominating Committees, and a member of Remuneration Committee.

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 2026.

Puan Selma Enolil Binti Mustapha Khalil

INDEPENDENT NON-EXECUTIVE DIRECTOR

Nationality	*Gender*	*Age*
Malaysian	*Female*	*55*

Puan Selma Enolil Binti Mustapha Khalil, aged 55, 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, Life Water Berhad and Unique Fire Holdings Berhad, companies listed on the Main Market of Bursa Securities. She is also a director of Powerwell Holdings Berhad, a company listed on the ACE Market of Bursa Securities.

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 2026.

Profile of Key Senior Management

Mr Loong Ching Hong

GROUP GENERAL MANAGER

Nationality	Gender	Age
Malaysian	Male	60

Mr Loong Ching Hong, aged 60, 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 2026.

DaMai, Taman Melawati - *Recognised for its sustainable design approach, the development was awarded with the provisional GreenRE Certification by REHDA during the financial year under review.*

Chairman's Statement

***DaMai, Taman Melawati** - SDB's latest residential development reimagines mid-rise condominium living with generously-sized homes, doorstep parking and thoughtfully curated communal spaces designed for modern lifestyles - elevating comfort and convenience.*

Dear SDB Shareholders,

On behalf of the Board of Directors of Selangor Dredging Berhad ("SDB" or "the Group"), it is with great privilege that I present to you the Annual Report for the financial year ended 31 March 2026 ("FY2026").

OPERATING ENVIRONMENT

The Malaysian property market remained challenging amidst rising construction costs, inflationary pressures, cautious consumer sentiment and ongoing global economic uncertainties. Geopolitical developments, trade-related disruptions and supply chain constraints continued to exert pressure on development costs and project execution, reinforcing the need for disciplined planning and prudent cost management.

Against this backdrop, the Group remained focused on delivering thoughtfully designed, differentiated developments that cater to evolving homebuyers' preferences. By emphasising innovation, quality and placemaking, we continue to create products that resonate with the market while strengthening the long-term value of our product offerings.

REVIEW OF RESULTS

For the financial year under review, the Group recorded a pre-tax loss of RM35.64 million, compared to pre-tax profit of RM29.71 million in the previous financial year. The result reflects the Group's development cycle as a boutique property developer, with the successful completion of its ongoing projects while newly launched developments remain at the early stages of construction and revenue recognition. As a result, contributions from these new projects were limited during the financial year under review.

The Group remains focused on executing its development pipeline and delivering differentiated products that meet evolving market needs. As these projects progress, they are expected to contribute more meaningfully to the Group's financial performance in the coming years.

This achievement came on the back of a turnover of RM173.87 million (FY2025: RM375.95 million). After accounting for taxation, the Group reported a net loss of RM41.07 million, compared to the net profit of RM21.92 million posted in the previous corresponding period.

The Group's property development segment reported a gross profit of RM2.94 million (FY2025: RM132.69 million), driven mainly by contributions from the progressive construction and sales of its ongoing developments, as well as the successful completion and handover of completed projects.

As for our hospitality arm, which is represented by Hotel Maya Kuala Lumpur, it recorded a revenue of RM21.18 million (FY2025: RM21.63 million).

The Group's foray into the mining sector, with Fortress Minerals Limited ("Fortress Minerals"), has contributed a net profit of RM12.19 million (FY2025: RM7.65 million) from its iron ore mining operation.

GROUP OPERATIONS

During the financial year under review, the Group achieved a significant milestone with the successful completion and handover of Jia in Taman Bukit Serdang and 19Trees in Taman Melawati.

These developments reflect SDB's continued commitment towards delivering boutique homes that prioritise quality, functionality and liveability. The completion of both developments marks the culmination of years of planning, design and execution, and we are grateful for the trust and support extended by our home purchasers throughout the journey.

The Group has also continue to focus on the construction of Senai Phase 1, known as Elina Resort Homes @ Senai, our lakeside development located in Taman Putra Perdana, Puchong. To date, construction has achieved approximately 57% completion and remains on track. Sales from Elina Resort Homes @ Senai will continue to contribute positively towards the Group's revenue in the coming financial periods.

Chairman's Statement
(cont'd)

***19Trees, Taman Melawati -** The successful completion and handover of 19Trees during the financial year under review underscores SDB's commitment to delivering boutique homes that combine quality, functionality and liveability in a thoughtfully planned gated and guarded community.*

Elina Resort Homes @ Senai is our latest hallmark product for modern living, offering 209 units of meticulously designed 3-storey link villas that seamlessly blend elegance and functionality. These link villas are set amidst serene surroundings with comprehensive facilities and a 630 metres natural lakeside frontage. Elina Resort Homes @ Senai is designed for an exceptional living experience where nature, wellness and community come together harmoniously.

Meanwhile, DaMai, our latest groundbreaking mid-rise development located in Taman Melawati, continues to garner encouraging interest from prospective homebuyers. True to SDB's spirit of daring to do things differently, DaMai brings a fresh, innovative concept to home living by seamlessly blending the spaciousness and privacy of landed homes with the luxury and security of condominium life.

DaMai features 306 mid-rise condominium units, starting from 2,000 square feet, each offering a minimum of three dedicated doorstep car parks. Meaning 'peace' in English, DaMai is designed to provide unparalleled convenience for modern families. Residents can enjoy the ease of parking directly in front of their homes, eliminating the inconvenience of distant parking and making everyday tasks such as unloading groceries more seamless. This innovative approach, combined with thoughtfully crafted living spaces and resort-style facilities, creates a unique community that inspires and elevates everyday living.

DaMai is essentially a 'Landed Mid-Rise' - SDB's bold new standard where convenience, luxury and innovation come together to truly stand apart. Following the commencement of construction works at the end of 2025, development activities at DaMai have progressed steadily. As the Group's newest flagship development, DaMai is expected to play an increasingly important role in contributing to the Group's future earnings and growth.

Meanwhile, Hotel Maya Kuala Lumpur, our hospitality subsidiary, continues to represent a strategically important asset within the Group's portfolio. Located in the heart of Kuala Lumpur City Centre and within walking distance of the Petronas Twin Towers and the Kuala Lumpur Convention Centre, the property remains well-positioned to serve both business and leisure travellers.

The Group has undertook a significant strategic initiative to unlock the long-term value of Hotel Maya Kuala Lumpur through a leasing arrangement with an external hotel operator. Effective 1 July 2026, the lease arrangement is expected to provide the Group with a stable and recurring stream of rental income while preserving ownership of the property.

***Jia, Taman Bukit Serdang -** Designed around a central Linear Park, Jia connects the neighbourhood through landscaped walkways, fostering a greener and more refreshing living environment for residents.*

The Group holds a 29.61% stake in Fortress Minerals, a prominent high-grade iron ore producer listed on the Singapore Stock Exchange, with production facilities located in Terengganu, Malaysia. Fortress Minerals remains strategically positioned to enhance its production capabilities and capture opportunities arising from the region's continuing demand for steel and infrastructure development.

SUSTAINABILITY & CORPORATE RESPONSIBILITY

Sustainability continues to be an integral part of the Group's long-term business strategy and decision-making process. At SDB, we believe that creating lasting value extends beyond financial performance to encompass responsible development, environmental stewardship and positive social impact.

This commitment is reflected in the way we plan, design and deliver our developments. During the financial year under review, DaMai, our latest residential project in Taman Melawati, was awarded with the provisional GreenRE Certification - Bronze in Residential Category by Malaysia's Real Estate and Housing Developers' Association ("REHDA"). The certification recognises DaMai's commitment towards sustainable building practices, energy efficiency and enhanced environmental performance, while reinforcing our ongoing efforts to create homes that not only meet the evolving needs of homeowners but also contribute towards a more sustainable built environment.

We are also encouraged by the continued improvement in our Environmental, Social and Governance ("ESG") performance. During the financial year under review, the Group achieved a higher FTSE4Good Bursa Malaysia ESG Rating compared to the previous financial year, reflecting our ongoing efforts to strengthen governance practices, improve sustainability disclosures and embed ESG considerations throughout our operations.

Beyond the environment, we remain committed to creating a meaningful social impact through initiatives that promote diversity, inclusion and equal opportunities.

A key focus area during the financial year under review was the continuous evolution of our One-Two-Boost ("OTB") initiative, which has grown beyond a Corporate Social Responsibility ("CSR") programme into a platform for advancing inclusive employment practices. First established in collaboration with Traditional Chinese Medicine ("TCM") physicians, OTB continues to provide meaningful employment opportunities for neurodiverse and special needs individuals, while demonstrating the value that an inclusive workforce can bring to organisations and communities alike.

Building on the experience and insights gained over the past several years, OTB remains committed to support the growth of its employees. OTB continues to refine its practices across key areas, including candidate recruitment and selection, training and job coaching, workplace integration, and ongoing employee development.

In parallel, OTB also work closely with social enterprises, community organisations, educational institutions and industry partners to expand awareness and create more pathways towards meaningful and inclusive employment. Through these collaborations, we hope to encourage broader adoption of inclusive hiring practices and contribute towards a more equitable society.

Chairman's Statement
(cont'd)

As we move forward, the Group remains committed to integrating sustainability and social responsibility into every aspect of our business, ensuring that our developments and initiatives continue to create positive and lasting value for all stakeholders.

AWARDS & RECOGNITIONS

I am pleased to highlight that SDB continues to be recognised for its commitment to quality development and long-term asset stewardship. During the financial year under review, Windows on the Park emerged as the Bronze Winner at The Edge Malaysia's Best Managed & Sustainable Property Awards 2026 in the 10 Years & Above Multiple-Owned Strata Residential (High-Rise) category. The achievement reflects the Group's emphasis on effective property management practices, sustainability considerations and the delivery of well-maintained living environments for residents. It underscores SDB's continued focus on ensuring that its completed projects are managed to a consistently high standard, supporting long-term value appreciation and resident satisfaction.

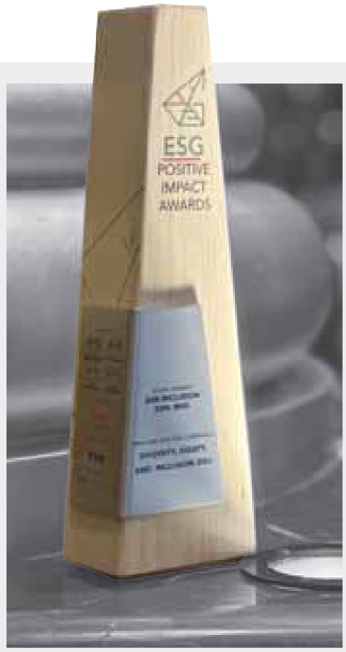
On the CSR side, I am also proud to share that OTB has received recognition for the social impact it creates. It was awarded the Brand Social Value of the Year 2026 by G Media Asia, followed by Silver in the Diversity, Equity & Inclusion category (SMEs to Mid-Tier Companies) at the ESG Positive Impact Awards organised by Star Media Group. These recognitions are meaningful to us because they affirm what OTB has always sought to achieve - to create genuine opportunities for neurodiverse and special needs individuals to participate, contribute and grow in the workplace. More importantly, they remind us that the true measure of a business lies in the positive difference it makes in the lives of others.

DIVIDEND

I am pleased to announce that the Board of Directors has recommended a dividend of 3.0 sen per share amounting to RM12.78 million for the financial year under review. This will be tabled at the Sixty-Fifth Annual General Meeting ("65th AGM") for the shareholders' approval.

Windows on the Park, Cheras - *Recognised at The Edge Malaysia's Best Managed & Sustainable Property Awards during the financial year under review, reflecting SDB's commitment to quality property management, sustainable practices and the delivery of well-maintained living environments that create long-term value for homeowners.*

One-Two-Boost - *Empowering neurodiverse individuals and those with special needs through meaningful employment, strengthening SDB's commitment to building an inclusive hiring, training and work ecosystem.*



The Star ESG Positive Impact Awards - *Recognise organisations that translate sustainability commitments into meaningful outcomes.*

OUTLOOK & PROSPECTS

While the operating environment continues to be shaped by challenges such as rising construction costs, labour constraints, global supply chain disruptions and evolving consumer preferences, we remain confident in the resilience of the property sector over the longer term.

Ongoing geopolitical uncertainties and trade-related developments may continue to influence market sentiment and homebuyers' purchasing decisions, requiring developers to remain agile and responsive.

Against this backdrop, the Group will continue to exercise prudent cost management, maintain financial discipline and focus on operational efficiency across all its businesses. We will also remain committed to developing products that respond to the changing needs and aspirations of modern-day homebuyers while preserving the quality and design excellence that define the SDB brand.

With a healthy development pipeline, a strong balance sheet and a disciplined approach to growth, we are well-positioned to navigate market uncertainties and capitalise on opportunities as they arise. Above all, our focus remains on creating sustainable long-term value for our shareholders, customers, employees and the communities in which we operate.

ACKNOWLEDGEMENT

Last but not least, I would like to express my sincere appreciation to the management and employees of SDB for their steadfast dedication and resilience in the past financial year.

Additionally, I want to extend my gratitude to our esteemed stakeholders - including our customers, business associates, governmental authorities and esteemed shareholders for your unwavering support and confidence in SDB.

Thank you for your continued trust.

Warm regards,

EDDY CHIENG ING HUONG
Chairman

Management Discussion and Analysis

pre-tax loss
RM35.64 million

net loss
RM41.07 million

OPERATING ENVIRONMENT

For the financial year under review, Malaysia's property sector continues to operate in a challenging environment, shaped by rising living costs, cautious consumer sentiment and global economic uncertainties. Geopolitical developments, evolving trade policies, including tariff-related uncertainties, and ongoing conflicts in the Middle East continue to weigh on business confidence, while cost pressures and supply chain disruptions remained key challenges for the industry.

Against this backdrop, the Group remained focused on its strengths as a boutique property developer, delivering differentiated developments that emphasise thoughtful design, placemaking and quality. Rather than competing on scale, the Group continues to create distinctive products that cater to evolving homebuyers' preferences while maintaining disciplined execution and prudent capital management.

FINANCIAL PERFORMANCE

For the financial year ended 31 March 2026, the Group registered a pre-tax loss of RM35.64 million, compared to pre-tax profit of RM29.71 million in the previous financial year, on the back of a turnover of RM173.87 million (FY2025: RM375.95 million). After accounting for taxation, the Group reported a net loss of RM41.07 million, compared to the net profit of RM21.92 million posted in the previous corresponding period.

The Group's property development division recorded a gross profit of RM2.94 million (FY2025: RM132.69 million) on a turnover of RM149.18 million (FY2025: RM351.37 million).

The Group's hospitality division, represented by our subsidiary Hotel Maya Kuala Lumpur, posted revenue of RM21.18 million, compared to RM21.63 million in the previous corresponding period. The Group also registered a net profit of RM12.19 million (FY2025: RM7.65 million) from our iron ore mining business through its associate company, Fortress Minerals Limited ("Fortress Minerals").

Elina Resort Homes @ Senai, Taman Putra Perdana - *A collection of elegantly designed three-storey link villas overlooking a scenic natural lake, situated within a gated and guarded residential community.*

Elina Resort Homes @ Senai, Taman Putra Perdana - *Nestled beside a scenic natural lake, the development provides a tranquil living environment that seamlessly blends urban convenience with the beauty of nature.*

CAPITAL EXPENDITURE

During the financial year under review, the Group's capital expenditure remained focused on supporting its long-term development pipeline and strategic growth initiatives. As a boutique property developer, the Group continues to allocate resources prudently towards planning and pre-development activities for future projects while maintaining financial discipline.

One of the Group's key pipeline developments is its upcoming residential project in Penang, located near Bukit Mertajam. Currently in the planning stage, the proposed development comprises a strata titled residential scheme featuring 122 units of three-storey superlink-villas across four blocks. The development will also include a clubhouse with a hall, multipurpose space and resident facilities, with a targeted launch in the first quarter of next year.

This development reflects the Group's continued commitment to delivering differentiated products that cater to evolving homebuyers' preferences while strengthening its presence in selected growth locations.

Apart from the land acquisition and expenditures relating to ongoing development activities, the Group did not incur any other significant capital expenditure projects during the financial year under review.

PROPERTY DEVELOPMENT

At the time of writing, the Group has two ongoing developments in Malaysia. These developments consist of residential properties that focus on family living, with practical design and long-term value creation.

The Group's total unbilled sales of its ongoing projects stand at RM155.78 million.

Property Development

Gross Profit
RM2.94 million

Management Discussion and Analysis (cont'd)

***19Trees, Taman Melawati -** A nature-inspired clubhouse featuring a 25-metre lap pool, children's pool, gymnasium and function room, designed to support recreation, wellness and community living.*

Malaysia

For the financial year under review, both 19Trees in Taman Melawati and Jia in Taman Bukit Serdang achieved significant milestones with the successful completion and handover of the developments to purchasers. Both projects were fully sold prior to completion, reflecting continued demand for thoughtfully designed homes that are located within secure and well-planned gated and guarded residential environments.

The successful delivery of Jia and 19Trees demonstrates the Group's ability to execute and complete projects in accordance with its commitment to quality and customer satisfaction. These developments further reinforce SDB's reputation for developing homes that combine functionality, design excellence and community-centric living.

***Elina Resort Homes @ Senai, Taman Putra Perdana -** Thoughtfully planned with spacious and adaptable layouts, Senai's homes are designed to support the evolving lifestyles and contemporary needs of today's homeowners.*

Following the completion of Jia and 19Trees, the Group's primary focus has shifted towards Senai, a lakeside development located in the rapidly developing area of Taman Putra Perdana, Puchong. Spanning 29 acres, Senai features a collection of elegantly designed three-storey lakeside link-villas set along approximately 630 metres of scenic natural lake frontage. These homes, ranging from 1,900 to 3,600 square feet, offer a harmonious blend of spacious living and serene natural beauty.

The first phase of the development, known as Elina Resort Homes @ Senai, comprises 209 units of thoughtfully designed homes. Featuring a gated and guarded concept, Elina Resort Homes @ Senai offers residents a tranquil lakeside lifestyle with enhanced security, modern facilities and direct access to nature-inspired surroundings.

Construction of Elina Resort Homes @ Senai has progressed steadily and has achieved approximately 57% completion at the time of writing. Concurrently, the Group continues to undertake proactive and targeted marketing initiatives to sustain sales momentum for the project. As construction progresses, Elina Resort Homes @ Senai is expected to continue contributing positively to the Group's revenue and earnings.

At Elina Resort Homes @ Senai, placemaking has been intentionally developed as a core extension of the sales and marketing strategy, rather than treated as supplementary event activation. The objective is to continuously shape the development into a lived-in, experiential environment where prospective homebuyers and visitors can meaningfully engage with the space beyond static viewing of show units.

Elina Resort Homes @ Senai has hosted a series of thematic, community-driven events that are designed to build familiarity, emotional connection and repeat visitation. These include lifestyle-oriented and family-centric programmes such as Mother's Day and Father's Day celebrations, which focus on strengthening the narrative of Senai as a multigenerational family living environment. These occasions are curated to encourage active attendees' participation, often combining workshops and interactive touchpoints that reinforce the idea of home as a setting for shared memories.

***Elina Resort Homes @ Senai, Taman Putra Perdana -** Designed for families of every generation, Senai's modern homes offer practical comfort, timeless design and the distinctive charm that defines every SDB development.*

Seasonal and cultural programmes have also been a consistent pillar at Senai. The Let's Go! Family Chinese New Year Bazaar 2026 infused the development with festive energy, creating a lively community space that celebrates cultural traditions and strengthens social connections. Similarly, a Hari Raya Aidilfitri event, organised in collaboration with Astro Audio, featured a gathering of several well-known Malaysian artists and ERA.FM celebrities, significantly expanding its reach and engagement. The event attracted a broader audience by driving entertainment-led awareness of the Senai brand across the lifestyle and media ecosystem.

More recently, The Art of Living event held in June 2026 further strengthened Senai's positioning as a wellness-led lakeside development. This programme placed emphasis on design appreciation, lifestyle-wellness and the intangible aspects of homeownership - namely comfort, aesthetics and the experience of daily living. It also served as a platform to reinforce Senai's differentiation in the market as more than just a residential offering, but as a curated living space.

The Art of Living featured a series of community-oriented and wellness-focused activities, including guided yoga sessions and fitness classes by Celebrity Fitness, art exhibitions and painting by the lake sessions, an art and wellness market, healthy eating and wellness talks and workshops, as well as light pickleball sessions. Designed to engage participants of all ages and backgrounds, these activities brought Senai's lakeside living philosophy to life by promoting well-being, creativity and meaningful community interaction in a relaxed and immersive setting.

From a tactical placemaking standpoint, the introduction of a dedicated pickleball court at Senai sales gallery represents a deliberate and high-impact strategy. Pickleball, as a fast-growing recreational sport, functions as both an engagement magnet and a behavioural catalyst. It increases Senai's footfall by attracting not only potential homebuyers but also their social circles, creating organic visitation loops. The court also reinforces Senai's positioning as an active, wellness-oriented lakeside community, aligning with the broader trends in health-conscious and social living.

Building on its commitment to innovation, the Group also continues to advance DaMai, its ongoing mid-rise residential development located in Taman Melawati. DaMai features a distinctive living concept that combines the spaciousness and privacy typically found in landed homes with the luxury and security features of condominium living.

At DaMai, units start from approximately 2,000 square feet and come with a minimum of three dedicated car parks. This design allows residents to park their vehicles directly in front of their homes, addressing common inconveniences associated with conventional condominium living such as distant parking and the need to transport items over long distances. The development is further complemented by thoughtfully designed resort-style facilities, contributing to a comfortable and community-oriented environment.

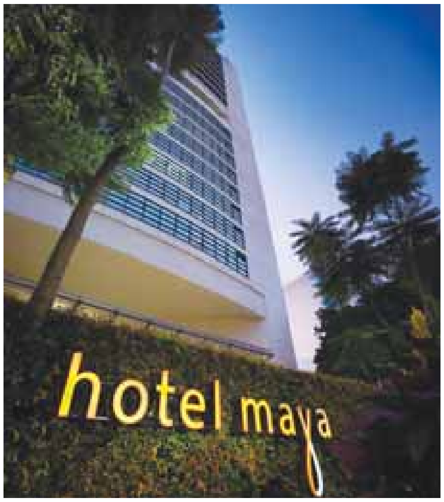
DaMai represents SDB's latest innovation through the introduction of a bold "Landed Mid-Rise" concept that seeks to redefine urban living by integrating convenience, space and exclusivity. Construction of DaMai commenced at the end of 2025 and progress is currently underway. Upon completion, the development is expected to further strengthen the Group's portfolio of differentiated residential products.

As part of the Group's broader placemaking effort to enhance the visibility of DaMai, the DaMai 4km Health Run was organised to create greater awareness of the development while fostering community engagement through active lifestyle participation. The event brought together nearby residents, families and members of the public in a shared wellness activity. Beyond the run itself, it served as a community gathering platform that encouraged interaction, strengthened social connections and fostered a greater sense of belonging within the Taman Melawati community.

Management Discussion and Analysis
(cont'd)

Hospitality

Revenue
RM21.18 million



***Hotel Maya Kuala Lumpur -** The boutique urban resort continues to welcome both business and leisure travellers with comfortable accommodation and hospitality in the heart of the city. The long-term lease arrangement represents a strategic step to unlock the asset value while retaining SDB's ownership.*

***Fortress Minerals -** Fortress Minerals continues to enhance production at its Bukit Besi Mine through strategic investments, including two ball mills and a new crushing plant, to improve efficiency and increase throughput.*

Complementing these placemaking and marketing initiatives is SDB's active participation in roadshows and strategic collaborations with external partners, including organisations such as The National Tech Association of Malaysia ("PIKOM") and Tesla Malaysia. These partnerships, together with targeted roadshows, have further enhanced the visibility of Elina Resort Homes @ Senai and DaMai, enabling the Group to engage a broader pool of prospective homebuyers and stakeholders, strengthen its brand presence and sustain market awareness across diverse customer segments.

HOSPITALITY

Malaysia's tourism sector continues to benefit from sustained growth in international visitor arrivals, improved air connectivity and ongoing government initiatives to position the country as a preferred travel destination.

For the financial year under review, Hotel Maya Kuala Lumpur recorded revenue of RM21.18 million (FY2025: RM21.63 million). In May 2026, the Group undertook a strategic initiative to optimise the long-term value of the asset through a leasing arrangement with an external hotel operator.

Effective 1 July 2026, the arrangement comprises an initial lease term of 10 years, with options to renew for two additional terms of five years each. The structure is expected to provide the Group with a stable and recurring stream of rental income while retaining ownership of the property. Over the full potential lease tenure of up to 20 years, the arrangement may generate up to RM192.15 million in rental income.

In addition, the operator has committed to invest a minimum of US$3 million within three years towards renovation, upgrading and repositioning works, aimed at enhancing the property's facilities, guest experience and overall market competitiveness. The arrangement reduces the Group's direct exposure to hotel operational risks while supporting the long-term repositioning of Hotel Maya Kuala Lumpur as a refreshed hospitality asset.

MINING

With regards to the Group's involvement in the mining sector, the Group's 29.61%-owned indirect Singapore-listed associate Fortress Minerals is a leading high-grade iron ore producer in Malaysia with production site in the state of Terengganu, Malaysia.

For the financial year under review, Fortress Minerals contributed a net profit of RM12.19 million (FY2025: RM7.65 million) from its iron ore mining operations.

Fortress Minerals achieved a record sales volume of 724,439 dry metric tonnes ("DMT") of iron ore, representing a 14.5% year-on-year increase. This marks another year of record sales performance, underscoring the success of Fortress Minerals's growth strategy, supported by higher local and export sales, as well as sustained regional demand for high-grade iron ore.

DaMai, Taman Melawati - *Inspired by the traditional art of Anyaman, woven patterns are seamlessly incorporated into the walls and floors at DaMai, bringing cultural depth and artisanal character to the surrounding living spaces.*

Mining

Net Profit
RM12.19 million

Fortress Minerals continues to strengthen its production capabilities at the Bukit Besi Mine through strategic investments to enhance its operational efficiency and support future growth. During its financial year, the company completed the installation of two ball mills and a new crushing plant, which are expected to improve production efficiency and increase overall throughput. In addition, an on-site solar power installation was commissioned to enhance energy efficiency and generate long-term cost savings.

Meanwhile, at Cermat Aman Sdn Bhd ("CASB"), Fortress Minerals continues to progress development works at the Mengapur Mine. Preliminary technical and economic assessments based on the current Mineral Resource Model indicate potential for a large-scale operation. Ongoing work is focused on advancing mine design, cost modelling and technical studies to support future feasibility assessments and potential ore reserve conversion.

OUTLOOK & PROSPECTS

Looking ahead, the Group's focus will remain on the successful execution and completion of Elina Resort Homes @ Senai while continuing to drive sales momentum for the development. At the same time, construction activities at DaMai will continue to progress, positioning the project as a key contributor to the Group's future earnings pipeline.

The Group will also continue to evaluate suitable opportunities that align with its strategy of developing differentiated and niche products that respond to evolving market demands.

For the hospitality division, the long-term lease arrangement for Hotel Maya Kuala Lumpur is expected to provide a more stable and predictable income stream while preserving the Group's ownership of a strategically located hospitality asset. Meanwhile, Fortress Minerals remains well-positioned to benefit from its ongoing operational enhancements and expansion initiatives.

Notwithstanding ongoing global economic uncertainties and geopolitical developments, the Group remains cautiously optimistic of its prospects and will continue to focus on operational discipline, prudent financial management and sustainable value creation for shareholders. The management extends its sincere appreciation to all SDB shareholders and stakeholders for their unwavering support, trust and confidence.

Sustainability Statement

Section 1 – SUSTAINABILITY INTEGRATION

1.1 ABOUT THIS REPORT

Selangor Dredging Berhad ("SDB" or the "Group")'s Sustainability Statement 2026 ("SS2026") outlines the Group's sustainability agenda and its economic, environmental, social and governance ("EESG") performance for the financial year ending 31 March 2026 ("FY2026"). This statement provides an overview of the Group's approach to managing sustainability-related risks and opportunities across its core activities in Malaysia, which include property development, property management and hospitality.

By prioritising material sustainability matters and implementing strategic initiatives, SDB seeks to strengthen its resilience against emerging sustainability-related challenges, including evolving market conditions, supply chain disruptions and climate change. This statement should be read in conjunction with the FY2026 Annual Report, particularly the 'Management Discussion and Analysis' section, to provide a comprehensive view of SDB's business performance and strategies.

1.2 STANDARDS AND GUIDELINES

The preparation of this statement is guided by the following frameworks, guidelines and reporting references:

- Bursa Malaysia's Main Market Listing Requirements ("MMLR")
- Malaysian Code on Corporate Governance 2021 ("MCCG")
- Bursa Malaysia's Sustainability Reporting Guide (3rd edition)
- Global Reporting Initiative ("GRI") Standards
- International Sustainability Standards Board ("ISSB") IFRS Sustainability Disclosure Standards (IFRS S1 and IFRS S2)
- Sustainability Accounting Standards Board ("SASB")
- Intergovernmental Panel on Climate Change ("IPCC")
- United Nations Sustainable Development Goals ("UN SDGs")
- FTSE4Good ESG Rating

1.3 SCOPE AND BOUNDARY

SDB is a boutique property developer listed on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities") and headquartered in Kuala Lumpur, Malaysia. Further details on the corporate structure of SDB Group are provided in the 'Corporate Structure' section of this Annual Report.

The Group's scope and boundary for disclosure in this statement is based on the disclosure requirements of the frameworks and guidelines mentioned above, with disclosures covering the Group's operations in Malaysia for the following business divisions:

- Property Development
- Property Management
- Hospitality

Myra, Singapore *- Designed by award-winning UK firm Pitman Tozer Architects, Myra exemplifies the essence of exclusivity that invites both exploration and reflection.*

Sustainability Statement
(cont'd)

The reporting period for this statement covers the financial year from 1 April 2025 to 31 March 2026 ("FY2026"), with more statistics presented based on a three-year timeframe.

All monetary values presented in this statement are in Malaysian Ringgit ("RM"), consistent with the presentation currency used in the Group's consolidated financial statements. This statement should be read together with the other sections of this Annual Report for a more comprehensive understanding of the Group's overall performance.

1.4 STATEMENT OF ASSURANCE

The Sustainability Statement has undergone an internal review to verify that the policies, initiatives, material matters and data disclosed here are accurate and acceptable. Additionally, the information presented in this statement has been reviewed internally by senior management and the respective data owners to ensure the accuracy and reliability of the disclosures. In line with SDB's commitment to transparency and accountability, the Group intends to evaluate the feasibility of obtaining external assurance for future sustainability reports.

Feedback

We appreciate feedback, suggestions and comments from all stakeholders to enable us to fulfil our sustainability commitments and improve our reporting practices. Please send your feedback to:

Sustainability
Selangor Dredging Berhad,
Wisma Golden Eagle Realty, 18th Floor, West Block,
142-C, Jalan Ampang, 50450 Kuala Lumpur, Malaysia.

sustainability@sdb.com.my

19TREES, Taman Melawati, Selangor.

1.5 SUSTAINABILITY FRAMEWORK

The Group's Sustainability Framework was first established in 2022 with a purpose to support our brand promise of "driving excellence, building life-long relationships" with all stakeholders. The framework is guided by SDB's core values and brand manifesto as follows:

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, tenants and all stakeholders.

Our Core Values

- **Passionate**
- **Innovative**
- **Result-Oriented**
- **Caring & Respectful**

Our Brand Manifesto

In 2018, we published our brand manifesto titled "**A Manifesto for living well and responsibly** ". This 7-point manifesto represents our values, belief and our standards. It also serves as a reference point to help our customers understand what we stand for, the quality of life that we provide through our products, and our principles and responsibilities as a developer. The 7-point manifesto focus on investing in our:

- Product
- Community
- Quality
- Customers
- People
- Environmental Friendly
- Peace of mind

Sustainability Statement
(cont'd)

SDB Sustainability Framework

The Group's sustainability framework provides clear direction by aligning material matters. The framework also integrates sustainability into SDB's strategy and daily operations, ensuring a balanced approached between financial growth and sustainability impact.

SDB

Our Brand Promise
Driving Excellence, Building Lifelong Relationships

Goals
Driving excellence in terms of products and services to build a lifelong relationship with all stakeholders.

Sustainability Governance
Provides oversight of SDB's sustainability practices

Pillars	**ECONOMIC**	**ENVIRONMENTAL**	**SOCIAL**	**GOVERNANCE**
Sustainability Themes	Growing Responsible Business Responsibly	Building A Healthy Living Environment	Promotion Inclusivity & Diversity	Strengthening Sustainability Performance
Key Material Matters	» Economic Performance » Product Responsibility » Procurement Practice / Supply Chain Management	» Emission » Energy, Water & Effluent Waste	» Health and Safety » Development & Training » Labour Practices & Standard / Diversity & Equal Opportunity » Community Investment	» Anti-Corruption » Data Privacy & Security
UN SDGs Alignment	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			
Key Focus Areas	» Generating Profit for Shareholders » Creating Jobs & Contributing to the Economy » 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 » Contributing to Social Well-Being	» Enhancing Corporate & Sustainability Governance » Enhancing Corporate Disclosure & Improving Sustainability Reporting » Protecting Data Privacy » Ensuring Business » Continuity

Key Stakeholders

- Shareholders / Investors
- Management
- Employees
- Customers / Tenants / Resident Associations
- Contractors / Consultants / Vendors
- Industry Organisations & Associations
- Community
- Financiers / Banks
- Governments / Regulators
- Media

1.6 SUSTAINABILITY GOVERNANCE

The Group established the Risk Management and Sustainability Commitiee ("RMSC") in 2019 to oversee risk management and sustainability related matters across the organisation. The RMSC is chaired by the Managing Director and comprises the Group General Manager and the Head of Finance.

The RMSC reports to the Board of Directors, which provides oversight on the Group's sustainability direction, including the integration of economic, environmental, social and governance ("EESG") considerations into the Group's strategy, operations and risk management processes. The committee convenes at least twice annually to review sustainability related risks, opportunities and stakeholder matters, and to provide recommendations to the Board.

To support the implementation of sustainability initiatives across the organisation, the Environmental, Social and Governance Working Committee ("ESGWC") was established. The ESGWC comprises representatives from various departments and assists the RMSC in coordinating sustainability initiatives, monitoring ESG related data and supporting sustainability disclosures.

The implementation of sustainability practices across the Group is further supported by the Heads of Departments ("HODs"), who are responsible for integrating sustainability considerations within their respective departments and business units.

SUSTAINABILITY GOVERNANCE STRUCTURE

BOARD OF DIRECTORS ("BOD")	RISK MANAGEMENT AND SUSTAINABILITY COMMITTEE ("RMSC")	ENVIRONMENTAL, SOCIAL AND GOVERNANCE WORKING COMMITTEE ("ESGWC")
Biannually: Board oversight » To ensure that ESG practices are embedded in the Group's strategy and business; » To oversee the risks and opportunities related to SDB's key climate and sustainability matters.	**Biannually:** Management oversight » To implement the sustainability strategies within the parameters of the Group's risk appetite and approved by the Board; » To oversee stakeholder engagement, to ensure that all issues and suggestions raised are taken into consideration in managing sustainability; » To manage the Material Sustainability Matters for SDB; recommending strategies, setting policies, goals and targets.	**Periodically:** Plan and facilitate ESG-related matters » The ESG Working Committee is comprised of members from various departments; » Supporting the Risk Management and Sustainability Committee ("RMSC") in fulfilling its oversight duties related to ESG and sustainability disclosures; » To review and make recommendations to the RMSC on the Group's current ESG practices, sustainability strategy, policies and improvement activities, as necessary.

1.7 MATERIALITY MATRIX

For the financial year 2025, SDB conducted a materiality revalidation exercise to reassess the sustainability matters that are most significant to the Group and its stakeholders. The exercise was carried out by the ESGWC, with input from other management personnel within the Group. The outcome of the assessment was subsequently reviewed and validated by the RMSC.

The materiality assessment process was guided by Bursa Malaysia's Sustainability Reporting Guide, Third Edition, and the accompanying Materiality Toolkit. The exercise was conducted using a structured four step approach.

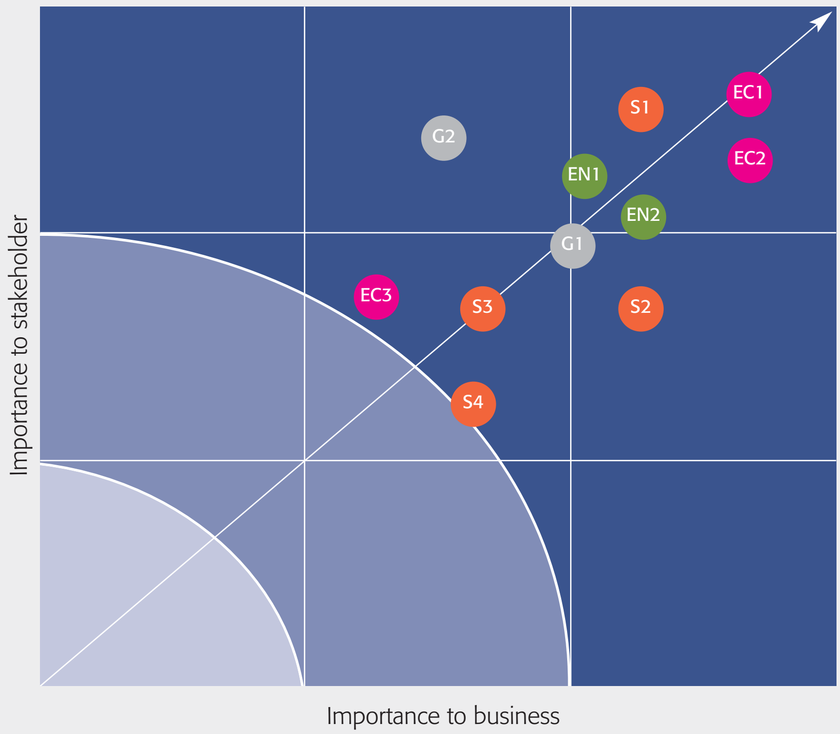
Sustainability Statement
(cont'd)

1 IDENTIFYING | 2 ENGAGING | 3 PRIORITISING | 4 VALIDATION

In performing the assessment, the Group also considered global sustainability developments, industry practices, stakeholder expectations and relevant considerations across its value chain to ensure that the identified material matters continue to reflect the Group's operating environment and sustainability priorities.

In FY2026, no new material sustainability matters were identified, as the existing matters remain relevant to the Group's current business landscape.

Material Matrix



Material Topics

EC1	Economic Performance
EC2	Product Responsibility
S1	Health and Safety
EN2	Energy, Water and Effluent Waste
EN1	Emission
S2	Development Training
G1	Anti-Corruption
G2	Data Privacy and Security
S3	Labour Practice Standard / Diversity and Equal Opportunity
S4	Community Investment
EC3	Procurement Practice / Supply Chain Management

Economic (EC) | Environmental (EN) | Social (S) | Governance (G)

SDB'S 11 MATERIAL MATTERS AND DEFINITIONS

Economic Performance	Reflects SDB's ability to generate sustainable financial and operational performance, including profitability, revenue growth, market position and operational efficiency.
Product Responsibility	Relates to the extent to which the Group's products, services and overall customer experience meet customer expectations in terms of quality, reliability and satisfaction.
Health and Safety	Addresses the health, safety and well-being of employees in the workplace. This includes the establishment of policies and procedures, risk assessment and control measures, safety training, as well as the monitoring and investigation of workplace incidents.
Energy, Water and Effluent Waste	Relates to the efficient use of energy and water resources within operations, as well as the responsible management of wastewater and effluent generated from operational activities.
Emission	Refers to the release of substances or pollutants into the atmosphere resulting from operational activities. These include greenhouse gases, particulate matter and other air pollutants.
Development and Training	Covers initiatives that support employee capability development through training programmes and learning opportunities to enhance skills, knowledge and professional growth.
Anti-Corruption	Refers to the implementation and communication of the Group's Anti-Bribery and Anti-Corruption (ABAC) Policy to promote ethical conduct and prevent corrupt practices among employees and business partners.
Data Privacy and Security	Focuses on safeguarding data and strengthening information technology infrastructure to reduce the risk of cyber threats, unauthorised access and data breaches while promoting responsible data management.
Labour Practice Standard / Diversity and Equal Opportunity	Focuses on fair labour practices, equal employment opportunities and the protection of human rights in the workplace while promoting an inclusive and respectful working environment.
Community Investment	Refers to the Group's engagement with local communities through corporate social responsibility initiatives and the allocation of resources to support community development.
Procurement Practice / Supply Chain Management	Relates to supplier selection, assessment and monitoring processes, including responsible sourcing practices and the Group's spending on local suppliers.

1.8 STAKEHOLDER ENGAGEMENT

The Group recognises that continuous engagement with stakeholders is important to understand their perspectives, expectations and concerns. Stakeholder engagement enables SDB to gather relevant insights, enhance awareness of its sustainability initiatives and align its strategies with the needs of stakeholder.

An overview of the Group's key stakeholder groups, engagement methods, key areas of discussion and the Group's responses to these matters is presented in the table below.

FY2026 STAKEHOLDER ENGAGEMENT

STAKEHOLDERS	IMPORTANCE	ENGAGEMENT CHANNELS	OUR RESPONSE
Shareholders / Investor	Shareholders and investors provide the Group with steady financial capital input.	» General Meetings » Bursa Malaysia Announcements » Media Statements » Annual Reports	» Provide a better understanding of the Group's business and financials » Update on corporate and strategic developments

Sustainability Statement
(cont'd)

STAKEHOLDERS	IMPORTANCE	ENGAGEMENT CHANNELS	OUR RESPONSE
Management	Management set the overall strategy and business direction that guide the Group.	» Board Meetings » Business Review Meetings » Strategic & Operational Meetings	» Periodic meetings to ensure the management is aligned with the Group's strategy and business direction
Employees	Employees are the 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	» Ensure understanding and alignment with the Group's goals and strategy, and update on corporate/strategic developments » Empowering employees through ensuring their wellbeing and providing opportunities to learn and upgrade, thereby driving job satisfaction, productivity and staff retention » Ensure a safe and healthy workplace to prevent accidents and injuries, and maintain a healthy working environment
Customer / Tenants / Resident Associations	Business viability and growth depend on homebuyers who support the Group's products and services.	» Digital / Social Media » Customer Events » Surveys / Feedback	» To meet or exceed customer needs; Delivering quality products and services that encourage Brand Loyalty and positive words-of mouth » Provide consistent and high service quality; resolve complaints
Contractors / Consultants / Vendor	Contractors and vendors provide critical inputs and supports for the Group's businesses to function.	» Pre-Qualification / Tender & Procurement Process » Face To Face Meetings » Formal Correspondence	» Frequent engagement to ensure clear understanding of the Group's terms; » Annual evaluation of performance
Industry Organisations & Associations Community	The network and the community in the environment in which the Group operates provide a sense of social belonging and support to ensure the Group's long-term success.	» Events » Digital / Social Media » Corporate Social Responsibility Activities	» Discuss matters impacting the Group's interest in the housing development industry » Contribute towards the well-being of the community
Financiers / Banks	Financial institutions provide the Group with access to capital.	» Annual Reports » Media Statements » Meetings	» Provide a better understanding of the Group's business and financials. » Update on corporate and strategic developments
Governments / Regulators	Regulators provide an enabling environment and framework which is paramount to SDB's businesses.	» Meetings » Briefings & Consultations » Site Inspections	» Adherence to regulators' requirements » Contribute towards the public good
Media	The media serves as an intermediary between the Group and the general public.	» Media Statements » Press Conference » Events	» Proactively engage with diverse media outlets » Maintain open-door communication with the media » Swiftly respond to all media inquiries

1.9 MANAGEMENT OF RISKS AND OPPORTUNITIES RELATED TO MATERIAL SUSTAINABILITY MATTERS

The Group recognises that sustainability related risks and opportunities may have an impact on the long-term performance and resilience of the business. As part of SDB's sustainability management approach, the Group identifies, assesses and manages risks and opportunities associated with its material sustainability matters.

These risks and opportunities are reviewed through the Group's risk management and sustainability governance processes. Appropriate mitigation measures and action plans are implemented to address potential risks, while opportunities are explored to strengthen operational performance and create value for stakeholders.

The table below outlines the key material sustainability matters, the associated risks and opportunities, the stakeholder affected and the Group's responses in managing these matters.

MANAGEMENT OF RISKS AND OPPORTUNITIES RELATED TO MATERIAL SUSTAINABILITY MATTERS.

No	Sustainable Matter	Section in this Report	UN SDG	Risks	Opportunities	Stakeholder Affected	Our Responses
1	Economic Performance	Economic	-	• Weak financial performance may affect business continuity and limit the Group's ability to secure financing and investment.	• Sustained financial performance strengthens investor confidence and supports long term value creation for stakeholders.	• Shareholders / Investors	• Maintained regular engagement with bankers through investor relations activities and corporate disclosures. • Monitored financial performance and operational efficiency to support sustainable business growth.
2	Product Responsibility	Economic	11 SUSTAINABLE CITIES AND COMMUNITIES	• Low customer satisfaction arising from construction quality issues or delays in the delivery of vacant possession may lead to reputational impact and potential financial losses.	• Strengthen quality assurance through thorough inspection by internal teams. • Improve customer satisfaction by ensuring timely delivery of vacant possession and maintaining high construction standards.	• Customers	• Implemented quality control and inspection processes during project development and prior to delivery of units. • Ensured accurate product information to customers.
3	Health and Safety	Social	3 GOOD HEALTH AND WELL-BEING 8 DECENT WORK AND ECONOMIC GROWTH	• Operational activities may expose employees and contractors to health and safety risks. • Expectations from employees, customers and regulators for higher health and safety standards continue to increase.	• Strengthen occupational health and safety practices to safeguard employees, contractors and other stakeholders. • Maintain high safety standards across operational activities within the Group's areas of control.	• Employees • Contractors / Consultants / Vendor	• Conducted health and safety programmes and training to promote workplace safety awareness. • Implemented workplace safety procedures and monitoring practices to reduce operational risks.

Sustainability Statement
(cont'd)

No	Sustainable Matter	Section in this Report	UN SDG	Risks	Opportunities	Stakeholder Affected	Our Responses
4	Energy, Water and Effluents Waste	Environment	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 11 SUSTAINABLE CITIES AND COMMUNITIES	• Operational activities require the consumption of energy and water, while construction related activities may generate significant amounts of waste if not properly managed.	• Promote resource efficiency by reducing energy and water consumption across operations. • Improve waste management practices to ensure responsible handling and disposal of waste.	• Contractors / Consultants / Vendor • Community • Government / Regulators	• Tracked, monitored and managed energy consumption, water usage and waste generation across operations. • Ensured proper waste handling and disposal in accordance with applicable environmental regulations.
5	Emissions	Environment	-	• Operational activities, particularly within construction projects, rely on fuel powered equipment and transportation, which contribute to greenhouse gas emissions.	• Establish a systematic approach to measure and monitor emissions across operations.	• Customers • Contractors / Consultants / Vendor • Community • Government / Regulators	• Established greenhouse gas reduction targets covering Scope 1, Scope 2 and Scope 3.
6	Development Training	Social	-	• Limited employee development opportunities may result in higher employee turnover and difficulties in attracting and retaining qualified talent.	• Enhance employee performance and productivity through structured training and development programmes.	• Employees	• Established and implement an annual training plan coordinated by the Human Resource department. • Encouraged employees to participate in professional and technical training relevant to their roles.
7	Anti-Corruption	Governance	-	• Non-compliance with anti-bribery laws may result in regulatory penalties, reputational damage and loss of stakeholder confidence.	• Strengthen corporate governance through strict adherence to anti-bribery and anti-corruption laws and regulations. • Enhance employee awareness through regular training on policies, procedures and ethical conduct.	• Employees • Contractors / Consultants / Vendor • Government / Regulators	• Ensured compliance with applicable laws, regulations and internal policies relating to anti-bribery and corruption. • Provided training to employees.
8	Data Privacy and Security	Governance	-	• Failure to comply with data protection laws and regulations may expose the Group to data breaches, legal liabilities and reputational risks.	• Strengthen data governance practices through compliance with applicable data protection laws and regulatory requirements.	• Management • Employees • Customers	• Implemented and maintained information technology security systems to safeguard data privacy. • Conducted monthly cyber security awareness across organisation.

No	Sustainable Matter	Section in this Report	UN SDG	Risks	Opportunities	Stakeholder Affected	Our Responses
9	Labour Practices and Standards / Diversity and Equal Opportunity	Social	3 GOOD HEALTH AND WELL-BEING 5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH	• Low employee engagement, job dissatisfaction and inadequate skills development may lead to higher employee turnover and reduced productivity.	• Attract and retain talent by promoting employee well-being and supporting working environment. • Provide opportunities for career development and skill enhancement.	• Employees • Contractors / Consultants / Vendor	• Uphold international human rights principles and fair labour practices through the Group's Sustainability Policy and Employee Handbook.
10	Community Investment	Social	-	• Limited understanding of community needs and expectations may result in ineffective community engagement initiatives and reduced social impact.	• Strengthen relationships with local communities through meaningful engagement and collaboration. • Address community needs by leveraging the Group's capabilities and resources.	• Community	• Conducted various community engagement and social programmes throughout the year.
11	Procurement Practice / Supply Chain Management	Economic	-	• Non-compliance by suppliers and contractors with the Group's ethical standards and safety requirements may lead to operational disruptions and reputational risks.	• Support local economic development through procurement from local suppliers. • Enhance supply chain resilience by prioritising reliable and geographically closer suppliers.	• Contractors / Consultants / Vendor	• Maintained a high proportion of procurement spending with local suppliers over the past three financial years: 2024: 96.0% 2025: 99.3% 2026: 93.6%

1.10 SUSTAINABILITY GOALS AND TARGETS

Key Sustainability Parameters and Short, Medium and Long Term Target

Measuring sustainability performance is essential for tracking progress and ensuring transparency in SDB's commitment to ESG goals. The Group has established its short, medium and long term sustainability targets, demonstrating continuous improvements across the Environmental, Social, and Governance ("ESG") dimensions.

The Group seeks to strengthen its economic resilience, improve cost efficiency and create long-term economic value through prudent financial management, operational excellence and the optimisation of supply chain performance.

Sustainability Statement
(cont'd)

No	Parameters	Unit	FY2025-Baseline	Short Term (FY2027 – FY2030)	Medium Term (FY2031 – FY2035)	Long Term (FY2036 – FY2040)
EC2	Customer Satisfaction Level	Percentage	86.00	>85.00%	>85.00%	>85.00%
EC3	Local procurement spent	Percentage	99.30	>90.00%	>95.00%	>95.00%
	Scope 1- Direct emission	Tonnes CO_2e	1,760.00	5% reduction	10% reduction	15% reduction
EN1	Scope 2- Indirect emission	Tonnes CO_2e	3,989.00	5% reduction	10% reduction	20% reduction
	Scope 3- Category 6 and 7	Tonnes CO_2e	471.74	5% reduction	10% reduction	15% reduction
	Electricity Consumption	Kilowatt	5,262,000	5% reduction	10% reduction	20% reduction
EN2	Water Consumption	Megalitres	121.89	2% reduction	10% reduction	10% reduction
	Waste to Landfill	Tonnes	2,472.60	5% reduction	10% reduction	15% reduction
S1	Work-related fatalities	Number	0	0	0	0
S2	Average Training Hours (Executive & above)	Number	9.7	> 8 hours	> 16 hours	> 16 hours
S3	Female representation on the Board of Directors	Percentage	50	> 30%	> 30%	> 30%
S4	Total number of community activities	Number	5	≥ 2 activities	≥ 2 activities	≥ 2 activities
G1	Incident of corruption and bribery cases	Number	0	0	0	0
G2	Zero substantiated customer data privacy breaches	Number	0	0	0	0

Legend- EC: Economic, EN: Environment, S: Social, G: Governance

Section 2 - ECONOMIC: Growing the Business Responsibly

2.1 OUR PERFORMANCE

Why it Matters

As a boutique property developer, SDB focuses on delivering quality developments that combine functionality and design. The Group remains guided by its Brand Promise of "Driving Excellence, Building Lifelong Relationships". Each development is subject to quality assurance processes to ensure that the delivered product meets expected standards.

In addition, the Group supports the local business ecosystem by engaging local suppliers, contractors and consultants where feasible.

Our Performance

In FY2026 SDB recorded total revenue of RM173,865,000. The table below outlines the Group's key financial metrics for the past three financial years:

Direct economic by SDB Group from FY2024 to FY2026.

	FY2024 RM'000	FY2025 RM'000	FY2026 RM'000
ECONOMIC VALUE GENERATED			
Revenue	227,460.00	375,954.00	**173,865.00**
ECONOMIC VALUE DISTRIBUTED			
Community Investment	10.82*	173.82*	**58.46**

* Restated to align with the methodology set out in the Sustainability Reporting Guide, 3rd Edition.

The Group has restated the FY2024 and FY2025 community investment amounts previously reported to align with the methodology set out in the Sustainability Reporting Guide, 3rd Edition. The same methodology has been applied in calculating the FY2026 community investment figure to ensure consistency and comparability across the three reporting periods.

2.2 PRODUCT RESPONSIBILITY

The Group has an internal Quality Assurance and Quality Control ("QAQC") function that oversees the development, implementation and monitoring of product quality standards.

Quality checks and assurance processes are conducted at each stage of the construction process to ensure that developments meet the Group's quality expectations. Post construction monitoring is also carried out to address any issues identified after project completion.

4 Phases of Construction

Pre-construction Phase / Design Review

Architectural and mechanical and electrical ("M&E") plans are reviewed to identify any design flaws or discrepancies.

Construction Phase

Implement Quality Control measures during construction to ensure that all projects are being constructed accordingly to SDB Quality Standards and adherence to approved materials and specifications. Monthly inspection carried out.

Pre-CPC and Hand Over Vacant Possession

Certificate of Practical Completion ("Pre-CPC") inspection is a detailed visual inspection to identify any defects arising after the contractors had deemed the individual unit completed.

Post-construction Monitoring

To identify any defects or maintenance issues that may arise after occupancy. Defects and design issues reported by homeowners are then feedback to Quality Management Department.

2.3 BUILDQAS (BUILDING QUALITY ASSESSMENT SYSTEM)

The Group also adopts the Building Quality Assessment System ("BuildQAS"), which is conducted by an independent third party from Singapore, to assess the final quality of construction work for all of its developments in Malaysia.

The BuildQAS assessment evaluates various architectural components of a building, including workmanship, finishes and construction quality. It provides a standardised framework to measure construction quality against established benchmarks and specifications.

2.4 CUSTOMER SATISFACTION

The Group periodically measures customer satisfaction across its property development, property management and hospitality operations. Customer satisfaction surveys are conducted twice a year to obtain feedback from customers on their experience with the Group's developments and services.

Customer satisfaction levels are monitored using the Customer Satisfaction Index ("CSI") and Net Promoter Score ("NPS"), which provide indicators of overall satisfaction and the likelihood of customers recommending the Group's development to others.

For its hospitality operations, Hotel Maya Kuala Lumpur ("Hotel Maya") encourages guests to share their feedback through online reviews and guest engagement channels. Feedback received from customers and guests is reviewed by management and used to identify areas for improvement in service quality and customer experience.

Sustainability Statement
(cont'd)

Customer Satisfaction from the Year 2024 to 2026.

Customer Satisfaction	Unit	2024	2025	2026
Customer Satisfaction Index ("CSI")	Percentage	87	86	**84**
Net Promoter Score ("NPS")	Percentage	86	94	**73**
TripAdvisor Score	Rating	53/510	39/537	**68/569**

2.5 SUPPLY CHAIN MANAGEMENT

Procurement Practices & Supply Chain Management

The Group engages with a wide network of suppliers to support its operational activities. The suppliers play an important role in ensuring the timely delivery of the Group's products and services. The Group adopts procurement practices that aim to select suppliers and contractors who meet its quality expectations and comply with relevant social and environmental standards.

Supplier Evaluation & Monitoring

The Group has established procedures to evaluate contractors invited to tender for its development projects. Standard pre-qualification forms and tender documentation are used to obtain relevant information from contractors during selection progress.

Once contractors are appointed, their performance is monitored through periodic evaluations, including an annual review of their services.

Supporting Local Business Ecosystem

The Group engages with local contractors and suppliers, defined as businesses registered in Malaysia. This approach supports the local business ecosystem by creating economic value for local contractors, suppliers and related service providers.

Where practicable, the Group also utilises locally sourced materials for its development projects. This practice supports cost efficiency, improves supply chain responsiveness and may contribute to reducing transportation related emissions.

In FY2026, the proportion of purchases sourced from local suppliers was 93.60%.

Supply Chain Management from FY2024 to FY2026.

Supply Chain Management	Unit	FY2024	FY2025	FY2026
Total of spending on suppliers				
Local supplier	Number	N/A	283	**206**
Foreign supplier	Number	N/A	2	**14**
Proportion of spending on suppliers				
Local supplier	Percentage	96.00	99.30	**93.60**
Foreign supplier	Percentage	4.00	0.70	**6.40**

Section 3 - ENVIRONMENT: Building A Healthy Living Environmental

3.1 BUILDING WITH ENVIRONMENTAL RESPONSIBILITY

SDB is dedicated to creating not only homes but also living spaces that truly resonate with the lifestyles and aspirations of every resident. Recognising the growing demand for environmentally conscious living, the Group aspires to transform the way it builds to achieve its sustainability goal of fostering a healthy living environment.

Guided by environmental management systems and a nature-sensitive design philosophy, the Group's property development projects safeguard ecosystems, enhance resilience, and deliver lasting environmental value.

Sustainable Design

Our projects incorporate sustainable design features through energy-efficient and innovative architecture, strategic landscaping, and effective water management. Each development enhances liveability, fosters community interaction, and supports inclusive and connected communities.

Enhancing Indoor Environmental Quality

The Group prioritises the health and well-being of residents by creating indoor environments that are healthier, more comfortable and better suited to everyday living. We adopt responsible building materials and thoughtful design strategies that minimise indoor pollutants, improve natural ventilation and enhance access to daylight. These measures help create living spaces that support occupant comfort, well-being and long-term quality of life.

Our approach includes the following measures:

- Applying low-volatile organic compound ("VOC") materials to support better indoor air quality.
- Employing biophilic and passive design principles to optimise cross-ventilation, improve airflow and maximise the entry of natural daylight into residential spaces.
- Using system formwork to achieve more consistent concrete casting quality, accelerate installation and enable a greater number of reuse cycles compared with conventional formwork.

By combining resilient design principles with people-focused solutions, the Group strengthens its commitment to developing living environments that enhance comfort, promote healthier lifestyles and contribute to the long-term well-being of residents and communities.

Integrating Inclusivity in Our Design

Inclusivity guides our design approach, shaping accessible, functional and people-centred spaces that respond to the diverse needs of residents and visitors. We embed universal design principles into every project to ensure that communal areas, facilities and amenities remain safe, convenient and comfortable for all users, including persons with disabilities.

The projects incorporate rainwater harvesting systems for landscape irrigation and drought-resistant plants that require minimal watering, promoting more efficient water use.

Sustainability Statement
(cont'd)

Parking access for People with Disability ("PWD")

Tactile pavements for visually impaired users

Braille-enabled elevator buttons for navigation

These measures reflect our commitment to creating inclusive communities where every resident can move confidently and enjoy equal access to shared spaces, facilities and amenities.

Promoting Accessibility

Aligned with SDG 11, we aim to promote accessibility to safe, affordable and sustainable transport options. Integrating access to public transportation into our master planning helps reduce dependence on private vehicles and alleviate traffic congestion.

Design Features in Promoting Accessibility

- Integrated pedestrian and bicycle pathways
- Strategically located bus stops
- Convenient access to nearby MRT stations

Our Projects

1

19TREES, Taman Melawati, Selangor

Located in Taman Melawati, Selangor, 19Trees is a 14-acre leasehold development comprising 222 strata terrace homes within a gated and guarded community, with access via the Middle Ring Road 2 (MRR2).

Environmental considerations are incorporated into the design of the development. The car parks use natural ventilation, while LED lighting and energy-efficient roofing help reduce energy consumption.

Kitchens and bathrooms are designed to receive natural airflow and daylight, reducing reliance on artificial lighting and ventilation.

The development also uses green-labelled construction products, including skim coat, waterproofing materials, paint, tile adhesive and

sealant certified by recognised international bodies. Low-VOC paint is used to support better indoor air quality.

Rainwater is harvested for landscape irrigation, while drought-resistant plants help reduce water use. The planting scheme and species are selected based on their suitability to the surrounding biodiversity, supporting lower maintenance and better integration with the existing environment.

Built for comfortable living, today and in the future.

2 JIA, Taman Bukit Serdang, Selangor

Located in Taman Bukit Serdang, Selangor, Jia is a 17-acre freehold development within Bukit Jalil South, offering four to five-bedroom garden terrace homes designed to provide flexible and comfortable living spaces. The development is accessible via the Maju Expressway, with the nearest bus stop located approximately 50 metres from the main entrance, providing residents with convenient access to public transport.

Sustainability features are incorporated throughout the development. Certified, green-labelled materials, including skim coat, waterproofing products, paint, tile adhesive and sealant, are used alongside low-VOC paint to support better indoor air quality. Natural ventilation in the car park, LED lighting and energy-efficient roofing help reduce energy use, while kitchens and bathrooms are designed to receive more natural airflow and daylight.

Rainwater is collected for landscape irrigation, and drought-resistant plants are used to reduce water consumption. A mix of tree species is planted across the green areas to enhance landscape biodiversity and provide a suitable habitat for birds and small animals, supporting the restoration of the surrounding natural setting.

Designed for flexible, comfortable and sustainable living.

3 ELINA @ SENAI, Puchong, Selangor

Located in Puchong, Selangor, Elina @ Senai is designed with environmental considerations that support comfortable and resource-efficient living, offering lake views and fresh air for a more serene living environment. Dedicated walking and cycling paths connect residents to nearby amenities, encouraging active mobility within and around the development.

The homes incorporate certified, green-labelled materials, including skim coat, waterproofing products, paint, tile adhesive and sealant. Low VOC paint is also used to reduce indoor air pollutants and support better indoor air quality.

North- and south-facing openings allow more natural daylight and airflow into the homes, reducing reliance on artificial lighting during the day. Rainwater is collected for landscape irrigation, while drought-resistant plants help lower water consumption and reduce landscape maintenance needs.

Spacious homes, green surroundings and better connections.

Sustainability Statement
(cont'd)

4

DAMAI, Taman Melawati, Selangor

Located in Taman Melawati, Selangor, DaMai is situated next to the Bukit Tabur Reserve, with views of the surrounding hills and city skyline. The development has achieved GreenRE Bronze certification in recognition of its environmental design features.

Certified, green-labelled products are used alongside system formwork, which supports better construction quality, faster installation and repeated reuse compared with conventional formwork. The car park and ramp are also designed to reduce noise disturbance within the development.

More than 80% of the common areas, including lift lobbies, corridors and staircases, are designed to receive natural daylight, reducing the need for artificial lighting during the day. Rainwater collected in a harvesting tank at Level 3 is used for landscape irrigation, while low-water-use plants help reduce overall water consumption.

Spacious homes with nature, comfort and easy access.

3.2 OUR COMMITMENT TO NSRF ALIGNMENT AND CLIMATE ACTION

Compliance with IFRS Sustainability Disclosure Standards

As a Main Market listed issuer classified under Group 2, the Group will be subject to the mandatory adoption of the National Sustainability Reporting Framework ("NSRF") for financial periods beginning on or after 1 January 2026. As the current reporting period commenced on 1 April 2025 and ended on 31 March 2026, the Group is not yet required to adopt the NSRF on a mandatory basis.

Nevertheless, the Group has initiated measures to strengthen its sustainability governance, climate related disclosures and data management processes in preparation for future compliance. The Group remains commitied to enhance its disclosures in subsequent reporting cycles as part of its ongoing efforts to align with the requirements of the NSRF.

Standards Applied

The Group is preparing for alignment with the National Sustainability Reporting Framework ("NSRF"), which incorporates the International Financial Reporting Standards ("IFRS") Sustainability Disclosure Standards issued by the International Sustainability Standards Board ("ISSB"). These standards comprise two key frameworks:

IFRS S1: General Requirements for Disclosure of Sustainability-related Financial Information

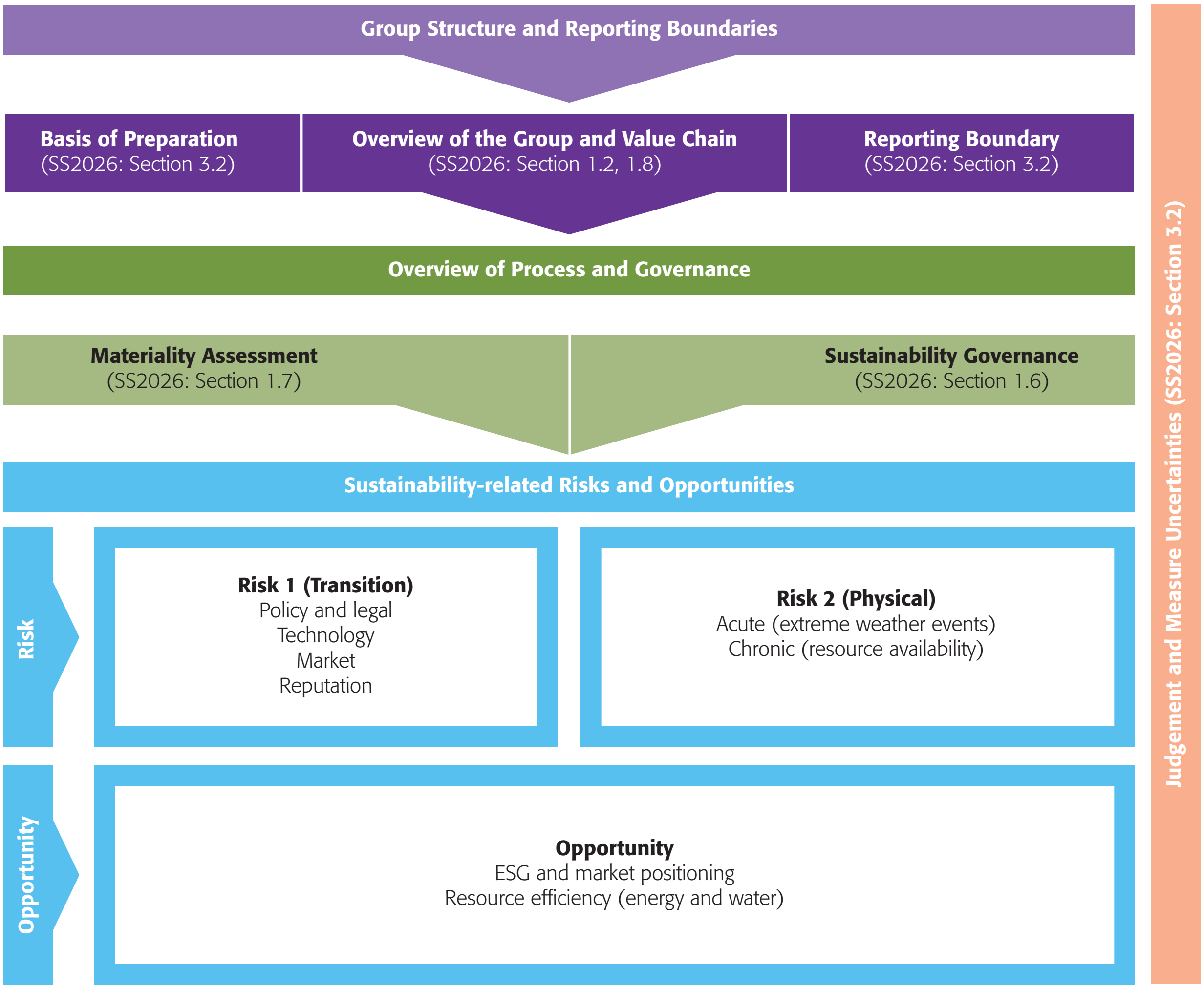
IFRS S2: Climate-related Disclosures

In addition, industry-based guidance from the Sustainability Accounting Standards Board ("SASB") Standards for Real Estate was considered in identifying relevant metrics and disclosure topics.

Transition Reliefs

As the Group is not yet required to apply the NSRF for FY2026, no transition reliefs have been adopted for the current reporting period. Nevertheless, the Group intends to assess and apply relevant transition reliefs, where appropriate, upon first-time adoption in FY2027 to facilitate a structured and efficient implementation process.

Summary of Sustainability-related Risks and Opportunities ("SROs")



Time Horizons

The Group defines time horizons based on when climate related risks and opportunities could reasonably be expected to affect its prospects:

Short Term (FY2027 to FY2030) ► Medium Term (FY2031 to FY2035) ► Long Term (FY2035 onwards)

Sustainability Statement
(cont'd)

Climate Action

The IFRS S2 framework focuses on four core disclose areas, namely Governance, Strategy, Risk Management, and Metrics and Targets. This report covers SDB Group's operations in Malaysia, which include property development, property management and hospitality.

Governance

Climate related and sustainability matters within SDB are overseen by the Board of Directors ("BOD"), which provides strategic oversight and ensures that environmental, social and governance considerations are integrated into the Group's management, operations and value chain.

The SDB's Board of Directors reviews updates on sustainability strategies, priorities, targets and performance at least twice annually.

The Board is supported by the Risk Management and Sustainability Committee ("RMSC"), which comprises the Managing Director, Group General Manager and Head of Finance. The RMSC is responsible for reviewing and recommending climate related and sustainability related strategic matters, including policies, frameworks, roadmaps, budgets and resource allocation.

In addition, the RMSC oversees stakeholder engagement on sustainability matters and reviews issues raised by stakeholders to ensure they are considered in the Group's sustainability management approach. The Committee also updates the Board on relevant ESG developments and evaluates potential initiatives that may be adopted by the Group.

The reporting structure for sustainability-related risks and opportunities follows the Sustainability Governance structure outlined in the SS2026: Section 1.6.

Corporate Policies

Sustainability Policy

Defines SDB's overall sustainability approach to create long-term stakeholder value through responsible and sustainable business practices, guided by its Brand Promise of "Driving Excellence, Building Lifelong Relationships." The policy outlines commitments towards sustainable developments, ethical business conduct, environmental stewardship, inclusive and safe workplaces, community well-being, and the integration of ESG considerations into governance and decision-making processes.

Quality, Environmental, Safety & Health Policy

Defines SDB's commitment towards maintaining high standards of quality, environmental stewardship, and workplace safety and health across its operations. The policy outlines commitments towards regulatory compliance, continuous improvement of QESH management systems, providing safe and healthy working conditions, minimising environmental impacts, delivering quality products and services, and promoting awareness and training among employees and stakeholders.

Climate Change Policy

Defines SDB's overall approach towards managing climate-related risks and opportunities through responsible and resilient business practices. The policy outlines commitments towards reducing carbon emissions, improving energy efficiency, promoting sustainable developments, strengthening climate resilience, complying with environmental regulations, and integrating climate-related considerations into governance, operations and strategic decision-making.

For more details on SDB's corporate policies, please refer to Selangor Dredging Berhad's website.

Strategy

In accordance with IFRS S2 Climate related Disclosures, the Group assesses climate-related risks and opportunities across different time horizons, including short term, medium term and long term. The assessment considers both physical risks and transition risks, as well as potential opportunities arising from climate-related issues.

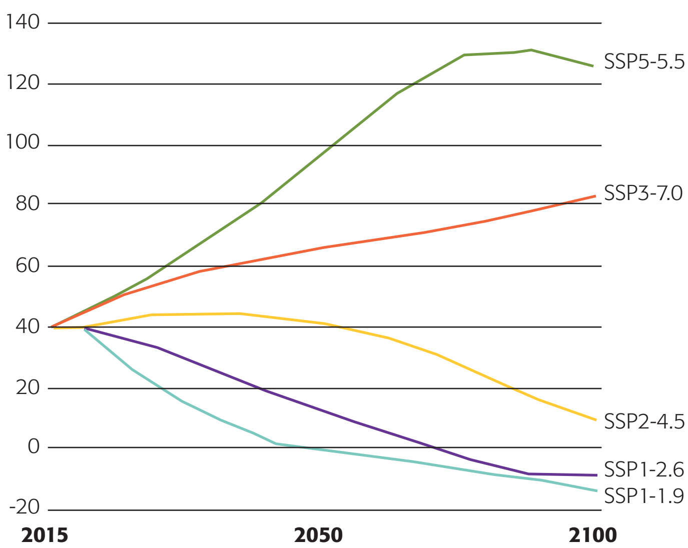
By incorporating climate-related risks into its risk management processes, the Group enhances its ability to identify emerging risks and develop appropriate mitigation strategies. The assessment of climate-related risks and opportunities provides a structured approach to understanding potential impacts on the Group's operations, financial performance and strategic planning.

The assessment of climate-related risks and opportunities provides a structured approach to understanding potential impacts on the Group's operations, financial performance and strategic planning.

Identification of Climate Risks and Opportunities

Stakeholder Engagement	Data Collection & Analysis	Vulnerability Assessments	Categorisation of Risks and Opportunity	Strategic Integration
Key stakeholders (HOD, project managers and SDB's sustainability team) were engaged.	Data on hazards of physical risks were collected through site visits, historical records and climate projections. Transition risks were analysed through research.	Physical site visits were conducted to identify issue on-site.	Risks and opportunities were classified into short-term, medium-term and long-term horizons.	The results of the identification process were integrated into SDB's decision-making and planning processes to enhance resilience and optimise asset performance.

To assess the resilience of its strategy to climate-related changes, the Group considered three climate scenarios based on data from the Intergovernmental Panel on Climate Change ("IPCC") Shared Socioeconomic Pathways ("SSPs") as part of its alignment to IFRS S2 disclosures:



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Scenario	Near term, 2021-2040 Best estimate (°C)	Near term, 2021-2040 Very likely range (°C)	Mid-term, 2041-2060 Best estimate (°C)	Mid-term, 2041-2060 Very likely range (°C)	Long-term, 2081-2100 Best estimate (°C)	Long-term, 2081-2100 Very likely range (°C)
SSP1-1.9	1.5	1.2 to 1.7	1.6	1.2 to 2.0	1.4	1.0 to 1.8
SSP2-4.5	1.5	1.2 to 1.8	2.0	1.6 to 2.5	2.7	2.1 to 3.5
SSP5-8.5	1.6	1.3 to 1.9	2.4	1.9 to 3.0	4.4	3.3 to 5.7

Source: IPCC Sixth Assessment Report (2021)

Summary of Climate Scenario Analysis

Scenario 1: SSP1-1.9
(High Transition Risk, Lower Physical Risk)

A low emissions scenario driven by strong climate policies and rapid decarbonisation. Global warming is estimated to be limited to around 1.5°C by 2100. Used to assess higher transition risks arising from stricter regulations, evolving market expectations and changes in technology.

Scenario 2: SSP2-4.5
(Intermediate Scenario)

A moderate scenario where climate policies progress gradually and emissions decline over time. Global warming is estimated at around 2.1°C to 3.5°C by 2100. Used to assess transition and physical risks.

Scenario 3: SSP5-8.5
(High Physical Risk, Low Transition Risk)

A high emissions scenario with continued fossil fuel use and limited climate action. Global warming is estimated at around 4.0°C or higher by 2100. Used to assess severe physical climate risks.

Based on the assessment of multiple lines of evidence, the Group considered the SSP1-1.9 pathway, where global warming is limited to around 1.5°C above pre-industrial levels through accelerated decarbonisation and stringent climate policies. Under this scenario, the Group anticipates higher transition risks, including stricter regulatory requirements, evolving stakeholder expectations, and increasing costs associated with adopting lower-carbon technologies and sustainable practices.

The Group also considered the SSP2-4.5 pathway, representing a "2.7°C or less" scenario, where moderate climate actions and transition measures are implemented. Under this scenario, the Group foresees risks associated with carbon taxes, evolving regulatory requirements, and increasing operational costs arising from changes in power supply mechanisms and rising domestic electricity prices due to decarbonisation efforts.

In addtion, the Group considered the SSP5-8.5 pathway, where global temperatures could rise by approximately 4.4°C above pre-industrial levels by 2100. Under this scenario, the Group acknowledges the potential significant financial impacts arising from worsening extreme weather conditions, which may heighten risks to facilities and operations.

Financial Implications Due to Climate Change

The Group's climate scenario analysis supports its efforts to develop mitigation strategies and adapt to future changes. The tables below outline the potential financial implications, as well as other climate-related risks and opportunities, that may affect SDB Group over the short, medium and long term.

In FY2026, SDB Group implemented mitigation measures at the DaMai and 19Trees projects to enhance their resilience to physical climate risks, including heavier rainfall that could increase the risk of rockfalls. For the DaMai project, the Group also identified an opportunity to adopt green building practices as part of its climate change adaptation strategy.

No.	Climate Risk / Opportunity Category	Potential Financial & Operational Impact	Mitigation & Adaptation Strategy	Est. Financial Implication (RM)	Likelihood	Time Horizon
1	Transition Risk – Policy & Legal	Stricter environmental regulations and potential carbon-related policies may increase compliance costs, monitoring requirements, and administrative burden.	1. Compliance with regulation and strengthening ABAC and governance framework. 2. Employed ESG personnel and initiated carbon accounting.	Low to Medium	Medium	Medium-term
2	Transition Risk - Technology	Adoption of energy-efficient systems or monitoring tools may require additional capital and operational expenditure.	Conduct feasibility study on new technology.	Low to Medium	Medium	Medium to Long-term
3	Transition Risk - Market	Competitive pricing pressure and rising input costs (e.g., energy, materials) may reduce margins and affect project profitability.	Cost optimisation strategies, local-first procurement (93.6% suppliers local and strengthened ESG positioning to remain competitive.	Low to Medium	Medium	Short to Medium-term
4	Transition Risk – Reputation	Failure to meet ESG expectations may impact stakeholder confidence, investor perception, and access to financing or projects.	Strengthening sustainability disclosures (IFRS S1/S2 readiness), ABAC training (100% executive coverage), and ESG governance enhancements.	Low	Medium	Medium to Long-term
5	Physical Risk – Acute (Extreme Weather Events)	Extreme weather events may disrupt operations, delay project timelines, and increase repair or recovery costs.	Landslide mitigation support and infrastructure resilience initiatives.	Low (e.g., implementation and monitoring cost between RM 200,000 to RM 650,000)	Medium	Short to Medium-term
6	Physical Risk – Chronic (Resource Availability)	Long-term climate variability may affect energy and water availability, leading to increased utility costs and operational disruptions.	Monitoring of energy (5.98 million kWh) and water (151.81 ML), efficiency improvements, and reliance on utility providers.	Low	Medium	Medium to Long-term

Sustainability Statement
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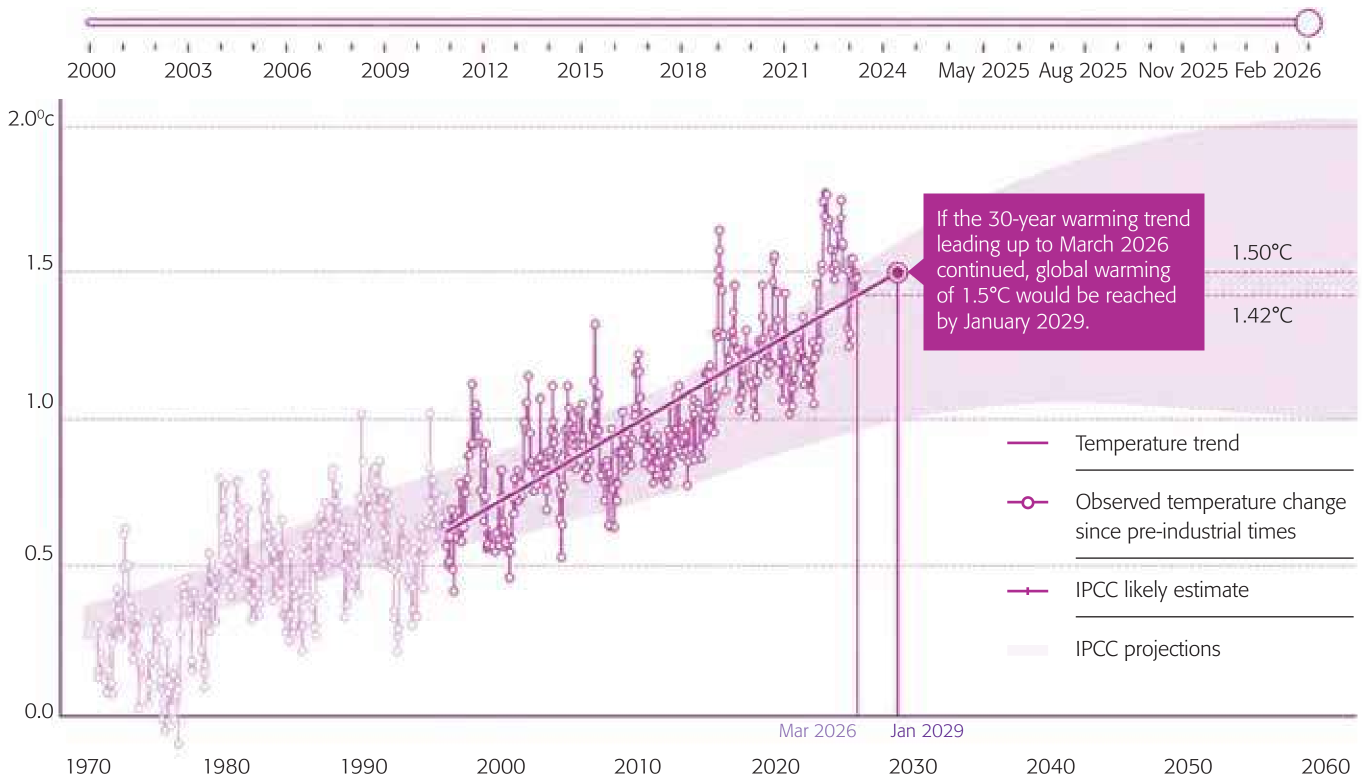
No.	Climate Risk / Opportunity Category	Potential Financial & Operational Impact	Mitigation & Adaptation Strategy	Est. Financial Implication (RM)	Likelihood	Time Horizon
7	Opportunity – ESG & Market Positioning	Strong ESG performance enhances investor confidence, access to financing, and competitiveness in project bidding.	1. Adopted Green Building certification for DaMai project to adapt climate change. 2. Built-in in earthquake resistant structure design for DaMai.	Medium (e.g., provisional certificate is valid for the next three (3) years)	Medium	Short to Medium-term
8	Opportunity – Resource Efficiency (Energy & Water)	Improved efficiency reduces operating costs and enhances environmental performance.	Energy and water monitoring, efficiency initiatives, and operational optimisation.	Low	Medium	Medium to Long-term
9	Opportunity – Supply Chain Resilience	Local sourcing improves reliability, reduces logistics risks, and stabilises.	Local-first procurement strategy and supplier ESG assessments.	Low	Medium	Medium-term

Global Temperature Rise Relative to Pre-Industrial Levels

Global warming reached an estimated 1.42°C in March 2026.

If the 30-year warming trend leading up to then continued, global warming would reach 1.5°C by January 2029.

Extrapolate from: Mar 2026



13th Malaysia Plan ("13MP")

At the national level, policy direction became clearer with the tabling of the 13th Malaysia Plan in 2025. The Plan set out the Government's medium-term priorities for the property sector, with increased emphasis on sustainability, infrastructure-led growth and structural reform. These policy signals have shaped expectations for future development standards and capital allocation, particularly in areas aligned with low-carbon growth, resilience and long-term economic competitiveness.

National Carbon Market Policy ("NCMP")

On the other hand, in early 2026, Malaysia has officially launched its first National Carbon Market Policy ("NCMP") to establish a structured and high-integrity framework for carbon credit trading. The Malaysian government is aggressively advancing its climate and carbon legislation through Parliament to regulate greenhouse gas emissions, bolster carbon trading, and hit its net-zero emissions target by 2050.

The structural forces continued to reshape the operating landscape across property sector during the year, reinforcing the importance of alignment with national development priorities to drive long-term value creation.

Risk Management

SDB's risk management activities are supported by the Group's Enterprise Risk Management ("ERM") Framework. Climate related risks identified through the assessment process are incorporated into the Group's overall risk management approach.

Identified climate related risks are reviewed by the ESGWC and subsequently escalated to the RMSC for review and oversight. The RMSC evaluates the potential impacts of these risks and oversees the implementation of appropriate mitigation measures and management action plans.

Metrics and Targets

The Group has begun establishing metrics to monitor its environmental related material sustainability matters. As part of this effort, the Group has initiated the measurement and reporting of its greenhouse gas ("GHG") emissions.

SDB has taken inventory of its GHG emissions covering Scope 1 and Scope 2 emissions, as well as two categories within Scope 3 emissions. The Group's GHG emissions were calculated with reference to the GHG Protocol, a globally recognised standard for greenhouse gas accounting and reporting.

Scope 1:
Direct GHG emissions from sources owned or controlled by the Group.

Scope 2:
Indirect GHG emissions from the generation of purchased electricity consumed by operations under the Group's operational control.

Scope 3:
Other indirect GHG emissions arising from activities in the Group's upstream and downstream value chain.

Sustainability Statement
(cont'd)

For FY2026, the Group again conducted an employee commuting survey to better understand GHG emissions associated with employee commuting and business travel. A total of 138 responses were received from the Group's workforce of 257 employees, representing a response rate of 53.7%. The Group remains committed to improving participation rates and enhancing the accuracy and reliability of data collection in future reporting periods.

The Table Shows Scope 1, Scope 2, And Scope 3 (Category 6 And Category 7 Only) GHG Emissions for SDB Group from FY2024 to FY2026.

Greenhouse gas (GHG) emission	FY2030 Targets*	FY2024	FY2025-baseline	FY2026
Emissions Scope 1 emissions in tonnes of CO_2e	5% reduction	1,170.00	1,760.00	**900.10**
Scope 2 emissions in tonnes of CO_2e	5% reduction	4,469.00	3,989.00	**4,427.69**
Scope 3 emissions in tonnes of CO_2e	5% reduction	N/A	471.74	**290.37**
Category 6: Business Travel		N/A	25.74	**28.62**
Category 7: Employee Commuting		N/A	446.00	**261.75**

* FY2030 target relative to the FY2025 Baseline.
** N/A: Not available

Metrics from SASB Industry Standard – Real Estate

In preparing this Sustainability Statement, the Group has also considered the disclosure topics and metrics set out in the Sustainability Accounting Standards Board ("SASB"). The Group has applied selected SASB metrics relevant to its operations, particularly in relation to energy and water management disclosures.

Topic	Description of metric	Measuring Unit	Current Metric (FY2026)
Energy Management	Energy consumption data coverage as a percentage of total floor area, by property sector (IF-RE-130a.1)	Percentage (%) by floor area	**97**
	Total energy consumed (IF-RE-130a.2)	Megawatt (MWh)	**5983.37**
	Percentage grid electricity (IF-RE-130a.2)	Percentage (%)	**100**
Water Management	Water withdrawal data coverage as a percentage of floor area (IF-RE-140a.1)	Percentage (%) by floor area	**88**
	Total water withdrawal (IF-RE-140a.2)	Thousand cubic metres (m^3)	**151.811**

3.3 ENERGY MANAGEMENT

The Group's energy consumption arises from its construction sites, corporate offices and hospitality operations at Hotel Maya, Kuala Lumpur. During the financial year, the Group recorded an increased in electricity consumption compared with the previous year. The change was primarily attributable to the inclusion of DaMai's work.

While energy demand generally reflects the scale of operational activities, the Group continues to monitor and manage its electricity consumption as part of its environmental management efforts. This includes encouraging energy saving practices across office operations and raising awareness among employees on responsible energy use.

In line with the Government's aspiration towards achieving net zero emissions, the Group remains committed to improving energy efficiency and optimising energy consumption where practicable. Electricity consumption data is monitored periodically to support the identification of potential efficiency improvements across the Group's operations.

Energy Management	FY2024	FY2025	FY2026
Electricity Consumption (kWh)	5,896,000	5,262,000	**5,983,366**
Energy Intensity Ratio (kWh/m^2)	N/A	N/A	**17.54**

* N/A: Not available

3.4 WATER CONSUMPTION

The Group recognises the importance of responsible water management in supporting the sustainability of its operations. Water is primarily consumed across construction sites, corporate offices and hospitality operations at Hotel Maya, Kuala Lumpur.

To promote efficient water use, the Group monitors water consumption across its operational sites and implements measures aimed at improving water efficiency. These efforts include process optimisation and initiatives such as rainwater harvesting systems to further reduce dependency on piped water.

We have established water consumption targets, and we will continue to monitor water usage and identify opportunities to improve water efficiency across its operations.

Water Management	FY2024	FY2025	FY2026
Water withdrawal in cubic meters, m^3			
Third-party water / Water utility	116.08	121.89	**151.81**
Surface water	0	0	**0**
Groundwater	0	0	**0**
Seawater	0	0	**0**
Water discharge in by destination, m^3			
Third-party water sent for use to other organisations	0	0	**0**
Surface water	0	0	**0**
Groundwater	0	0	**0**
Seawater	0	0	**0**
Water consumption in cubic meters, m^3			
Total water consumption	116.08	121.89	**151.81**
Water Intensity Ratio (m^3/m^2)	N/A	N/A	**0.45**

* N/A: Not available

Sustainability Statement
(cont'd)

3.5 WASTE GENERATED

The Group generates waste primarily from its operational sites. To promote responsible waste management practices, the Group incorporates relevant environmental clauses into its tender documents and contractor agreements. Appointed contractors are required to ensure that construction and site waste is managed and disposed of in compliance with the requirements of the Department of Environment ("DOE").

In FY2026, waste directed to landfill includes waste generated from Hotel Maya operations, as well as waste managed by contractors at project sites. Waste diverted from landfill currently comprises recycling activities at Hotel Maya and through the One-Two Boost ("OTB") CSR programme. The Group will continue to enhance its waste data collection and disclosures in the future reporting periods.

Waste Management (tonnes)	FY2024	FY2025	FY2026
Total waste generated	305.00	2,472.60	**2,035.04**
Hazardous	0.00	0.00	**0.00**
Non-hazardous	305.00	2,472.60	**2,035.04**
Total waste diverted from disposal	0.00	7.60	**3.63**
Total waste directed to disposal	305.00	2,465.00	**2,031.41**
Food waste recycled	0.00	7.60	**3.63**

* N/A: Not available

Section 4 - SOCIAL: Promoting Inclusivity and Long-Term Relationship

SOCIAL PERFORMANCE

The Group is committed to fostering a diverse, inclusive and safe working environment that supports the well-being and development of its employees. By promoting fair and respectful workplace practices, the Group aims to create an environment where employees feel valued and are able to contribute effectively to the organisation.

In addition, the Group engages with the communities in which it operates through initiatives that support social development and community well-being. These efforts contribute to building positive relationships with customers, communities and other stakeholders.

Overall, the Group's social initiatives reflect its commitment to responsible business practices that consider the interests of both employees and the wider community.

4.1 EMPLOYMENT AND LABOUR PRACTICES

The Group seeks to adopt fair and progressive employment practices which reflects SDB's commitment towards United Nation Universal Declaration of Human Rights and International Labour Organisation. The Group's employment practices comply with applicable employment laws in Malaysia, including the Employment Act 1955. This includes adherence to the Minimum Wage Order 2022 and regulations governing working hours, overtime compensation and fair remuneration. In addition, the Group has not prevented its employees from joining or forming trade unions.

The Group respects internationally recognised human and labour rights and does not tolerate any form of forced or child labour within its operations. We employ workers who are 18 years old and above in compliance with Malaysia's Employment Act 1955. The recruitment process and workers' requirements are in compliance with SDB Group's Standard Operation Procedure. For the financial year under review, there were no substantiated complaints relating to human rights violations.

The Group also promotes a workplace culture that is safe, respectful and conducive to productivity. Acts of harassment, bullying or intimidation are strictly prohibited under the Group's Code of Business Conduct. A grievance process and whistleblowing channel are available to enable employees to report concerns or unethical practices. Employees may raise matters through Management, the Human Resource Department or the Legal Department without fear of retaliation.

The Group continues to provide employee benefits to support employee well-being and work life balance. A staggered working hours arrangement has been introduced, allowing employees to select different start and end times provided that the required working hours are fulfilled.

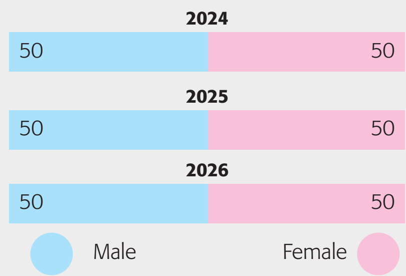
Other key employee benefits include:

1. Semi flexible working hours
2. Free parking
3. Annual health check-up
4. Medical benefits

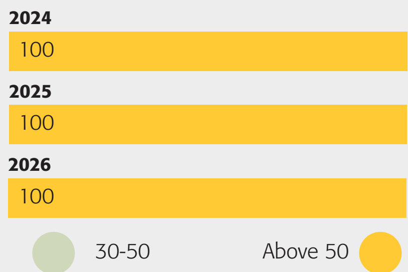
Workforce Composition

In FY2026, the Group's workforce comprised 257 employees, predominantly permanent staff (85%), with the remainder engaged on a contract basis. Gender representation remained well balanced, with women making up 40% of employees. Board diversity remained strong, with female representation maintained at 50%.

Percentage of Board Members by Gender (%)



Percentage of Board Members by Age (%)



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Workforce by Type of Employment

Employees	FY2024	FY2025	FY2026
Total Employees	230	238	**257**
Types of Employment (%)			
Permanent	90.00	84.00	**85.00**
Contract	10.00	16.00	**15.00**

Gender Diversity by Employee Category

Employees – Gender Diversity by Employee Category (%)	FY2024	FY2025	FY2026
Management – Male	54.00	59.00	**57.00**
Management – Female	46.00	41.00	**43.00**
Executive – Male	51.00	45.00	**47.00**
Executive – Female	49.00	55.00	**53.00**
Non-executive – Male	60.00	73.00	**71.00**
Non-executive – Female	40.00	27.00	**29.00**

Age Diversity by Employee Category

Employees – Gender Diversity by Employee Category (%)	FY2024	FY2025	FY2026
Management – Under 30	1.54	0.00	**0.00**
Management – Between 30-50	64.62	69.12	**71.00**
Management – Above 50	33.85	30.88	**29.00**
Executive – Under 30	16.84	17.35	**21.00**
Executive – Between 30-50	66.32	71.43	**65.00**
Executive – Above 50	16.84	11.12	**14.00**
Non-executive – Under 30	29.83	20.90	**27.00**
Non-executive – Between 30-50	63.16	67.16	**63.00**
Non-executive – Above 50	7.02	11.94	**10.00**

Total numbers of employees' turnover and hired by employee category	FY2024	FY2025	FY2026
Employee Turnover Rate in percentage, %	N/A	N/A	**17.0**
Turnover (Headcount)			
Management	5	10	**6**
Executive	11	13	**18**
Non-executive	10	9	**18**
New Hire (Headcount)			
Management	N/A	N/A	**6**
Executive	N/A	N/A	**21**
Non-executive	N/A	N/A	**15**

Total numbers of employees' turnover and hired by employee category	FY2026
Turnover (Headcount)	
Male	**23**
Female	**19**
New Hire (Headcount)	
Male	**22**
Female	**20**

Parental Leave

To foster a supportive work culture, the Group grants parental leave to all eligible employees in line with the Employment Act 1955 (Amendment 2022). Female employees are given 98 days of paid maternity leave for each confinement period, while married male employees are entitled to seven paid paternity days annually.

In FY2026, 7 employees, consisting of 5 female employees and 2 male employees utilised this benefit. Notably, we maintained a 100% return-to-work rate post-leave, demonstrating SDB's commitment to job security for working parents.

Parental Leave	FY2026
Total Number of Parental Leave (Headcount)	
Maternity	**5**
Paternity	**2**
Return to Work Rates (%)	
Post Maternity	**100.00**
Post Paternity	**100.00**

Sustainability Statement
(cont'd)

4.2 DIVERSITY AND EQUAL OPPORTUNITIES

The Group is committed to promoting a diverse and inclusive workplace. Equal employment opportunities are provided to all employees and applicants regardless of age, gender, race, religion, political beliefs or disability, in accordance with the principles set out in the Group's Code of Business Conduct.

The Group recognises that a diverse workforce contributes to a broader range of perspectives across the organisation. Its recruitment and talent management processes are guided by principles of fairness and strongly against any form of discrimination. Hiring decisions are based on relevant qualifications, experience and competencies, as well as the ability of candidates to contribute positively to the organisation. In FY2026, the Group recorded zero substantiated complaints or legal actions related to discrimination.

In line with the Group's Inclusive Employment and Support Policy, SDB also supports the employment of persons with disabilities ("PWD"). The Group provides fair employment opportunities to individuals with disabilities and seeks to foster an inclusive working environment.

As at FY2026, the Group's workforce included 13 employees who are persons with disabilities, representing 5% of the total workforce.

4.3 EMPLOYEE ENGAGEMENT

The Group recognises the importance of maintaining strong engagement with its employees to foster a positive and collaborative workplace culture. Throughout the year, various employee engagement activities were organised to promote teamwork, strengthen communication and enhance employee well-being.

In FY2026, the Human Resource Department organised two employee engagement programmes: Trivia sessions (Figure 1 and 2) and team-building activities e.g. Uniting for Impact (Figure 3 and 4).

These initiatives aim to strengthen relationships among employees, encourage open communication and support a supportive and inclusive working environment.

Figure 1: SDB Trivia 2025 Cheers and Chat.

Figure 2: SDB Trivia 2025 Cheers and Chat.

Figure 3: Uniting for Impact Day 1.

Figure 4: Uniting for Impact Day 2.

4.4 OCCUPATIONAL HEALTH AND SAFETY

As a responsible employer, the Group is committed to maintain a safe working environment for its employees to prevent any injuries or illnesses resulting from its operations. The Group has established a Quality, Environmental, Safety & Health ("QESH") Policy and the Occupational Safety and Health ("OSH") Committee to outline and oversee health and safety aspects and practices for employees, contractors and other stakeholders. Proper documentation and implementation of the OSH enable the company to provide a safe and healthy workplace and continuously improve its OSH performance.

At the Group's construction sites, the appointed safety officers regularly conduct safety briefings to emphasise the importance of safety to employees and workers. Signages are placed around the sites to remind employees and workers to wear protective gears, to obey rules when operating machineries, and to follow other safety protocols.

At Hotel Maya, employees participated in trainings organised by BOMBA Malaysia and the National Institute of Occupational Safety and Health ("NIOSH"). These sessions equipped the participants with the necessary knowledge and skills to respond effectively during emergencies, thereby safeguarding guests and employees.

As part of the Group's emergency preparedness measures at its headquarters, employees attended the annual fire safety training sessions conducted by the building management. These trainings are essential to ensure compliance with fire safety regulations in Malaysia and to enhance the overall safety protocols within the organisation.

Work-Related Injuries

The Group strives to continuously improve the delivery of health and safety standards and processes to eliminate hazards and reduce risk of work-related injuries at site.

Recognising that workplace accidents or incidents may result in injuries or fatalities to employees, clients and contractors, as well as potential penalties or Stop Work Orders imposed by authorities or clients, the Group remains commitied to preventive risk management. This includes continuous safety awareness, training and communication with employees, suppliers, contractors and clients, as well as ongoing inspections to ensure compliance and effectiveness.

The Group remains committed in maintaining zero fatalities year on year by preventing and minimising any workplace related incidents.

Health and Safety	FY2024	FY2025	FY2026
Total man-hours worked	461,360.00	466,000.00	**481,048.00**
Number of work-related fatalities	0	0	**0**
Lost Time Incident Rate ("LTIR") *	2.17	0.00	**0.42**
Number of employees trained on health and safety standards			
Number of employees attended	32	23	**84**
Number of training hours	256	720	**793**

Note*: Refers to LTIR (Times 200,000 hours) against total case and total of the Group's employee.

4.5 DEVELOPMENT AND TRAINING

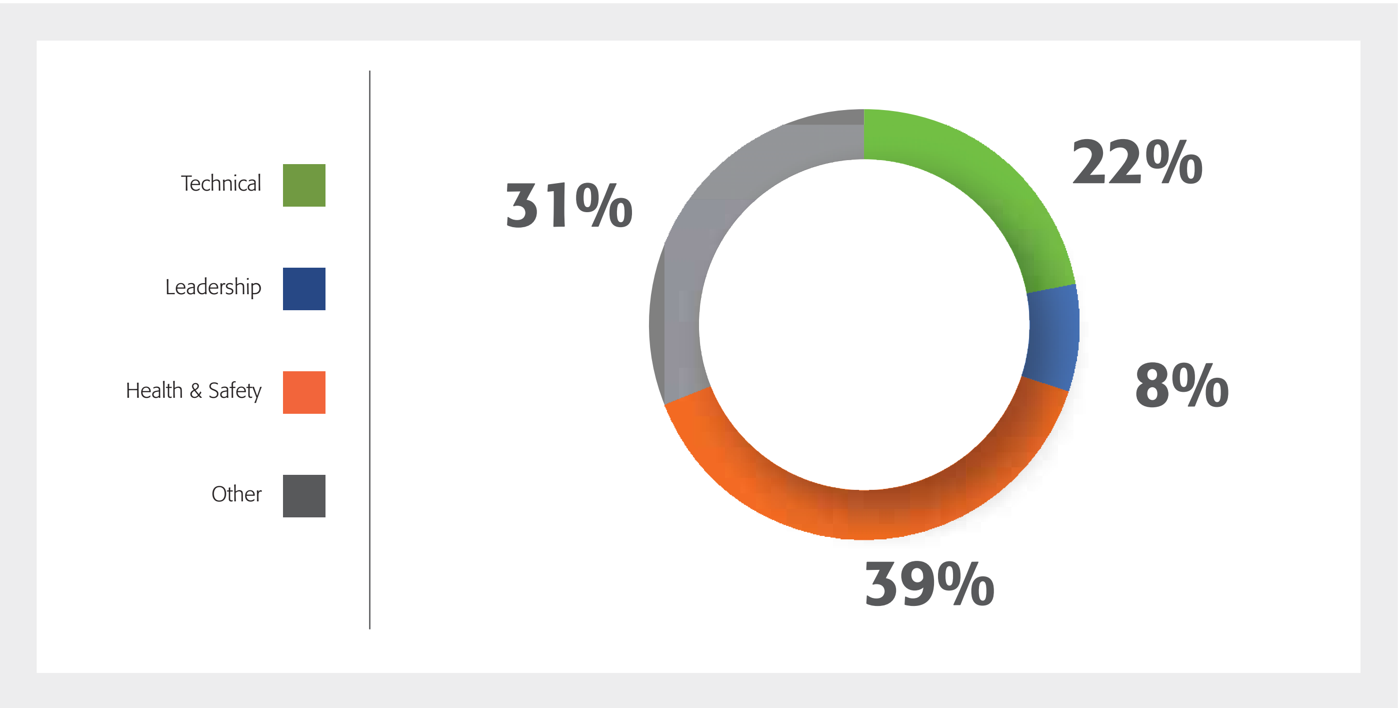
The Group recognises the importance of capacity building for its workforce, where continuous learning is the key to their personal growth and helps create a sustainable competitive advantage for its business. The Human Resource Department is tasked to plan and manage the development of the Group's workforce and a Training and Development Standard Operating Procedure is in place to govern this process.

On a yearly basis, training programmes are organised to upgrade SDB employee's skills, knowledge and development of their talent via training need analysis. The employees are provided with the opportunity to participate in internal, external and/or on the job training based on their respective needs. In addition, SDB Group has a performance system that evaluates employee performance based on Key Performance Indicators ("KPI") and personal development plan.

Total Training Hours by Employee Category

Employee Category	FY2024	FY2025	FY2026
Average Training Hours Per Employee	15.5	9.7	**12.5**
Total hours of training by employee category			
Management	1,476	1,463	**1,230**
Executive	1,539	673	**1,205**
Non-Executive	348	126	**590**
Total	3,363	2,262	**3,025**

Type Of Training Attended by SDB Group's Employees for FY2026



4.6 COMMUNITY INVESTMENT

Transforming Lives of Special Needs Individuals One-Two Boost ("OTB") Programme

The Group believes in sustainable community investment. Its Corporate Social Responsibility ("CSR") is driven by the principles of inclusivity, focusing on extending support and creating opportunities for individuals with special needs and disabilities. The Group advocates for inclusion, empowerment, and equality by facilitating support and opportunities for individuals with special needs to actively contribute to society.

The Group strives to create a CSR Programme that is self-sustaining hence it premises upon the concept of "Teach A Man to Fish and You Will Feed Him for A Lifetime". This is the inspiration of the One-Two Boost ("OTB") CSR Programme.

Since 2020, OTB has partnered with Traditional Chinese Medicine ("TCM") physicians, Dr. Lin Cze-Pern and Dr. Go Pei Heng from Nanjing University of Chinese Medicine, to develop specially formulated herbal soups, nourishing teas, and drink packs aimed at enhancing immunity and overall well-being. These traditional herbal blends are prepared by a team of special needs young adults under the guidance and supervision of appointed job coaches and supervisors.

OTB is a CSR initiative that aims to provide employment opportunities for young adults with special needs. Since its inception, the programme has enhanced skill development among its team members and special needs hires by focusing on herb mixing as well as improving their social and interaction ability through teamwork. Additionally, it has significantly raised public awareness about the employment challenges faced by individuals with special needs.

In FY2026, OTB has collaborated with other special needs organisations and social enterprises to extend its reach and raise greater awareness. The special needs hires had the opportunity to shine, honing their social and communication skills by participating in bazaar booths in various off-site locations.

In June 2025, OTB opened a store located in Mid Valley Megamall, one of Kuala Lumpur's premier shopping destinations. This strategic location allows OTB to broaden their customer base and strengthen its presence.

Figure 1 and 2: Grand Opening of OTB Shop at Mid Valley Megamall.

Sustainability Statement
(cont'd)

Figure 3: International Visitors from Kashima Yuaikai, Osaka, Japan.

Figure 4: Visit by HR Representatives from Danone Malaysia, Thailand, Cambodia and Vietnam.

Bazaar Booth

1. Neuro-Inclusive Market @ Menara Gamuda
2. Park Seven Residents Day @ Park Seven Condominium
3. Windows On The Park Residents Day @ Windows On The Park Condominium
4. Mid-Autumn Promotion Booth @ Mid Valley Megamall
5. Kasih Hospice Charity Fair @ The Club @ Bukit Utama
6. Safari Sports Day @ FRIM Kepong
7. Unveiling Uniqueness Mini Bazaar @ The British International School of Kuala Lumpur
8. Sin Chew Carnival @ SJK© Bandar Sungai Long
9. Christmas Promotion Booth @ Mid Valley Megamall
10. Chinese New Year Promotion Booth @ Mid Valley Megamall
11. Let's Go! Family CNY Bazaar @ Senai Puchong

Figure 5: Neuro-Inclusive Market at Menara Gamuda.

Figure 6: Sin Chew Carnival at SJK(C) Bandar Sungai Long.

Figure 7: Christmas Promotion Booth at Mid Valley Megamall.

Figure 8: Chinese New Year Promotion Booth at Mid Valley Megamall.

Workshop and Training

1. Handmade Soap Workshop for LK Education Group
2. Bridging The Gap: Finding Connections Workshop @ Plaza 138
3. JKM Job Coach Training @ Institut Latihan DBKL

Figure 9: Handmade Soap Workshop for LK Education Group.

Figure 10: Bridging The Gap: Finding Connections Workshop @ Plaza 138.

Collaboration with other Social Enterprises

1. Little Kira-Kira
2. United Voice
3. Bridging Hope
4. The Spectrum
5. The Learning Connection ("TLC")
6. Jammy Tummy

OTB also conducted a series of Trainee Programmes aimed at providing employment opportunities while enhancing participants' skills and employability. The first two-month programme commenced in October 2023, followed by a second two-month intake in October 2024. A third intake was introduced in February 2025 and extended to three months, while the fourth intake commenced in February 2026 for a duration of two months. Moving forward, OTB intends to maintain the programme duration at two months.

Together, OTB is building a more inclusive and supportive environment, one step at a time. OTB's products are available for purchase through its website, www.12boost.com.my.

Caring for the Underprivileged

The Impact of SDB Group's CSR Activities to the Community

In FY2026, SDB contributed nearly RM60,000 to community initiatives. A total of 10 initiatives were carried out, benefiting 1,192 individuals. These efforts reflect our continued commitment to creating meaningful and positive impacts within the community.

Indicator	FY2024	FY2025	FY2026
Total amount invested in the community where the target beneficiaries are external to the listed issuer, RM	10,824.00	173,822.00	**58,459.80**
Total number of community activities	5	5	**10**
Total number of beneficiaries of the investment in communities	135	164	**1,192**

Note*: The number of individuals is calculated from Jabatan Kebajikan Masyarakat ("JKM") 2022 average statistic of registered welfare centers and its residences.

Sustainability Statement
(cont'd)

Figure 11: Christmas Charity Lunch With 35 Orphans from Rumah Charis Jalan Yarl, Kuala Lumpur.

Figure 12: Ramadan Buka Puasa (Charity Dinner) With Pertubuhan Kebajikan As-Shakur.

Figure 13: Year End CSR Back-To-School with Underprivileged Children.

Section 5 - GOVERNANCE: Building an Ethical Culture

5.1 GOVERNANCE STRUCTURE

Building an ethical culture is at the forefront of the Board's vision for the Group. SDB's Board of Directors is the highest governance body in the organisation, responsible for overseeing the conduct of the Group's business operations and financial and sustainability performance. The Board is responsible for overseeing risk management and sustainability-related matters in the Group and is assisted by the Risk Management & Sustainability Committee ("RMSC") in this role.

The Group has established an Enterprise Risk Management ("ERM") Framework to proactively identify, evaluate, mitigate and manage key risks to an optimal level. The Group's policies in the following areas are available on the corporate website:

i. Anti-Bribery and Anti-Corruption ("ABAC") Policy
ii. Whistleblowing Policy
iii. Privacy Policy

Corporate Governance

The Group is dedicated to serving the best interests of its stakeholders by upholding the highest standards of corporate governance and implementing best practices that underscore its commitment to transparency and accountability. Further details regarding the Group's corporate governance practices can be found in the Corporate Governance Overview Statement included in the Annual Report for 2026.

Compliance with Laws

The Group recognises the compliance of all applicable laws and regulations in the jurisdictions where it operates its businesses, including the Section 17A of the Malaysian Anti-Corruption Commission Act 2009 ("MACC Act"). Any failure to comply may expose the Group to potential fines, penalties, or sanctions, leading to reputational harm. In FY2026, the Group is not aware of any material instances of non-compliance with any laws or regulations involving the Group.

5.2 ANTI-BRIBERY AND ANTI-CORRUPTION

Anti-Corruption

SDB's Board of Directors champions a "Zero Tolerance towards Bribery and Corruption" stance. This commitment is reflected in the Group's ABAC Policy which outlines what will amount to "corruption" and the prohibitions on the same. The ABAC Policy applies to its directors, employees and business associates. SDB ensures that its business associates adhere to its ABAC Policy by communicating it to them through the inclusion of an ABAC clause in pre-qualification documents, contracts and tender documents. Further, new employees are given a briefing on the ABAC policy during their on boarding process. Additionally, a Supplier Code of Conduct has been established.

Furthermore, the Group has implemented a Whistleblowing Policy and channel to enable employees or third parties to report any instances of misconduct or grievances that may arise by sending an email to **whistleblowing@sdb.com.my**. The Group has provided that whistle-blowers will be accorded protection. The Whistleblowing Policy further provides that whistleblowers may remain anonymous and their identity kept confidential.

Anti-Corruption Training

In FY2026, the Group consistently implements anti-bribery and anti-corruption training in line to its commitment to mitigate corruption-related risks. The following shows the type of training and how many staff joined in percentage unit.

1. Anti-Bribery Refresher Training
2. Anti-Bribery and Anti-Corruption in the Workplace

Sustainability Statement
(cont'd)

Employee Category	FY2024	FY2025	FY2026
Management	100%	100%	**83%**
Executive	100%	73%	**100%**
Non-Executive	100%	82%	**50%**

As of FY2026, there have been no confirmed incidents of corruption or action taken across the Group. Further, no political contributions have been made.

Anti-Corruption Risk Assessment

The Group is in the midst of planning and conducting a comprehensive risk assessment process to identify potential non-compliance risks across the Group's business operations. Through this process, the Group aims to effectively identify, evaluate and manage risks associated with corruption across all business segments.

Indicators	FY2024	FY2025	FY2026
Percentage of operations assessed for corruption related risks	100%	100%	**100%**
Confirmed incidents of corruption and action taken	0	0	**0**
Percentage of executive employees that the organisation's anti-corruption policies and procedures have been communicated to	100%	100%	**100%**

5.3 DATA PRIVACY AND SECURITY

The Group's Privacy Policy sets out how it uses and protects any personal data that it received. The Group is dedicated to upholding, respecting, and safeguarding the confidentiality of all personal data, in accordance with the provisions outlined in the Personal Data Protection (Amendment) Act 2024. The Group will continuously monitor developments in data protection laws and industry best practices to adapt and enhance its data protection measures, ensuring the ongoing security and privacy of the data entrusted to it.

For example, Hotel Maya's registration card clearly informs guests that their data is safeguarded by the PDPA 2010. It also requests their consent for their information to be processed according to Hotel Maya's privacy policy. Additionally, the card provides Hotel Maya's email and contact number, allowing guests to reach out to verify or update their details. SDB had zero substantiated complaints concerning breaches of customer privacy or losses of customer data in FY2026.

Data Privacy and Security	FY2024	FY2025	FY2026
Number of substantiated complaints concerning breaches of customer privacy and losses of customer datas	0	0	**0**

Section 6 - APPENDICES

SELANGOR DREDGING BHD
BMLR Transition Period

Date & Time: 2026-07-20_09:10:16
Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
Anti-corruption	Percentage of employees who have received training on anti-corruption by employee category: Management	Percentage	100.00	83.00	-	Internal	
Anti-corruption	Percentage of employees who have received training on anti-corruption by employee category: Executive	Percentage	73.00	100.00	-	Internal	
Anti-corruption	Percentage of employees who have received training on anti-corruption by employee category: Non-executive	Percentage	82.00	50.00	-	Internal	
Anti-corruption	Percentage of operations assessed for corruption-related risks	Percentage	100.00	100.00	-	Internal	
Anti-corruption	Confirmed incidents of corruption and action taken	Number	0	0	0	Internal	
Community Investment	Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	173,822.00	58,459.80	-	Internal	FY2025 has been restated in accordance with Bursa Malaysia's Sustainability Reporting Guide, 3rd Edition. The same methodology has been applied in FY2026.
Community Investment	Total number of community activities	Number	5	10	≥ 2 activities	Internal	

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Sustainability Statement
(cont'd)

SELANGOR DREDGING BHD
BMLR Transition Period

Date & Time: 2026-07-20_09:10:16
Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
Community Investment	Total number of beneficiaries of the investment in the communities	Number	164	1,192	-	Internal	FY2025 has been restated in accordance with Bursa Malaysia's Sustainability Reporting Guide, 3rd Edition. The same methodology has been applied in FY2026.
Labor Practices and Standards / Diversity and Equal Opportunity	Age group by Employee Category: Management Under 30	Percentage	0.00	0.00	-	Internal	
Labor Practices and Standards / Diversity and Equal Opportunity	Age group by Employee Category: Management Between 30-50	Percentage	69.12	71.00	-	Internal	
Labor Practices and Standards / Diversity and Equal Opportunity	Age group by Employee Category: Management Above 50	Percentage	30.88	29.00	-	Internal	
Labor Practices and Standards / Diversity and Equal Opportunity	Age group by Employee Category: Executive Under 30	Percentage	17.35	21.00	-	Internal	
Labor Practices and Standards / Diversity and Equal Opportunity	Age group by Employee Category: Executive Between 30-50	Percentage	71.43	65.00	-	Internal	
Labor Practices and Standards / Diversity and Equal Opportunity	Age group by Employee Category: Executive Above 50	Percentage	11.12	14.00	-	Internal	
Labor Practices and Standards / Diversity and Equal Opportunity	Age group by Employee Category: Non-executive Under 30	Percentage	20.90	27.00	-	Internal	
Labor Practices and Standards / Diversity and Equal Opportunity	Age group by Employee Category: Non-executive Between 30-50	Percentage	67.16	63.00	-	Internal	
Labor Practices and Standards / Diversity and Equal Opportunity	Age group by Employee Category: Non-executive Above 50	Percentage	11.94	10.00	-	Internal	

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SELANGOR DREDGING BHD

BMLR Transition Period

Date & Time: 2026-07-20_09:10:16

Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
Labor Practices and Standards / Diversity and Equal Opportunity	Gender Group by Employee Category: Management Male	Percentage	59.00	57.00	-	Internal	
Labor Practices and Standards / Diversity and Equal Opportunity	Gender Group by Employee Category: Management Female	Percentage	41.00	43.00	-	Internal	
Labor Practices and Standards / Diversity and Equal Opportunity	Gender Group by Employee Category: Executive Male	Percentage	45.00	47.00	-	Internal	
Labor Practices and Standards / Diversity and Equal Opportunity	Gender Group by Employee Category: Executive Female	Percentage	55.00	53.00	-	Internal	
Labor Practices and Standards / Diversity and Equal Opportunity	Gender Group by Employee Category: Non-executive Male	Percentage	73.00	71.00	-	Internal	
Labor Practices and Standards / Diversity and Equal Opportunity	Gender Group by Employee Category: Non-executive Female	Percentage	27.00	29.00	-	Internal	
Labor Practices and Standards / Diversity and Equal Opportunity	Percentage of directors by gender and age group: Male	Percentage	50.00	50.00	-	Internal	
Labor Practices and Standards / Diversity and Equal Opportunity	Percentage of directors by gender and age group: Female	Percentage	50.00	50.00	> 30.00%	Internal	
Labor Practices and Standards / Diversity and Equal Opportunity	Percentage of directors by gender and age group: 30 years and below	Percentage	0.00	0.00	-	Internal	
Labor Practices and Standards / Diversity and Equal Opportunity	Percentage of directors by gender and age group: 31 - 40 years	Percentage	0.00	0.00	-	Internal	
Labor Practices and Standards / Diversity and Equal Opportunity	Percentage of directors by gender and age group: 41 - 50 years	Percentage	0.00	0.00	-	Internal	

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SELANGOR DREDGING BHD
BMLR Transition Period

Date & Time: 2026-07-20_09:10:16
Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
Labor Practices and Standards / Diversity and Equal Opportunity	Percentage of directors by gender and age group: Above 50 years	Percentage	100.00	100.00	-	Internal	
Labor Practices and Standards / Diversity and Equal Opportunity	Percentage of employees that are contractors or temporary staff	Percentage	16.00	15.00	-	Internal	
Labor Practices and Standards / Diversity and Equal Opportunity	Total number of employee turnover by employee category: Management	Number	10	6	-	Internal	
Labor Practices and Standards / Diversity and Equal Opportunity	Total number of employee turnover by employee category: Executive	Number	13	18	-	Internal	
Labor Practices and Standards / Diversity and Equal Opportunity	Total number of employee turnover by employee category: Non-executive	Number	9	18	-	Internal	
Labor Practices and Standards / Diversity and Equal Opportunity	Number of substantiated complaints concerning human rights violations	Number	0	0	-	Internal	
Health and Safety	Number of work-related fatalities	Number	0	0	0	Internal	
Health and Safety	Lost time incident rate ("LTIR")	Percentage	0.00	0.42	-	Internal	
Health and Safety	Number of employees trained on health and safety standards	Number	23	84	-	Internal	
Development Training	Average training hours per employee	Hours	9.7	12.5	> 8 hours	Internal	
Development Training	Total hours of training by employee category: Management	Hours	1,463	1,230	-	Internal	

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SELANGOR DREDGING BHD

BMLR Transition Period

Date & Time: 2026-07-20_09:10:16

Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
Development Training	Total hours of training by employee category: Executive	Hours	673	1,205	-	Internal	
Development Training	Total hours of training by employee category: Non-executive	Hours	126	590	-	Internal	
Supply Chain Management	Proportion of spending on local suppliers	Percentage	99.30	93.60	> 90.00%	Internal	
Data Privacy and Security	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	0	Internal	
Energy, Water and Effluent Waste	Total grid energy consumption	Kilowatt	5,262,000	5,983,366	5% reduction from the baseline	Internal	
Energy, Water and Effluent Waste	Total volume of water used	Megalitres	121.89	151.81	2% reduction from the baseline	Internal	
Energy, Water and Effluent Waste	Total waste generated	Metric tonnes	2,472.60	2,035.04	-	Internal	
Energy, Water and Effluent Waste	Total waste diverted from disposal	Metric tonnes	7.60	3.63	-	Internal	
Energy, Water and Effluent Waste	Total waste directed to disposal	Metric tonnes	2,465.00	2,031.41	5% reduction from the baseline	Internal	
Emissions	Scope 1 emissions in tonnes of CO2e	Metric tonnes	1,760.00	900.10	5% reduction from the baseline	Internal	
Emissions	Scope 2 emissions in tonnes of CO2e	Metric tonnes	3,989.00	4,427.69	5% reduction from the baseline	Internal	
Emissions	Scope 3 emissions in tonnes of CO2e (Category 6 and 7)	Metric tonnes	471.74	290.37	5% reduction from the baseline	Internal	

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6.2 SUSTAINABILITY PERFORMANCE DATA TABLE
COMMON SUSTAINABILITY MATTERS

Indicator	Unit	FY2024	FY2025	FY2026
Supply Chain Management				
Proportion of spending on local suppliers	Percentage	96.00	99.30	**93.60**
Emissions				
Scope 1 emissions in tonnes of CO_2e	Tonnes	1,170.00	1,760.00	**900.10**
Scope 2 emissions in tonnes of CO_2e	Tonnes	4,469.00	3,989.00	**4,427.69**
Scope 3 emissions in tonnes of CO_2e	Tonnes	-	471.74	**290.37**
Category 6: Business Travel	Tonnes	-	25.74	**28.62**
Category 7: Employee Commuting	Tonnes	-	446.00	**261.75**
Energy, Water and Effluent Waste				
Total grid energy consumption	Kilowatt	5,896,000	5,262,000	**5,983,366**
Total water consumption	Megalitres	116.08	121.89	**151.81**
Total waste generated	Tonnes	305.00	2,472.60	**2,035.04**
Total waste diverted from disposal	Tonnes	0.00	7.60	**3.63**
Total waste directed to disposal	Tonnes	305.00	2,465.00	**2,031.41**
Labour Practices and Standards / Diversity and Equal Opportunity				
Percentage of employees by gender and age group, for each employee category				
Age group by employee category				
Management – Under 30	Percentage	1.54	0.00	**0.00**
Management – Between 30-50	Percentage	64.62	69.12	**71.00**
Management – Above 50	Percentage	33.85	30.88	**29.00**
Executive – Under 30	Percentage	16.84	17.35	**21.00**
Executive – Between 30-50	Percentage	66.32	71.43	**65.00**
Executive – Above 50	Percentage	16.84	11.12	**14.00**
Non-executive – Under 30	Percentage	29.83	20.90	**27.00**
Non-executive – Between 30-50	Percentage	63.16	67.16	**63.00**
Non-executive – Above 50	Percentage	7.02	11.94	**10.00**
Gender group by employee category				
Management – Male	Percentage	54.00	59.00	**57.00**
Management – Female	Percentage	46.00	41.00	**43.00**
Executive – Male	Percentage	51.00	45.00	**47.00**
Executive – Female	Percentage	49.00	55.00	**53.00**
Non-executive – Male	Percentage	60.00	73.00	**71.00**
Non-executive – Female	Percentage	40.00	27.00	**29.00**
Percentage of directors by gender and age group				
Male	Percentage	50.00	50.00	**50.00**
Female	Percentage	50.00	50.00	**50.00**
30-39 years	Percentage	0.00	0.00	**0.00**
40-49 years	Percentage	0.00	0.00	**0.00**
Above 50 years	Percentage	100.00	100.00	**100.00**
Percentage of employees that are contractors or temporary staff	Percentage	10.00	16.00	**15.00**
Total numbers of employee turnover by employee category				
Management	Number	5	10	**6**
Executive	Number	11	13	**18**
Non-executive	Number	10	9	**18**
Total numbers of employee hired by employee category				
Management	Number	N/A	N/A	**6**
Executive	Number	N/A	N/A	**21**
Non-executive	Number	N/A	N/A	**15**

Development Training				
Average Training Hours Per Employee	Hours	15.5	9.7	**12.5**
Total hours of training by employee category				
Management	Hours	1,476	1,463	**1,230**
Executive	Hours	1,539	673	**1,205**
Non-executive	Hours	348	126	**590**
Health and Safety				
Number of work-related fatalities	Number	0	0	**0**
Lost Time Incident Rate ("LTIR")	Rate	2.17	0.00	**0.42**
Number of employees trained on health and safety standards	Number	32	23	**84**
Community Investment				
Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	10,824.00	173,822.00	**58,459.80**
Total number of community activities	Number	5	5	**10**
Total number of beneficiaries of the investment in the communities	Number	135	164	**1,192**
Anti-Corruption				
Percentage of employees who have received training on anti-corruption by employee category				
Management	Percentage	100.00	100.00	**83.00**
Executive	Percentage	100.00	73.00	**100.00**
Non-executive	Percentage	100.00	82.00	**50.00**
Data Privacy and Security				
Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	**0**

6.3 GRI CONTENT INDEX

Statement of use	Selangor Dredging Berhad has reported the information cited in this GRI content index for the period 1 April 2025 - 31 March 2026 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD	GRI DISCLOSURE		SECTION REFERENCE
GENERAL DISCLOSURE			
GRI 2: General Disclosures 2021	**The organisation and its reporting practices**		
	GRI 2-1	Organisational details	SS2026: Section 1.1 – 1.8
	GRI 2-2	Entities included in the organisation's sustainability reporting	SS2026: Section 1.3
	GRI 2-3	Reporting period, frequency and contact point	SS2026: Section 1.3
	GRI 2-4	Restatements of information	SS2026: Section 2.1
	GRI 2-5	External assurance	N/A
	Activities and workers		
	GRI 2-6	Activities, value chain and other business relationships	AR2026: Section 'Management Discussion and Analysis'
	GRI 2-7	Employees	SS2026: Section 4.1

Sustainability Statement
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GRI 2: General Disclosures 2021	GRI 2-8	Workers who are not employees	SS2026: Section 4.1
	Governance		
	GRI 2-9	Governance structure and composition	AR2026: Section 'Overview Statement on Corporate Governance'
	GRI 2-10	Nomination and selection of the highest governance body	
	GRI 2-11	Chair of the highest governance body	AR2026: Section 'Profile of Board of Directors'
	GRI 2-12	Role of the highest governance body in overseeing the management of impacts	
	GRI 2-13	Delegation of responsibility for managing impacts	
	GRI 2-14	Role of the highest governance body in sustainability reporting	
	GRI 2-15	Conflicts of interest	AR2026: Section 'Audit Committee Report'
	GRI 2-16	Communication of critical concerns	AR2026: Section 'Statement on Risk Management and Internal Control'
	GRI 2-17	Collective knowledge of the highest governance body	AR2026: Section 'Profile of Board of Directors'
	GRI 2-18	Evaluation of the performance of the highest governance body	AR2026: Section 'Overview Statement on Corporate Governance'
	GRI 2-19	Remuneration policies	
	GRI 2-20	Process to determine remuneration	
	Strategy, policies and practices		
	GRI 2-22	Statement on sustainable development strategy	SS2026: Section 1.1 – 1.10
	GRI 2-23	Policy commitments	SS2026: Section 3.2
	GRI 2-24	Embedding policy commitments	
	GRI 2-25	Processes to remediate negative impacts	
	GRI 2-26	Mechanisms for seeking advice and raising concerns	SS2026: Section 5.2
	GRI 2-27	Compliance with laws and regulations	SS2026: Section 4.1
	Stakeholder engagement		
	GRI 2-29	Approach to stakeholder engagement	SS2026: Section 1.8
MATERIAL TOPICS			
GRI 3: Material Topics 2021	GRI 3-1	Process to determine material topics	SS2026: Section 1.7
	GRI 3-2	List of material topics	SS2026: Section 1.7

ECONOMIC – GROWING THE BUSINESS RESPONSIBLY			
Economic Performance			
GRI 3: Material Topics 2021	GRI 3-3	Management of material topics	SS2026: Section 1.9
GRI 201: Economic Performance 2016	GRI 201-1	Direct economic value generated and distributed	SS2026: Section 2.1
Product Responsibility			
GRI 3: Material Topics 2021	GRI 3-3	Management of material topics	SS2026: Section 1.9
Procurement Practice / Supply Chain Management			
GRI 3: Material Topics 2021	GRI 3-3	Management of material topics	SS2026: Section 1.9
GRI 204: Procurement Practices 2016	GRI 204-1	Proportion of spending on local supplier	SS2026: Section 2.5

ENVIRONMENT – BUILDING A HEALTHY LIFE ENVIRONMENTAL			
Energy, Water and Effluent Waste			
GRI 3: Material Topics 2021	GRI 3-3	Management of material topics	SS2026: Section 1.9
GRI 302: Energy 2016	GRI 302-1	Energy consumption within the organisation	SS2026: Section 3.3
	GRI 302-3	Energy Intensity	
GRI 303: Water and Effluents 2018	GRI 303-1	Interactions with water as a shared resource	SS2026: Section 3.4
	GRI 303-2	Management of water discharge-related impacts	
	GRI 303-5	Water Consumption	
GRI 306: Waste 2020	GRI 306-1	Waste generation and significant waste-related impacts	SS2026: Section 3.5
	GRI 306-2	Management of significant waste related impacts	
	GRI 306-3	Waste generated	
	GRI 306-4	Waste diverted from disposal	
	GRI 306-5	Waste directed to disposal	
Emission			
GRI 3: Material Topics 2021	GRI 3-3	Management of material topics	SS2026: Section 1.9
GRI 305: Emissions 2016	GRI 305-1	Direct (Scope 1) GHG emissions	SS2026: Section 3.2
	GRI 305-2	Energy indirect (Scope 2) GHG emissions	
	GRI 305-3	Other indirect (Scope 3) GHG emissions	
GRI 201:Economic Performance 2016	GRI 201-2	Financial implications and other risks and opportunities due to climate change	

SOCIAL – PROMOTING INCLUSIVITY & LONG-TERM RELATIONSHIP			
Health and Safety			
GRI 3: Material Topics 2021	GRI 3-3	Management of material topics	SS2026: Section 1.9
GRI 403: Occupational Health and Safety 2018	GRI 403-1	Occupational health and safety management system	SS2026: Section 4.4
	GRI 403-2	Hazard identification, risk assessment, and incident investigation	
	GRI 403-3	Occupational health services	
	GRI 403-4	Worker participation, consultation, and communication on occupational health and safety	
	GRI 403-5	Worker training on occupational health and safety	
	GRI 403-6	Promotion of worker health	
	GRI 403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	
	GRI 403-8	Workers covered by an occupational health and safety management system	
	GRI 403-9	Work-related injuries	
Development Training			
GRI 3: Material Topics 2021	GRI 3-3	Management of material topics	SS2026: Section 1.9
GRI 404: Training and Education 2016	GRI 404-1	Average hours of training per year per employee	SS2026: Section 4.5
	GRI 404-2	Programs for upgrading employee skills and transition assistance programs	
Labour Practice Standard / Diversity and Equal Opportunity			
GRI 3: Material Topics 2021	GRI 3-3	Management of material topics	SS2026: Section 1.9
GRI 401: Employment 2016	GRI 401-1	New employee hires and employee turnover	SS2026: Section 4.1
	GRI 401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	
	GRI 401-3	Parental leave	
GRI 405: Diversity and Equal Opportunity 2016	GRI 405-1	Diversity of governance bodies and employees	
GRI 406: Non-discrimination 2016	GRI 406-1	Incidents of discrimination and corrective actions taken	SS2026: Section 4.2
GRI 408: Child Labour 2016	GRI 408-1	Operations and suppliers at significant risk for incidents of child labour	SS2026: Section 4.1
GRI 409: Forced or Compulsory Labour 2016	GRI 409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	
Community Investment			
GRI 3: Material Topics 2021	GRI 3-3	Management of material topics	SS2026: Section 1.9
GRI 413: Local Communities 2016	GRI 413-1	Operations with local community engagement, impact assessments, and development programs	SS2026: Section 4.6

Sustainability Statement
(cont'd)

GOVERNANCE – BUILDING AN ETHICAL CULTURE			
Anti- Corruption			
GRI 3: Material Topics 2021	GRI 3-3	Management of material topics	SS2026: Section 1.9
GRI 205: Anti- corruption 2016	GRI 205-1	Operations assessed for risks related to corruption	SS2026: Section 5.2
	GRI 205-2	Communication and training about anti- corruption policies and procedures	
	GRI 205-3	Confirmed incidents of corruption and actions taken	
Data Privacy and Security			
GRI 3: Material Topics 2021	GRI 3-3	Management of material topics	SS2026: Section 1.9
GRI 418: Customer Privacy 2016	GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	SS2026: Section 5.3

Section 7- MOVING FORWARD

Looking ahead, we expect the operating environment to become more complex, driven by increasing reporting requirements and heightened stakeholder expectations regarding sustainability and climate-related disclosures.

In response, SDB Group seeks to enhance the quality, transparency and consistency of its reporting in line with applicable guidelines, standards and industry best practices, including alignment with the National Sustainability Reporting Framework ("NSRF").

As part of the Group's continuous improvement efforts, the Group aims to refresh its Material Sustainability Matters in FY2027 to ensure their continued relevance to the Group's business priorities, stakeholder expectations and evolving market conditions.

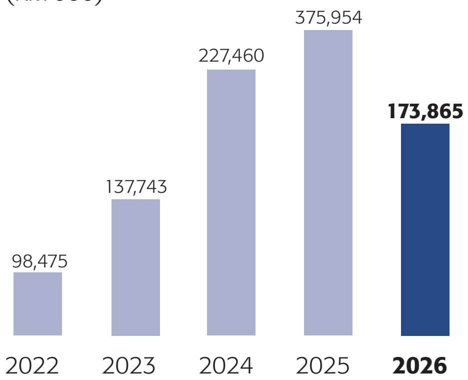
Group Financial Highlights

GROUP YEAR ENDED 31 MARCH	'26 RM'000	'25 RM'000	'24 RM'000	'23 RM'000 Restated	'22 RM'000 Restated
Profitability					
Turnover	**173,865**	375,954	227,460	137,743	98,475
(Loss)/Profit before taxation	**(35,644)**	29,705	28,693	12,550	12,125
Provision for taxation	**(5,421)**	(7,782)	(3,973)	(6,299)	(5,367)
(Loss)/Profit after taxation	**(41,065)**	21,923	24,720	6,251	6,758
Minority interest	**-**	-	-	-	-
(Loss)/Earnings for the year	**(41,065)**	21,923	24,720	6,251	6,758
Profit available for appropriation	**471,251**	523,488	514,349	500,282	494,031
Dividend net of tax	**12,784**	12,784	10,653	-	-
Key Balance Sheet Data					
Total assets	**1,376,126**	1,495,733	1,452,729	1,387,191	1,351,184
Issued share capital	**213,541**	213,541	213,541	213,541	213,541
Shareholders' fund	**807,963**	876,194	888,363	856,047	838,379
Total bank borrowings	**385,320**	423,946	395,364	445,924	415,523
No of ordinary shares in issue ('000)	**426,128**	426,128	426,128	426,128	426,128
Share Informance					
Return on equity	**-5.08%**	2.50%	2.78%	0.73%	0.81%
Return on total assets	**-2.98%**	1.47%	1.70%	0.45%	0.50%
Gearing ratio	**23.84%**	29.18%	28.60%	29.66%	26.62%
Interest cover	**(0.99)**	2.55	2.29	1.79	1.99
(Loss)/Earnings after tax (sen)	**(9.64)**	5.14	5.80	1.47	1.59
Dividend after tax (sen) *	**3.00**	3.00	3.00	2.50	-
Net asset backing (sen)	**189.61**	205.62	208.47	200.89	196.74
Price earning ratio (x)	**(4.20)**	9.62	10.77	29.99	32.47
Gross dividend yield	**7.41%**	6.06%	4.80%	5.68%	0.00%
Share price as at 31 March (RM)	**0.41**	0.50	0.63	0.44	0.52

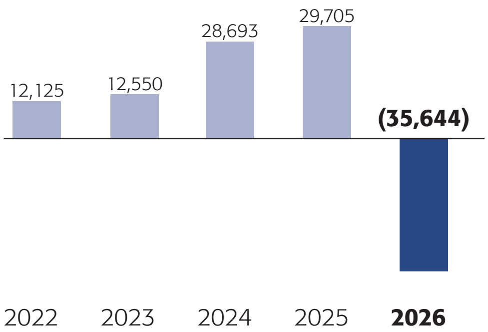
* *Dividend declared during the financial year.*

Group Financial Highlights
(cont'd)

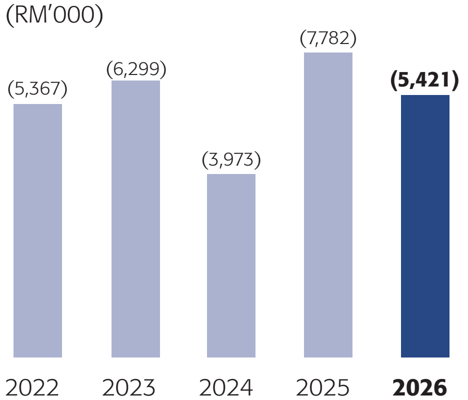
Turnover
(RM'000)



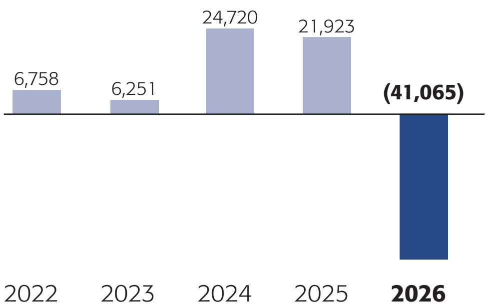
(Loss)/Profit before taxation
(RM'000)



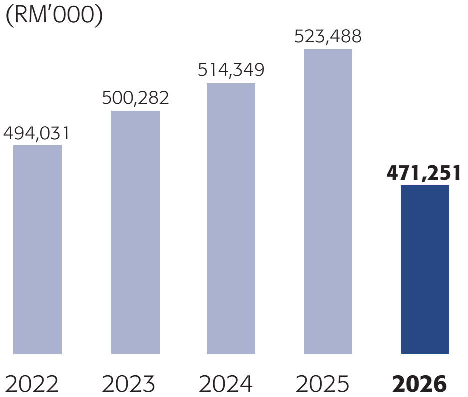
Provision for taxation
(RM'000)



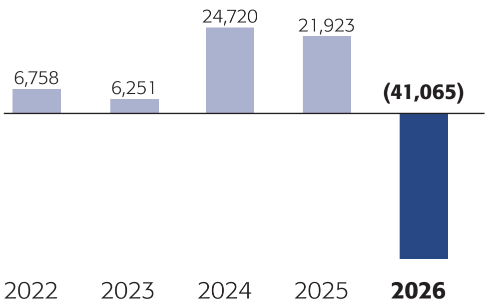
(Loss)/Profit after taxation
(RM'000)



Profit available for appropriation
(RM'000)



(Loss)/Earnings for the year
(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 ("MCCG") 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 2026 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 2026, 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, who constitute half of the Board's composition, sufficiently ensures 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 10 to 13 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.

Overview Statement on Corporate Governance (cont'd)

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 2025 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
Puan Selma Enolil binti Mustapha Khalil	5/5
Mr Boh Boon Chiang	5/5

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.

Overview Statement On Corporate Governance
(cont'd)

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 up to the date of issuance of this Annual Report, all Directors attended a tax briefing conducted by Ms Soh Pin Tau, Executive Director of BDO Tax Services Sdn Bhd. The briefing covered the topic of "Stamp Duty and Tax Treatment in Relation to Income Received from Abroad by Individual Taxpayers".

The Directors also participated in a series of in-house Cyber Security Training programme conducted from April 2025 to February 2026. The programme covered ten key topics, namely Clean Desk Policy, Social Engineering, Removable Media, Travel and Out of Office, Professional Networking, Web Browsing and Work, Insider Threats, Deepfake Phishing, Bring Your Own Device, and Social Media.

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 acquisitions 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. An annual assessment was conducted to evaluate the performance of each individual Director, as well as the effectiveness of the Board and Board Committees. The assessment covered key areas including Board composition, roles and responsibilities, meeting effectiveness, decision-making, participation, access to Management, quality of Board papers, Directors' skills and training, risk management, internal control, cybersecurity, sustainability and ESG oversight, independence, conflicts of interest, time commitment and individual Directors' contribution, preparedness, judgement and interaction with fellow Board members.

2. 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 director 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 (3) 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.

Overview Statement On Corporate Governance
(cont'd)

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 improve 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 Directors' remuneration paid or payable to the Directors of the Company for the financial year ended 31 March 2026 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	-	501,193	-
Selma Enolil Bt Mustapha Khalil	48,000	2,500	-	-
Boh Boon Chiang	56,000	2,500	-	-

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	82,744	-	1,002,385	-
Selma Enolil Bt Mustapha Khalil	48,000	2,500	-	-
Boh Boon Chiang	56,000	2,500	-	-

The remuneration of the top five key senior management of the Company for the financial year ended 31 March 2026 is follows:-

Key Senior Management Remuneration	Number
RM500,000 – RM550,000	1
RM400,000 – RM450,000	1
RM350,000 – RM400,000	2
RM300,000 – RM350,000	1

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.

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Overview Statement On Corporate Governance
(cont'd)

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 99 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 90 to 95 of this Annual Report 2026.

The cost incurred for the internal audit function for the financial year ended 31 March 2026 is RM42,000.

(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 physical AGM last year and has conducted 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 attend the AGM in person, they are encouraged to appoint proxies to 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 2026 of the Company, which is available at website, www.sdb.com.my.

Statement On Risk Management And Internal Control

In line with Para15.26(b) of Bursa Malaysia's Main Market Listing Requirements, the Board of Directors ("Board") of Selangor Dredging Berhad ("SDB" or "the Group") presents the Statement on Risk Management and Internal Control of the Group for the financial year ended 31 March 2026. The Board is committed to maintain a sound system of risk management and internal controls and good corporate governance practices.

This statement is guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Companies (**"SORMIC Guide 2025"**) and Practice 9.1 for Principle B of the Malaysian Code on Corporate Governance (**"MCCG"**).

GOVERNANCE & RESPONSIBILITY

The Board

The Board has overall responsibility for the Group's risk management and internal control systems including 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 reports on key risks identified and actions taken to mitigate and/or minimise such risks. The oversight of critical areas is carried out by the Board, assisted by the Risk Management and Sustainability Committee ("RMSC"). The RMSC is chaired by the Managing Director and its members comprises of 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. Due to 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.

The Management

Management is responsible in execution of the Group's policies and procedures on risk and internal control on a routine basis. Key responsibilities include:

- Identify and evaluate risks affecting the Group from achieving its objectives and strategies
- Design and implement policies, procedures, controls and/or action plans to manage the risks
- Timely reports to the Board via RMSC on any changes and movements of the risks and actions

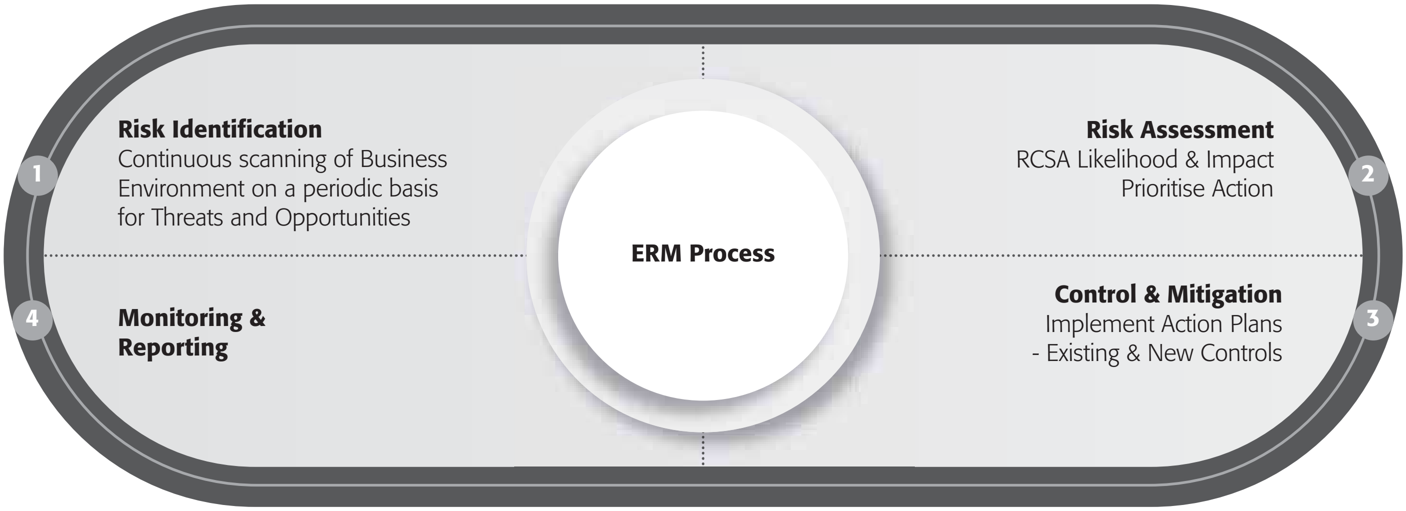
ENTERPRISE RISK MANAGEMENT ("ERM")

An ERM Framework has been established 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. The methodology employed by the Group is the Risk and Control Self-Assessment ("RCSA") whereby risk owners identify and assess their risks and controls to address major risk factors of concern together with the necessary action plan(s), if any.

ERM Governance Structure

ERM GOVERNANCE STRUCTURE

Further details regarding the Board and its Committees can be found in other sections of this Annual Report as well as on SDB's website.



ERM Process

As the ERM Process employs the RCSA methodology, risk owners review their risks and related controls on a quarterly basis. The three lines of defence model is also in place, whereby Line Management makes up the 1st line of defence, Governance*, Risk Management & Compliance makes up the 2nd line and Internal and External Audits makes up the 3rd line of defence.

* Functions including Finance, Legal, Contracts, Company Secretary, Human Resources, and Quality Management Department.

Statement on Risk Management and Internal Control
(cont'd)

BOARD OF DIRECTORS

MANAGEMENT

1st Line Management	2nd Governance, Risk Management & Compliance	3rd Internal & External Assurance
Implement risk and internal controls at a day-to-day level	Establish and maintain ERM Framework; assess, monitor & report risks at Group level	Independent challenge & assurance
Generate revenue activities	Policies and Procedures	

3 Lines of Defence Model

KEY RISK AREAS

The Group's key risk areas for the financial year under review are outlined as follows:

STRATEGIC / EXTERNAL RISK

Ensuring the Group's products remain attractive in a competitive market landscape.

MITIGATION & CONTROLS:

- Active engagement with stakeholders.
- Constant scanning of business environment:
  - Market forecasts
  - Pricing trends
  - Design trends
  - Competitors' sales and marketing initiatives
- Review of product planning, launch strategies, etc.
- Profiling existing and potential customers for effective target marketing.
- Review and align strategies and initiatives to market conditions.

FINANCIAL RISK

Inability to execute strategic objectives and obligations due to financial factors impacting sustainability of operations.

MITIGATION & CONTROLS:

- Prudent approach to expenditures.
- Close monitoring of budget against actual expenditures.
- Monitor risk which may impact the Group.
- Review and monitor cashflow requirements to ensure adequate credit facilities are in place as and when required.
- Perform feasibility studies on new investment opportunities to assess the viability of the investment versus the financial capacity of the Group.

HUMAN CAPITAL RISK

Ensuring the right talents are retained and morale sustained to achieve optimal service delivery.

MITIGATION & CONTROLS:

- Talent identification and succession planning activities.
- Review benefits and compensation policy to attract and retain high potential talents.

REGULATORY COMPLIANCE RISK

Non-compliance to relevant regulations, laws, etc which could threaten our reputation.

MITIGATION & CONTROLS:

- Constant monitoring of changes in regulations and policies impacting the business.
- Conduct training and awareness sessions.
- Regulatory audits and active engagement with relevant stakeholders to ensure gaps are closed.

CYBER SECURITY RISK	SUSTAINABILITY RISK	OPERATIONAL RISK	REPUTATIONAL RISK
Ensure readiness to safeguard against sophistication of cyber criminals.	Ensuring the long-term sustainability of SDB Group in line with the global sustainability Agenda.	Ensuring all projects are delivered in accordance to SDB's Planning & Design Requirements.	Ensuring SDB's sound reputation remains unscathed.
MITIGATION & CONTROLS:	**MITIGATION & CONTROLS:**	**MITIGATION & CONTROLS:**	**MITIGATION & CONTROLS:**
» Implementation of the Cyber Security and Cyber Risk Management Framework and Policies. » Patch Management. » Network segmentation. » Employee training and awareness programmes. » Encryption of sensitive data. » Periodic Security Assessments. » Cyber security monitoring. » Endpoint protections monitoring, timely updates, and incident detection.	» Establishment of Risk Management and Sustainability Committee to drive the Sustainability Agenda in SDB. » Training and awareness on ESG to staff. » Collaborate with external consultant for gap analysis and improvements.	» Observance of good project management methodology. » Manage and collaborate with all stakeholders e.g. contractors, consultants, authorities etc. » Annual performance evaluation of partners.	» Monitor media, publications etc. » Maintain good rapport with local media practitioners to reduce negative exposure.

Climate-Related Risks and Opportunities

The Group in moving towards fulfilling the requirements of the National Sustainability Reporting Framework ("NSRF") has identified several climate-related risks and opportunities. Details of these are in the Sustainability Statement of this Annual Report.

Emerging Risks

Geopolitical uncertainty especially with its effect on fuel prices has been identified as an emerging risk towards our ongoing projects and the risk remains in our radar.

KEY ELEMENTS OF INTERNAL CONTROL AT SDB:

- **Terms of Reference ("TOR")**
  Clear definition of the TOR, i.e. functions, authorities and responsibilities of the various committees of Senior Management and the Board have been established.

- **Organisational Structure and Accountability Levels**
  An organisational structure with clear reporting lines of responsibility is in place. Delegation of authority and key business functions of the Group are centralised, to ensure accountability and quick impartment of risk management strategies. This includes the setting up of the RMSC and appointing all Heads of Departments as Risk and Compliance Officer ("RCO") in their respective departments in ensuring accountability.

Statement On Risk Management And Internal Control
(cont'd)

- **Limits of Authority ("LOA")**
  The LOA 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. The LOA document is subject to periodical reviews 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, as well as reviewed and updated periodically to meet changing business, operational needs and 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 projects are monitored via frequent scheduled site visits by the relevant teams, regular site meetings with the contractors and deployment of fulltime staff on site. Monthly project site reports are presented to management for review. Further, external certification/standards such as the Building Quality Assessment System ("BuildQAS") standards 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. Anti-Bribery and Anti-Corruption ("ABAC") Policy as well as the Whistleblowing Policy is also in place.

- **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. Testing is also conducted at least twice annually.

- **Internal Audit**
  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 on a half-yearly basis for the financial year. 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 Tender Committee comprising selected members of the Senior Management. 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.

- **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.

- **Quality, Environmental, Safety and Health**
  The Group is committed to the quality of the Group's products, protection of the natural environment and the safety and health of staff and stakeholders. SDB places importance in complying with all relevant Acts in ensuring procedures are in place and assets and resources are well protected.

Internal Audit independently reviews the ERM framework and internal control systems to provide the Audit Committee with sufficient assurance that these are effective to address the risks identified. No significant findings have been identified; while opportunities for improvements are planned to be implemented with an agreed upon timeline.

COMMENTARY

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, employees' 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 evolve 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 BY MANAGEMENT

In line with the Guidelines, the **Group Managing Director and Group General Manager** 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

Pursuant to Paragraph 15.23 of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia, the External Auditors have reviewed this Statement for inclusion in the Annual Report for the Fiscal Year-End 2026, and reported to the Board that nothing has come to their attention that causes them to believe that the Statement is not prepared, in all material respects, in accordance with disclosure required by Section 7 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Companies, nor is the Statement 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	265,916	67,100
Review of Statement on Risk Management and Internal Control	3,000	3,000
Total	**268,916**	**70,100**

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 2026.

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.

7. Disclosure Of Financial Data For Shariah Screening

Pursuant to Paragraph 9.25A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the following financial data is disclosed for the purpose of Shariah screening by the Shariah Advisory Council of the Securities Commission Malaysia.

(A) Group Total Income and Total Asset

	Group	
Total Income	**2026 RM**	**2025 RM**
Revenue	173,865	375,954
Interest Income	650	548
Other Income	27,079	39,019
Total	**201,594**	**415,521**
Total Assets	**1,376,126**	**1,495,733**

Other Corporate Disclosure
(cont'd)

(B) Business Activities

Shariah Non-Compliant Activities	**Remarks**	**Group 2026 RM'000**	**Group 2025 RM'000**
Rental income	Conventional account	327	302
Hotel operation		-	174
Total		**327**	**476**

(C) Component of Financial Position

(i) Cash component

		Group			
		Islamic Account/ Instruments		**Conventional Account Instruments**	
	Remarks	**2026 RM'000**	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
Short-term deposits		-	-	9,472	7,221
Cash at bank (exclude cash in hand)		-	-	50,071	44,703
Other cash equivalents	Cash in hand	-	-	36	41
Total		**-**	**-**	**59,579**	**51,965**

(ii) Debt Component

		Group			
		Islamic Financing		**Conventional Borrowing**	
	Remarks	**2026 RM'000**	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
Current					
Term loans		-	-	-	11,674
Hire purchase payables		-	-	-	-
Non-Current					
Term loans		-	-	84,195	80,000
Hire purchase payables		-	-	-	-
Total		**-**	**-**	**84,195**	**91,674**

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 2026.

(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 Listing Requirements.

(B) MEETING AND ATTENDANCE

The Audit Committee met on five (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	5/5
Members	Mr Eddy Chieng Ing Huong	5/5
	Puan Selma Enolil Binti Mustapha Khalil	5/5

The Managing Director, Group General Manager and Head of Finance 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 three of total meetings to table the internal audit reports, internal audit progress reports and annual audit plan. The External Auditors, 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.

Audit Committee Report
(cont'd)

(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 Bursa Securities Main Market Listing Requirements ("Listing Requirements").

(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 Axcelasia Sdn Bhd.

The activities of the Internal Auditors during the financial year ended 31 March 2026 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 three Audit Committee meetings held during the financial year ended 31 March 2026; 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.

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 2026.

PRINCIPAL ACTIVITIES

The Company is principally involved in property leasing, investment holding and provision of management services. The principal activities of the subsidiaries are mainly property development, hotel operator, investment holding, property support and management services, trading and installation of energy efficient products, property investment and corporate social responsibility initiatives that offer support and create job opportunities for neurodivergent individuals, retail sales of handmade products. Further details of the subsidiaries are disclosed in Note 7 to the financial statements.

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
(Loss)/Profit for the financial year	(41,065)	6,128
(Loss)/Profit attributable to:		
- equity holders of the Company	(41,065)	6,128

DIVIDENDS

Dividends paid, declared or proposed by the Company since the end of the previous financial year were as follows:

	Company RM'000
In respect of financial year ended 31 March 2025:	
First and final single tier dividend of 3.0 sen per ordinary share, was paid on 14 October 2025	12,784

The Directors recommend a single-tier dividend of 3.0 sen per ordinary share of approximately RM12,783,830 in respect of the financial year ended 31 March 2026, which is subject to the approval of shareholders at the forthcoming Annual General Meeting. The financial statements for the financial year ended 31 March 2026 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 2027.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than those presented in the consolidated statement of changes in equity.

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
Selma Enolil Binti Mustapha Khalil
Boh Boon Chiang

Subsidiaries of Selangor Dredging Berhad

Teh Lip Kim
Loong Ching Hong
Eddy Chieng Ing Huong
Wee Meng Seng Aloysius

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 1.4.2025	**Bought**	**Sold**	**Balance as at 31.3.2026**
Shares in the Company				
Teh Lip Kim				
- direct	100,569,796	9,597,000	-	110,166,796
- indirect	158,551,456	-	9,597,000	148,954,456

By virtue of her interests in the ordinary shares of the Company, Teh Lip Kim 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 and of its related corporations during the financial year.

Directors' Report
(cont'd)

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.

There were no arrangements during and at the end of the financial year, to which the Company is a party, which had the object of enabling 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	83	40
- Salaries and other emoluments	1,002	501
	1,085	541
Non-Executive Directors' remuneration:		
- Fees	238	192
- Other emoluments	8	8
Total	1,331	741

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 provision for doubtful debts and had satisfied themselves that there were no known bad debts to be written off and that adequate provision 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.

(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 provision 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.

Directors' Report
(cont'd)

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND SUBSEQUENT TO THE END OF REPORTING PERIOD

(a) On 28 May 2025, SDB Properties Sdn. Bhd. ("SDBP"), a wholly owned subsidiary of the Company has subscribed additional 124,999 new ordinary shares in Champsworth Development Sdn. Bhd. ("CDSB") at an issue price of RM1.00 per ordinary share for cash consideration of RM124,999.

Following the subscription, SDBP continues to hold 50% equity interest in CDSB.

(b) On 18 June 2025, SDB Inclusion Sdn. Bhd. ("SDI"), a wholly owned subsidiary of the Company has undertaken a capital reduction of its existing issued and paid-up share capital via cancellation of 9,000,000 shares of RM1.00 each. Pursuant to the capital reduction, SDI's issued and paid-up share capital was reduced from RM10,000,000 to RM1,000,000 comprising 1,000,000 ordinary shares of RM1.00 each. As a result of the capital reduction exercise, the cost of investment of the Company in SDI decreased by RM9,000,000.

(c) On 5 August 2025 and 12 February 2026, Champsworth Development Pte. Ltd. ("CD"), a joint venture of the Group has undertaken a capital reduction of its existing issued and paid-up share capital via cancellation of 20,000,000 shares of SGD1.00 each. Pursuant to the capital reduction, CD's issued and paid-up share capital was reduced from SGD71,820,000 to SGD51,820,000 comprising 51,820,000 ordinary shares of SGD1.00 each. As a result of the capital reduction exercise, the cost of investment of the Company in CD decreased by RM26,436,000.

(d) On 29 September 2025, the Company has redeemed 57,000,000 Non-Cumulative Redeemable Preference Shares ("NCRPS") in SDB International Sdn. Bhd. ("SDBI") at the total redemption amount of RM57,000,000. The consideration for the redemption amounted to RM57,000,000 was satisfied by way of contra against amount due to SDBI.

(e) On 21 November 2025, SDB Mining Sdn. Bhd. ("SDBM"), a wholly owned subsidiary of the Company has subscribed 3,420,000 Non-Cumulative Non-Convertible Redeemable Preference Shares from an associate, Extra Diligent Sdn. Bhd. at a total consideration sum of RM3,420,000 by way of capitalisation an equivalent amount due by an associate.

(f) On 15 December 2025, SDBM has subscribed the ordinary shares of a newly incorporated company, Steadfast Strategic Sdn. Bhd. ("SSSB") with an issued and paid-up share capital of RM3,786, which comprising 3,786 ordinary shares.

Following the subscription, SSSB became an associate of the Group.

(g) On 23 December 2025, the Company has redeemed 70,000,000 NCRPS in SDBP at the total redemption amount of RM70,000,000, , which was satisfied by cash payment.

(h) On 13 January 2026, SDB Subang Development Sdn. Bhd., a wholly owned subsidiary of the Group has entered into a Sale and Purchase Agreement with Hectare Square Sdn. Bhd. for the acquisition of a parcel of freehold commercial land together with the building erected thereon for a purchase consideration of RM63,000,000. The purchase consideration is to be satisfied through a combination of cash consideration amounting to RM1,890,000, a contra arrangement involving unsold properties of the Group with an aggregate value of RM12,600,000, bank borrowings amounting to RM42,204,000, and the remaining balance of RM6,306,000 through existing contractual settlement arrangements.

The acquisition has yet to be completed as at the date of this report.

(i) On 24 April 2026, SDBI has redeemed 11,300,000 NCRPS in SDBM at the total redemption amount of RM11,300,000, which was satisfied by cash payment.

(j) On 28 April 2026, the Company has redeemed 12,000,000 NCRPS in SDBI at the total redemption amount of RM12,000,000, which was satisfied by cash payment.

(k) On 20 May 2026, SDBP has entered into a lease agreement with Kin Hotel KL City Centre Sdn. Bhd. for the lease of Hotel Maya Kuala Lumpur and related premises for an initial term of ten (10) years commencing from 1 July 2026 or such later date as may be mutually agreed by the parties.

The monthly base rental is RM750,000 for the first five years and RM780,000 for the subsequent five years of the initial lease term.

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 2026 were as follows:

	Company RM'000	Subsidiaries RM'000
Statutory audit	67	192
Non-statutory audit	3	7
	70	199

Signed on behalf of the Board in accordance with a resolution of the Directors dated 29 July 2026.

Eddy Chieng Ing Huong
Director

Teh Lip Kim
Director

Kuala Lumpur
29 July 2026

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 113 to 185 have been drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting 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 2026 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,

Eddy Chieng Ing Huong
Director

Teh Lip Kim
Director

Kuala Lumpur
29 July 2026

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 113 to 185 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 29 July 2026)

Loong Ching Hong
Group General Manager

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 2026 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 material accounting policy information, as set out on pages 113 to 185.

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 2026, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards ("MFRSs"), IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing ("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"), as applicable to audits of financial statements of public interest entities 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.

<u>Group level</u>

1. 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 RM124.54 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.

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;

Independent Auditors' Report
To The Members of Selangor Dredging Berhad
(Incorporated in Malaysia) (cont'd)

Key Audit Matters (continued)

1. Property development revenue recognition (continued)

Audit response **(continued)**

(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.

2. Impairment assessment of the carrying amount of investments in associates

As at 31 March 2026, the carrying amount of the Group's investments in associates amounted to RM171.88 million as disclosed in Note 8 to the financial statements.

We determined this to be a key audit matter because it requires management to exercise significant judgements and estimates on key assumptions in determining the recoverable amount of the associates. For Extra Diligent Sdn. Bhd. ("EDSB"), the recoverable amount was determined using an expected cash flow approach based on probability-weighted scenarios. For Fortress Minerals Limited ("FML"), the recoverable amount was determined based on value-in-use calculations. Significant assumptions applied in the assessment include forecast gross profit margin and the determination of an appropriate pre-tax discount rate. For EDSB, the assessment also involves judgement over assumptions relating to the continuation of mining operations and renewal of mining leases.

Audit response

Our audit procedures included the following:

(i) Evaluated the reasonableness of key assumptions used in management's impairment assessment, including assumptions relating to future business performance and, where applicable, the continuation of mining operations and renewal of mining leases;

(ii) Compared cash flow forecast against recent performance, and assessed and compared the key assumptions in forecasts to available external industry sources of data, where applicable;

(iii) Verified forecasted gross profit margin to support the key assumptions applied in the impairment assessment;

(iv) Evaluated pre-tax discount rate used by the management for the associates to the weighted average cost of capital of the associate and relevant risk factors; and

(v) Performed sensitivity analysis of our own to stress test the key assumptions in the impairment model.

<u>Company level</u>

1. Recoverability of amounts owing by subsidiaries

As at 31 March 2026, the amounts owing by subsidiaries, net of impairment losses of RM12.51 million, were RM340.16 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.

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, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group 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 ability of the Group and of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the 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 ability of the Group or of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the 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.

Independent Auditors' Report

To The Members of Selangor Dredging Berhad
(Incorporated in Malaysia) (cont'd)

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

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

(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) Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current 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

Tan Wei Chuan
03900/09/2027 J
Chartered Accountant

Kuala Lumpur
29 July 2026

Statements of Financial Position
as at 31 March 2026

		Group		Company	
		2026	2025	2026	2025
	Note	RM'000	RM'000	RM'000	RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	3	249,996	261,433	6,420	6,708
Inventories	5	123,067	120,489	-	-
Investment properties	6	87,429	82,404	2,305	2,305
Investments in subsidiaries	7	-	-	328,590	464,718
Investments in associates	8	171,876	161,683	-	-
Investments in joint ventures	9	79,455	123,708	-	-
Intangible assets	10	381	401	-	-
Amounts owing by subsidiaries	15	-	-	313	998
Amount owing by an associate	16	54	3,149	-	-
Deferred tax assets	11	7,863	8,885	-	-
		720,121	762,152	337,628	474,729
Current assets					
Inventories	5	405,748	401,457	-	-
Contract assets	12	33,587	222,168	-	-
Trade receivables	13	57,328	23,159	-	-
Other receivables, deposits and prepayments	14	17,825	14,995	257	233
Amounts owing by subsidiaries	15	-	-	339,845	343,742
Amount owing by an associate	16	10	-	-	-
Amounts owing by joint ventures	17	2	38	1	26
Current tax assets		9,089	8,863	-	-
Deposits and short term funds	18	82,309	18,157	63,314	670
Cash and bank balances	19	50,107	44,744	2,748	1,180
		656,005	733,581	406,165	345,851
TOTAL ASSETS		1,376,126	1,495,733	743,793	820,580

Statements of Financial Position

as at 31 March 2026 (cont'd)

	Note	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 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	21	97,517	94,843	3,252	3,229
Exchange translation reserve	21	17,793	36,461	-	-
Other reserve	21	7,861	7,861	7,861	7,861
Retained earnings	21	471,251	523,488	412,567	419,223
TOTAL EQUITY		807,963	876,194	637,221	643,854
LIABILITIES					
Non-current liabilities					
Bank borrowings	22	102,445	102,125	18,250	22,125
Lease liabilities	4	6,211	7,048	1,878	2,129
Deferred tax liabilities	11	17,256	16,215	445	438
		125,912	125,388	20,573	24,692
Current liabilities					
Trade payables	23	73,518	57,924	-	-
Other payables and accruals	24	37,423	30,552	730	732
Amounts owing to subsidiaries	15	-	-	11,603	77,934
Amounts owing to joint ventures	17	47,043	82,649	-	9
Bank borrowings	22	282,875	321,821	72,875	72,875
Current tax liabilities		555	433	540	253
Lease liabilities	4	837	772	251	231
		442,251	494,151	85,999	152,034
TOTAL LIABILITIES		568,163	619,539	106,572	176,726
TOTAL EQUITY AND LIABILITIES		1,376,126	1,495,733	743,793	820,580

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

Statements of Profit or Loss

for the Financial Year Ended 31 March 2026

		Group		Company	
	Note	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Revenue	25	173,865	375,954	90	90
Cost of sales	26	(171,344)	(316,393)	(35)	(30)
Gross profit		2,521	59,561	55	60
Other income		27,729	39,567	28,482	146,545
Selling and distribution expenses		(9,427)	(4,905)	-	-
Administrative and general expenses		(41,434)	(40,069)	(8,389)	(8,824)
Other expenses		(6,346)	(9,253)	-	-
Net reversal of impairment losses/ (impairment losses) on financial assets and contract assets		320	978	(2,628)	(156)
Share of profit of joint ventures and associates, net of tax		8,938	3,024	-	-
Finance costs	27	(17,945)	(19,198)	(7,257)	(13,819)
(Loss)/Profit before tax	28	(35,644)	29,705	10,263	123,806
Tax expense	30	(5,421)	(7,782)	(4,135)	(2,352)
(Loss)/Profit for the financial year		(41,065)	21,923	6,128	121,454
(Loss)/Profit for the financial year attributable to:					
- equity holders of the Company		(41,065)	21,923		
Basic (loss)/earning per share (sen)	31	(9.64)	5.14		
Diluted (loss)/earning per share (sen)	31	(9.64)	5.14		

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

Statements of Comprehensive Income

for the Financial Year Ended 31 March 2026

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
(Loss)/Profit for the financial year	(41,065)	21,923	6,128	121,454
Other comprehensive (loss)/income, net of tax:				
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of foreign operation	(30,267)	(15,748)	-	-
Share of other comprehensive income of an associate	11,599	4,950	-	-
Reclassified to profit or loss:				
Currency translation difference on return of capital from a joint venture	-	(10,510)	-	-
Items that will not be reclassified subsequently to profit or loss:				
Revaluation surplus on property, plant and equipment	4,286	-	23	-
Total comprehensive (loss)/income for the financial year	(55,447)	615	6,151	121,454

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

Consolidated Statement of Changes in Equity

for the Financial Year Ended 31 March 2026

		Non-distributable		Distributable		
Group 2026	**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**
Balance as at 1 April 2025	213,541	94,843	36,461	7,861	523,488	876,194
Loss for the financial year	-	-	-	-	(41,065)	(41,065)
Other comprehensive income/(loss) for the financial year, net of tax	-	4,286	(18,668)	-	-	(14,382)
Transfer of revaluation reserve to retained earnings upon disposal of property, plant and equipment	-	(1,612)	-	-	1,612	-
Total comprehensive income/(loss) for the financial year	-	2,674	(18,668)	-	(39,453)	(55,447)
Transaction with owners						
Dividends paid	-	-	-	-	(12,784)	(12,784)
Balance as at 31 March 2026	213,541	97,517	17,793	7,861	471,251	807,963
Group 2025						
Balance as at 1 April 2024	213,541	94,843	57,769	7,861	514,349	888,363
Profit for the financial year	-	-	-	-	21,923	21,923
Other comprehensive loss for the financial year, net of tax	-	-	(10,798)	-	-	(10,798)
Currency translation difference on return of capital from a joint venture	-	-	(10,510)	-	-	(10,510)
Total comprehensive (loss)/income for the financial year	-	-	(21,308)	-	21,923	615
Transaction with owners						
Dividends paid	-	-	-	-	(12,784)	(12,784)
Balance as at 31 March 2025	213,541	94,843	36,461	7,861	523,488	876,194

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

Statement of Changes in Equity

for the Financial Year Ended 31 March 2026

		Non-distributable	← Distributable	→	
Company 2026	**Share capital RM'000**	**Revaluation reserve RM'000**	**Other reserve RM'000**	**Retained earnings RM'000**	**Total equity RM'000**
Balance as at 1 April 2025	213,541	3,229	7,861	419,223	643,854
Profit for the financial year	-	-	-	6,128	6,128
Other comprehensive income for the financial year, net of tax	-	23	-	-	23
Total comprehensive income for the financial year	-	23	-	6,128	6,151
Transaction with owners					
Dividends paid	-	-	-	(12,784)	(12,784)
Balance as at 31 March 2026	213,541	3,252	7,861	412,567	637,221
Company 2025					
Balance as at 1 April 2024	213,541	3,229	7,861	310,553	535,184
Profit for the financial year	-	-	-	121,454	121,454
Other comprehensive income for the financial year, net of tax	-	-	-	-	-
Total comprehensive income for the financial year	-	-	-	121,454	121,454
Transaction with owners					
Dividends paid	-	-	-	(12,784)	(12,784)
Balance as at 31 March 2025	213,541	3,229	7,861	419,223	643,854

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

Statements of Cash Flows

for the Financial Year Ended 31 March 2026

		Group		Company	
	Note	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES					
(Loss)/Profit before tax		(35,644)	29,705	10,263	123,806
Adjustments for:					
Bad debts written off		-	450	-	-
Dividend income	28	-	-	(2,300)	(126,420)
Distribution income from short term fund	28	(178)	(22)	(134)	(9)
Depreciation of property, plant and equipment		6,451	6,860	403	411
Fair value loss/(gain) on investment properties	6	42	(9,120)	-	(205)
Finance costs	27	17,945	19,198	7,257	13,819
Gain on disposal of property, plant and equipment		(587)	-	(73)	-
Gain on capital reduction exercised by a joint venture		(5,453)	-	-	-
Impairment losses on:					
- amounts owing by subsidiaries	36(c)	-	-	2,628	156
- amount owing by an associate	36(c)	-	208	-	-
- trade receivables	36(c)	-	11	-	-
- other receivables	36(c)	-	9	-	-
- investment in a subsidiary	7(b)	-	-	128	-
- investment in a joint venture	9	-	1,000	-	-
Interest income		(646)	(536)	(17,505)	(17,414)
Property, plant and equipment written off		1,879	89	-	-
Reversal of impairment losses on:					
- amounts owing by joint ventures	36(c)	-	(910)	-	-
- amount owing by an associate	36(c)	(271)	-	-	-
- trade receivables	36(c)	(49)	(296)	-	-
Share of profit of associates		(12,195)	(5,431)	-	-
Share of loss of joint ventures	9(c)	3,257	2,407	-	-
Unrealised gain on foreign exchange	28	(800)	(6,958)	-	-
Inventories written off	28	-	46	-	-
Operating (loss)/profit before working capital changes		(26,249)	36,710	667	(5,856)
Changes in inventories		(4,291)	(59,405)	-	-
Changes in receivables		(36,950)	28,126	(24)	(33)
Changes in payables		23,022	19,738	(2)	(35)
Changes in contract assets and contract liabilities		188,581	(27,253)	-	-
Cash generated from/(used in) operations		144,113	(2,084)	641	(5,924)

Statements of Cash Flows

for the Financial Year Ended 31 March 2026 (cont'd)

		Group		Company	
	Note	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Cash generated from/(used in) operations		144,113	(2,084)	641	(5,924)
Dividend received from a joint venture		-	34,690	-	-
Dividend received from an associate		2,338	3,109	-	-
Tax paid		(11,310)	(15,307)	(4,305)	(1,912)
Tax refunded		6,494	2,475	457	1,232
Net cash generated from/(used in) operating activities		141,635	22,883	(3,207)	(6,604)
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of property, plant and equipment	3	(3,708)	(2,594)	(85)	(113)
Additions of investment properties	6	(5,067)	(2,056)	-	-
Additional investment in a joint venture	9	(125)	-	-	-
Additional investment in an associate	8(d)	(4)	-	-	-
Purchase of land held for development	5(a)(i)	(2,578)	(7,397)	-	-
Proceeds from disposal of property, plant and equipment		12,879	3	73	3
Proceeds from capital reduction exercised by a joint venture	9	-	6,294	-	-
Redemption of non-cumulative redeemable preference shares in a subsidiary	7(d)(iii)	-	-	70,000	-
Distribution income received		178	22	134	9
Advances to subsidiaries		-	-	(92,700)	(75,531)
Repayments from subsidiaries		-	-	94,654	40,000
Repayments from joint ventures		36	7,050	25	18
Advances to an associate		(64)	-	-	-
Interest received		646	536	17,505	17,414
Net movement in deposits pledged with licensed bank for more than 3 months		(2,796)	(50)	-	-
Net cash (used in)/from investing activities		(603)	1,808	89,606	(18,200)
CASH FLOWS FROM FINANCING ACTIVITIES					
Drawdown of bank borrowings		32,994	186,028	-	-
Net repayments of bank borrowings		(71,426)	(157,179)	(3,875)	(6,500)
Dividend paid	38	(12,784)	(12,784)	(12,784)	(12,784)
Interest paid		(17,534)	(18,746)	(4,813)	(5,326)
(Repayments to)/Advances from joint ventures		(3,459)	15,917	(9)	9
Advances from subsidiaries		-	-	11,300	67,019
Repayments to subsidiaries		-	-	(11,646)	(17,403)
Payments of lease liabilities		(1,183)	(1,198)	(360)	(360)
Net cash (used in)/from financing activities		(73,392)	12,038	(22,187)	24,655

	Note	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 RM'000
Net increase/(decrease) in cash and cash equivalents		67,640	36,729	64,212	(149)
Cash and cash equivalents at beginning of financial year		60,628	37,301	1,460	1,609
Effect of exchange rate changes		(921)	(13,402)	-	-
Cash and cash equivalents at end of financial year		127,347	60,628	65,672	1,460
Represented by:					
Deposits	18	9,472	7,221	390	390
Short term funds	18	72,837	10,936	62,924	280
Cash and bank balances	19	50,107	44,744	2,748	1,180
		132,416	62,901	66,062	1,850
Less: Amount pledged as security for bank guarantee facility					
- deposits	18	(3,137)	(390)	(390)	(390)
Deposits more than 3 months		(1,932)	(1,883)	-	-
		127,347	60,628	65,672	1,460

RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	Group: Amounts owing to joint ventures (Note 17) RM'000	Group: Lease liabilities (Note 4) RM'000	Group: Bank borrowings (Note 22) RM'000
At 1 April 2024	73,565	8,566	395,364
Cash flows	15,917	(1,198)	10,103
Non-cash flows:			
- Exchange difference	(6,833)	-	(267)
- Interest expense	-	452	18,746
At 31 March 2025/1 April 2025	82,649	7,820	423,946
Cash flows	(3,459)	(1,183)	(55,966)
Non-cash flows:			
- Capital reduction exercised by a joint venture	(31,889)	-	-
- Exchange difference	(258)	-	(194)
- Interest expense	-	411	17,534
At 31 March 2026	47,043	7,048	385,320

Statements of Cash Flows

for the Financial Year Ended 31 March 2026 (cont'd)

RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES (continued)

	Company			
	Amounts owing to subsidiaries (Note 15) RM'000	**Amounts owing to joint ventures (Note 17) RM'000**	**Lease liabilities (Note 4) RM'000**	**Bank borrowings (Note 22) RM'000**
At 1 April 2024	146,387	-	2,578	101,500
Cash flows	49,616	9	(360)	(11,826)
Non-cash flows:				
- Dividend income	(126,420)	-	-	-
- Interest expense	8,351	-	142	5,326
At 31 March 2025/1 April 2025	77,934	9	2,360	95,000
Cash flows	(346)	(9)	(360)	(8,688)
Non-cash flows:				
- Capital reduction in a subsidiary	(9,000)	-	-	-
- Dividend income	(2,300)	-	-	-
- Interest expense	2,315	-	129	4,813
- Redemption of non-cumulative redeemable preference shares	(57,000)	-	-	-
At 31 March 2026	11,603	-	2,129	91,125

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

Notes to the Financial Statements
31 March 2026

1. BASIS OF PREPARATION

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

The consolidated financial statements for the financial year ended 31 March 2026 comprise the Company and its subsidiaries and the interests of the Group in associates and joint ventures. These 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.

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), IFRS Accounting Standards 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.

2. ADOPTION OF NEW MFRSs AND AMENDMENTS TO MFRSs

2.1 Amendments to MFRSs adopted during the financial year

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

Title	**Effective Date**
Amendments to MFRS 121 *Lack of Exchangeability*	1 January 2025

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

2.2 New MFRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2026

The following are Standards and Amendments 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**
Amendments to MFRS 9 and MFRS 7 *Amendments to the Classification and Measurement of Financial Instruments*	1 January 2026
Amendments to MFRS 9 and MFRS 7 *Contracts Referencing Nature-dependent Electricity*	1 January 2026
Annual Improvements to MFRS Accounting Standards - Volume 11	1 January 2026
MFRS 18 *Presentation and Disclosure in Financial Statements*	1 January 2027
MFRS 19 *Subsidiaries without Public Accountability: Disclosures*	1 January 2027
Amendments to MFRS 19 *Subsidiaries without Public Accountability: Disclosures*	1 January 2027
Amendments to MFRS 121 *Translation to a Hyperinflationary Presentation Currency*	1 January 2027
Amendments to MFRS 10 and MFRS 128 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	Deferred

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.

Notes to the Financial Statements
31 March 2026 (cont'd)

3. PROPERTY, PLANT AND EQUIPMENT

Group 2026	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	Capital work in progress (Owned) RM'000	Total RM'000
At 1 April 2025									
- *cost*	-	-	18,824	42	2,891	58,714	119	-	80,590
- *valuation*	199,000	31,094	-	-	-	-	-	-	230,094
	199,000	31,094	18,824	42	2,891	58,714	119	-	310,684
Additions - *cost*	-	-	-	-	1,093	1,592	-	1,023	3,708
Write off - *cost*	-	-	-	-	-	(6,545)	-	-	(6,545)
Disposal - *cost*	-	-	(6,564)	-	(2,218)	(1,702)	-	-	(10,484)
Disposal - *valuation*	-	(5,700)	-	-	-	-	-	-	(5,700)
Lease termination	-	-	-	-	-	-	(18)	-	(18)
Adjustment on revaluation	(4,760)	(880)	-	-	-	-	-	-	(5,640)
Revaluation surplus	4,760	880	-	-	-	-	-	-	5,640
Reclassification	-	-	-	-	-	530	-	(530)	-
Foreign exchange adjustments	-	-	(156)	-	-	(20)	-	-	(176)
At 31 March 2026									
- *cost*	-	-	12,104	42	1,766	52,569	101	493	67,075
- *valuation*	199,000	25,394	-	-	-	-	-	-	224,394
	199,000	25,394	12,104	42	1,766	52,569	101	493	291,469

3. PROPERTY, PLANT AND EQUIPMENT (continued)

Group 2026	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	Capital work in progress (Owned) RM'000	Total RM'000
Accumulated depreciation									
At 1 April 2025									
- *cost*	-	-	4,863	42	2,891	38,403	119	-	46,318
- *valuation*	2,379	554	-	-	-	-	-	-	2,933
	2,379	554	4,863	42	2,891	38,403	119	-	49,251
Charge for the year									
- *cost*	-	-	1,032	-	122	2,385	-	-	3,539
- *valuation*	2,381	531	-	-	-	-	-	-	2,912
Write off - *cost*	-	-	-	-	-	(4,666)	-	-	(4,666)
Disposal - *cost*	-	-	(295)	-	(2,218)	(1,174)	-	-	(3,687)
Disposal - *valuation*	-	(205)	-	-	-	-	-	-	(205)
Lease termination	-	-	-	-	-	-	(18)	-	(18)
Adjustment on revaluation	(4,760)	(880)	-	-	-	-	-	-	(5,640)
Foreign exchange adjustments	-	-	(5)	-	-	(8)	-	-	(13)
At 31 March 2026									
- *cost*	-	-	5,595	42	795	34,940	101	-	41,473
- *valuation*	-	-	-	-	-	-	-	-	-
	-	-	5,595	42	795	34,940	101	-	41,473
Carrying amount									
At 31 March 2026							-		
- *cost*	-	-	6,509	-	971	17,629	-	493	25,602
- *valuation*	199,000	25,394	-	-	-	-	-	-	224,394
	199,000	25,394	6,509	-	971	17,629	-	493	249,996
The carrying value of revalued assets stated under the historical cost convention									
At 31 March 2026	37,620	19,393	-	-	-	-	-	-	57,013

Notes to the Financial Statements
31 March 2026 (cont'd)

3. PROPERTY, PLANT AND EQUIPMENT (continued)

Group 2025	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 2024								
- *cost*	-	-	19,217	42	2,891	59,748	119	82,017
- *valuation*	199,000	31,094	-	-	-	-	-	230,094
	199,000	31,094	19,217	42	2,891	59,748	119	312,111
Additions - *cost*	-	-	-	-	-	2,594	-	2,594
Write off - *cost*	-	-	-	-	-	(3,567)	-	(3,567)
Disposal - *cost*	-	-	-	-	-	(5)	-	(5)
Foreign exchange adjustments	-	-	(393)	-	-	(56)	-	(449)
At 31 March 2025								
- *cost*	-	-	18,824	42	2,891	58,714	119	80,590
- *valuation*	199,000	31,094	-	-	-	-	-	230,094
	199,000	31,094	18,824	42	2,891	58,714	119	310,684
Accumulated depreciation								
At 1 April 2024								
- cost	-	-	3,805	42	2,891	39,050	119	45,907
- *valuation*	-	-	-	-	-	-	-	-
	-	-	3,805	42	2,891	39,050	119	45,907
Charge for the year								
- *cost*	-	-	1,069	-	-	2,858	-	3,927
- valuation	2,379	554	-	-	-	-	-	2,933
Write off - *cost*	-	-	-	-	-	(3,478)	-	(3,478)
Disposal - *cost*	-	-	-	-	-	(2)	-	(2)
Foreign exchange adjustments	-	-	(11)	-	-	(25)	-	(36)
At 31 March 2025								
- *cost*	-	-	4,863	42	2,891	38,403	119	46,318
- *valuation*	2,379	554	-	-	-	-	-	2,933
	2,379	554	4,863	42	2,891	38,403	119	49,251

3. PROPERTY, PLANT AND EQUIPMENT (continued)

Group 2025	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 amount								
At 31 March 2025								
- *cost*	-	-	13,961	-	-	20,311	-	34,272
- *valuation*	196,621	30,540	-	-	-	-	-	227,161
	196,621	30,540	13,961	-	-	20,311	-	261,433
The carrying value of revalued assets stated under the historical cost convention								
At 31 March 2025	38,679	23,274	-	-	-	-	-	61,953

Company 2026	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 2025						
- *cost*	-	3,583	798	4,902	25	9,308
- *valuation*	4,150	-	-	-	-	4,150
	4,150	3,583	798	4,902	25	13,458
Additions - *cost*	-	-	-	71	-	71
Adjustment on revaluation	(30)	-	-	-	-	(30)
Revaluation surplus	30	-	-	-	-	30
Transfer in - *cost*	-	-	-	14	-	14
Disposal - *cost*	-	-	(790)	(142)	-	(932)
At 31 March 2026						
- *cost*	-	3,583	8	4,845	25	8,461
- *valuation*	4,150	-	-	-	-	4,150
	4,150	3,583	8	4,845	25	12,611
Accumulated depreciation						
At 1 April 2025						
- *cost*	-	1,328	798	4,584	25	6,735
- *valuation*	15	-	-	-	-	15
	15	1,328	798	4,584	25	6,750

Notes to the Financial Statements
31 March 2026 (cont'd)

3. PROPERTY, PLANT AND EQUIPMENT (continued)

Company 2026	**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**
Charge for the year						
- *cost*	-	294	-	94	-	388
- *valuation*	15	-	-		-	15
Adjustment on revaluation	(30)	-	-	-	-	(30)
Disposal - *cost*	-	-	(790)	(142)	-	(932)
At 31 March 2026						
- *cost*	-	1,622	8	4,536	25	6,191
- *valuation*	-	-	-	-	-	-
	-	1,622	8	4,536	25	6,191
Carrying amount						
At 31 March 2026						
- *cost*	-	1,961	-	309	-	2,270
- *valuation*	4,150	-	-	-	-	4,150
	4,150	1,961	-	309	-	6,420
The carrying value of revalued assets stated under the historical cost convention						
At 31 March 2026	1,833	-	-	-	-	1,833

3. PROPERTY, PLANT AND EQUIPMENT (continued)

Company 2025	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 2024						
- *cost*	-	3,583	798	4,794	25	9,200
- *valuation*	4,150	-	-	-	-	4,150
	4,150	3,583	798	4,794	25	13,350
Additions - *cost*	-	-	-	113	-	113
Disposal - *cost*	-	-	-	(5)	-	(5)
At 31 March 2025						
- *cost*	-	3,583	798	4,902	25	9,308
- *valuation*	4,150	-	-	-	-	4,150
	4,150	3,583	798	4,902	25	13,458
Accumulated depreciation						
At 1 April 2024						
- *cost*	-	1,034	798	4,484	25	6,341
- *valuation*	-	-	-	-	-	-
	-	1,034	798	4,484	25	6,341
Charge for the year						
- *cost*	-	294	-	102	-	396
- *valuation*	15	-	-	-	-	15
Disposal - *cost*	-	-	-	(2)	-	(2)
At 31 March 2025						
- *cost*	-	1,328	798	4,584	25	6,735
- *valuation*	15	-	-	-	-	15
	15	1,328	798	4,584	25	6,750
Carrying amount						
At 31 March 2025						
- *cost*	-	2,255	-	318	-	2,573
- *valuation*	4,135	-	-	-	-	4,135
	4,135	2,255	-	318	-	6,708
The carrying value of revalued asset stated under the historical cost convention						
At 31 March 2025	1,866	-	-	-	-	1,866

Notes to the Financial Statements
31 March 2026 (cont'd)

3. PROPERTY, PLANT AND EQUIPMENT (continued)

(a) All items of property, plant and equipment ("PPE") (excluded right-of-use assets) are initially measured at cost. Cost includes expenditure that is directly attributable to the acquisition of the asset. After initial recognition, property, plant and equipment are stated at cost less any accumulated depreciation and impairment losses.

(b) Freehold land has unlimited useful life and is not depreciated. Depreciation on other property, plant and equipment is calculated to write off the cost of the assets to their residual values on a straight line basis over their estimated useful lives. The principal annual depreciation rates are as follows:

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

Capital work-in-progress included in property, plant and equipment are not depreciated as these asset are not yet available for use.

(c) 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 2026. 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.

(d) 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 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.

(e) As at the end of the reporting period, the freehold hotel property and leasehold properties of the Group with a total carrying amount of RM199,000,000 and RM4,547,000 (2025: RM196,621,000 and RM5,229,000) respectively have been pledged as securities for the bank borrowings as disclosed in Note 22 to the financial statements.

(f) The fair value of the freehold hotel property, freehold land and buildings reflect the highest and best use of the said properties should the properties be disposed. Currently, management does not intend to dispose of the properties and the existing use of the properties remain for business operations purposes.

4. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

The Group as lessee

Right-of-use assets

Right-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 1.4.2025 RM'000	Lease disposal RM'000	Depreciation RM'000	Foreign exchange adjustments RM'000	Balance as at 31.3.2026 RM'000
Buildings	13,961	(6,269)	(1,032)	(151)	6,509
Office equipment	-	-	-	-	-
	13,961	(6,269)	(1,032)	(151)	6,509

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

The Company as lessee (continued)

Right-of-use assets (continued)

Right-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). (continued)

Carrying amount	Balance as at 1.4.2024 RM'000	Depreciation RM'000	Foreign exchange adjustments RM'000	Balance as at 31.3.2025 RM'000
Buildings	15,412	(1,069)	(382)	13,961
Office equipment	-	-	-	-
	15,412	(1,069)	(382)	13,961

Lease liabilities

Carrying amount	Balance as at 1.4.2025 RM'000	Lease payments RM'000	Interest expense RM'000	Balance as at 31.3.2026 RM'000
Buildings	7,820	(1,183)	411	7,048
Office equipment	-	-	-	-
	7,820	(1,183)	411	7,048

Carrying amount	Balance as at 1.4.2024 RM'000	Lease payments RM'000	Interest expense RM'000	Balance as at 31.3.2025 RM'000
Buildings	8,566	(1,198)	452	7,820
Office equipment	-	-	-	-
	8,566	(1,198)	452	7,820

The Company as lessee

Right-of-use assets

Right-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 1.4.2025 RM'000	Depreciation RM'000	Balance as at 31.3.2026 RM'000
Buildings	2,255	(294)	1,961
Office equipment	-	-	-
	2,255	(294)	1,961

Notes to the Financial Statements
31 March 2026 (cont'd)

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

The Company as lessee (continued)

Right-of-use assets (continued)

Right-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). (continued)

Carrying amount	Balance as at 1.4.2024 RM'000	Depreciation RM'000	Balance as at 31.3.2025 RM'000
Buildings	2,549	(294)	2,255
Office equipment	-	-	-
	2,549	(294)	2,255

Lease liabilities

Carrying amount	Balance as at 1.4.2025 RM'000	Lease payments RM'000	Interest expense RM'000	Balance as at 31.3.2026 RM'000
Buildings	2,360	(360)	129	2,129
Office equipment	-	-	-	-
	2,360	(360)	129	2,129

Carrying amount	Balance as at 1.4.2024 RM'000	Lease payments RM'000	Interest expense RM'000	Balance as at 31.3.2025 RM'000
Buildings	2,578	(360)	142	2,360
Office equipment	-	-	-	-
	2,578	(360)	142	2,360

	Group		Company	
Represented by:	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Current liabilities	837	772	251	231
Non-current liabilities	6,211	7,048	1,878	2,129
	7,048	7,820	2,129	2,360
Lease liabilities owing to non-financial institutions	7,048	7,820	2,129	2,360

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

(a) 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.

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

(b) 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	6 to 9 years
Office equipment	5 years

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

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

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

	Group		Company	
	2026 RM'000	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
Depreciation charge of right-of-use assets (included in administration expense)	1,032	1,069	294	294
Interest expense on lease liabilities (included in finance costs)	411	452	129	142
Expense relating to short-term leases (included in administration expenses)	138	48	-	-
Expense relating to leases of low-value assets (included in administration expenses)	129	68	7	6
	1,710	1,637	430	442

(e) The following are total cash outflows for leases as a lessee:

	Group		Company	
	2026 RM'000	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
Included in net cash from operating activities:				
Payment relating to short-term leases and leases of low-value assets	267	116	7	6
Included in net cash from financing activities:				
Payment of lease liabilities	1,183	1,198	360	360
	1,450	1,314	367	366

Notes to the Financial Statements
31 March 2026 (cont'd)

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

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

	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
Group						
31 March 2026						
Fixed rates						
Lease liabilities	5.40 - 5.73	837	927	3,572	1,712	7,048
31 March 2025						
Fixed rates						
Lease liabilities	3.33 - 5.73	772	837	3,316	2,895	7,820
Company						
31 March 2026						
Fixed rates						
Lease liabilities	5.73	251	279	1,339	260	2,129
31 March 2025						
Fixed rates						
Lease liabilities	5.73	231	251	1,245	633	2,360

(g) 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:

	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
Group				
31 March 2026				
Lease liabilities	1,204	5,471	1,788	8,463
31 March 2025				
Lease liabilities	1,183	5,363	3,100	9,646
Company				
31 March 2026				
Lease liabilities	366	1,942	266	2,574
31 March 2025				
Lease liabilities	360	1,909	665	2,934

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

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 one (1) 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	
	2026 RM'000	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
Year 1	3,098	2,740	54	90
Year 2	1,402	1,616	-	54
Year 3	419	434	-	-
	4,919	4,790	54	144

5. INVENTORIES

		Group	
	Note	**2026 RM'000**	**2025 RM'000**
Non-current assets			
Land held for property development			
At cost	(a)(i)	123,067	120,489
Current assets			
Property development costs ("PDC")			
At cost	(a)(ii)	313,923	295,472
Completed development properties			
At cost		31,630	45,979
At net realisable value		60,101	59,907
		91,731	105,886
Consumables			
At cost		94	99
		405,748	401,457
Total inventories		528,815	521,946
Inventories recognised in profit or loss as cost of sales		22,680	16,405

Notes to the Financial Statements
31 March 2026 (cont'd)

5. INVENTORIES (continued)

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

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

Group	Balance as at 1.4.2025 RM'000	Additions RM'000	Balance as a 31.3.2026 RM'000
Carrying amount			
Freehold land	82,538	83	82,621
Development costs	37,951	2,495	40,446
	120,489	2,578	123,067

	Balance as at 1.4.2024 RM'000	Additions RM'000	Transfer to PDC RM'000	Balance as at 31.3.2025 RM'000
Carrying amount				
Freehold land	151,069	119	(68,650)	82,538
Development costs	44,896	7,278	(14,223)	37,951
	195,965	7,397	(82,873)	120,489

(ii) Current assets - Property development costs

	Group 2026 RM'000	2025 RM'000
At 1 April 2025/2024	295,472	141,874
Costs incurred during the year:		
- Freehold land at cost	782	308
- Leasehold land at cost	42	99,113
- Development costs	160,389	267,443
	161,213	366,864
Cost recognised as an expense in profit or loss in current year	(134,552)	(296,139)
Cost transferred from land held for development	-	82,873
Cost transferred to completed development properties	(8,210)	-
At 31 March 2026/2025	313,923	295,472

5. INVENTORIES (continued)

(b) All inventories are stated at 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 the estimated costs necessary to make the sale.

(c) 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.

(d) Property development costs consist of costs of land, direct materials, direct labour, other direct costs, attributable overheads and payments to subcontractors which meet the definition of inventories are recognised as an asset. 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 point in time.

(e) Completed development properties consist of cost associated with the acquisition of land, including all related costs incurred subsequent to the acquisition necessary to prepare the land for its intended use, related development costs to projects, direct buildings costs and other costs of bringing the inventories to their present location and condition.

(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*.

(g) As at the end of the reporting period, land held for property development with carrying amount of RM51,564,000 (2025: RM25,358,000) were pledged to licensed bank to secure the bank borrowings as disclosed in Note 22 to the financial statements.

(h) Included in property development costs above is land with carrying amount of RM168,567,000 (2025: RM167,848,000) which were pledged to licensed bank to secure the bank borrowings referred to in Note 22 to the financial statements.

(i) Included in land held for property development and property development costs is borrowing costs of RM3,315,000 (2025: RM5,981,000) incurred during the financial year. The interest rate ranges from 4.72% to 5.23% (2025: 3.60% to 5.28%) per annum.

Notes to the Financial Statements
31 March 2026 (cont'd)

6. INVESTMENT PROPERTIES

	Group		Company	
	2026 RM'000	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
At 1 April 2025/2024	82,404	71,228	2,305	2,100
Additions	5,067	2,056	-	-
Fair value adjustments	(42)	9,120	-	205
At 31 March 2026/2025	87,429	82,404	2,305	2,305
Comprise:				
Freehold land and buildings				
Office space in a 24-storey office building known as Plaza 138	3,227	3,227	2,305	2,305
Commerial kiosk located at The Hub SS2	2,708	2,708	-	-
Commerial building located at Batu Ferringhi	11,000	11,000	-	-
Commercial office lots located at Sqwhere, Sungai Buloh	52,414	52,189	-	-
Commercial space located at Sqwhere, Sungai Buloh	13,280	13,280	-	-
Serviced apartment units located at Sqwhere, Sungai Buloh	4,800	-	-	-
	87,429	82,404	2,305	2,305

(a) Investment properties are properties which are held to earn rental yields or for capital appreciation or for both and are not occupied by the Group and by the Company. Investment properties are initially measured at cost, including transaction costs. After 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 fair values of investment properties are included in profit or loss in the period in which they arise.

(b) The amounts of rental income and direct operating expenses recognised on revenue generating investment properties during the financial year are disclosed in Notes 25 and 28 to the financial statements respectively.

(c) The fair values of the investment properties at 31 March 2026 are based on a valuation carried out by Solid Real Estate Consultants 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.

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 and of the Company 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.

7. INVESTMENTS IN SUBSIDIARIES

	Company 2026 RM'000	2025 RM'000
Unquoted shares at cost		
- ordinary shares	14,768	23,768
- non-cumulative redeemable preference shares	322,000	449,000
	336,768	472,768
Impairment losses	(8,178)	(8,050)
	328,590	464,718

(a) Investments in subsidiaries, which are eliminated on consolidation, are stated in the separate financial statements of the Company at cost less impairment losses, if any. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

(b) Management reviews the investments in subsidiaries for impairment when there is an indication of impairment. Recoverable amounts of the investments in subsidiaries are assessed by reference to the fair value less costs to sell of the underlying assets or the value in use of the respective subsidiaries. Impairment losses are made when the carrying amount of the investments in subsidiaries exceed its recoverable amounts.

During the financial year, impairment loss of RM128,000 has been recognised to bring the carrying amount to its recoverable amount due to decline in operations of a subsidiary of the Company.

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

	Equity interest Direct 2025 %	Direct 2024 %	Indirect 2025 %	Indirect 2024 %	Country of incorporation/ Principal place of business	Principal activities
SDB Properties Sdn. Bhd. ("SDBP")	100.00	100.00	-	-	Malaysia	Property development and the operation of a boutique urban resort hotel known as Hotel Maya Kuala Lumpur
Prestij Permai Sdn. Bhd. ("PPSB")	-	-	100.00	100.00	Malaysia	Property development
Hayat Abadi Sdn. Bhd. ("HASB")	-	-	100.00	100.00	Malaysia	Property development
SDB Damansara Sdn. Bhd. ("SDBD")	-	-	100.00	100.00	Malaysia	Property development
SDB SS2 Development Sdn. Bhd. ("SDBSS2")	-	-	100.00	100.00	Malaysia	Property development
SDB Ampang Sdn. Bhd. ("SDBA")	-	-	100.00	100.00	Malaysia	Property development
Crescent Consortium Sdn. Bhd. ("CCSB")	-	-	100.00	100.00	Malaysia	Property development
SDB Subang Development Sdn. Bhd. ("SDBSU")	-	-	100.00	100.00	Malaysia	Property development

Notes to the Financial Statements
31 March 2026 (cont'd)

7. INVESTMENTS IN SUBSIDIARIES (continued)

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

	Equity interest				**Country of incorporation/ Principal place of business**	**Principal activities**
	Direct		**Indirect**			
	2025 %	**2024 %**	**2025 %**	**2024 %**		
SDB Inclusion Sdn. Bhd. ("SDI")	100.00	100.00	-	-	Malaysia	Corporate social responsibility initiatives that offer support and create job opportunities for neurodivergent individuals, retail sales of handmade products and property development
SDB International Sdn. Bhd. ("SDBI")	100.00	100.00	-	-	Malaysia	Investment holding
SDB Interiors Sdn. Bhd. ("SDBINT")	100.00	100.00	-	-	Malaysia	Provision of property support services
SDB Property Management Sdn. Bhd. ("SDBPM")	-	-	100.00	100.00	Malaysia	Provision of property Sdn. Bhd. management services
SDB Property Services Sdn. Bhd. ("SDBPS")	-	-	100.00	-	Malaysia	Provision of property Sdn. Bhd. management services
SDB Management Services Sdn. Bhd. (Formerly known as SDB Host Sdn. Bhd.) ("SDBMS")	-	-	100.00	100.00	Malaysia	Provision of property management services
SuperGreen Solutions Sdn. Bhd. ("SGS")	100.00	100.00	-	-	Malaysia	Trading and installation of energy efficient products
SDB Mining Sdn. Bhd. ("SDBM")	100.00	100.00	-	-	Malaysia	Investment holding
SDB Asia Pte. Ltd. ("SDBAS")*	-	-	100.00	100.00	Singapore	Investment in property and property development
SDB Green Energy Pte. Ltd. ("SDBGE")*	-	-	100.00	100.00	Singapore	Master Franchisee of energy efficient products

* *Subsidiaries not audited by BDO PLT*

7. INVESTMENTS IN SUBSIDIARIES (continued)

(d) During the financial year ended 31 March 2026:

(i) On 18 June 2025, SDI, a wholly owned subsidiary of the Company has undertaken a capital reduction of its existing issued and paid-up share capital via cancellation of 9,000,000 shares of RM1.00 each. Pursuant to the capital reduction, SDI's issued and paid-up share capital was reduced from RM10,000,000 to RM1,000,000 comprising 1,000,000 ordinary shares of RM1.00 each. As a result of the capital reduction exercise, the cost of investment of the Company in SDI decreased by RM9,000,000.

(ii) On 29 September 2025, the Company has redeemed 57,000,000 Non-Cumulative Redeemable Preference Shares ("NCRPS") in SDBI at the total redemption amount of RM57,000,000. The consideration for the redemption amounted to RM57,000,000 was satisfied by way of contra against amount due to SDBI.

(iii) On 23 December 2025, the Company has redeemed 70,000,000 NCRPS in SDBP at the total redemption amount of RM70,000,000, which was satisfied by cash payment.

8. INVESTMENTS IN ASSOCIATES

	Company	
	2026 RM'000	**2025 RM'000**
Quoted equity shares, at cost	74,034	74,034
Unquoted equity shares, at cost	13,424	10,000
Group's share of post-acquisition reserves	105,320	96,213
Dividend received	(20,902)	(18,564)
	171,876	161,683

The associates are as follows:

	Equity interest Indirect 2026 %	Equity interest Indirect 2025 %	Country of incorporation/ Principal place of business	Principal activities
Fortress Minerals Limited ("FML")*	29.61	29.61	Singapore	Investment holding
Extra Diligent Sdn. Bhd. ("EDSB")*	45.00	45.00	Malaysia	Acquisition of mines, mining rights, metalliferous land and quarries, and dealings in minerals
Steadfast Strategic Sdn. Bhd. ("SSSB")*	37.86	-	Malaysia	Investment holding

* *Associates not audited by BDO PLT*

Notes to the Financial Statements
31 March 2026 (cont'd)

8. INVESTMENTS IN ASSOCIATES (continued)

(a) Investments in associates are accounted for using equity method in the consolidated financial statements.

(b) 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 2026/28 February 2025 have been used and appropriate adjustments have been made for the effects of significant transactions between 1 March 2026/2025 and 31 March 2026/2025.

(c) On 21 November 2025, SDBM, a wholly owned subsidiary of the Company had subscribed 3,420,000 Non-Cumulative Non-Convertible Redeemable Preference Shares from an associate, EDSB at a total consideration sum of RM3,420,000 by way of capitalisation an equivalent amount due by an associate.

(d) Impairment testing on investment in EDSB

Included within the Group's investment in associates is EDSB, whose principal activity is the undertaking of mining-related operations as mining contractor/operator for mining lease holder of another Company. The recoverability of the Group's investment in EDSB is dependent upon the commercial extraction of mineral resources within the mining areas covered under mining leases. The mining leases are scheduled to expire between July 2026 and February 2027. Prior to the expiry dates, applications for renewal of the mining leases were submitted to the relevant authorities and were under consideration as at the date of approval of these financial statements.

The Directors have assessed the carrying amount of the investment by taking into consideration, amongst others, the status of the renewal applications, continuing engagement with the relevant authorities, progress of the environmental impact assessment process, available geological information and the expected future economic benefits to be derived from the mining operations.

Management has performed an impairment assessment to determine the recoverable amount of the investment based on value-in-use calculations. In performing the impairment assessment, the Group adopted the probability-weighted cash flow approach due to possible outcomes of the CGU's performance arising from the status of the renewal of the mining leases. The probability-weighted cash flow approach uses all expectations about possible cash flows, instead of the single most likely cash flow.

The value-in-use calculations are prepared using cash flow forecasts from approved financial budgets and forecasts with the following key assumptions:

(i) The probability-weighted of the renewal of the mining leases is 50% and non-renewal of the mining leases is 50%;

(ii) Cash flow projections covering a period of seven (7) years, taking into account the life-of-mine;

(iii) Pre-tax discount rate of 7.10%;

(iv) The gross profit margin for year 1 at 0%, year 2 to year 7 ranged from 46.68% to 50.46% are determined based on the management's estimate of its mineral resources and future production levels, taking into account the life-of-mine plans and exploration reports reviewed by Joint Ore Reserves Committee ("JORC") competent person; and

(v) The average realized selling price projected are based on historical S&P Global Commodity Platts Price for iron concentrate with adjustment to account for prices applied to the local market.

Based on the assessment performed, the directors are of the opinion that no impairment loss is required as at 31 March 2026.

(e) Impairment testing on investment in FML

FML is a public listed company in Singapore. The fair value of Group's interest in FML as at 31 March 2026 is RM111,760,000 (2025: RM118,235,000). Management has performed an impairment assessment to determine the recoverable amount of the investment based on value-in-use calculations.

The value-in-use calculations are prepared using cash flow forecasts from approved financial budgets and forecasts with the following key assumptions:

(i) Cash flow projections covering periods of eight (8) to ten (10) years, taking into account the life-of-mine;

8. INVESTMENTS IN ASSOCIATES (continued)

(e) Impairment testing on investment in FML (continued)

(ii) Pre-tax discount rate of 7.10%;

(iii) The gross profit margin ranged from 47.67% to 62.31% are determined based on the management's estimate of its mineral resources and future production levels, taking into account the life-of-mine plans and JORC reports; and

(iv) The average realized selling price projected are based on historical S&P Global Commodity Platts Price for iron concentrate and LME Copper Price for copper concentrate with adjustment to account for prices applied to the local market.

Based on the assessment performed, the directors are of the opinion that no impairment loss is required as at 31 March 2026.

(f) On 15 December 2025, SDBM has subscribed the ordinary shares of a newly incorporated company, SSSB with an issued and paid-up share capital of RM3,786, which comprising 3,786 ordinary shares.

Following the subscription, SSSB became an associate of the Group.

(g) Summarised financial information of material associates are as follows:

2026	**FML RM'000**	**EDSB RM'000**
Assets and liabilities		
Non-current assets	389,522	7,055
Current assets	144,171	751
Non-current liabilities	(54,485)	-
Current liabilities	(104,446)	(226)
Net assets	374,762	7,580
Results		
Revenue	270,038	-
Cost of sales	(113,228)	-
Gross profit	156,810	-
Other operating income	6,421	32
Selling and distribution expenses	(33,092)	-
Administrative and general expenses	(6,652)	(8)
Other operating expenses	(61,914)	
Share of losses of associates	(525)	
Finance cost	(2,479)	
Profit/(Loss) before tax	58,569	24
Tax expense	(17,393)	-
Profit/(Loss) for the financial year	41,176	24
Loss attributable to non-controlling interests	(13)	-
Profit/(Loss) attributable to owners of the associate	41,163	24

Notes to the Financial Statements

31 March 2026 (cont'd)

8 INVESTMENTS IN ASSOCIATES (continued)

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

2026	FML RM'000	EDSB RM'000
Other comprehensive income for the financial year	39,173	-
Share of profit/(loss) by the Group for the financial year	12,188	11
Share of other comprehensive income by the Group for the financial year	11,599	-
Dividend received	2,338	-

2025	FML RM'000	EDSB RM'000
Assets and liabilities		
Non-current assets	326,159	7,022
Current assets	132,948	758
Non-current liabilities	(36,904)	-
Current liabilities	(70,283)	(7,823)
Net assets	351,920	(43)
Results		
Revenue	254,877	-
Cost of sales	(104,413)	-
Gross profit	150,464	-
Other operating income	4,110	-
Selling and distribution expenses	(28,725)	-
Administrative and general expenses	(5,958)	(9)
Other operating expenses	(69,755)	-
Finance cost	(2,709)	-
Profit/(Loss) before tax	47,427	(9)
Tax expense	(21,150)	-
Profit/(Loss) for the financial year	26,277	(9)
Loss attributable to non-controlling interests	(439)	-
Profit/(Loss) attributable to owners of the associate	25,838	(9)
Other comprehensive income for the financial year	16,719	-

8 INVESTMENTS IN ASSOCIATES (continued)

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

2025	FML RM'000	EDSB RM'000
Share of profit/(loss) by the Group for the financial year	7,651	(4)
Adjustment on prior year effect on dilution of interest	(2,216)	-
Share of profit/(loss) of associates, net of tax	5,435	(4)
Share of other comprehensive income by the Group for the financial year	4,950	-
Dividend received	3,109	-

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

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

	Group 2026	
	FML RM'000	EDSB RM'000
Net assets/(liabilities) attributable to shareholders of associates	374,762	7,580
Proportion of ownership interest held by the Group	29.61%	45.00%
Group's share of net assets/(liabilities)	110,967	3,411
Goodwill	47,537	9,964
Elimination of consolidation adjustments	-	(3)
Carrying value of Group's interest in associates	158,504	13,372

	Group 2025	
	FML RM'000	EDSB RM'000
Net assets/(liabilities) attributable to shareholders of associates	351,920	(43)
Proportion of ownership interest held by the Group	29.61%	45.00%
Group's share of net assets/(liabilities)	104,204	(19)
Goodwill	47,537	9,964
Elimination of consolidation adjustments	-	(3)
Carrying value of Group's interest in associates	151,741	9,942

Notes to the Financial Statements
31 March 2026 (cont'd)

8 INVESTMENTS IN ASSOCIATES (continued)

(i) The summarised aggregate financial information of the Group's share of other individually immaterial associate as at 31 March is as follows:

	Group	
	2026 RM'000	**2025 RM'000**
Net loss for the financial year	(69)	-
Total comprehensive loss	(69)	-
Share of loss for the financial year	(4)	-
Unrecognised share of loss for the financial year	(22)	-
Carrying amount of unrecognised share of loss	(22)	-

9. INVESTMENTS IN JOINT VENTURES

	Group	
	2026 RM'000	**2025 RM'000**
Unquoted shares, at cost	68,622	96,308
Group's share of post-acquisition reserves	40,925	44,182
Foreign exchange adjustments	20,050	34,735
Impairment losses	-	(1,375)
Dividend received	(50,142)	(50,142)
	79,455	123,708

(a) Investments in joint ventures are accounted for using equity method in the consolidated financial statements.

(b) The details of the joint ventures are as follows:

	Equity interest Indirect		Country of incorporation/ Principal place of business	Principal activities
	2026 %	**2025 %**		
Chedstone Investment Holdings Pte. Ltd. ("CHI")*	50.00	50.00	Singapore	Property development
Champsworth Development Pte. Ltd. ("CD")*	50.00	50.00	Singapore	Property development
Northen Radiants Sdn. Bhd. ("NRSB")*	-	50.00	Malaysia	Contractor for building and project management service
Champsworth Development Sdn. Bhd. ("CDSB")	50.00	50.00	Malaysia	Property development
Subsidiary of CD				
Tiara Land Pte. Ltd. ("TLPL")*	50.00	50.00	Singapore	Property development

* *Joint ventures not audited by BDO PLT*

9. INVESTMENTS IN JOINT VENTURES (continued)

(c) Reconciliation of net assets to carrying amount as at the end of each reporting period:

	Group	
	2026 RM'000	**2025 RM'000**
Carrying amount in the statement of financial position	79,455	123,708
Group's share of loss, net of tax	(3,257)	2,407

(d) In the previous financial year, the Group recognised an impairment loss of RM1,000,000 in profit or loss in relation to investment in a joint venture due to continuing losses and depleting shareholders' funds. The recoverable amount of the cost of investment in a joint venture was based on its fair value less costs of disposal ("FVLCD"). The adjusted net assets of the joint venture was used as a proxy for its recoverable amount based on FVLCD, which was categorised as Level 3 in the fair value hierarchy.

(e) In the previous financial year, the Group has entered into a Share Sale Agreement with Tan Kooi Woon for disposal of 1,375,000 ordinary shares in NRSB, representing 50% equity interest in NRSB for a cash consideration of RM1. The transaction has been completed on 18 June 2025.

Following the completion of the disposal, the Group derecognised its investment in NRSB, including the accumulated impairment losses of RM1,375,000 recognised in prior years.

(f) In the previous financial year, a special resolution was approved by the members of CHI at the Extraordinary General Meeting held on 19 September 2024 for the share capital reduction from 3,800,000 ordinary shares to 100 ordinary shares. Following the completion of the share capital reduction, the Group received cash consideration of RM6,294,000 and continued to hold 50% equity interest in CHI.

(g) In the previous financial year, SDBP and Teh Wan Sang & Sons Sdn. Berhad incorporated a joint venture company, known as CDSB with paid-up share capital of RM2 comprising 2 ordinary shares.

(h) On 28 May 2025, SDBP has subscribed additional 124,999 new ordinary shares in CDSB at an issue price of RM1.00 per ordinary share for cash consideration of RM124,999. Following the subscription, SDBP continues to hold 50% equity interest in CDSB.

(i) On 5 August 2025 and 12 February 2026, CD, a joint venture of the Group has undertaken a capital reduction of its existing issued and paid-up share capital via cancellation of 20,000,000 shares of SGD1.00 each. Pursuant to the capital reduction, CD's issued and paid-up share capital was reduced from SGD71,820,000 to SGD51,820,000 comprising 51,820,000 ordinary shares of SGD1.00 each. As a result of the capital reduction exercise, the cost of investment of the Company in CD decreased by RM26,436,000.

(j) Summarised financial information of material joint ventures are as follows:

2026	**CHI RM'000**	**CD and its subsidiary RM'000**	**CDSB RM'000**
Assets and liabilities			
Non-current assets	-	61,893	184,123
Current assets	163	133,719	4,229
Non-current liabilities	-	-	(193,000)
Current liabilities	-	(36,866)	(482)
Net assets/(liabilities)	163	158,746	(5,130)
Proportion of the ownership of the Group	50.00%	50.00%	50.00%
Carrying amount of the investments in joint ventures	82	79,373	-

Notes to the Financial Statements

31 March 2026 (cont'd)

9. INVESTMENTS IN JOINT VENTURES (continued)

(j) Summarised financial information of material joint ventures are as follows (continued):

2026	CHI RM'000	CD and its subsidiary RM'000	CDSB RM'000
Results			
Revenue	-	-	-
Cost of sales	-	4,767	-
Gross profit	-	4,767	-
Other operating income	-	(1,051)	204
Selling and distribution expenses	-	602	-
Other expenses	(1)	2,240	-
Administrative and general expenses	(31)	(3,582)	(5,510)
Finance cost	-	(1,088)	-
(Loss)/Profit before tax	(32)	1,888	(5,306)
Taxation	127	(3,190)	(2)
Profit/(Loss) for the financial year	95	(1,302)	(5,308)
Share of profit/(loss) by the Group for the financial year	48	(651)	(2,654)
Dividend received	-	-	

2025	CHI RM'000	CD and its subsidiary RM'000	CDSB RM'000
Assets and liabilities			
Non-current assets	-	2,405	57,035
Current assets	128	301,103	28,232
Non-current liabilities	-	-	(43,000)
Current liabilities	(55)	(56,092)	(42,340)
Net assets/(liabilities)	73	247,416	(73)
Proportion of the ownership of the Group	50.00%	50.00%	50.00%
Carrying amount of the investments in joint ventures	37	123,708	(37)

9. INVESTMENTS IN JOINT VENTURES (continued)

(j) Summarised financial information of material joint ventures are as follows (continued):

2025 (continued)	CHI RM'000	CD and its subsidiary RM'000	CDSB RM'000
Results			
Revenue	-	24,451	-
Cost of sales	-	(17,841)	-
Gross profit	-	6,610	-
Other operating income	520	3,242	80
Selling and distribution expenses	-	(2,343)	-
Other expenses	3	26	-
Administrative and general expenses	(172)	(8,627)	(172)
Finance cost	-	(4,136)	-
Profit/(Loss) before tax	351	(5,228)	(92)
Taxation	100	57	-
Profit/(Loss) for the financial year	451	(5,171)	(92)
Share of profit/(loss) by the Group for the financial year	226	(2,586)	(47)
Dividend received	34,690	-	-

(k) The summarised aggregate financial information of the Group's share of other individually immaterial joint ventures as at 31 March are as follows:

	Group	
	2026 RM'000	2025 RM'000
Net profit for the financial year	-	1,576
Total comprehensive profit	-	1,576
Unrecognised share of profit for the financial year	-	788
Carrying amount of unrecognised share of loss	-	(158)

Notes to the Financial Statements
31 March 2026 (cont'd)

10. INTANGIBLE ASSETS

	Group	
	2026 **RM'000**	**2025** **RM'000**
Franchise licenses		
Cost		
As at 1 April 2025/2024	611	635
Foreign exchange adjustments	(20)	(24)
At 31 March 2026/1 April 2025	591	611
Accumulated amortisation		
At 31 March 2026/1 April 2025/31 March 2024	210	210
Carrying amount	381	401

(a) Intangible assets are initially measured at cost. After initial recognition, intangible assets are carried at cost less accumulated amortisation and any accumulated impairment losses.

(b) Franchise license is amortised on a straight line basis over a period of twenty four (24) years.

11. DEFERRED TAX

(a) The deferred tax are made up of the following:

	Group		Company	
	2026 **RM'000**	**2025** **RM'000**	**2026** **RM'000**	**2025** **RM'000**
As at 1 April 2025/2024	(7,330)	(10,056)	(438)	(418)
Recognised in profit or loss (Note 30)	(709)	2,726	-	(20)
Recognised in other comprehensive income (Note 30)	(1,354)	-	(7)	-
As at 31 March 2026/2025	(9,393)	(7,330)	(445)	(438)
Represented by:				
Deferred tax assets, net	7,863	8,885	-	-
Deferred tax liabilities, net	(17,256)	(16,215)	(445)	(438)
	(9,393)	(7,330)	(445)	(438)

11. DEFERRED TAX (continued)

(b) The components of the Group's and the Company's deferred tax assets/(liabilities) are as follows:

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Deferred tax assets:				
Tax effect of unutilised tax losses	6,661	7,195	-	-
Other temporary differences	2,520	2,835	-	-
Deferred tax assets (before offsetting)	9,181	10,030	-	-
Offsetting	(1,318)	(1,145)	-	-
Deferred tax assets (after offsetting)	7,863	8,885	-	-
Deferred tax liabilities:				
Recognised in profit or loss:				
Tax effects of fair value gain on investment properties subject to real property gain tax	(991)	(688)	(20)	(20)
Other temporary differences	(1)	65	-	-
Recognised in other comprehensive income:				
Tax effects of revaluation gain on PPE	(17,582)	(16,737)	(425)	(418)
Deferred tax liabilities (before offsetting)	(18,574)	(17,360)	(445)	(438)
Offsetting	1,318	1,145	-	-
Deferred tax liabilities (after offsetting)	(17,256)	(16,215)	(445)	(438)

(c) 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		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Unutilised tax losses				
- no expiry date	15,083	15,015	-	-
- expires by 31 March 2028	8,972	8,972	-	-
- expires by 31 March 2029	14,462	14,462	-	-
- expires by 31 March 2030	24,732	24,732	-	-
- expires by 31 March 2031	16,636	13,132	-	-
- expires by 31 March 2032	15,385	15,385	-	-
- expires by 31 March 2033	8,636	8,636	-	-
- expires by 31 March 2034	17,084	17,084	-	-
- expires by 31 March 2035	28,323	28,323	-	-
- expires by 31 March 2036	48,635	-	-	-
Unabsorbed capital allowances	45,779	44,812	-	-
Other deductible temporary differences	40,449	38,009	9,827	7,157
	284,176	228,562	9,827	7,157

Deferred tax assets of the Company and certain subsidiaries have not been recognised in respect of these items as it is not probable that future taxable profits of the Company and its subsidiaries would be available against which the deductible temporary differences could be utilised.

11. DEFERRED TAX (continued)

(c) (continued)

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 and foreign tax authorities. Unutilised tax losses of the holding company and 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

	Group	
	2026 RM'000	**2025 RM'000**
Revenue recognised in profit or loss to date	2,347,415	2,210,024
Progress billings to date	(2,313,828)	(1,987,856)
	33,587	222,168
Represented by:		
Contract assets		
Cost to obtain a contract	4,820	4,647
Property development contracts	28,767	217,521
	33,587	222,168

(a) Contract asset is recognised when the right to consideration of the Group is conditional after transfer of goods or services. Contract assets are transferred to receivables when the rights to economic benefits become unconditional. This usually occurs when the Group issues billing to the customer.

(b) The movements of contract assets are as follow:

	Group	
	2026 RM'000	**2025 RM'000**
At 1 April 2025/2024	222,168	194,915
Revenue recognised during the financial year	134,578	339,808
Progress billings	(323,159)	(312,555)
At 31 March 2026/2025	33,587	222,168

(c) 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 2026	28,483	88,773	117,256
31 March 2025	97,210	3,617	100,827

12. CONTRACT ASSETS (continued)

(d) Impairment for contract assets that does not contain a significant financing component are recognised based on simplified approach using the lifetime expected credit losses as disclosed in Note 13(f) to the financial statements.

(e) No expected credit loss is recognised from contract assets as it was negligible.

13. TRADE RECEIVABLES

	Group	
	2026 RM'000	2025 RM'000
Progress billings receivables	56,862	22,773
Retention sums receivables	25	-
Other trade receivables	1,157	1,151
	58,044	23,924
Less: Impairment losses (Note 36(c))	(716)	(765)
Total trade receivables	57,328	23,159

(a) Total trade receivables are classified as financial assets measured at amortised cost.

(b) 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 letter of award, which are expected to be collected as follows:

	Group	
	2026 RM'000	2025 RM'000
More than one (1) year	25	-

(c) Other trade receivables are non-interest bearing and the normal trade credit terms granted by the Group is 30 days (2025: 30 days). For major established customers, the credit terms may be extended to 60 days based on the discretion of management. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

(d) Monthly rentals from tenants were due at the beginning of the month.

(e) All trade receivables are denominated in Ringgit Malaysia.

Notes to the Financial Statements
31 March 2026 (cont'd)

13. TRADE RECEIVABLES (continued)

(f) 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.

It requires management to exercise significant judgement in determining the probability of default by trade receivables, and appropriate forward looking information.

Trade receivables are not secured by any collateral or credit enhancement. During the financial year, the Group did not renegotiate the terms of any trade receivables.

14. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Other receivables	10,674	8,315	13	17
Deposits	7,143	7,476	84	79
	17,817	15,791	97	96
Less: Impairment losses (Note 36(c))	(1,371)	(1,371)	(1)	(1)
Total other receivables	16,446	14,420	96	95
Prepayments	1,379	575	161	138
	17,825	14,995	257	233

(a) Total other receivables are classified as financial assets measured at amortised cost.

(b) The currency exposure profile of other receivables and deposits is as follows:

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
- Ringgit Malaysia ("RM")	16,380	14,344	96	95
- Singapore Dollar ("SGD")	66	76	-	-
	16,446	14,420	96	95

14. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (continued)

(c) The Group and the Company apply 3-stage approach for other receivables and intercompany balances 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 balances 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 and by the Company on terms that the Group and the Company would not consider otherwise;
(iv) It is probable that the debtor will enter bankruptcy or other financial reorganisation; and
(v) The disappearance of an active market for a security because of financial difficulties.

The Group and the Company consider 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 and the Company compare 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. The Group and the Company consider available reasonable and supportable forward looking information, and have 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 other receivables, amounts owing by subsidiaries, an associate and joint ventures and appropriate forward looking information and significant increase in credit risk.

(d) Included in other receivables is an amount of RM4,433,000 representing the balance of the purchase consideration for the acquisition of a parcel of freehold commercial land together with the building erected thereon, which will be settled through existing contractual settlement arrangements, as disclosed in Note 41 to the financial statements.

Notes to the Financial Statements
31 March 2026 (cont'd)

15. AMOUNTS OWING BY/(TO) SUBSIDIARIES

(a) The amounts owing by subsidiaries consist of the following:

	Company	
	2026 RM'000	**2025 RM'000**
Non-current assets		
Interest bearing advances	9,849	7,996
	9,849	7,996
Less: Impairment losses	(9,536)	(6,998)
	313	998
Current assets		
Interest-free advances	1,765	1,999
Interest bearing advances	341,050	344,623
	342,815	346,622
Less: Impairment losses	(2,970)	(2,880)
	339,845	343,742
Total amounts owing by subsidiaries	340,158	344,740

Amounts owing by subsidiaries are unsecured, which represent interest-free advances, or interest bearing advances at a fixed rate of 5.25% (2025: 5.50%) per annum. Current amounts owing by subsidiaries are repayable within 12 months (2025: 12 months) in cash and cash equivalents, while non-current amounts owing by subsidiaries are not repayable within the next twelve months.

The carrying amounts of the non-current amounts owing by subsidiaries of the Company are reasonable approximation of fair values, either due to insignificant impact of discounting or the current rate offered by the Company approximate the market rate of similar borrowing.

(b) The amounts owing to subsidiaries consist of the following:

	Company	
	2026 RM'000	**2025 RM'000**
Current liabilities		
Interest-free advances	123	406
Interest bearing advances	11,480	77,528
	11,603	77,934

Amounts owing to subsidiaries included under current liabilities represent unsecured, interest-free and interest bearing advances at a fixed rate of 5.25% (2025: 5.50%) per annum, which are payable on demand in cash and cash equivalents.

15. AMOUNTS OWING BY/(TO) SUBSIDIARIES (continued)

(c) All amounts owing by/(to) subsidiaries are classified as financial assets/(liabilities) measured at amortised costs.

(d) All amounts owing by/(to) subsidiaries are denominated in Ringgit Malaysia.

(e) Impairment for amounts owing by subsidiaries is recognised based on 3-stage general approach within MFRS 9 using the forward looking ECL model as disclosed in Note 14(c) to the financial statements.

(f) The movements in the impairment allowance for amounts owing by subsidiaries are disclosed in Note 36(c) to the financial statements.

16. AMOUNT OWING BY AN ASSOCIATE

	Group	
	2026 RM'000	**2025 RM'000**
Non-current assets		
Interest-free advances	54	3,420
Less: Impairment losses	-	(271)
	54	3,149
Current assets		
Interest-free advances	10	-
	64	3,149

(a) Amount owing by an associate is classified as financial assets measured at amortised cost.

(b) Amount owing by an associate represents advances and payments made on behalf, which are unsecured and interest-free. Current amount owing by an associate is repayable within 12 months in cash and cash equivalents, while non-current amount owing by an associate is not repayable within the next twelve months.

(c) The carrying amount of the non-current amount owing by an associate is reasonable approximation of its fair value due to the insignificant impact of discounting.

(d) The amount owing by an associate is denominated in Ringgit Malaysia.

(e) Impairment for amount owing by an associate is recognised based on 3-stage general approach within MFRS 9 using the forward looking ECL model as disclosed in Note 14(c) to the financial statements.

(f) No expected credit loss was recognised arising from amount owing by an associate as the amount was negligible.

17. AMOUNTS OWING BY/(TO) JOINT VENTURES

(a) The amounts owing by joint ventures consist of the following:

	Group		Company	
	2026 RM'000	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
Current assets				
Interest-free advances	2	38	1	26

Amounts owing by joint ventures represent advances and payments made on behalf, which are unsecured and interest-free and are repayable within 12 months (2025: 12 months) in cash and cash equivalents.

(b) The amounts owing to joint ventures consist of the following:

	Group		Company	
	2026 RM'000	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
Current liabilities				
Interest-free advances	47,043	82,649	-	9

Amounts owing to joint ventures included under current liabilities represent unsecured, non-interest bearing advances, which are payable on demand in cash and cash equivalents.

(c) All amounts owing by/(to) joint ventures are classified as financial assets/(liabilities) measured at amortised costs.

(d) The currency exposure profile of amounts owing by/(to) joint ventures is as follows:

	Group		Company	
	2026 RM'000	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
- RM	2	29	1	17
- SGD	(47,043)	(82,640)	-	-
	(47,041)	(82,611)	1	17

(e) Impairment for amounts owing by joint ventures is recognised based on 3-stage general approach within MFRS 9 using the forward looking ECL model as disclosed in Note 14(c) to the financial statements.

(f) No expected credit loss was recognised arising from amounts owing by joint ventures as the amount was negligible.

18. DEPOSITS AND SHORT TERM FUNDS

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Deposits with licensed banks	9,472	7,221	390	390
Short term funds	72,837	10,936	62,924	280
	82,309	18,157	63,314	670

(a) Deposits and short term funds are classified as financial assets measured at amortised cost and at fair value through profit or loss respectively.

(b) Deposits include the following amounts which have been pledged as security for bank guarantee facilities:

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Deposits pledged as security for bank guarantee facilities	3,137	390	390	390

(c) The effective interest rates of the deposits range from 1.10% to 2.28% (2025: 2.10% to 2.60%) per annum.

(d) Deposits of the Group and of the Company have maturities ranging from 30 days to 365 days (2025: 30 days to 365 days).

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

(f) The currency exposure profile of deposits and short term funds is as follows:

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
- RM	77,906	13,530	63,314	670
- SGD	4,403	4,627	-	-
	82,309	18,157	63,314	670

(g) The short term funds are managed and invested into money market instruments. The short term funds are readily convertible to cash. 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.

(h) The fair value of short term funds are based on quoted price of the funds at the end of the reporting period. Short term funds are categorised as Level 1 in the fair value hierarchy. There is no transfer between levels in the hierarchy during the financial year.

Notes to the Financial Statements
31 March 2026 (cont'd)

19. CASH AND BANK BALANCES

(a) Included in cash and bank balances of the Group is a balance of RM28,317,000 (2025: RM23,904,000) 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 0.86% to 1.88% (2025: 0.87% to 1.40%) 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.

(c) The currency exposure profile of cash and bank balances is as follows:

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
- RM	48,810	43,533	2,748	1,180
- SGD	1,297	1,211	-	-
	50,107	44,744	2,748	1,180

20. SHARE CAPITAL

	Group and Company	
	2026 RM'000	2025 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	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Non-distributable				
Revaluation reserve	97,517	94,843	3,252	3,229
Exchange translation reserve	17,793	36,461	-	-
	115,310	131,304	3,252	3,229
Distributable				
Other reserve	7,861	7,861	7,861	7,861
Retained earnings	471,251	523,488	412,567	419,223
	594,422	662,653	423,680	430,313

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	
	2026 RM'000	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
Secured				
Term loans	84,195	91,674	-	-
Revolving credits	196,125	237,272	41,125	45,000
Unsecured				
Revolving credits	105,000	95,000	50,000	50,000
	385,320	423,946	91,125	95,000
Repayments due within 12 months *(included under current liabilities)*	(282,875)	(321,821)	(72,875)	(72,875)
Repayments due after 12 months *(included under non-current liabilities)*	102,445	102,125	18,250	22,125

(a) Bank borrowings are classified as financial liabilities measured at amortised cost.

(b) The remaining maturities of bank borrowings as at the end of each reporting period are as follows:

	Group		Company	
	2026 RM'000	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
- not later than one (1) year	282,875	321,821	72,875	72,875
- later than one (1) year but not later than two (2) years	13,875	3,875	3,875	3,875
- later than two (2) years but not later than five (5) years	82,070	60,375	9,125	10,375
- later than five (5) years	6,500	37,875	5,250	7,875
	385,320	423,946	91,125	95,000

Notes to the Financial Statements
31 March 2026 (cont'd)

22. BANK BORROWINGS (continued)

(c) The range of interest rates per annum at the end of the reporting period for bank borrowings are as follows:

	Group		Company	
	2026	**2025**	**2026**	**2025**
Floating rates				
Term loans	4.72% - 5.84%	5.05% - 5.90%	-	-
Revolving credits	4.22% - 5.71%	4.07% - 5.73%	4.72% - 5.71%	5.17% - 5.73%

(d) The bank borrowings are secured as follows:

(i) negative pledge over the entire assets of the Company;

(ii) pledge over the freehold hotel property of the Group as indicated in Note 3 to the financial statements; and

(iii) mortgage over the leasehold properties 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.

(e) The currency exposure profile of borrowings is as follows:

	Group		Company	
	2026 RM'000	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
- RM	385,320	419,533	91,125	95,000
- SGD	-	4,413	-	-
	385,320	423,946	91,125	95,000

(f) The bank borrowings of the Group and of the Company are categorised as level 2 in the fair value hierarchy. There is no transfer between levels in the hierarchy during the financial year.

(g) The carrying amounts of the bank borrowings of the Group and of the Company are reasonable approximation of fair values due to the current rates offered to the Group and to the Company approximate the market rates of similar borrowing of the same remaining maturities.

23. TRADE PAYABLES

	Group	
	2026 RM'000	**2025 RM'000**
Contractors' claims	15,657	14,383
Retention sums	20,439	18,819
Accrued property development cost	36,953	24,270
Others	469	452
	73,518	57,924

23. TRADE PAYABLES (continued)

(a) Trade payables are classified as financial liabilities measured at amortised cost.

(b) Trade payables are interest-free and the normal credit terms extended by suppliers range from 30 to 90 days (2025: 30 to 90 days). Retention sums are payable upon the expiry of the defect liability periods of 12 to 24 months.

(c) All trade payables are denominated in Ringgit Malaysia.

24. OTHER PAYABLES AND ACCRUALS

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Other payables, deposits and accruals	35,484	28,515	563	515
Interest payable	506	541	140	190
Tenants' deposits	1,333	1,290	27	27
Deposits received from property purchasers	100	206	-	-
	37,423	30,552	730	732

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

(b) The currency exposure profile of other payables and accruals is as follows:

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
- RM	37,359	30,450	730	732
- SGD	64	102	-	-
	37,423	30,552	730	732

25. REVENUE

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Revenue from contracts with customers	173,637	375,816	-	-
Other revenue				
- Rental income	228	138	90	90
	173,865	375,954	90	90

Notes to the Financial Statements
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25. REVENUE (continued)

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Timing of revenue recognition				
Recognised over time:				
Property development:				
- sale of properties under development	124,544	338,985	-	-
Construction contracts	468	22	-	-
Management fees	2,053	1,109	-	-
Recognised at point in time:				
Rental of hotel rooms, food and beverages and other ancillary services	21,176	21,633	-	-
Property development:				
- sale of completed properties	24,634	12,380	-	-
Construction contracts	-	1,382	-	-
Retail sales of handmade products	762	305	-	-
	173,637	375,816	-	-

Revenue from contracts with customers is disaggregated in Note 35 to the financial statements by geographical area.

(a) Revenue from property development and construction contracts

Contracts with customers include multiple promises to customers and therefore accounted for as separate performance obligations. In this case, the transaction price will be allocated to each performance obligation based on the stand-alone selling prices. When these are not directly observable, they are estimated based on expected cost plus margin.

Revenue from property development and construction contracts are measured at the fixed transaction price agreed under the agreement.

Revenue is recognised as and when control of the asset is transferred to the customer and it is probable that the Group would collect the consideration to which it will be entitled in exchange for the asset that would be transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the asset may transfer over time or at a point in time. Control of the asset is transferred over time if the performance of the Group does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Revenue from sale of properties under development 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).

Revenue from construction contracts 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.

25. REVENUE (continued)

(a) Revenue from property development and construction contracts (continued)

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

Significant judgement is required in determining performance obligations, transaction price allocation, costs in applying the input method to recognise revenue over time.

The Group identifies performance obligations that are distinct and material, which is judgmental in the context of contract. Transaction prices were determined based on estimated margins prior to its allocation to the identified performance obligation. The Group also estimated total contract costs in applying the input method to recognise revenue over time.

There is no significant financing component in the revenue arising from sale of properties under development and construction contracts as the contracts are on normal credit terms not exceeding twelve months.

The Group applies the practical expedient in paragraph 121(a) of MFRS 15 and do not disclose information about performance obligations that have original expected durations of one year or less.

(b) Revenue from sale of completed properties

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.

There is no significant financing component in the revenue arising from sale of completed properties as the sales are made on the normal credit terms not exceeding twelve months.

(c) Revenue from rental of hotel rooms, food and beverages and other ancillary services

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.

(d) Revenue from retail sales of handmade products

The Company recognises revenue at a point in time for the sale of handmade products, when the control of goods or services has been transferred to the purchasers, being when the handmade products have been completed and delivered to the customers and it is probable to reflect the consideration to which it would be entitled to in exchange for the goods.

(e) Management fees

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.

(f) Rental income

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.

Notes to the Financial Statements
31 March 2026 (cont'd)

26. COST OF SALES

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Cost of property development	159,399	304,393	-	-
Cost of letting of properties	783	80	35	30
Cost of hotel services rendered	10,113	10,443	-	-
Cost of handmade products	930	247	-	-
Construction cost	119	1,230	-	-
	171,344	316,393	35	30

27. FINANCE COSTS

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Interest expenses on:				
- revolving credits	15,731	16,451	4,813	5,326
- term loans	1,803	2,295	-	-
- advances from subsidiaries	-	-	2,315	8,351
- lease liabilities	411	452	129	142
	17,945	19,198	7,257	13,819

28. (LOSS)/PROFIT BEFORE TAX

Other than those disclosed elsewhere in the financial statements, the following items have been included in arriving at (loss)/profit before tax:

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Auditors' remuneration				
- Statutory audit:				
- current year	259	238	67	61
- Non-statutory audit:				
- current year	10	10	3	3
Bad debts written off	-	450	-	-
Direct operating expenses on revenue generating investment properties	230	80	35	30
Directors' remuneration				
- fees	321	325	232	216
- other emoluments	1,010	1,582	509	794
Fair value loss on investment properties	42	-	-	-
Impairment loss on investment in a joint venture	-	1,000	-	-
Impairment loss on investment in a subsidiary	-	-	128	-
Loss on foreign exchange:				
- realised, net	-	385	-	-

28. (LOSS)/PROFIT BEFORE TAX (continued)

	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 RM'000
Property, plant and equipment written off	1,879	89	-	-
Rental of equipment	129	68	7	6
Rental of premises	138	48	-	-
Inventories written off	-	46	-	-
and crediting:				
Dividend income	-	-	2,300	126,420
Distribution income from short term fund	178	22	134	9
Fair value gain on investment properties	-	9,120	-	205
Forfeiture income from purchasers	207	163	-	-
Interest income from:				
- subsidiaries	-	-	17,497	17,404
- fixed deposits	218	341	8	10
- others	428	195	-	-
Gain on disposal of property, plant and equipment	587	-	73	-
Gain on foreign exchange:				
- realised, net	9,013	-	-	-
- unrealised, net	800	6,958	-	-
Royalty income	5,442	-	5,442	-
Rental income	4,563	3,757	-	-

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.

29. DIRECTORS' REMUNERATION

	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 RM'000
Executive Directors' remuneration:				
- Fees	83	84	40	40
- Salaries and other emoluments	1,002	1,574	501	786
	1,085	1,658	541	826
Non-Executive Directors' remuneration:				
- Fees	238	241	192	176
- Other emoluments	8	8	8	8
Total	1,331	1,907	741	1,010

Notes to the Financial Statements
31 March 2026 (cont'd)

30. TAX EXPENSE

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Malaysian tax based on results for the year				
- current	4,513	12,320	3,930	2,450
- under/(over) provision in prior years	199	(1,812)	205	(118)
Deferred tax expense/(income) (Note 11)				
- current	709	(1,674)	-	20
- over provision in prior years	-	(1,052)	-	-
	5,421	7,782	4,135	2,352

(a) The Malaysian income tax is calculated at the statutory tax rate of 24% (2025: 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) Numerical reconciliation between the tax expense and the product of accounting (loss)/profit multiplied by the applicable tax rate of the Group and of the Company are as follows:

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
(Loss)/Profit before tax	(35,644)	29,705	10,263	123,806
Less: Share of results of joint ventures and associates	(8,938)	(3,024)	-	-
Adjusted (loss)/profit before tax	(44,582)	26,681	10,263	123,806
Tax at Malaysian statutory tax rate of 24% (2025: 24%)	(10,700)	6,403	2,463	29,713
Tax effects arising from:				
- non-taxable income	(15,502)	(11,507)	(1,461)	(31,777)
- non-deductible expenses	18,420	14,966	2,287	4,452
- different tax rates in other countries	166	(48)	-	-
Change in fair value of investment properties	-	353	-	20
Reversal of deferred tax liabilities upon disposal of revalued property	(509)	-	-	-
Movements in unrecognised deferred tax assets	13,347	479	641	62
Under/(Over) provision in prior years				
- income tax	199	(1,812)	205	(118)
- deferred tax	-	(1,052)	-	-
	5,421	7,782	4,135	2,352

30. TAX EXPENSE (continued)

(d) Tax on each component of other comprehensive income are as follows:

Group 2026	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	(30,267)	-	(30,267)
Share of other comprehensive income from an associate	11,599	-	11,599
Items that will not be reclassified subsequently to profit or loss			
Revaluation surplus on property, plant and equipment	5,640	(1,354)	4,286

Group 2025	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	(15,748)	-	(15,748)
Share of other comprehensive income from an associate	4,950	-	4,950
Reclassified to profit or loss			
Currency translation difference on return of capital from a joint venture	(10,510)	-	(10,510)

Company 2026	Before tax RM'000	Tax effect RM'000	After tax RM'000
Items that will not be reclassified subsequently to profit or loss			
Revaluation surplus on property, plant and equipment	30	(7)	23

31. (LOSS)/EARNING PER SHARE

(a) Basic (loss)/earning per ordinary share

The basic (loss)/earning per share has been calculated by dividing the Group's (loss)/profit for the year attributable to shareholders of the Company by the weighted average number of shares in issue:

	Group	
	2026 RM'000	2025 RM'000
(Loss)/Profit attributable to shareholders of the Company (RM'000)	(41,065)	21,923
Weighted average number of ordinary shares in issue ('000 unit)	426,128	426,128
Basic (loss)/earning per share (sen)	(9.64)	5.14

(b) Diluted (loss)/earning per ordinary share

Diluted (loss)/earning per ordinary share equals basic (loss)/earning per ordinary share as there were no dilutive potential ordinary shares in issue as at 31 March 2026 and 31 March 2025.

Notes to the Financial Statements
31 March 2026 (cont'd)

32. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	2026 RM'000	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
Salaries and bonuses	22,258	22,596	4,412	5,033
Defined contribution plans	2,910	3,011	615	734
Other staff-related expenses	3,352	2,287	298	430
	28,520	27,894	5,325	6,197

The employee benefits expenses of the Group and of the Company are recognised in the following line items of financial statements:

	Group		Company	
	2026 RM'000	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
Recognised within administrative and general expenses in profit or loss	27,170	25,876	5,325	6,197
Capitalised in property development costs	1,350	2,018	-	-
	28,520	27,894	5,325	6,197

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 who are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel include Directors of the Company whose remuneration is disclosed in Note 29 to the financial statements; 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	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Transactions with subsidiaries				
Interest received/receivable from SDBP	-	-	16,995	16,991
Interest received/receivable from SDBINT	-	-	209	167
Interest received/receivable from SGS	-	-	293	246
Management fee income from SDBINT	-	-	43	66
Management fee income from SDI	-	-	112	133
Management fee income from SDBP	-	-	1,025	787
Management fee income from CCSB	-	-	30	14
Management fee income from SDBPM	-	-	441	464
Management fee income from PPSB	-	-	212	374
Management fee income from SDBA	-	-	3	3
Management fee income from SDBAS	-	-	30	19
Management fee income from SDBSS2	-	-	96	86
Management fee income from SDBMS	-	-	11	9
Management fee income from SGS	-	-	26	53
Management fee income from HASB	-	-	116	127
Management fee income from SDBD	-	-	49	40
Management fee income from SDBM	-	-	57	12
Management fee income from SDBI	-	-	39	6
Management fee income from SDBSU	-	-	47	5
Management fee income from SDBPS	-	-	45	-
Management fee paid to SDBP	-	-	543	417
Management fee paid to PPSB	-	-	-	5
Management fee paid to SGS	-	-	37	46
Interest paid/payable to SDBM	-	-	616	894
Interest paid/payable to SDBI	-	-	1,574	6,583
Interest paid/payable to SDI	-	-	125	874
Transactions with joint ventures				
Management fee income from CD	-	51	-	51
Management fee income from TLPL	-	87	-	87
Management fee income from CDSB	-	91	-	91
Royalty income from CDSB	5,442	-	5,442	-
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:				
Medical fees paid to Klinik Ian Ong, a clinic belonging to a close family member of Teh Lip Kim	31	95	20	72
Consultancy fee paid to Providence Business Advisory Services Sdn. Bhd., a company in which Eddy Chieng Ing Huong has interest	180	180	-	-

Notes to the Financial Statements
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33. RELATED PARTY DISCLOSURES (continued)

(c) Key management personnel compensation

	Group		Company	
	2026 RM'000	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
Directors				
Short-term employee benefits				
- fees	321	325	232	216
- remuneration	850	1,331	429	669
Total short-term employee benefits	1,171	1,656	661	885
Post-employment benefits				
- Employees Provident Fund ("EPF")	160	251	80	125
Sub-total	1,331	1,907	741	1,010
Other key management personnel				
Short-term employee benefits				
- salary, bonus and allowances	4,044	3,909	2,096	2,277
Post-employment benefits				
- EPF	669	657	356	397
Sub-total	4,713	4,566	2,452	2,674
Total compensation	6,044	6,473	3,193	3,684

(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 2026 or entered into since the end of the previous financial year.

34. FINANCIAL GUARANTEES

The Company has financial guarantee contracts of RM611,243,000 (2025: RM551,163,000) in respect of financial guarantees given to financial institutions for banking facilities granted to subsidiaries. The Company monitors the ability of the subsidiaries to service their loans regularly.

Financial guarantees issued are initially measured at fair value. Subsequently, they are measured at higher of the amount of the loss allowance; and the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of MFRS 15 *Revenue from Contract with Customers*.

The Company assumes that there is significant increase in credit risk when the subsidiaries' financial position deteriorates significantly. The Company considers a financial guarantee to be credit impaired when the subsidiaries are unlikely to repay its credit obligation to the bank in full or the subsidiaries are continuously loss making and are having a deficit shareholders' fund. The Company determines the probability of default of the guaranteed loans individually using internal information available.

Financial guarantees have not been recognised since the fair value was not material on initial recognition. As at the end of the reporting period, there was no indication that any subsidiary would default on repayment.

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.

Notes to the Financial Statements
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35. SEGMENTAL ANALYSIS (continued)

2026	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	289	21,146	-	149,178	3,252	-	173,865
Inter-segment sales	-	30	-	-	1,144	(1,174)	-
Total revenue	289	21,176	-	149,178	4,396	(1,174)	173,865
Results							
Segment results	(21)	(1,726)	30,116	2,938	1,343	(57,746)	(25,096)
Finance costs	(132)	-	(7,257)	(57,585)	(796)	47,825	(17,945)
Share of (loss)/profit of joint ventures and associates	-	-	11,592	(2,654)	-	-	8,938
Unallocated corporate expenses							(1,541)
Loss before tax							(35,644)
Tax expense							(5,421)
Loss for the financial year							(41,065)
Assets							
Segment assets	95,054	217,306	-	1,630,426	4,373	(908,281)	1,038,878
Investing assets	-	-	1,193,820	-	-	(1,124,855)	68,965
Investments in associates	-	-	171,876	-	-	-	171,876
Investments in joint ventures	-	-	82,030	(2,575)	-	-	79,455
Current tax assets	-	-	208	8,779	102	-	9,089
Deferred tax assets	-	-	-	7,863	-	-	7,863
Consolidated total assets							1,376,126
Liabilities							
Segment liabilities	(105,482)	(1,784)	(58,247)	(1,313,873)	(12,083)	941,117	(550,352)
Current tax liabilities	-	-	(555)	-	-	-	(555)
Deferred tax liabilities	(857)	(15,985)	(414)	-	-	-	(17,256)
Consolidated total liabilities							(568,163)
Other information							
Capital expenditure	71	1,925	-	1,700	12	-	3,708
Depreciation and amortisation	445	3,420	-	2,428	158	-	6,451

35. SEGMENTAL ANALYSIS (continued)

2025	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	168	21,603	-	351,365	2,818	-	375,954
Inter-segment sales	-	30	-	-	1,901	(1,931)	-
Total revenue	168	21,633	-	351,365	4,719	(1,931)	375,954
Results							
Segment results	74	(865)	198,472	132,689	2,874	(285,371)	47,873
Finance costs	(116)	-	(13,819)	(56,861)	(663)	52,261	(19,198)
Share of profit/(loss) of joint ventures and associates	-	-	3,070	(46)	-	-	3,024
Unallocated corporate expenses							(1,994)
Profit before tax							29,705
Tax expense							(7,782)
Profit for the financial year							21,923
Assets							
Segment assets	91,528	215,051	-	1,835,813	3,745	(960,543)	1,185,594
Investing assets	-	-	1,332,764	-	-	(1,325,764)	7,000
Investments in associates	-	-	161,683	-	-	-	161,683
Investments in joint ventures	-	-	123,754	(46)	-	-	123,708
Current tax assets	-	-	20	8,843	-	-	8,863
Deferred tax assets	-	-	-	8,885	-	-	8,885
Consolidated total assets							1,495,733
Liabilities							
Segment liabilities	(176,049)	(1,984)	(94,301)	(1,335,352)	(5,322)	1,010,117	(602,891)
Current tax liabilities	-	-	(433)	-	-	-	(433)
Deferred tax liabilities	(830)	(14,843)	(542)	-	-	-	(16,215)
Consolidated total liabilities							(619,539)
Other information							
Capital expenditure	113	829	-	1,636	16	-	2,594
Depreciation and amortisation	411	3,349	-	2,875	225	-	6,860

Notes to the Financial Statements

31 March 2026 (cont'd)

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.

Revenue from external customers	**2026 RM'000**	**2025 RM'000**
Malaysia	173,865	375,954

<u>Major customers</u>

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.

Segment assets are based on the geographical location of the assets of the Group.

Non-current assets	**2026 RM'000**	**2025 RM'000**
Malaysia	719,740	754,791
Singapore	381	7,361
	720,121	762,152

36. 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, market price 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 in section below.

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(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 RM5,700,000 (2025: RM5,838,000).

The following table demonstrates the sensitivity analysis on the outstanding foreign currency denominated monetary items of the Group's financial instruments to a reasonably possible change in the SGD exchange rates against the Ringgit Malaysia ("RM"), with all other variables held constant.

	Group	
	2026 RM'000	**2025 RM'000**
(Loss)/Profit after tax and equity		
SGD/RM		
- strengthen by 10% (2025: 10%)	433	(6,172)
- weaken by 10% (2025: 10%)	(433)	6,172

(b) Interest rate risk

<u>Financial assets</u>

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.

<u>Financial liabilities</u>

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.

Notes to the Financial Statements
31 March 2026 (cont'd)

36. 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	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
(Loss)/Profit after tax and equity				
Deposits with licensed banks				
- increase by 1%	72	55	3	3
- decrease by 1%	(72)	(55)	(3)	(3)
Amounts owing by subsidiaries (interest bearing)				
- increase by 1%	-	-	2,667	2,680
- decrease by 1%	-	-	(2,667)	(2,680)
Floating rate borrowing				
- increase by 1%	(2,928)	(3,222)	(693)	(722)
- decrease by 1%	2,928	3,222	693	722
Amounts owing to subsidiaries (interest bearing)				
- increase by 1%	-	-	(87)	(589)
- decrease by 1%	-	-	87	589

(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.

36. 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 2026 RM'000	2025 RM'000
Maximum exposure	73,840	40,766
Collateral obtained	-	-
Net exposure to credit risk	73,840	40,766

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.

The following tables provide information about the exposure to credit risk and ECLs for trade receivables of the Group which are grouped together as they are exposed to have similar risk nature.

2026	Gross carrying amount RM'000	Lifetime ECL RM'000	Net carrying amount RM'000
Not past due	50,014	(91)	49,923
Past due:			
1 - 30 days	1,054	(6)	1,048
31 - 60 days	1,862	(2)	1,860
61 - 120 days	882	(3)	879
More than 120 days	3,690	(72)	3,618
	57,502	(174)	57,328
Credit impaired	542	(542)	-
	58,044	(716)	57,328

2025	Gross carrying amount RM'000	Lifetime ECL RM'000	Net carrying amount RM'000
Not past due	13,141	(59)	13,082
Past due:			
1 - 30 days	2,409	(16)	2,393
31 - 60 days	1,685	(7)	1,678
61 - 120 days	2,765	(12)	2,753
More than 120 days	3,382	(129)	3,253
	23,382	(223)	23,159
Credit impaired	542	(542)	-
	23,924	(765)	23,159

Notes to the Financial Statements
31 March 2026 (cont'd)

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(c) Credit risk (continued)

Movements in the impairment allowance for receivables are as follows:

	Group	
	2026 RM'000	**2025 RM'000**
Trade receivables		
At 1 April 2025/2024	765	1,050
Charge for the financial year	-	11
Reversal of impairment losses	(49)	(296)
At 31 March 2026/2025	716	765
Other receivables		
Lifetime ECL - not credit impaired		
At 1 April 2025/2024	1,371	1,362
Charge for the financial year	-	9
At 31 March 2026/2025	1,371	1,371
Amount owing by an associate		
Lifetime ECL - not credit impaired		
At 1 April 2025/2024	271	63
Charge for the financial year	-	208
Reversal of impairment losses	(271)	-
At 31 March 2026/2025	-	271
Amounts owing by joint ventures		
Lifetime ECL - not credit impaired		
At 1 April 2025/2024	-	910
Reversal of impairment losses	-	(910)
At 31 March 2026/2025	-	-
Other receivables		
Lifetime ECL - not credit impaired		
At 31 March 2026/2025	1	1
Amounts owing by subsidiaries		
Lifetime ECL - not credit impaired		
At 1 April 2025/2024	9,878	9,722
Charge for the financial year	2,628	156
At 31 March 2026/2025	12,506	9,878

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(d) Market price risks

Market price risk is the risk that the fair value or future cash flows of the Group's and of the Company's financial instruments will fluctuate because of the changes in market prices (other than interest or exchange rates).

The Group and the Company are exposed to market price risk arising from their placements in money market deposits. The instruments are classified as financial assets measured at fair value through profit or loss.

Sensitivity analysis of market value for the short term funds is not presented as the short term funds have an insignificant risk of changes in fair value.

(e) 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.

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**
2026				
Trade payables	73,518	-	-	73,518
Other payables and accruals	37,423	-	-	37,423
Amounts owing to joint ventures	47,043	-	-	47,043
Bank borrowings	301,007	107,859	6,900	415,766
	458,991	107,859	6,900	573,750
2025				
Trade payables	57,924	-	-	57,924
Other payables and accruals	30,552	-	-	30,552
Amounts owing to joint ventures	82,649	-	-	82,649
Bank borrowings	343,473	81,046	39,893	464,412
	514,598	81,046	39,893	635,537

Notes to the Financial Statements
31 March 2026 (cont'd)

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(e) Liquidity and cash flow risks (continued)

Company	Less than 1 year RM'000	1 to 5 years RM'000	More than 5 years RM'000	Total RM'000
2026				
Other payables and accruals	730	-	-	730
Amounts owing to subsidiaries	11,603	-	-	11,603
Bank borrowings	77,300	15,356	5,630	98,286
	89,633	15,356	5,630	110,619
2025				
Other payables and accruals	732	-	-	732
Amounts owing to subsidiaries	77,934	-	-	77,934
Amounts owing to joint ventures	9	-	-	9
Bank borrowings	77,991	17,555	8,715	104,261
	156,666	17,555	8,715	182,936

Maturity profile of financial guarantee contracts of the Company at the end of each reporting period based on contractual undiscounted repayment obligations is repayable upon any default by the subsidiaries in respect of the guaranteed bank facilities of RM303,534,000 (2025: RM328,946,000).

37. 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	
	2026 RM'000	2025 RM'000
Total borrowings (Note 22)	385,320	423,946
Less: Cash and bank balances, net of pledged bank balances	(50,107)	(44,744)
Deposits and short term funds, net of deposits pledged	(79,172)	(17,767)
Net debt	256,041	361,435
Total equity	807,963	876,194
Net debt	256,041	361,435
	1,064,004	1,237,629
Gearing ratio	24%	29%

37. CAPITAL MANAGEMENT (continued)

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.

38. DIVIDENDS

	Group	
	2026 RM'000	**2025 RM'000**
In respect of financial year ended 31 March 2025:		
First and final single tier dividend of 3.0 sen per ordinary share, was paid on 14 October 2025	12,784	-
In respect of financial year ended 31 March 2024:		
First and final single tier dividend of 2.5 sen per ordinary share, was paid on 14 October 2024	-	12,784

The Directors recommend a single-tier dividend of 3.0 sen per ordinary share of approximately RM12,783,830 in respect of the financial year ended 31 March 2026, which is subject to the approval of shareholders at the forthcoming Annual General Meeting. The financial statements for the financial year ended 31 March 2026 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 2027.

39. CAPITAL COMMITMENTS

	Group	
	2026 RM'000	**2025 RM'000**
Capital expenditure		
Approved and contracted	54,804	-

40. MATERIAL LITIGATION

(a) A subsidiary of the Group, SDBP was served with a Writ of Summon dated 28 July 2025, by Condolink Sdn. Bhd. ("Plaintiff") claiming special damages of RM1,070,000 together with general damages, aggravated and exemplary damages, injunctive relief and such further and/or other reliefs as deemed fit by the Court. The suit was instituted against SDBP and the main contractor of SDBP's development project. The suit alleges that SDBP and the main contractor have through themselves, their agents and/or employees, have unlawfully trespassed onto Lot 1195 by felling of trees, building workers' quarters and road access. The trespass has, amongst others caused the Plaintiff to suffer loss.

On 16 January 2026, the Shah Alam High Court allowed SDBP's application to strike out the Plaintiff's Writ of Summons and Statement of Claim against SDBP, with costs awarded to SDBP. Subsequently, on 13 February 2026, the Plaintiff filed a Notice of Appeal against the said decision, and a sealed copy of the Notice of Appeal was served on SDBP's solicitors on 23 February 2026. The appeal is scheduled for hearing on 18 March 2027.

Provision is not required in respect of the above contingent liabilities as it is not probable as at the end of the reporting period that a future sacrifice of economic benefits will be required.

Notes to the Financial Statements
31 March 2026 (cont'd)

40. MATERIAL LITIGATION (continued)

(b) A subsidiary of the Group, SDBP was served with a Writ of Summon dated 21 November 2024, by Rubyverse Sdn. Bhd. ("RVSB") claiming the sum of RM3,628,852 in damages. The suit alleges a breach of the tenancy agreement dated 1 September 2022, due to SDBP's failure to renew the tenancy of the premises known as Events @ Hotel Maya for a further term of two (2) years.

On 30 April 2026, SDBP and RVSB ("the Parties") have agreed to a settlement sum of RM345,000, which constitutes a full and final settlement of all claims and counterclaim between the Parties. The settlement is entered into without any admission of liability by any of the Parties.

41. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND SUBSEQUENT TO THE END OF REPORTING PERIOD

(a) On 28 May 2025, SDB Properties Sdn. Bhd. ("SDBP"), a wholly owned subsidiary of the Company has subscribed additional 124,999 new ordinary shares in Champsworth Development Sdn. Bhd. ("CDSB") at an issue price of RM1.00 per ordinary share for cash consideration of RM124,999.

Following the subscription, SDBP continues to hold 50% equity interest in CDSB.

(b) On 18 June 2025, SDB Inclusion Sdn. Bhd. ("SDI"), a wholly owned subsidiary of the Company had undertaken a capital reduction of its existing issued and paid-up share capital via cancellation of 9,000,000 shares of RM1.00 each. Pursuant to the capital reduction, SDI's issued and paid-up share capital was reduced from RM10,000,000 to RM1,000,000 comprising 1,000,000 ordinary shares of RM1.00 each. As a result of the capital reduction exercise, the cost of investment of the Company in SDI decreased by RM9,000,000.

(c) On 5 August 2025 and 12 February 2026, Champsworth Development Pte. Ltd. ("CD"), a joint venture of the Group has undertaken a capital reduction of its existing issued and paid-up share capital via cancellation of 20,000,000 shares of SGD1.00 each. Pursuant to the capital reduction, CD's issued and paid-up share capital was reduced from SGD71,820,000 to SGD51,820,000 comprising 51,820,000 ordinary shares of SGD1.00 each. As a result of the capital reduction exercise, the cost of investment of the Company in CD decreased by RM26,436,000.

(d) On 29 September 2025, the Company has redeemed 57,000,000 Non-Cumulative Redeemable Preference Shares ("NCRPS") in SDB International Sdn. Bhd. ("SDBI") at the total redemption amount of RM57,000,000. The consideration for the redemption amounted to RM57,000,000 was satisfied by way of contra against amount due to SDBI.

(e) On 21 November 2025, SDB Mining Sdn. Bhd. ("SDBM"), a wholly owned subsidiary of the Company has subscribed 3,420,000 Non-Cumulative Non-Convertible Redeemable Preference Shares from an associate, Extra Diligent Sdn. Bhd. at a total consideration sum of RM3,420,000 by way of capitalisation an equivalent amount due by an associate.

(f) On 15 December 2025, SDBM has subscribed the ordinary shares of a newly incorporated company, Steadfast Strategic Sdn. Bhd. ("SSSB") with an issued and paid-up share capital of RM3,786, which comprising 3,786 ordinary shares.

Following the subscription, SSSB became an associate of the Group.

(g) On 23 December 2025, the Company has redeemed 70,000,000 NCRPS in SDBP at the total redemption amount of RM70,000,000, which was satisfied by cash payment.

(h) On 13 January 2026, SDB Subang Development Sdn. Bhd., a wholly owned subsidiary of the Group has entered into a Sale and Purchase Agreement with Hectare Square Sdn. Bhd. for the acquisition of a parcel of freehold commercial land together with the building erected thereon for a purchase consideration of RM63,000,000. The purchase consideration is to be satisfied through a combination of cash consideration amounting to RM1,890,000, a contra arrangement involving unsold properties of the Group with an aggregate value of RM12,600,000, bank borrowings amounting to RM42,204,000, and the remaining balance of RM6,306,000 through existing contractual settlement arrangements.

The acquisition has yet to be completed as at the date of this report.

41. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND SUBSEQUENT TO THE END OF REPORTING PERIOD (continued)

(i) On 24 April 2026, SDBI has redeemed 11,300,000 NCRPS in SDBM at the total redemption amount of RM11,300,000, which was satisfied by cash payment.

(j) On 28 April 2026, the Company has redeemed 12,000,000 NCRPS in SDBI at the total redemption amount of RM12,000,000, which was satisfied by cash payment.

(k) On 20 May 2026, SDBP has entered into a lease agreement with Kin Hotel KL City Centre Sdn. Bhd. for the lease of Hotel Maya Kuala Lumpur and related premises for an initial term of ten (10) years commencing from 1 July 2026 or such later date as may be mutually agreed by the parties.

The monthly base rental is RM750,000 for the first five years and RM780,000 for the subsequent five years of the initial lease term.

42. AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

These financial statements were authorised for issue on 29 July 2026 by the Board of Directors.

Analysis of Shareholdings
as at 30 June 2026

Financial year ended : 31 March 2026
Class of stock : Ordinary share
Voting rights : 1 vote per share

ANALYSIS OF SHAREHOLDINGS AS AT 30 JUNE 2026

	Number of Holders	Holdings	Total Holdings	%
	481	less than 100	7,440	0.00
	1,544	100 - 1,000	1,255,211	0.30
	3,365	1,001 - 10,000	14,859,623	3.49
	897	10,001 - 100,000	27,114,198	6.36
	152	100,001 to less than 5% of issued shares	124,652,938	29.25
	3	5% and above of issued shares	258,238,252	60.60
Total	**6,442**		**426,127,662**	**100.00**

DIRECTORS' SHAREHOLDINGS AS AT 30 JUNE 2026
Based on Register of Directors' Shareholding

		No. of Shares			
	Name of Directors	No. of Issued Shares	Direct Percentage	No. of Issued Shares	Indirect Percentage
1.	Mr Eddy Chieng Ing Huong	-	-	-	-
2.	Ms Teh Lip Kim	110,166,796	25.85	148,954,456	34.96
3.	Mr Boh Boon Chiang	-	-	-	-
4.	Puan Selma Enolil Binti Mustapha Khalil	-	-	-	-

SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS AS AT 30 JUNE 2026
Based on Register of Substantial Shareholders

	Name of Shareholders	No. of Issued Shares	Direct Percentage	No. of Issued Shares	Indirect Percentage
1.	Teh Wan Sang & Sons Sdn Bhd	82,441,478	19.35	-	-
2.	Teh Kien Toh Sdn Bhd	65,629,978	15.40	-	-
3.	Ms Teh Lip Kim	110,166,796	25.85	148,071,456	34.75
4.	HLIB Nominees (Asing) Sdn Bhd Pledged Securities Account for Teh Lip Bin (CCTS)	2,000,000	0.47	157,668,456	37.00
5.	Ms Teh Lip Pink	425,000	0.10	65,629,978	15.40

LIST OF 30 LARGEST SHAREHOLDERS AS AT 30 JUNE 2026		
Name of shareholders	**Shares held**	**%**
1. Teh Lip Kim	110,166,796	25.85
2. Teh Wan Sang & Sons Sdn Berhad	82,441,478	19.35
3. Teh Kien Toh Sdn Bhd	65,629,978	15.40
4. Wang, Kun-Lung	18,588,800	4.36
5. Citigroup Nominees (Asing) Sdn Bhd Exempt An for Bank Of Singapore Limited (Foreign)	15,372,000	3.61
6. Chan Keong Hon Sdn Bhd	7,225,580	1.70
7. Citigroup Nominees (Asing) Sdn Bhd Exempt An for UBS AG Singapore (Foreign)	6,464,100	1.52
8. UOB Kay Hian Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Teo Siew Lai	5,902,800	1.39
9. Teo Kwee Hock	2,853,800	0.67
10. Citigroup Nominees (Tempatan) Sdn Bhd Exempt An for OCBC Securities Private Limited (Client A/C-R ES)	2,782,000	0.65
11. Huang Phang Lye	2,561,300	0.60
12. UOB Kay Hian Nominees (Asing) Sdn Bhd Exempt An for UOB Kay Hian Pte Ltd (A/C Clients)	2,551,157	0.60
13. Tan Poay Seng	2,533,000	0.60
14. Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Loong Ching Hong (E-KLC)	2,485,500	0.59
15. Gan Teng Siew Realty Sdn Berhad	2,224,900	0.52
16. HLIB Nominees (Asing) Sdn Bhd Pledged Securities Account for Teh Lip Bin (CCTS)	2,000,000	0.47
17. Yap Kah Chin	1,800,300	0.42
18. Rengo Malay Estate Sdn Bhd	1,717,700	0.40
19. Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Surinder Singh A/L Wassan Singh (E-IMO)	1,675,000	0.39
20. Ang Hong Mai	1,495,200	0.35
21. Loong Ching Hong	1,407,500	0.33
22. Lim Ming Lang @Lim Ming Ann	1,393,300	0.33
23. HLIB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Teh Lip Ling (CCTS)	1,341,000	0.32
24. Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Cheah Heng Chai	1,186,300	0.28
25. Cartaban Nominees (Asing) Sdn Bhd Exempt An for Standard Chartered Bank Singapore Branch (SG PVB CL AC)	1,163,200	0.27
26. Ng Poh Cheng	1,158,200	0.27
27. Chan Sook Yuen @ Janett Shook Yuen Chan	1,148,800	0.27
28. Bidor Tahan Estates Sdn Bhd	1,000,000	0.23
29. Chinchoo Investment Sdn Berhad	1,000,000	0.23
30. Gemas Bahru Estates Sdn Bhd	1,000,000	0.23
	350,269,689	82.20

List of Material Properties

Properties	Description	Land area/ (Built-up area) (Square feet)	Tenure (Expiry)	Age of building (Years)	Net book value as at 31.3.2026 (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)	28	199,000	31 March 2026
Lot 481485 - 481500, Mukim Kuala Lumpur, Dearah Kuala Lumpur, Negeri WP Kuala Lumpur	Development lands	169,531	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 lands	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	(124,269)	Leasehold (expiring on 14 Aug 2111)	6	19,200	31 March 2026
Unit E-01-01, E-02-1, F-01-01 & F-02-1, 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)	6	9,390	31 March 2026
G-G-01A & G-G-01B, Ground Floor, Block G, Dataran Prestij, SqWhere, Jalan Sungai Buloh, Seksyen U19, 40160 Shah Alam, Selangor	Commercial spaces as well as its machinery & equipment	(32,227)	Leasehold (expiring on 14 Aug 2111)	6	13,280	31 March 2026
Cube Office Block, Dataran Prestij, SqWhere, Jalan Sungai Buloh, Seksyen U19, 40160 Shah Alam, Selangor	38 units of office lots	(64,872)	Leasehold (expiring on 14 Aug 2111)	6	43,024	31 March 2026
Lot No. PT 125, HSD 18124, Section 1, Town of Batu Feringgi, District of Timor Laut, Pulau Pinang	Commercial premise	(15,500)	Freehold (N/A)	14	11,000	31 March 2026

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)

and/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-Fifth Annual General Meeting ("Meeting") of the Company to be held at the Ballroom, Hotel Maya Kuala Lumpur, 138, Jalan Ampang, 50450 Kuala Lumpur on Wednesday, 30 September 2026 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		

(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	%
	%

In case of a vote taken by a show of hands, the First Proxy shall vote on *my/our behalf.

Dated this ____________ day of __________ 2026.

____

Signature of Member(s)

* Delete whichever is not applicable

____

Telephone No./Handphone No.

Notes:

1. Only depositors whose names appear on the Record of Depositors as at 17 September 2026 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 drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, or by electronic means via Vistra Share Registry and IPO (MY) portal at https://srmy.vistra.com, 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
c/o Tricor Investor & Issuing House Services Sdn Bhd
Unit 32-01, Level 32, Tower A
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Bangsar South, No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Tel : 603-2783 9299

Please fold here

www.sdb.com.my

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