

Annual Report **2024**

*Seeding
Better
Communities*



CORE VALUES

Upholding a heritage of trust

- Building designs that promote standards
- Equipped to serve our stakeholders

CORE PURPOSE

Seeding Better Communities

When we develop, we aim to leave behind a lasting legacy of strong community spirit.

CORPORATE INFORMATION

BOARD OF DIRECTORS

YBhg. Datuk Roselan Johar bin Johar Mohamed
Independent
Non-Executive Chairman

YBhg. Datuk Sia Teong Heng
Managing Director
cum Chief Executive Officer

Sia Teong Leng
Executive Director

YBhg. Dato' Lim Cheang Nyok
Senior Independent
Non-Executive Director

Choo Suit Ling
Independent
Non-Executive Director

Mohd Faizal bin Mohd Khasim
Independent
Non-Executive Director

AUDIT COMMITTEE

CHAIRMAN
Mohd Faizal bin Mohd Khasim
Independent
Non-Executive Director

MEMBERS
YBhg. Datuk Roselan Johar bin Johar Mohamed
Independent
Non-Executive Chairman

YBhg. Dato' Lim Cheang Nyok
Senior Independent
Non-Executive Director

Choo Suit Ling
Independent
Non-Executive Director

REMUNERATION COMMITTEE

CHAIRMAN
YBhg. Dato' Lim Cheang Nyok
Senior Independent
Non-Executive Director

MEMBERS
YBhg. Datuk Roselan Johar bin Johar Mohamed
Independent
Non-Executive Chairman

Choo Suit Ling
Independent
Non-Executive Director

Mohd Faizal bin Mohd Khasim
Independent
Non-Executive Director

NOMINATING COMMITTEE

CHAIRPERSON
Choo Suit Ling
Independent
Non-Executive Director

MEMBERS
YBhg. Datuk Roselan Johar bin Johar Mohamed
Independent
Non-Executive Chairman

YBhg. Dato' Lim Cheang Nyok
Senior Independent
Non-Executive Director

Mohd Faizal bin Mohd Khasim
Independent
Non-Executive Director

Seeding better communities
since 1954

SOLICITORS

Junior Koh & Partners
Suite 329-331,
3rd Floor, Wisma Sabah
88000 Kota Kinabalu, Sabah

Foong & Partners
13-1 Menara 1MK,
Kompleks 1 Mont Kiara
No.1, Jalan Kiara, Mont Kiara
50480 Kuala Lumpur

Lim & Yeoh
145-M, Jalan Maharajalela
50150 Kuala Lumpur

AUDITORS

Crowe Malaysia PLT
Chartered Accountants
Level 16 Tower C,
Megan Avenue II
12 Jalan Yap Kwan Seng
50450 Kuala Lumpur

COMPANY SECRETARIES

Chong Fook Sin
(CCM PC No.202008000484)
(MACS 00681)
ATII, MCCS, AFA

Kan Chee Jing
(CCM PC No. 202008000596)
(MAICSA 7019764)
ACIS

PRINCIPAL BANKERS

Alliance Bank Berhad
Bangkok Bank Berhad
CIMB Bank Berhad
Malayan Banking Berhad
OCBC Bank (Malaysia) Berhad
Public Bank Berhad
RHB Bank Berhad

REGISTRAR

Tacs Corporate Services Sdn. Bhd.
Unit No. 203,
2nd Floor, Block C
Damansara Intan,
No.1, Jalan SS20/27
47400 Petaling Jaya,
Selangor Darul Ehsan
Tel: +603-7118 2688
Fax: +603-7118 2693
Email: ypchong@tacsco.com.my

REGISTERED OFFICE

The Gallery @ PJX
Unit C-01, Concourse Level,
PJX-HM Shah Tower,
No. 16A, Persiaran Barat,
46050 Petaling Jaya,
Selangor Darul Ehsan
Tel: +603 7932 1628
Fax: +603 7932 5652
Email: enquiries@sbcgroup.com.my

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia
Securities Berhad

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DIRECTORS' PROFILE

YBHG. DATUK ROSELAN JOHAR BIN JOHAR MOHAMED

Age 71
Malaysian
Independent Non-Executive Chairman

YBhg. Datuk Roselan Johar bin Johar Mohamed, a Malaysian, male, aged 71, was appointed to the Board on 14 June 2013 as an Independent Non-Executive Director of SBC Corporation Berhad ("SBC"). He is currently the Independent Non-Executive Chairman and a member of the Audit Committee, the Nominating Committee and the Remuneration Committee of SBC.

He studied the Chartered Institute of Transport at Mara Institute of Technology, Shah Alam, and specialises on maritime transportation. In 1982, he started his own shipping company in Kota Kinabalu, concentrating on timber and log exports. He retired in 2019. He was also the Patron of the KK Bumiputra Petty Traders Association since 2001 until 2019.

Currently, he is the National Chairman of BIMP-EAGA Business Council, Malaysia. He is also a licensed Company Secretary and a member of the Institute of Approved Company Secretaries.

He does not hold any securities, direct or indirect, in SBC or any of its subsidiaries.

He has no family relationship with any Director and/or major shareholder of SBC.

He does not have any conflict of interest with SBC or its subsidiaries.

He has not been convicted of any offence within the past 5 years and has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2024.

He attended all four Board Meetings held during the financial year 2024.

DIRECTORS' PROFILE

YBHG. DATUK ROSELAN JOHAR BIN JOHAR MOHAMED | YBHG. DATUK SIA TEONG HENG | SIA TEONG LENG | YBHG. DATO' LIM CHEANG NYOK | CHOO SUIT LING | MOHD FAIZAL BIN MOHD KHASIM



DIRECTORS' PROFILE

YBHG. DATUK SIA TEONG HENG

Age 61
Malaysian
**Managing Director
cum Chief Executive Officer**

YBhg. Datuk Sia Teong Heng, a Malaysian, male, aged 61, is the Managing Director cum Chief Executive Officer of SBC Corporation Berhad ("SBC"). He was appointed as a Director of SBC on 5 February 1991. He graduated with a Masters degree in Management Science from Imperial College, University of London.

Between 1986 and 1991, prior to his return to Malaysia, he worked in investment banking based in London and Singapore. He joined SBC in 1991. Presently, he also sits on the Boards of several subsidiaries of SBC.

His holdings in the securities of SBC are as follows:-

	Direct Interest	Indirect Interest
Ordinary shares	35,803,782 ^(a)	48,580,533 ^(b)

^(a) 26,732,608 shares are held in bare trust by RHB Nominees (Tempatan) Sdn. Bhd. - OSK Capital Sdn. Bhd.

^(b) Deemed interest by virtue of his shareholding in LOM Holdings Sdn. Bhd. (40,808,999 shares) and Evergreen Legacy Sdn. Bhd. (7,771,534 shares).

By virtue of his interest in SBC, he is deemed to have interest in the securities of SBC's subsidiaries to the extent of SBC's interest, in accordance with Section 8 of the Companies Act, 2016.

He is a major shareholder of SBC. He is a brother of Mr. Sia Teong Leng, the Executive Director and a major shareholder of SBC. He is connected to the Estate of Sia Kwee Mow @ Sia Hok Chai, Deceased and LOM Holdings Sdn. Bhd., both are major shareholders of SBC.

He does not have any conflict of interest with SBC or its subsidiaries.

He has not been convicted of any offence within the past 5 years and has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2024.

He attended three out of four Board Meetings held during the financial year 2024.

DIRECTORS' PROFILE

YBHG. DATUK ROSELAN JOHAR BIN JOHAR MOHAMED | **YBHG. DATUK SIA TEONG HENG** | SIA TEONG LENG | YBHG. DATO' LIM CHEANG NYOK | CHOO SUIT LING | MOHD FAIZAL BIN MOHD KHASIM



DIRECTORS' PROFILE

SIA TEONG LENG

Aged 53
Malaysian
Executive Director

Sia Teong Leng, a Malaysian, male, aged 53, is the Executive Director of SBC Corporation Berhad ("SBC"). He was appointed as a Director of SBC on 27 May 2014. He graduated with a Bachelor of Arts Degree in Law and Economics from the University of Kent, United Kingdom in 1991. He also holds a Master in Business Administration from the Canterbury Business School, United Kingdom obtained in 1993.

He has more than 25 years of experience in construction and property management. He joined the SBC Group in 1997 where he was the Assistant General Manager of Paling Industries Sdn Bhd, a then manufacturing subsidiary of SBC before returning to the corporate headquarters in 2001. Prior to joining SBC, he worked as a Management Consultant attached with Coopers & Lybrand from 1993 to 1997.

His holdings in the securities of SBC are as follows:-

	Direct Interest	Indirect Interest
Ordinary shares	-	48,580,533 ^(a)

^(a) Deemed interest by virtue of his shareholding in LOM Holdings Sdn. Bhd. (40,808,999 shares) and Evergreen Legacy Sdn. Bhd. (7,771,534 shares).

By virtue of his interest in SBC, he is deemed to have interest in the securities of SBC's subsidiaries to the extent of SBC's interest, in accordance with Section 8 of the Companies Act, 2016.

He is a major shareholder of SBC. He is a brother of Datuk Sia Teong Heng, the Managing Director cum Chief Executive Officer and a major shareholder of SBC. He is connected to the Estate of Sia Kwee Mow @ Sia Hok Chai, Deceased and LOM Holdings Sdn. Bhd., both are major shareholders of SBC.

He does not have any conflict of interest with SBC or its subsidiaries.

He has not been convicted of any offence within the past 5 years and has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2024.

He attended all four Board Meetings held during the financial year 2024.

DIRECTORS' PROFILE

YBHG. DATUK ROSELAN JOHAR BIN JOHAR MOHAMED | YBHG. DATUK SIA TEONG HENG | **SIA TEONG LENG** | YBHG. DATO' LIM CHEANG NYOK | CHOO SUIT LING | MOHD FAIZAL BIN MOHD KHASIM

DIRECTORS' PROFILE

YBHG. DATO' LIM CHEANG NYOK

Age 55
Malaysian
Senior Independent Non-Executive Director

YBhg. Dato' Lim Cheang Nyok, a Malaysian, male, aged 55, was appointed as an Independent Non-Executive Director of SBC Corporation Berhad ("SBC") on 20 May 2016. He is currently the Senior Independent Non-Executive Director, the Chairman of the Remuneration Committee and a member of both the Audit Committee and the Nominating Committee of SBC. He graduated with a Bachelor of Economics (Accounting) and a Bachelor of Law from the Monash University, Melbourne, Australia. He was called to the Malaysian Bar in 1992.

He practises as a lawyer in the areas of corporate conveyancing, banking as well as commercial litigation matters. Besides legal practice, he has been involved in various areas of business including information technology, mining and real property.

His holdings in the securities of SBC are as follows:-

	Direct Interest	Indirect Interest
Ordinary shares	1,767 ^(a)	-

^(a) 1,767 shares are held in bare trust by Maybank Nominees (Tempatan) Sdn. Bhd

He has no family relationship with any Director and/or major shareholder of SBC.

He does not have any conflict of interest with SBC or its subsidiaries.

He has not been convicted of any offence within the past 5 years and has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2024.

He attended all four Board Meetings held during the financial year 2024.

DIRECTORS' PROFILE

YBHG. DATUK ROSELAN JOHAR BIN JOHAR MOHAMED | YBHG. DATUK SIA TEONG HENG | SIA TEONG LENG | **YBHG. DATO' LIM CHEANG NYOK** | CHOO SUIT LING | MOHD FAIZAL BIN MOHD KHASIM

DIRECTORS' PROFILE

CHOO SUIT LING

Aged 62
Malaysian
Independent Non-Executive Director

Choo Suit Ling, a Malaysian, female, aged 62, was appointed as an Independent Non-Executive Director of SBC Corporation Berhad ("SBC") on 30 June 2023. She is currently the Chairperson of the Nominating Committee and a member of both the Audit Committee and the Remuneration Committee of SBC. She graduated with a Bachelor of Arts Degree in Business Studies from the London Metropolitan University, United Kingdom.

She started with being Executive Director then CEO of Aerofoam Industry (1969) Sdn Bhd, a leading manufacturer of bedding products, for 33 years. During her tenure, she built the export division, focused on government procurement and local retail business, initiated ISO certification for the factory, built a partnership with Therapedic Inc USA for brand name, trademark and technical collaboration and built a sales and marketing team to supply hotels with bedding products.

She does not hold any securities, direct or indirect, in SBC or any of its subsidiaries.

She has no family relationship with any Director and/or major shareholder of SBC.

She does not have any conflict of interest with SBC or its subsidiaries.

She has not been convicted of any offence within the past 5 years and has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2024.

She attended all the three Board Meetings held during the financial year 2024 since her appointment to the Board of SBC.

DIRECTORS' PROFILE

YBHG. DATUK ROSELAN JOHAR BIN JOHAR MOHAMED | YBHG. DATUK SIA TEONG HENG | SIA TEONG LENG | YBHG. DATO' LIM CHEANG NYOK | **CHOO SUIT LING** | MOHD FAIZAL BIN MOHD KHASIM

DIRECTORS' PROFILE

MOHD FAIZAL BIN MOHD KHASIM

Age 53
Malaysian
Independent
Non-Executive Director

Mohd Faizal bin Mohd Khasim, a Malaysian, male, aged 53, was appointed as an Independent Non-Executive Director of SBC Corporation Berhad ("SBC") on 17 July 2024. He is currently the Chairman of the Audit Committee and member of both the Nominating Committee and the Remuneration Committee of SBC. He graduated with a Bachelor of Accounting from University Utara Malaysia in 1995 and is currently a member of the Malaysian Institute of Accountants (MIA) and a licensed Company Secretary with Suruhanjaya Syarikat Malaysia.

He started out his career as an accounts executive in Sateras Resources (M) Berhad followed by Land & General Berhad, rising up the ranks to become the General Manager and Director of Kumpulan Agresif Sdn Bhd in 2010. In 2010, he started his own company Fazaccs Sdn Bhd providing accounting and company secretary services. In 2014, he started another company Armada Zamrud Sdn Bhd supplying parts and chemicals to the oil & gas industries. To-date, both companies are still active.

He does not hold any securities, direct or indirect, in SBC or any of its subsidiaries.

He has no family relationship with any Director and/or major shareholder of SBC.

He does not have any conflict of interest with SBC or its subsidiaries.

He has not been convicted of any offence within the past 5 years and has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2024.

DIRECTORS' PROFILE

YBHG. DATUK ROSELAN JOHAR BIN JOHAR MOHAMED | YBHG. DATUK SIA TEONG HENG | SIA TEONG LENG | YBHG. DATO' LIM CHEANG NYOK | CHOO SUIT LING | **MOHD FAIZAL BIN MOHD KHASIM**

KEY MANAGERMENTS' PROFILE

▼ KOH MEI HONG,

a Malaysian, female, aged 61 was appointed as Senior Manager in 2011.

MH Koh is a qualified Quantity Surveyor overseeing SBC's contract administration. She has nearly 36 years of experience practising as the internal QS for SBC's projects and is a highly involved member of SBC's design development team.

She does not hold any directorship in public companies.

She has no family relationship with any Director and/or major shareholder of SBC.

She does not have any conflict of interest with SBC or its subsidiaries.

She has not been convicted of any offence within the past 5 years and has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2024.

▼ RONNY JOTIN,

a Malaysian, male aged 43 was appointed as Senior Project Manager in 2022.

Ronny is qualified in Construction Management and possesses a Bachelor's Degree in Engineering (Civil) overseeing SBC's Group project design/planning and development. He has nearly 18 years of experience related to engineering and building construction management and is a highly involved member of SBC's design/planning development team.

He does not hold any directorship in public companies.

He has no family relationship with any Director and/or major shareholder of SBC.

He does not have any conflict of interest with SBC or its subsidiaries.

He has not been convicted of any offence within the past 5 years and has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2024.

▼ WONG JERN KEONG,

a Malaysian, male, aged 46 was appointed as Senior Finance Manager in 2015.

JK Wong is a qualified Accountant, he has more than 20 years of experience in Accounting/Finance. Mr JK Wong is a Senior Finance Manager overseeing and is responsible for SBC's Accounting/Finance and is a highly involved member of SBC's Finance & Operation. He is a registered member of MIA.

He does not hold any directorship in public companies.

He has no family relationship with any Director and/or major shareholder of SBC.

He does not have any conflict of interest with SBC or its subsidiaries.

He has not been convicted of any offence within the past 5 years and has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2024.

CORPORATE STRUCTURE



5-YEAR GROUP FINANCIAL HIGHLIGHTS

	2024 RM'000	2023 RM'000 Restated	2022 RM'000 Restated	2021 RM'000	2020 RM'000
INCOME STATEMENTS					
Revenue	52,741	72,319	116,074	65,606	170,214
Profit before taxation	3,984	11,021	21,931	6,706	17,076
Profit/(Loss) after taxation	1,312	8,227	14,021	2,636	8,672
Profit/(Loss) attributable to equity holders	297	9,394	13,933	3,215	9,734
STATEMENT OF FINANCIAL POSITION					
Property, plant and equipment	5,254	4,673	4,844	6,211	4,039
Investments and other assets	312,810	313,719	318,153	320,390	319,423
Net current assets	145,729	125,059	108,501	125,400	185,654
Goodwill and deferred expenditure	12,794	11,391	12,522	11,890	12,972
	476,587	454,842	444,020	463,891	522,088
SHAREHOLDERS EQUITY					
Share capital	251,749	251,749	251,749	251,749	251,749
Reserves	162,282	161,985	152,591	154,695	151,480
Non-controlling interests	(5,288)	(6,303)	(5,072)	(5,160)	(4,581)
Deferred liabilities	67,844	47,411	44,752	62,607	123,440
	476,587	454,842	444,020	463,891	522,088
SELECTED RATIOS					
Earnings/(Loss) per share (sen)	0.12	3.64	5.40	1.25	3.77
Net assets per share (sen)	158	158	161	155	154
Gross dividend (%)	-	-	-	-	-

CHAIRMAN'S STATEMENT

On behalf of the Board of Directors, I am pleased to present the Annual Report and the Audited Financial Statements of the Group and the Company for the financial year ended 31 March 2024.

CHAIRMAN'S STATEMENT

FINANCIAL REVIEW

Group revenue stood at RM52.74 million for the year compared to the preceding year of RM72.32 million. The profit before tax achieved for the year was RM3.98 million compared to the preceding year profit before tax of RM11.02 million. Our financial performance remained fairly unchanged mainly due to the timing between the completion of earlier projects and the commencement of new projects. During this transitioning period, we focused our efforts to sell our completed stock from both current and old projects.

We are pleased to note that our Kota Kinabalu JQ Central continues to rank as one of the most preferred places for short-stay accommodation. Meanwhile, the JQ Gallery Shoppes have achieved a 95% occupancy thus far, bearing testament to the vibrancy of the location. Over in Kuala Lumpur, our 6 Kapas and Ligamas Residences continue to see improving sales momentum over 2023 and 2022.

The Group's financial position continues to be in steady state by its total net assets at RM408.74 million and the retained profits stood at RM162.28 million respectively. The Group will continue to maintain a heightened level of awareness as it navigates through the new challenges of the market place through exercising its prudent financial and operational management.

OPERATIONS AND BUSINESS REVIEW

The Group's performance continues to be predicated on product innovations and availability of mortgage financing for our buyers. Continuous support from our stakeholders, bankers, business partners and shareholders are also key to the Group to produce sustainable results.

Aside from the continuous business activities of our flagship locations (Kuala Lumpur, Selangor and Sabah all remain relevant to the Group's bottom line), our premium brand 6 Kapas continues to open doors for engagement into other potential boutique developments. Future earnings and product innovation continue to be defined by improved transport convenience (LRT/MRT) and travel demand. Both these themes will continue to dominate our forward business plans.

The Group's target market base interested in our subsequent phases at JQ, KE and LR are somewhat more captive, as they emanate from the earlier phases.

CHAIRMAN'S STATEMENT

DIVIDEND

The Board has not recommended any final dividend for the financial year 2024. The Group continues with its effective cash flow management to ensure the Group remains resilient during this challenging period.

APPRECIATION AND ACKNOWLEDGEMENT

On behalf of the Board of Directors, the Group continues to acknowledge all our delivery partners whom we have worked with during this year towards a successful collective concept of trusted delivery. The Group extends its utmost appreciation to our landowner Suria Capital Holdings Berhad and equity partner PKNS for your continuous support in ensuring credible market delivery and to SBC team for their resilience to deliver innovative properties to the marketplace to seed better communities.

Lastly, the Board would like to extend a warm welcome to En. Mohd Faizal bin Mohd Khasim who joins the Company as an Independent Non-Executive Director on 17 July 2024, and working together we can achieve greater heights for the Group.

Thank you.

**YBhg. Datuk Roselan Johar
bin Johar Mohamed**
Independent Non-Executive Chairman
30 July 2024

PENYATA PENGURUS

Bagi pihak Lembaga Pengarah, saya dengan sukacitanya mohon untuk membentangkan Laporan Tahunan dan Penyata Kewangan Teraudit bagi Kumpulan dan Syarikat untuk tahun kewangan berakhir 31 Mac 2024.

PENYATA PENGERUSI

ULASAN KEWANGAN

Pendapatan kumpulan berjumlah RM52.74 juta bagi tahun tersebut berbanding tahun sebelumnya sebanyak RM72.32 juta. Keuntungan sebelum cukai yang dicapai bagi tahun tersebut ialah RM3.98 juta berbanding keuntungan sebelum cukai tahun sebelumnya sebanyak RM11.02 juta. Prestasi kewangan kami agak memuaskan terutamanya disebabkan kami menumpukan usaha kami untuk menjual stok yang sudah siap yang terdiri daripada kedua-dua projek semasa dan lama, sambil menunggu perolehan masa antara penyiapan projek terdahulu dan permulaan projek baru.

Ingin kami mengumumkan bahawa projek kami di Kota Kinabalu JQ Central masih menjadi destinasi utama untuk penginapan jangka pendek, sedangkan JQ Gallery Shoppes setakat kini telah mencapai pengunian sembilan puluh lima peratus. Di Kuala Lumpur, Projek 6 Kapas dan Ligamas Residences masih meneruskan catatan jualan yang bertambah baik untuk Kumpulan bagi tahun 2023 dan 2022.

Kedudukan kewangan Kumpulan terus dikukuhkan oleh jumlah aset bersihnya berjumlah RM408.74 juta dan keuntungan tertahan berjumlah RM162.28 juta. Kumpulan akan terus mengekalkan tahap kesedaran yang tinggi semasa ia mengharungi tempoh ketidakpastian yang baru ini dengan melaksanakan pengurusan kewangan dan operasi yang berhemat.

ULASAN OPERASI DAN PERNIAGAAN

Prestasi Kumpulan boleh dikaitkan secara langsung dengan inovasi produk dan ketersediaan pembiayaan kewangan yang berterusan, baik untuk pembeli dan untuk pembiayaan projek kami. Sokongan berterusan daripada pihak berkepentingan, jurubank, rakan kongsi perniagaan dan pemegang saham adalah penting bagi Kumpulan ini untuk menghasilkan keputusan yang mampan.

Selain aktiviti perniagaan kami di lokasi utama (di Kuala Lumpur, Selangor dan Sabah yang kesemuanya memang tersangat relevan dengan pendapatan Kumpulan), projek jenama 6 Kapas akan terus mengembangkan peluang Kumpulan dalam projek pembangunan butik. Pendapatan masa depan dan inovasi produk terus ditentukan oleh kemudahan pengangkutan yang lebih baik (LRT/MRT) dan permintaan perjalanan. Kedua-dua tema ini akan terus mendominasi hala-tuju perniagaan kami dimasa hadapan.

Pembeli asas Kumpulan yang berminat dengan fasa seterusnya di JQ, KE dan LR masih memberangsangkan sebab mereka terdiri daripada fasa-fasa sebelumnya.

PENYATA PENGERUSI

DIVIDEN

Lembaga Pengarah tidak mengesyorkan sebarang dividen akhir untuk tahun kewangan 2024. Kumpulan kami akan meneruskan pengurusan aliran tunai yang berkesan untuk memastikan Kumpulan kekal berdaya tahan dalam tempoh sukar ini.

PENGIKTIRAFAN DAN PENGHARGAAN

Bagi pihak Lembaga Pengarah, Kumpulan terus mengiktiraf semua rakan kongsi kami yang telah bekerjasama dengan kami sepanjang tahun untuk mencapai kejayaan yang berkonsep kolektif bersepadu yang dipercayai. Kumpulan merakamkan penghargaan yang setinggi-tingginya kepada pemilik tanah kami Suria Capital Holdings Berhad dan rakan kongsi ekuiti PKNS atas sokongan padu anda dalam memastikan penyampaian pesanan yang boleh dipercayai dan kepada pasukan SBC, kami menyanjung tinggi di atas ketabahan mereka untuk bersama menyampaikan hartanah yang baik dan inovatif kepada pasaran untuk melahirkan komuniti yang lebih baik.

Akhir sekali Lembaga Pengarah ingin megalu-alukan penyertaan Encik Mohd Faizal bin Mohd Khasim sebagai Pengarah Bebas Bukan Eksekutif Kumpulan pada 17 July 2024 dan bersama-sama kami mencapai lebih kejayaan untuk Kumpulan.

Terima kasih.

**YBhg. Datuk Roselan Johar
bin Johar Mohamed**

Pengerusi Bebas Bukan Eksekutif
30 Julai 2024

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

Jesselton Quay (“JQ”) (Kota Kinabalu) and 6 Kapas (Bukit Bandaraya) (Kuala Lumpur) continue to be the main revenue generators for the current financial year, followed by The Peak Collection (Kota Kinabalu) and Cantonment Exchange (Kuala Lumpur). The Group’s Transport-Oriented-Development (“TOD”) at Kiara East (“KE”) (Kuala Lumpur) will contribute in the near future given the existence of a thriving community and the completed MRT Batu station nearby.

JQ : JQ Central continues to be the preferred place for short-stay accommodation among the locals and regional travelers. The Group’s Citypads sales achieved almost 100% and the Gallery Shoppes are gradually being filled up by end of 2024. The Group anticipates the remaining sales of JQ Central will come through within the next couple of years’ time. Planning is underway for the Group to move forward to the waterfront piece and to launch the next project named Q Suites in second half of 2024.

6 Kapas : 6 Kapas achieved sales more than 51% and the Group anticipates the remaining sales will come through within the next couple of years’ time.

Bandar Utama Batang Kali by Ligamas : The Group anticipates the sales of the remaining phase of Ligamas Residences (“LR”) will come through, riding on the ongoing expansion at North Klang Valley area and the reopening of the Jalan Batang Kali-Genting Highlands.

Kiara East : Existing TOD, DEX Suites, place making efforts are ongoing to activate the community amenities, building the base of community amenities in preparation for next launch of TOD known as Dex Palm by early of 2025.

FINANCIAL PERFORMANCE

The Group’s revenue and profit after tax for the financial year under review stood at RM52.74 million and RM1.31 million respectively. Our financial performance took a dip mainly due to the timing between the completion of earlier projects and the commencement of new projects. During this transitioning period, the Group focused its’ efforts to sell completed stock from both current and old projects.

The Group is on track to achieve the planned sales of both JQ Central and 6 Kapas projects, and the remaining sales is anticipated to be achieved within a couple of years’ time when market sentiment improves.

The Group’s total net assets stood at RM408.74 million and the retained profits stood at RM162.28 million. Targeted government measures together with perceived weak market sentiment still affecting the degree of banking support that is accorded to the Group’s buying base who are interested in our next phases at JQ, KE and LR, expecting to launch next year, once approvals from authorities are obtained.

RISK EXPOSURE AND MITIGATIONS

The Group’s major business operations are within the property development and construction industry that is cyclical in nature and is susceptible to major risks such as market supply and demand, changes in government policies affecting the industry, credit policy, interest rates and skilled labour shortages. Nevertheless, the Group is taking proactive measures to maintain competitiveness in the industry.

INDUSTRY OUTLOOK

The Group views that its prospects still lie in the developments situated at prime strategic locations and the convenience that TOD offers.

JQ Central and overall JQ, sitting on prime strategic location still offers potential revenue investment opportunities in the mid-to-long term. Sabah is still a preferred holiday destination for both locals and regional travelers, and the state government’s recent kick-off of Sabah-Malaysia My Second Home programme will significantly increase foreign direct investments into Sabah, especially in the real estate and tourism sectors. In KL the Group has Kiara East and Bandar Utama Batang Kali, which offer this TOD convenience that will seed better communities in the future. With the impending saturation of KL, spillover effect to greater KL areas having TOD convenience such as the Group’s will be pivotal in the coming years.

These factors bode well for the Group as both KL and Sabah are key arrival points when cross border travel picks up. Tourism is one of the key contributors to the Malaysian economy and both the federal and state governments will continue their efforts to have Sabah remain as a preferred travel destination for many years to come.

The Group anticipates banking conditions will normalise and all project locations to feature fresh designs layouts that cater for new post pandemic realities that offer greater flexibility, multiplicity of usage and refocus into strong community facilities and amenities.

DIVIDEND POLICY

No dividend has been declared for the financial year under review.

This Statement is made in accordance with a resolution of the Board dated 30 July 2024.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

This Statement is prepared in compliance with Bursa Malaysia Securities Berhad (“Bursa Securities”) Main Market Listing Requirements (“MMLR”) and it is to be read together with the Corporate Governance Report 2024 of the Company (“CG Report”) which is available on the Company’s website at <https://www.sbcgroup.com.my>. The explanation for departure is further disclosed in the CG Report.

The Board of Directors of SBC Corporation Berhad acknowledges the importance of good corporate governance (“CG”) in protecting and enhancing the interest of shareholders. As such the Board is committed towards adherence to the principles, intended outcome and best practices set out in the Malaysian Code on Corporate Governance (“MCCG” or “the Code”) issued by the Securities Commission Malaysia.

The Board recognises the importance of CG and conscientiously strives to attain high business ethics and governance in conducting the day-to-day business affairs of the Company and its subsidiaries (“the Group”), so as to safeguard and enhance shareholder’s value, which includes protecting the interests of all stakeholders.

The Board believes that good CG adds value to the business of the Group and will ensure that this practice continues. The Board of Directors believes in playing an active role in guiding the Management through its oversight review while at the same time steer the Group’s business direction and strategy.

The Board is pleased to disclose the manner and the extent in which the principles and practices set out in the MCCG and governance standards in accordance with the MMLR of Bursa Securities that have been adopted by the Company and the Group for all its business dealings and affairs throughout the financial year ended 31 March 2024.

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

BOARD RESPONSIBILITIES

The Group is led and controlled by an effective Board that currently consists of six (6) members comprising one (1) Independent Non-Executive Chairman, one (1) Managing Director cum Chief Executive Officer, one (1) Executive Director, one (1) Senior Independent Non-Executive Director and two (2) Independent Non-Executive Directors.

The Board complies with Paragraph 15.02 of the MMLR of Bursa Securities which requires at least two Directors or one-third of the Board of the Company, whichever is the higher, are Independent Directors.

The Board is satisfied that the current Board composition fairly reflects the investment of minority shareholders in the Company and represents the needed mix of skills and experience required to discharge the Board’s duties and responsibilities effectively. No individual Director or group of Directors can dominate the Board’s decision-making process. The composition and size of the Board are to be reviewed from time to time.

There is a clear division of responsibility between the Independent Non-Executive Chairman and the Managing Director cum Chief Executive Officer to ensure that there is a balance of power and authority in decision making. The Board is led by the Independent Non-Executive Chairman and the Executive Management is led by the Managing Director cum Chief Executive Officer. Together, the Directors bring a broad range of competencies, capabilities, technical skills, experiences and knowledge relevant to the business to ensure that the Group continues to be competitive in the industry with a strong reputation for ethics as well as technical and professional competence.

All of the Board members serve as directors in not more than five boards of listed companies, to ensure they devote sufficient time to carry out their responsibilities.

The profiles of the members of the Board are set out in the annual report under the section named Directors’ Profile.

Clear functions reserved for the Board and those delegated to Management

The Board recognises its key role in charting the strategic direction, development and control of the Group and has adopted the specific responsibilities that are listed in the Code, which facilitates the discharge of the Board’s stewardship responsibilities. In order to deliver both fiduciary and leadership functions, the Board, amongst others, assumes the following key responsibilities as per recommendations of the Code :-

- Setting the objectives, goals and strategic plan for the Company with a view to maximising shareholder value and promoting sustainability;
- Adopting and monitoring progress of the Company’s strategy, budgets, plans and policies;
- Overseeing the conduct of the Company’s business to evaluate whether the business is being properly managed;
- To consider and approve reserved matters covering corporate policies, material investment and acquisition/disposal of assets;
- Identifying principal risks and ensure implementation of appropriate systems to manage these risks;
- Succession planning, including appointing, training, fixing the compensation of and where appropriate, replacing senior management;
- Developing and implementing an investor relations programme or shareholder communications policy for the Company; and
- Reviewing the adequacy and the integrity of the Company’s internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Executive Directors are responsible for making and implementing policies, operational and corporate decisions as well as developing, coordinating and implementing business and corporate strategies. The Non-Executive Directors play the key roles in contributing knowledge and experience towards the formulation of policies and in the decision-making process. They could provide the relevant checks and balances, focusing on shareholders' and other stakeholders' interests and ensuring that high standards of corporate governance are applied. Where a potential conflict of interest may arise, it is mandatory practice for the Director concerned to declare his interest and abstain from the decision-making process.

The Board is aware of the need to clearly demarcate the duties and responsibilities of the Board. Along with good governance practices and to enhance transparency, accountability and timely disclosure of material information, the Board has formalised and adopted the following policies and procedures which provide guidance to the Board in fulfillment of its roles, functions, duties and responsibilities and they are made available at the Company's website at <https://www.sbcgroup.com.my>.

- Board Charter;
- Code of Ethics and Conduct;
- Whistle Blowing Policy;
- Corporate Disclosure Policy;
- Criteria to assess independence of Independent Directors;
- Procedure of recruitment/selection for directorship;
- Remuneration Policy for Executive Directors; and
- Remuneration Policy for Non-Executive Directors.

ACCESS TO AND SUPPLY OF INFORMATION

The Managing Director cum Chief Executive Officer and the Executive Director have the primary responsibility for organising information necessary for the Board to deal with the agenda and ensuring all Directors have full and timely access to the information relevant to matters that will be deliberated at the Board meeting.

In exercising their duties, all Directors have the same right to access to all information within the Group and authorised whenever necessary to obtain independent professional advice in the furtherance of their duties at the Group's expense. The Directors also have access to the advice and services of the Company Secretary appointed by the Board whether as a full Board or in individual capacity to assist them in discharging their duties and decision making.

All Directors are provided with papers which include the agenda and reports relevant to the issues of the meetings covering areas of strategic, financial, operational and regulatory compliance matters at least seven (7) days prior to each Board meeting. These are issued in sufficient time to enable the Directors to obtain any further information and/or explanations when necessary.

The Board papers prepared for the quarterly scheduled meetings include, among others, the following :-

- Minutes of previous Board meeting;
- Minutes of the Board Committee's meeting;
- Reports on matters arising;
- Quarterly financial results; and
- Report on operational matters.

The Senior Independent Non-Executive Director provides an additional communication channel between the directors and the shareholders. The Board has identified YBhg. Dato' Lim Cheang Nyok to act as the Senior Independent Non-Executive Director to whom any concerns relating to the Group may be conveyed by shareholders.

INDEPENDENT PROFESSIONAL ADVICE

The Directors, whether acting as a full Board member or in their individual capacity, in the furtherance of their duties, may obtain independent professional advice at the Company's expense, in the event that circumstances warrant the same.

COMPANY SECRETARIES

The Company Secretaries are qualified officers and meet the provisions of the Companies Act. The Directors have unrestricted access to the advice and services of the Company Secretaries. The Company Secretaries ensure that all Board meetings are properly convened and are entrusted to record the Board's deliberations, in terms of issues discussed and the conclusions.

The Board is regularly updated by the Company Secretaries on new changes to the legislations and the Listing Requirements and the resultant implications to the Company and the Board in discharging their duties and responsibilities.

BOARD COMPOSITION

The Board composition is in compliance with Paragraph 15.02 of the MMLR of Bursa Securities which stipulates that at least two Directors or one-third of the Board of the Company, whichever is the higher, must be Independent Directors and also recommendation by the MCCG to have at least half of the Board comprises Independent Directors.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

There are clear roles of the Independent Non-Executive Chairman and the Managing Director cum Chief Executive Officer. The Independent Non-Executive Chairman is primarily responsible for the orderly conduct and working of the Board whilst the Managing Director cum Chief Executive Officer is responsible for the day-to-day running of the business and implementation of Board policies and decisions adopted by the Board.

INDEPENDENT NON-EXECUTIVE DIRECTORS

The presence of the Independent Non-Executive Directors provides a pivotal role in corporate accountabilities. The roles of the Independent Non-Executive Directors, among other compliances, are with the purpose to provide an independent and objective view, advice and fairness in judgement by ensuring the long-term interest of stakeholders are considered. The Independent Non-Executive Directors do not participate in the operations of the Group in order to uphold their objectivity and fulfill their responsibilities to provide check and balance to the Board.

i. Annual Assessment of Independent Directors

The Board recognises the importance of independence and objectivity in its decision making process. The Independent Directors who are professionals of high calibre and integrity and possess in-depth knowledge of the Group's business, bring their independent and objective views and judgement to Board deliberations.

During the financial year, the Board through the Nominating Committee performed an evaluation of all Directors including the Independent Directors and was satisfied that the Independent Directors continued to exercise independent and objective judgement and acted in the interest of the Company and its stakeholders.

ii. Tenure of Independent Director

The Board noted the recommendation of the Code that the tenure of an Independent Director should not exceed a cumulative term of nine (9) years. Upon completion of the nine (9) years, an independent director may continue to serve on the board as a non-independent director. If the Board intends of retaining an individual as independent director beyond nine (9) years, it should justify and seek annual shareholders' approval through a two-tier voting process.

The Nominating Committee and the Board have deliberated on the recommendation and hold the view that the ability of an Independent Director to exercise independent judgement is not affected by the length of his service as an Independent Director. The suitability and ability of Independent Director to carry out his roles and responsibilities effectively are very much a function of his calibre, experience and personal qualities. Restriction on tenure may cause loss of experience and expertise that are important contributors to the efficient working of the Board.

Both the Nominating Committee and the Board have assessed the independence of Datuk Roselan Johar bin Johar Mohamed who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, and recommended him to be retained as an Independent Non-Executive Director of the Company based on the following justifications:

- He has fulfilled the criteria under the definition of an Independent Director as stated in the MMLR, and thus he would be able to provide independent judgement, objectivity and check and balance to the Board;
- He performs his duties and responsibilities diligently and in the best interests of the Company without being subject to influence of the management;
- His in-depth knowledge of the Group's businesses and his extensive knowledge, commitment and expertise continue to provide invaluable contributions to the Board;
- He, having been with the Company for more than nine (9) years, is familiar with the Group's business operations and has devoted sufficient time and attention to his professional obligations and attended the Board and Committee meetings for an informed and balanced decision making;
- He is independent as he has shown great integrity and he has not entered into any related party transaction with the Group; and
- He is currently not sitting on the board of any other public and/or private companies having the same nature of business as that of the Group.

Both the Nominating Committee and the Board also recognise the benefits of the experience, valuable insights, expertise and stability brought by Datuk Roselan Johar bin Johar Mohamed and his continued service will serve the interest of the Company and its shareholders.

The Board is unanimous in its opinion that Datuk Roselan Johar bin Johar Mohamed, who has served on the Board as an Independent Director, exceeding a cumulative term of nine (9) years, continue to fulfill the criteria and definition of Independent Director as set out under Paragraph 1.01 of MMLR.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

In this respect, the Board has approved the continuation of Datuk Roselan Johar bin Johar Mohamed as an Independent Director of the Company. The Board believes that it is in the best position to identify, evaluate and determine whether any Independent Director can continue acting in the best interests of the Company and bringing independent and professional judgement to board deliberations. Accordingly, the Board strongly recommends retaining Datuk Roselan Johar bin Johar Mohamed as an Independent Non-Executive Director and will be tabling Ordinary Resolution 9 to shareholders at the Thirty-fourth AGM for the said purpose. Shareholders' approval for the Ordinary Resolution will be sought on a single tier voting process.

iii. Shareholders' approval for retention of Independent Director

The Board takes cognizance of the recommendation of the Code regarding the tenure of Independent Directors but will seek approval of the shareholders through a single tier voting process for the retention of Independent Directors who have served for a cumulative term of more than nine (9) years. This is in line with the general rule on voting as provided in the Companies Act, 2016 which states that every shareholder has one vote for every share he holds and resolutions are to be decided by a simple majority for ordinary resolutions and 75% of votes for special resolutions through a single tier voting process.

BOARD DIVERSITY

The Board acknowledges the importance of boardroom diversity policy and target by the Code. When appointing a Director, the Nominating Committee and the Board will always evaluate and match the criteria of the candidate to the Board based on individual merit, experience, skill, competency, knowledge and potential contribution, while the Code will also be given due consideration for boardroom diversity.

The Company does not set any specific target for boardroom diversity and female representation will be considered when suitable candidates are identified.

DIVERSITY

The Board is committed to provide fair and equal opportunity within the Group and acknowledges the importance of boardroom and workplace diversity as well as the employment of employees who possess the necessary skills and right personal attributes. The Group is committed to workplace diversity and that the workplace is fair, accessible, flexible and free from all kinds of discrimination.

BOARD MEETINGS

The underlying factors of Directors' commitment to the Group are devoting time to attend to matters of the Group in general, including attendance at meetings of the Board and Board Committees and other types of meeting and continuously improving of knowledge and skills with the objective to efficiently govern and contribute to the Group.

The Board meets at least every quarter and on other occasion when necessary, to approve quarterly financial results, statutory financial statements and any business development plans.

During the financial year ended 31 March 2024 the Board met on four (4) occasions. Informal meetings and consultations were frequently and freely held to share expertise and experiences. Details of the attendance of the Directors at various meetings are set out below :-

Name of Director	Designation	Attendance of Board Meeting
YBhg. Datuk Roselan Johar bin Johar Mohamed	Independent Non-Executive Chairman	4/4
YBhg. Datuk Sia Teong Heng	Managing Director cum Chief Executive Officer	3/4
Sia Teong Leng	Executive Director	4/4
YBhg. Dato' Lim Cheang Nyok	Senior Independent Non-Executive Director	4/4
Choo Suit Ling	Independent Non-Executive Director	3/3

En. Mohd Faizal bin Mohd Khasim was appointed as an Independent Non-Executive Director on 17 July 2024.

DIRECTORS' TRAINING

All members of the Board had attended the Mandatory Accreditation Programme ("MAP") as required by Bursa Securities. The new Independent Non-Executive Director, En. Mohd Faizal bin Mohd Khasim has been scheduled to attend the MAP in November 2024. Pursuant to Paragraph 15.08 of the MMLR of Bursa Securities, the Board is responsible to identify the training needs of its Directors which will aid them in the discharge of their duties on a continuous basis. During the financial year under review, the Board has discussed training programmes proposed for the Directors' attendance. The Board noted that the Nominating Committee is satisfied that the Board comprises qualified people with professional background, expertise and practical experience. Nevertheless, the Board encourages its Directors to go for training on their own initiative from time to time in order to keep them abreast of the latest developments in the market-place as well as the current changes in the laws, regulations and accounting standards.

For new Directors, a familiarisation programme will be conducted for them. This includes a presentation of the Group's operations by senior management and visits to the existing project sites.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

During the financial year, the Directors attended training courses as follows :-

Name	Training	Date
YBhg. Datuk Roselan Johar bin Johar Mohamed	SSM Webinar - Corporate Director Training Programme Fundamental 4.0 + Financial Statements 101	16-17 August 2023
YBhg. Datuk Sia Teong Heng	MAICSA Webinar Series - Board Governance & Oversight: ESG Impact on Group's Business	20 March 2024
Sia Teong Leng	MAICSA Webinar Series - Board Governance & Oversight: ESG Impact on Group's Business	20 March 2024
YBhg. Dato' Lim Cheang Nyok	Preview of E-Invoice, Capital Gains Tax & SVDP 2.0	28 February 2024
Choo Suit Ling	MAICSA Webinar Series - Board Governance & Oversight: ESG Impact on Group's Business	20 March 2024

BOARD COMMITTEES

In order to assist in the execution of the Board's responsibilities, the Board had delegated certain of its responsibilities to the Board Committees. Clearly defined terms of reference have been given to these Committees to enable them to operate effectively. The Board periodically reviews the Committees' terms of reference.

i. Audit Committee

The objective of the Audit Committee is to assist the Board in meeting the responsibilities relating to financial accounting, reporting and control. The Committee will serve as a communicating mechanism among the Directors, External Auditors, Internal Auditors and Senior Management. The Committee has full access to the External Auditors and Internal Auditors, who in turn, have full access at all times to the Chairman of the Audit Committee.

The Terms of Reference of the Audit Committee together with the Report of the Audit Committee are disclosed on pages 34 to 36 of this Annual Report. The Audit Committee activities during the financial year are also set out in the Report of Audit Committee.

ii. Nominating Committee

The Nominating Committee (NC) is empowered by the Board through clearly defined terms of reference to ensure that there are appropriate procedures in place for the nomination, selection and evaluation of Directors.

Prior to appointment of a director, the NC is fully entrusted to evaluate, propose and then recommend suitable candidates to be approved and appointed by the Board. The NC takes into the account of the qualification, character, skills, expertise, background, experience, integrity, competence, time commitment and diversity in evaluating the potential candidates. The potential candidates must disclose their existing directorships as well as any other commitments so as to determine whether they have adequate time to perform their duties. The Company Secretary will ensure that all appointments are properly made and all information necessary are obtained as well as all legal and regulatory obligations are met.

In accordance with Clause 88 of the Company's Constitution, one third of the Directors shall retire by rotation from office and be eligible for re-election at the annual general meeting. The Clause also provides that all Directors shall retire from office at least once in every three years, but shall be eligible for re-election. In accordance with Clause 95, any new Director appointed by the Board is subject to re-election by shareholders at the first opportunity after his appointment.

The assessment of the effectiveness of the Board as a whole, the Board committees and the contribution of each director were conducted with the objective to improve the Board and its committees effectiveness and to enhance the director's awareness on the key areas that need to be addressed. The evaluation results were tabled for the consideration of the NC and its recommendation to the Board for improvement.

During the financial year ended 31 March 2024, the NC had held one (1) meeting. The attendance of the members of the NC at the meeting is as follows :-

Name of members	No. of meetings attended
Choo Suit Ling (Independent Non-Executive Director) – Chairperson	1/1
YBhg. Datuk Roselan Johar bin Johar Mohamed (Independent Non-Executive Chairman)	1/1
YBhg. Dato' Lim Cheang Nyok (Senior Independent Non-Executive Director)	1/1

The NC consists entirely of Independent Non-Executive Directors.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Terms of Reference of the NC are as follows :-

1. Membership

The Committee shall be appointed by the Board from amongst the Directors of the Company and shall consist exclusively of Non-Executive Directors, minimum three (3), a majority of whom are Independent Directors.

The members of the Committee shall elect the Chairman from among their number who shall be an independent director.

The quorum shall be two (2) members, a majority of whom shall be independent directors.

2. Frequency of Meetings

Meeting shall be held not less than once a year. The Company Secretary shall be the Secretary of the Committee.

3. Authority

The Committee is to recommend new nominees for the Board and the Board Committees and to assess Directors on an on-going basis. The actual decision as to who shall be nominated should be the responsibility of the full Board after considering the recommendations of the Committee.

4. Duties

The duties of the Committee shall be :-

- (i) to recommend to the Board, candidates for all directorships taking into consideration the candidates' qualification, character, skills, knowledge, expertise, experience, professionalism, integrity, competence and time commitment and in doing so, preference shall be given to shareholders or existing Board members and candidates proposed by the Chief Executive Officer and, within the bounds of practicability, by any other senior executive or any director or shareholder may also be considered.
- (ii) to recommend to the Board, directors to fill the seats on board committees.
- (iii) to review annually, on behalf of the Board, the required mix of skills, experience and other qualities, including core competencies, which Non-Executive Directors should bring to the Board, independence and diversity (including gender diversity) required to meet the needs of the Company.
- (iv) to carry out annually, on behalf of the Board, the assessment of the effectiveness of the Board as a whole, the Board Committees and the contribution of each director.
- (v) to establish a formal and transparent procedures for appointment of new directors to the Board and make recommendations which include establishing selection criteria, short listing, assessing and evaluating suitable candidate against selection criteria and Board's requirements.
- (vi) to review the term of office and performance of an audit committee and each of its members annually to determine whether such audit committee and members have carried out their duties in accordance with their terms of reference.

5. Reporting Procedures

The Company Secretary shall circulate the minutes of meetings of the Committee to all members of the Board.

The main activities undertaken by the NC during the financial year under review were as follows :-

- (i) Reviewed the re-election of the Directors retiring at the forthcoming annual general meeting under the Constitution of the Company;
- (ii) Assessment of independence of independent directors;
- (iii) Reviewed the required mix of skills, experience and other qualities of the Board and gender diversity; and
- (iv) Reviewed the effectiveness of the Board as a whole and the Board Committees and the performance of each of the Board members and the Audit Committee members.

Formalised Directors' Fit and Proper Policy

On 20 June 2022, the Company established the Directors' Fit and Proper Policy for the appointment and re-election of Directors of the Company and its subsidiaries as required by Paragraph 15.01A of Bursa Malaysia Main Market Listing Requirements. The Directors' Fit and Proper Policy serves as a guide to the Nominating Committee and the Board in their review and assessment of candidates that are to be appointed to the Board of the Company and its subsidiaries as well as Directors who are seeking for re-election at the AGM. This is to ensure that each of the Directors has the character, experience, integrity, competence and time to effectively discharge his / her role as a Director of the Company and its subsidiaries.

The Directors' Fit and Proper Policy is available on the Company's website at <https://www.sbcgroup.com.my>

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Annual Evaluation

The annual assessment on the Board, its Committees and each individual Director and Audit Committee member was carried out internally using self-evaluation forms extracted from the Corporate Governance Guide issued by Bursa Malaysia Securities Berhad.

In conducting the evaluation, the following criteria were adopted by the Nominating Committee –

- Board mix and composition;
- Quality of information and decision making;
- Boardroom activities;
- Board's relationship with the management;
- Board committee's evaluation;
- Fit and proper;
- Contribution and performance;
- Caliber and personality;
- Financial literacy; and
- Controls, risk management and compliance.

The results of the duly completed self-evaluation forms received from the Directors and Audit Committee members were tabled to the Nominating Committee for consideration. The Nominating Committee is satisfied that the Board has a good mix of skills, experience and qualities and each of the Directors has the professionalism, competence, experience, time commitment, integrity and character to effectively discharge their role as a Director.

The Nominating Committee is also satisfied with the performance of the Audit Committee and each of the Audit Committee members who have carried out their duties in accordance with their Terms of Reference.

The results from the Nominating Committee were reported to the Board.

iii Remuneration Committee

The Remuneration Committee (RC) is delegated with responsibilities to evaluate and recommend to the Board of all element of the remuneration package of the Executive Directors and Senior Management. The remuneration packages are based on the philosophy to enable the Company to attract and retain Directors and Senior Management of caliber, relevant experience and expertise to manage the Group effectively and successfully.

The Board as a whole would determine the remuneration packages of the Independent Non-Executive Directors.

During the financial year ended 31 March 2024, the RC has held one (1) meeting. The attendance of the members of the RC at the meeting is as follows :-

Name of members	No. of meetings attended
YBhg. Dato' Lim Cheang Nyok (Senior Independent Non-Executive Director) – Chairman	1/1
YBhg. Datuk Roselan Johar bin Johar Mohamed (Independent Non-Executive Chairman)	1/1
Choo Suit Ling (Independent Non-Executive Director)	1/1

The RC consists entirely of Independent Non-Executive Directors.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Terms of Reference of the RC are as follows :-

1. Membership

The Committee shall be appointed by the Board from amongst the Directors of the Company and shall consist exclusively of Non-Executive Directors, minimum three (3), a majority of whom are independent directors.

The members of the Committee shall elect the Chairman from among their number who shall be an independent director.

The quorum shall be two (2) members, a majority of whom shall be independent directors.

2. Frequency of Meetings

Meetings shall be held not less than once a year. The Company Secretary shall be the Secretary of the Committee.

3. Authority

The Committee is authorised to draw from outside advice as and when necessary in forming its recommendation to the Board on the remuneration of the executive directors and senior management in all its forms. Executive directors should play no part in decisions on their own remuneration and should abstain from discussion of their own remuneration.

The determination of the remuneration packages of the Non-Executive Directors, including non-executive chairman, should be a matter for the Board as a whole. The individuals concerned should abstain from discussion of their own remuneration.

4. Duty

The duty of the Committee is to recommend to the Board the structure and level of remuneration of executive directors and senior management.

5. Reporting Procedures

The Company Secretary shall circulate the minutes of meetings of the Committee to all members of the Board.

During the financial year under review, the main activities undertaken by the RC were reviewing the remuneration of the Managing Director cum Chief Executive Officer, the Executive Director and the Senior Management for year 2024.

Remuneration

The remunerations of the Executive Directors and Senior Management are to be structured so as to link rewards to Group and individual performance and for Non-Executive Directors, the level of fees shall reflect the experience, expertise and level of responsibilities undertaken.

All Non-Executive Directors are paid director's fees for serving as Directors on the Board and chairman of the Board or its Committees. The Company also reimburses reasonable expenses incurred by these Directors in the course of their duties. They are paid a meeting allowance of RM300 per meeting for attendance at each Board and its Committees' meetings. The Directors' fees and benefits are approved at the annual general meeting by shareholders.

Currently, the remuneration of Executive Directors and Senior Management comprising basic salary and bonus which are reflective of their experience, expertise, level of responsibilities and performance. Benefits in kind such as company car are made available as appropriate.

The details of the remuneration of the Directors and Senior Management of the Company and the Group for the financial year ended 31 March 2024 are as follows :-

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(a) Directors

Company	Basic Salary RM'000	Bonuses RM'000	Fees RM'000	Benefits-in-kind RM'000	Attendance fee RM'000	Total RM'000
Executive						
YBhg. Datuk Sia Teong Heng	986	-	-	5,000	-	5,986
Sia Teong Leng	323	-	-	-	-	323
Non-Executive						
YBhg. Datuk Roselan Johar bin Johar Mohamed	-	-	37	-	3	40
YBhg. Dato' Lim Cheang Nyok	-	-	37	-	3	40
Choo Suit Ling	-	-	28	-	3	31
Lee Kong Leong	-	-	9	-	-	9
Total	1,309	-	111	5,000	9	6,429

Group	Basic Salary RM'000	Bonuses RM'000	Fees RM'000	Benefits-in-kind RM'000	Attendance fee RM'000	Total RM'000
Executive						
YBhg. Datuk Sia Teong Heng	986	-	-	5,000	-	5,986
Sia Teong Leng	323	-	-	-	-	323
Non-Executive						
YBhg. Datuk Roselan Johar bin Johar Mohamed	-	-	37	-	3	40
YBhg. Dato' Lim Cheang Nyok	-	-	37	-	3	40
Choo Suit Ling	-	-	28	-	3	31
Lee Kong Leong	-	-	9	-	-	9
Total	1,309	-	111	5,000	9	6,429

(b) Senior Management of the Company and Group by bands of RM50,000

Range of remuneration (inclusive of salary, bonus, benefits in kind and other emoluments) (RM)	Number of Senior Management (No. of staffs)	
	Company	Group
RM1 to RM50,000	-	-
RM50,001 to RM100,000	-	-
RM100,001 to RM150,000	-	-
RM150,001 to RM200,000	1	3
RM200,001 to RM250,000	-	-
RM250,001 to RM300,000	-	-

Due to confidentiality, sensitivity and security concerns, the Board is of the view that the disclosure of the Senior Management's aggregated remuneration on unnamed basis in the bands of RM50,000 is adequate.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE B - EFFECTIVE AUDIT AND RISK MANAGEMENT

AUDIT COMMITTEE

The Audit Committee presently comprises four (4) members, one (1) Senior Independent Non-Executive Director, one (1) Independent Non-Executive Chairman and two (2) Independent Non-Executive Directors.

The Board is assisted by the Audit Committee to ensure the Group's financial statements comply with applicable financial reporting standards. The Audit Committee is also tasked in assisting the Board in maintaining sound risk management and internal control system across the Group.

The Board is responsible for ensuring that the Company and the Group maintain accounting records that disclose with reasonable accuracy the financial position of the Company and the Group and which enables them to ensure that the financial statements comply with the provision of the Companies Act, 2016.

FINANCIAL REPORTING

The Board aims to convey a balanced and understandable assessment of the Group's financial position and prospects through the quarterly results and annual reports/financial statements to the Company's shareholders and regulators.

The Statement of the Directors' Responsibilities in respect of the preparation of the annual audited financial statements pursuant to Bursa Securities Listing Requirements is set out on page 37 of this Annual Report.

RELATIONSHIP WITH EXTERNAL AUDITORS

The Board through the establishment of the Audit Committee, has established a good working relationship with its External Auditors i.e. Crowe Malaysia PLT, Chartered Accountants. The Group also maintains a transparent relationship with the External Auditors in seeking their professional advice towards ensuring compliance with the accounting standards through the Audit Committee. In the course of audit of the Group's operations, the External Auditors have highlighted all important matters to the Audit Committee. The Audit Committee will then bring up the matters for the Board's attention if it is necessary.

The Audit Committee has assessed the suitability of the External Auditors and has obtained written assurance from the External Auditors confirming that they are and have been independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements. The External Auditors are appointed every year during the annual general meeting.

Key features underlying the relationship of the Audit Committee and the External Auditors are included in the Terms of Reference of the Audit Committee which are stated on pages 35 to 36 under the Audit Committee Report.

The Group has paid RM5,000 of non-audit fees to the External Auditors for the financial year ended 31 March 2024.

RISK MANAGEMENT

The Board recognises that risk management is an integral part of the Group's business operations and that risks are inherited in all business activities and is committed to manage the risks involved in the Group business activities. The Group has a Risk Management Working Group ("RMWG") that is chaired by the Managing Director cum Chief Executive Officer and its members comprise the Executive Director, Heads of Departments and staff from key operations. They have been trained to identify the risks relating to their areas; the likelihood of these risks occurring; the consequences if they do occur; and the actions being and/or to be taken to manage these risks to the desired level. The risk profiles and the risk treatment measures determined from this process are documented in risk registers with each business or operations area having its respective risk registers. The risk registers are eventually compiled to form the Group Risk Profile for reporting to the RMWG and the Audit Committee.

INTERNAL CONTROL

The Board acknowledges its responsibility for maintaining a sound internal controls system, which provides reasonable assurance in ensuring the effectiveness and efficiency of operations and the safeguard of assets and interest in compliance with laws and regulations as well as with internal financial administration procedures and guidelines.

The Group's Statement on Risk Management and Internal Control is shown on pages 32 to 33 of this Annual Report.

INTERNAL AUDIT

In accordance with the provision in the Code and the Listing Requirements of Bursa Securities, the Board has outsourced the internal audit function to a professional internal audit service provider firm, namely Wensen Consulting Asia (M) Sdn Bhd, who reports directly to the Audit Committee. The Internal Auditors have carried out the internal audits of the Group and highlighted all important issues to the Audit Committee. The Audit Committee will then bring up the issues for the Board's attention if it is necessary.

The internal audit function carried out during the financial year is disclosed in the Audit Committee Report as set out in page 36 of this Annual Report.

The Group's Statement on Risk Management and Internal Control which provides an overview of the risk management framework and the state of internal control within the Group is set out on pages 32 to 33 of this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

COMMUNICATION WITH STAKEHOLDERS

The Board is aware that communication with shareholders and investors are important for enhancing their understanding of and confidence in the Group's business and activities. The Board recognises that timely and equitable dissemination of relevant information shall be provided to shareholders and investors through public announcements made to Bursa Securities and the importance of information technology for effective dissemination of information.

The Group's quarterly financial results, annual audited accounts, annual reports and other announcements are published via the website of Bursa Securities within the stipulated timeframe. The Company also maintains its website at <https://www.sbcgroup.com.my> containing corporate information for the general public. The Company's website has become a key communication channel for the Company to further enhance shareholder and investor communication.

i. Dialogue between Company and Investors

The Board places great importance of being transparent and accountable to its investors and as such, has maintained an active and constructive communication policy that enables the Board and the Management to communicate effectively and on a timely basis with its investors, stakeholders and the public generally. The information about the Group can be accessed through the Company's website at <https://www.sbcgroup.com.my>

ii Anti-Bribery and Corruption Policy

With the adoption of the Anti-Bribery and Corruption Policy (ABC) policy, the Group practises zero tolerance policy against all forms of bribery and corruption. The ABC policy elaborates upon those principles and provides guidance to employees on how to deal with improper solicitation, bribery and other corrupt activities and issues that may arise in the course of conducting business. The ABC policy is also applicable to all employees, directors, contractors, sub-contractors, consultants, agents, representatives and others performing work or services for or on behalf of the Group.

For more information on the ABC policy, please refer to the Company's website at <https://www.sbcgroup.com.my>

iii Annual Report

The Directors believe that an important channel to reach shareholders and investors is through annual reports which can be obtained from the Company's website at <https://www.sbcgroup.com.my>. Besides including comprehensive financial performance and information on business activities, the Group strives to improve the contents of the annual report in line with the developments in corporate governance practices.

GENERAL MEETINGS

The Annual General Meeting is the principal forum for the Directors, the Management and shareholders to meet and discuss the Group's business developments, strategies, performance, corporate governance, matters affecting shareholders' interests and future prospects. Notice of Annual General Meeting is sent out to shareholders at least twenty-one (21) days before the date of the meeting. At each Annual General Meeting, shareholders are encouraged to participate in the question and answer session. Where appropriate, the Chairman of the Meeting will undertake to provide a written answer to any question that cannot be readily answered on the spot. However, any information, which may be regarded as undisclosed material information about the Group, will not be given to any single shareholder or shareholder group.

The Board always takes active steps to encourage shareholder participation at general meetings such as serving notices for meetings earlier than the minimum notice period. The Board takes note of putting all resolutions to vote by poll and make an announcement of the detailed results showing the number of votes cast for and against each resolution as required by the Listing Requirements. The Company conducted poll voting in respect of all resolutions put before the shareholders at the last AGM. Upon verified by independent scrutineer, the poll results of each resolution were announced to Bursa Securities after the AGM via Bursa Link on the same day. The Company will explore the suitability and feasibility of employing electronic means for poll voting.

The Company places utmost importance on effective dissemination of timely, comprehensive and accurate information to shareholders and investors by leveraging on information technology, as recommended under the Code. As an accountable and responsible public listed entity, the Group discloses all corporate developments comprehensively through annual reports, circulars to shareholders, announcements, quarterly financial announcements submitted to Bursa Securities and through regular updates with investors as well as press releases. The quarterly financial announcement is a channel to keep the shareholders informed of the quarterly progress made by the Company during the year.

COMPLIANCE STATEMENT

The Company has committed to achieving high standard of corporate governance throughout the Group and to the highest level of integrity and ethical standards in all its business dealings.

This Statement is made in accordance with a resolution of the Board dated 30 July 2024.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors ("the Board") of SBC Corporation Berhad is committed to maintain a sound system of risk management and internal control of the Group and is pleased to provide The Board's Statement on Risk Management and Internal Control ("the Statement"), which outlines the nature and scope of risk management and internal control of the Group for the financial year ended 31 March 2024. The Statement is made pursuant to paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and in accordance with the Principles and Recommendations relating to risk management and internal control provided in the Malaysian Code on Corporate Governance ("MCCG") 2021.

BOARD RESPONSIBILITY

The Board acknowledges that it is ultimately responsible for the Group's systems of risk management and internal control and for reviewing the adequacy and integrity of the Risk Management and Internal Control ("RMIC") systems to ensure that the shareholders' interests and the Group's assets are safeguarded. In this respect, the responsibility of reviewing the adequacy and integrity of the RMIC systems has been delegated to the Audit Committee, which is empowered by its terms of reference to seek the assurance on the adequacy and integrity of the RMIC systems through reports it receives from independent reviews conducted by the internal audit function and management.

However, as there are inherent limitations in any system of risk management and internal controls, such as RMIC systems put into effect by Management can only manage and/or mitigate rather than eliminate all the risk that may impede the achievement of the Group's business objective or goals. Therefore, the RMIC system can only provide reasonable assurance against material misstatement, loss or fraud.

RISK MANAGEMENT FRAMEWORK

The Board regards risk management as an integral part of the Group's business operations and

1. Carrying out its responsibility of overseeing the Company and its subsidiaries ("Group") risk management framework;
2. Ensuring that a sound system of risk management and internal controls to safeguard shareholders' interest and the Group's assets; and
3. Determining the nature and extent of significant risk which it is willing to take in achieving Group's business objective or goals.

The Group has an embedded process for the identification, evaluating, reporting, treatment, monitoring, and reviewing of the business and operation risk within the Group. Both the Audit Committee and the Board review the effectiveness of the risk management function and deliberate on the risk management and internal control framework, functions, processes and reports on a regular basis.

RISK IDENTIFICATION AND EVALUATION PROCESS

The risks are identified through a series of interview and discussions with the key personnel and management of the Group. The risk identification process includes considerations of internal and external environment factors. External environmental factors include economic and political changes, new regulations or legislation and technological developments. Internal factors include changes in key personnel, introduction of new or revision of existing policies and procedures. Risks identified are evaluated by examining the potential impact on the Group if a risk crystallised as well as the likelihood of occurrence. The risk level is rated as low, medium or high accordingly.

RISK ADOPTION AND MONITORING PROCESS

All the risk identified are documented into a "Group Key Risk Profile". The Group Risk Profile for the Group is updated on an ongoing basis and approved by the board.

Key management staff and Head of Departments are delegated with the responsibility to manage identified risks within defined parameters and standards as per the developed risk register. Periodic management meetings were held in which key risks and the appropriate mitigating controls were discussed. Significant risks affecting the Group's strategic and business plans are brought to the attention of the Board at their scheduled meetings. The abovementioned risk management practices of the Group serve as the on-going process used to identify, evaluate and manage significant risks.

The Process has been in place for the year under review and up to the date of approval of the Statement for the inclusion in the annual report.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTERNAL AUDIT FUNCTION

During the financial year, the Group's internal audit function was outsourced to a professional service firm. The internal audit function is an integral part of the assurance mechanism in ensuring that the Group systems of internal controls are adequate and effective. The outsourced internal auditors assist the Board and the Audit Committee in providing independent assessment of the adequacy, efficiency and effectiveness of the Group's internal control systems. The internal auditors will conduct the internal audit two (2) times in a financial year and report directly to the Audit Committee.

The internal audit function did not perform any review and assessment of the Group's associate companies as the Group does not have the full management control over the associates.

The costs incurred in maintaining the outsourced internal audit function for the financial year ended 31 March 2024 amounted to RM15,000.00.

The other key elements of the Group's internal control systems are :-

- An organisational structure, which clearly defines the lines of responsibility, proper segregation of duties and delegation of authority;
- The results of audit conducted by internal auditor are reported to the Audit Committee. Follow-up action and the review of the status of action taken are properly carried through by Management. The Audit Committee holds regular meetings to deliberate on the findings and recommendations for improvement as well as to direct the focus of reviews undertaken;
- The Executive Directors are involved in the running of business and operation of the Group and they report to the Board on significant changes in the business and external environment, which affect the operation of the Group at large;
- Regular management meetings are held to discuss the Group's performance, business operation and management issues as well as formulate appropriate measures to address them; and
- The Group has established policies and procedures to support the Group's various business activities.

REVIEW BY THE BOARD

The Board also received assurances from the Managing Director cum Chief Executive Officer, Executive Director and Senior Management that the Group's risk management and internal control system is operating adequately and effectively, in all material aspects based on the risk management and internal control system of the Group.

REVIEW ON THE STATEMENT BY THE EXTERNAL AUDITORS

As required by the Listing Requirements of Bursa Securities, the external auditors have reviewed this Statement on Risk Management and Internal Control for inclusion in the Annual Report of the Company and of the Group for the financial year ended 31 March 2024. The review by external auditors was performed in accordance with Malaysian Approved Standard on Assurance Engagements, ISAE 3000 (Revised), *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* and Audit and Assurance Practice Guide 3, *Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control Included in the Annual Report*. The external auditors have 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 the disclosures required by paragraphs 41 and 42 on the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers to be set out, nor factually inaccurate.

CONCLUSION

The Board is of the view that the Group's system of risk management and internal controls is adequate to safeguard shareholder's investments and the Group's assets. The Board is conscious of the fact that the system of internal control and risk management practices must continuously evolve to support the Group's operations and changing business environment. Therefore, the Board will, when necessary, put in place appropriate action plans to further enhance the system of internal control.

This Statement is made in accordance with a resolution of the Board dated 30 July 2024.

AUDIT COMMITTEE REPORT

AUDIT COMMITTEE REPORT

The Board of SBC Corporation Berhad is pleased to present the Audit Committee Report for the financial year ended 31 March 2024.

COMPOSITION AND MEETINGS

The Audit Committee presently comprises four members, one Independent Non-Executive Chairman, one Senior Independent Non-Executive Director and two Independent Non-Executive Directors. During the financial year ended 31 March 2024, the Committee met four times. The name of the members and their attendance at meetings are as follows :-

Name of members	No. of meetings attended
YBhg. Datuk Roselan Johar bin Johar Mohamed (Independent Non-Executive Chairman)	4/4
YBhg. Dato' Lim Cheang Nyok (Senior Independent Non-Executive Director)	4/4
Choo Suit Ling (Independent Non-Executive Director)	3/3

En. Mohd Faizal bin Mohd Khasim was appointed as the Chairman of the Audit Committee on 17 July 2024.

The Audit Committee normally meets four times a year with additional meetings convened between scheduled meetings, if necessary, to deliberate on urgent and significant matters.

The Management, the Internal Auditors and representatives of the External Auditors attend the meetings at the invitation of the Audit Committee, where considered necessary. The Company Secretary is responsible for distributing the notice of the meetings and relevant papers to the Audit Committee members prior to their meetings and for recording the proceedings of the meetings thereat.

INTERNAL AUDIT FUNCTION

The Group has outsourced its internal audit function to a professional internal audit service provider firm, namely Wensen Consulting Asia (M) Sdn Bhd. The main role of the internal audit is to review the effectiveness of the Group's system of internal controls and this is performed with impartiality, proficiency and due professional care.

The internal auditor reports directly to the Audit Committee the effectiveness of risk management, internal control system and governance processes within the Group.

The internal audit adopts a risk based auditing approach by focusing on identifying high risk areas and to recommend corrective measurements for compliance with control policies and procedures, identifying business risk which have not been appropriately addressed and evaluating the adequacy and integrity of control.

SUMMARY OF WORKS OF THE AUDIT COMMITTEE

In line with the terms of reference of the Audit Committee, the following works were carried out by the Audit Committee during the financial year ended 31 March 2024:-

- Discussed and reviewed the Audit Planning Memorandum which covers the external auditor's plan, scope and nature of work.
- Reviewed the Audit Review Memorandum in relation to their findings and accounting issues arising from the audit of the Group's annual financial results.
- Reviewed the unaudited quarterly report on the consolidated results of the Group for the quarters ended 31 March 2023, 30 June 2023, 30 September 2023 and 31 December 2023 and the audited financial statements.
- Assessed the Group's financial performance.
- Reviewed related party transactions and conflicts of interest situation that may arise within the Group.
- Reviewed and approved the internal audit plan and the internal audit reports and followed up on the remedial actions implemented by the Management in respect of the internal control weaknesses identified.
- Reviewed the Group's compliance with the applicable approved accounting standards issued by the Malaysian Accounting Standards Board and other relevant legal and regulatory requirements.

AUDIT COMMITTEE REPORT

SUMMARY OF WORKS OF THE INTERNAL AUDIT FUNCTION

The summary of main works undertaken by the internal audit function during the financial year is as below :-

- Reviewed the Group's Internal Audit Plan for the Audit Committee's reference;
- Carried out internal audits of the Company and its subsidiary companies to review the adequacy of internal controls in the various auditable areas, such as :-
 - Human Resources and Payroll Management;
 - Vacant Possession Management; and
 - Follow-up review on the previous auditable areas.
- Reported the outcomes of audit conducted which highlight the significant risks and the effectiveness of the internal control system;
- Monitored remedial actions taken by the management in response to the recommendations addressing the internal control deficiencies; and
- Presented the internal audit reports at the Audit Committee meetings for the deliberation by its members, and to follow up on the suggestions given by its members.

TERMS OF REFERENCE OF THE AUDIT COMMITTEE

MEMBERSHIP

The Committee shall be appointed by the Board from amongst the Directors of the Company and shall consist of at least three members. All the members must be non-executive directors, with a majority of them are independent directors. At least one member of the Committee:

- must be a member of the Malaysian Institute of Accountants ("MIA"); or
- if he is not a member of the MIA, he must have at least three years working experience and
 - he must have passed the examinations specified in Part I of the 1st Schedule to the Accountant Act, 1967; or
 - he must be a member of one of the associations of accountants specified in Part II of the 1st Schedule to the Accountants Act, 1967; or
- fulfills such other requirements as prescribed or approved by the Bursa Malaysia Securities Berhad.

The members of the Committee shall elect a Chairman from amongst their number who shall be an independent director. The quorum shall be two (2) members, a majority of whom shall be independent directors.

Any former audit partner needs to observe a cooling-off period of at least three (3) years before he can be considered for appointment as a member of the Committee. The cooling off period safeguards the independence of the audit by avoiding the potential threat, which may arise when a former audit partner is in a position to exert significant influence over the audit and preparation of the Company's financial statements.

ATTENDANCE AT MEETINGS

The Management and the internal auditors and representatives of the external auditors shall normally attend meetings. Other directors and employees of the Company may attend meetings at the Committee's invitation. The Committee shall be able to convene meetings with external auditors, the internal auditors or both, excluding the attendance of other directors and employees of the Company, whenever deemed necessary.

The Company Secretary shall be the secretary of the Committee.

FREQUENCY OF MEETINGS

Meetings shall be held not less than four times a year. The external auditors may request a meeting if they consider that one is necessary.

AUTHORITY

The Committee is authorised by the Board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee and all the employees are directed to cooperate with any request made by the Committee.

The Committee is authorised by the Board to obtain outside legal or other independent professional advice and to secure the attendance of an outsider with relevant experience and expertise, if it considers this necessary.

AUDIT COMMITTEE REPORT

DUTIES

The duties of the Committee shall be :-

- (1) to consider the appointment or re-appointment of the external auditors, the audit fees and any questions of nomination, resignation or dismissal.
- (2) to discuss with the external auditors before the audit commences the nature and scope of the audit and ensure co-ordination where more than one audit firm is involved.
- (3) to discuss with the external auditors the evaluation of the system of internal controls, audit report and ensure assistance given by the employees to the external auditors.
- (4) to review the quarterly and year-end financial statements before submission to the Board, focusing particularly on:
 - any changes or implementation of changes in accounting policies and practices;
 - significant adjustments arising from the audit;
 - significant matters highlighted including financial reporting issues, significant judgments made by management, significant and unusual events or transactions, and how these matters are addressed;
 - the going concern assumption;
 - compliance with accounting standards; and
 - compliance with Bursa Malaysia Securities Berhad and legal requirements.
- (5) to discuss problems and reservations arising from the interim and final audits and any matters the external auditor may wish to discuss (in the absence of management, where necessary).
- (6) to review the external auditors' management letter and management's response.
- (7) to do the following in respect of the internal audit function:
 - review the adequacy of the scope, competency and resources of the internal audit function and that it has the necessary authority to carry out its work.
 - review the internal audit plan, processes, the results of the internal audit assessments, investigation undertaken and whether or not appropriate action is taken on the recommendations.
 - review any appraisal or assessment of the performance of the members of the internal audit function.
 - approve the appointment or termination of senior staff members of the internal audit function.
 - inform itself of resignations of internal audit staff members and provide the resigning staff member an opportunity to submit his reasons for resigning.
- (8) to consider any related party transaction and conflict of interest situations involving Directors and Key Senior Management that arose, persist or may arise within the Company or the Group including any transaction, procedure or course of conduct that raises questions of management integrity and the measures taken to resolve, eliminate, or mitigate such conflicts.
- (9) to consider the major findings of internal investigations and management's response and ensure co-ordination between internal and external auditors.
- (10) to consider the appointment of the internal auditors, the fee and any questions of nomination, resignation or dismissal.
- (11) to assess the adequacy and integrity of the risk management and internal audit system through independent reviews conducted and reports it received from the internal auditors, the external auditors and the management.
- (12) to verify the allocation of options pursuant to an employee share option scheme to ensure compliance with the allocation criteria.
- (13) to consider other topics, as defined by the Board.

REPORTING

The Company Secretary shall circulate the minutes of meetings of the Committee to all members of the Board.

This Report is made in accordance with a resolution of the Board dated 30 July 2024.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Board is required under Paragraph 15.26(a) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad to issue a statement explaining its responsibility for preparing the annual audited financial statements.

The Directors are responsible for ensuring that the financial statements of the Group are drawn up in accordance with applicable approved accounting standards in Malaysia and the provisions of the Companies Act, 2016 so as to give a true and fair view of the state of affairs of the Group and the Company as of 31 March 2024 and of the results and cash flows of the Group and Company for the financial year ended on that date.

In preparing the financial statements, the Directors have :-

- (a) adopted suitable accounting policies and applied them consistently;
- (b) made judgements and estimates that are prudent and reasonable;
- (c) ensured the adoption of applicable approved accounting standards; and
- (d) used the going concern basis for the preparation of the financial statements.

The Directors are responsible for ensuring proper accounting records are kept which disclose with reasonable accuracy at any time the financial position of the Group and the Company and are kept in accordance with the Companies Act, 2016. The Directors are also responsible for taking such steps as are reasonably open to them to safeguard the Group's assets and to prevent and detect fraud and other irregularities.

This Statement is made in accordance with a resolution of the Board dated 30 July 2024.

ADDITIONAL COMPLIANCE INFORMATION

In conformance with the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), the following compliance information is provided :-

1. Utilisation of Proceeds from Corporate Proposal

During the financial year under review, there were no proceeds raised by the Company from any corporate proposal.

2. Audit and Non-audit Fees

The audit fees and non-audit fees paid or payable to Crowe Malaysia PLT by the Company and the Group during the financial year under review were as follows :-

	Company (RM)	Group (RM)
Audit Fees	63,000	270,100
Non Audit Fees	5,000	5,000

The fees paid or payable to a firm or a corporation affiliated to Crowe Malaysia PLT by the Company and the Group during the financial year under review were as follows :-

	Company (RM)	Group (RM)
Tax Agent Fees	-	37,600

3. Materials Contracts Involving Directors' and Major Shareholders' Interest

There were no material contracts being entered into by the Company and/or its subsidiaries involving the directors and major shareholders' interest of the Company or its subsidiaries subsisting at the end of the financial year ended 31 March 2024 or entered into since the end of previous financial year.

This Statement is made in accordance with a resolution of the Board dated 30 July 2024.

SUSTAINABILITY STATEMENT

The Group recognises the significance of sustainability for the financial year ended 31 March 2024 and how it will influence the way of doing business in the years to come. The Group shares its commitment to sustainability and reports its various endeavours to drive the Economic, Environment and Social objectives, while taking into consideration the salient concerns of the Group's key stakeholders.

This Sustainability Statement, which is prepared in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia"), and after undertaking a materiality assessment process with internal stakeholders, sets out what the Board considers as material sustainability risks and opportunities. These risks and opportunities, collectively known as Material Sustainability Matters have an impact on the operations in achieving the Group's objectives, hence a governance structure is in place to oversee the sustainability matters, drawing guidance from the Sustainability Reporting Guide issued by Bursa Malaysia.

Sustainability Governance Structure

The Board provides oversight of the Group's corporate sustainability performance. The Group's Managing Director cum CEO, Executive Director and Senior Management oversee the implementation of the Group's sustainability approach and ensure selected targets are being met. The Group's sustainability reporting covers Malaysia only, given its majority of its business derived in Malaysia and also provide readers with information on the Group's contribution to the achievement of United Nations Sustainable Development Goals ("UNSDGs") below:



Stakeholder Engagement

The table below lists the Group's key stakeholders, key concerns and responses to them:

Stakeholder Group	Key Concerns	Needs and Expectations	Frequency	Outcomes / Values Created
Employees	Staff appraisal	Equal opportunity and career development	Annually	Fair remuneration package ; Talent retention
	Staff activities / events	Inclusion and team support	Year round	Safe and supportive workplace
	Staff training	Training, guidance and support	Year round	Develop talent
Customers	Community and networking events	Quality products and services	Year round	Launch properties that commensurate the market demand
	Social media platform for customer engagement	Products meeting customers' needs		
Suppliers and Contractors	Consultation / contractor meetings	Healthy partnership	Year round	Quality and Workmanship ; Prompt delivery
	Evaluation and tendering process	Right selection for the job		Transparent procurement
	Sales channels meetings	Product delivery		Right product delivery to market
Communities	Community and networking events	Avoid adverse impacts from operations to public safety	Ongoing	Seeding better communities

SUSTAINABILITY STATEMENT

Material Sustainability Matters

Living accommodations are reserved sanctuaries where families and individuals feel secured, at ease and socially connected, and will remain true with the growing population of urbanites. Understanding and adapting to the changing demographics, the Group seeks to develop suitable living solutions that cater to the lifestyle of the young executives and first-time home buyers. The Group continues to leverage on its design heritage to create well thought-out spaces while providing practical and affordable luxury for this growing market segment, enabling them to enjoy wellness and sustainable lifestyle.

The Group has been focusing on city-based products with integrated retail, entertainment and commercial elements within a given development for a 24/7 vibrant community along with access to transport orientation nodes for ultimate accessibility. Jesselton Quay ("JQ") Central and Kiara East embody this present development philosophy to sustainably cater to new urbanites by providing exciting yet affordable options, thereby helping the cities to achieve critical infrastructure towards realising city aspirations.

The Group's sustainability matters are:

ENVIRONMENTAL

Project Sustainability

The Group is primarily involved in property development and property investment, apart from consuming building and construction material, the Group consume other resources such as electricity and water. The Group is committed managing and in-time, reduces its carbon footprint where operationally possible by employing energy-saving practices throughout the operations.

Electricity remains the primary resource of energy for the Group and efforts are being taken to remind all staff to be conscious of the electricity usage. In the current financial year, the electricity consumption was 11.931 million kWh and the Group plans to closely monitor the consumption and in-time reduce the consumption.

The next resource, water recorded a consumption of 0.233 million m³ for the current financial year, and while is still manageable the Group continues to monitor with the aim of achieving a "responsible" consumption level.

The Group's approach to its projects includes integrating green design for energy-efficient properties, where green design elements are integrated into design briefs focusing on building orientation and natural ventilation to decrease energy consumption. The projects would have in place a sustainability guidance that highlights its aspirations to:

- During pre-submission stage, having community engagement and evaluation of gaps in service
- During design stage, embrace design efficiency using Building Information Modeling ("BIM") mandated on project consultants. Introducing energy reduction design elements i.e. solar panels, glazed windows and EV charging infrastructure/charging stations
- During construction stage, use local materials and set reduction in material wastage mandated on suppliers and contractors
- During operation stage (post-handover), energy and water efficiency in manner of green certified building granted to building manager / owners. Introducing integrated energy-efficient systems i.e. inverter air conditioners, LED with sensor lighting, rainwater harvesting for landscaping irrigation, and dual-flush toilets

This is underlined by our core value: Adherence to Industry's Highest Ethics culminating use of Processes that Promote Standards

Our successful TOD-inspired development of Kiara East Dex Suites showed us there continues to be a growing demand for TOD at North Kuala Lumpur. With that invaluable insight, detailed planning followed by submissions is underway to construct another TOD-inspired development within the Kiara East community within the next few years.

SOCIAL

Work Sustainability

The Group continues to achieve a balanced workforce, consists of 100% Malaysians with 51% female and continues to value its employees. The makeup of the Group's employees for the current financial year is as follows:

Age Group	Gender		Turnover Rate
	Male	Female	
Below 30	5	4	10.0%
Between 30 to 50	13	16	15.0%
Above 50	11	10	12.5%
Total	29	30	13.2%

SUSTAINABILITY STATEMENT

The Group is pleased to report that there were no occurrences of work-related fatalities, lost time incidents and grievances concerning human rights issues in the Group.

Emphasis is given to crafting staff programs that foster positive work cultures, closing the staff needs / skill-gaps by deferring decisions to respective team leaders / department heads and promoting continuing education amongst staffers.

This is underlined by our core value: Equipping Our People to Serve

The Group prioritises the hiring of locals supporting its efforts of upskilling local communities, through intentional availing of opportunities to its employees to steepen their knowledge trajectory and be adequately equipped to perform their duties in multifaceted roles and responsibilities. Regular virtual communication with staff has fostered better working relations and further sharing of knowledge and experience among each other.

During the current financial year, some of the Kota Kinabalu staff came together to do a clean-up of rubbish / waste in the communities of the Group's previously completed projects, utilising a nominal budget to show the Group's continuous commitment in communities engagement and to seeding better communities.

GOVERNANCE

Business Sustainability

The Group adopts zero tolerance for bribery and corruption as it abides by Section 17A of the Malaysian Anti-Corruption Commission Act 2018. The policy statements on anti-bribery and corruption, and the whistleblowing policy are on the Group's website for easy access by stakeholders. To the best of the Group's knowledge, there were no incidents of bribery or corruption that occurred during the current financial year.

Data privacy is a paramount concern for the Group and its stakeholders, and we comply with the Personal Data Protection Act 2010. The necessary measures are in place to ensure the personal data of the stakeholders is not compromised. To the best of the Group's knowledge, there was no data breach that occurred during the current financial year.

The Group is committed to ensure business sustainability by adhering to delivering market competitive returns to staffers and shareholders in the form of remuneration / dividends built upon a sustainable business model of delivering property solutions that meet the needs of our target market / customer base; all of whom are our stakeholders.

This is underlined by our core value: Service to Our Stakeholders

The Group has successfully sold all the JQ Central Citypads in Kota Kinabalu, a testament to the Group's commitment in its business model of delivering property solutions to our customer base. In turn our customers, the majority of them are successfully running their units as short-stay accommodation. The Gallery Shoppes are almost filled up to complement the Citypads, making JQ Central on track to become the new KK CBD. The completion has made JQ Central a new landmark in Kota Kinabalu and this promises positive impact to the local stakeholders, and reinforcing the Group's commitment towards long-term business relationship with the city.

Electronic Publication

To reduce the consumption of paper, the Annual Report of the Company is published on the Company's website <https://www.sbcgroup.com.my> for access by shareholders and investors.

SUSTAINABILITY STATEMENT

ESG PERFORMANCE DATA

This ESG Performance Data Table was generated from Bursa Malaysia's ESG Reporting Platform, and is included in this Sustainability Statement as mandated by Bursa Malaysia's enhanced sustainability reporting requirements within the Main Market Listing Requirements.

Indicator	Measurement Unit	2024
Bursa (Anti-corruption)		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Management	Percentage	100
Executive	Percentage	100
Non-executive/Technical Staff	Percentage	100
General Workers	Percentage	100
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
Bursa (Community/Society)		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer		
	MYR	0
Bursa C2(b) total number of beneficiaries of the investment in communities	Number	0
Bursa (Diversity)		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Management Under 30	Percentage	0
Management Between 30-50	Percentage	0
Management Above 50	Percentage	100
Executive Under 30	Percentage	18
Executive Between 30-50	Percentage	53
Executive Above 50	Percentage	29
Non-executive/Technical Staff Under 30	Percentage	20
Non-executive/Technical Staff Between 30-50	Percentage	60
Non-executive/Technical Staff Above 50	Percentage	20
General Workers Under 30	Percentage	0
General Workers Between 30-50	Percentage	25
General Workers Above 50	Percentage	75
Gender Group by Employee Category		
Management Male	Percentage	100
Management Female	Percentage	0
Executive Male	Percentage	41
Executive Female	Percentage	59
Non-executive/Technical Staff Male	Percentage	80

SUSTAINABILITY STATEMENT

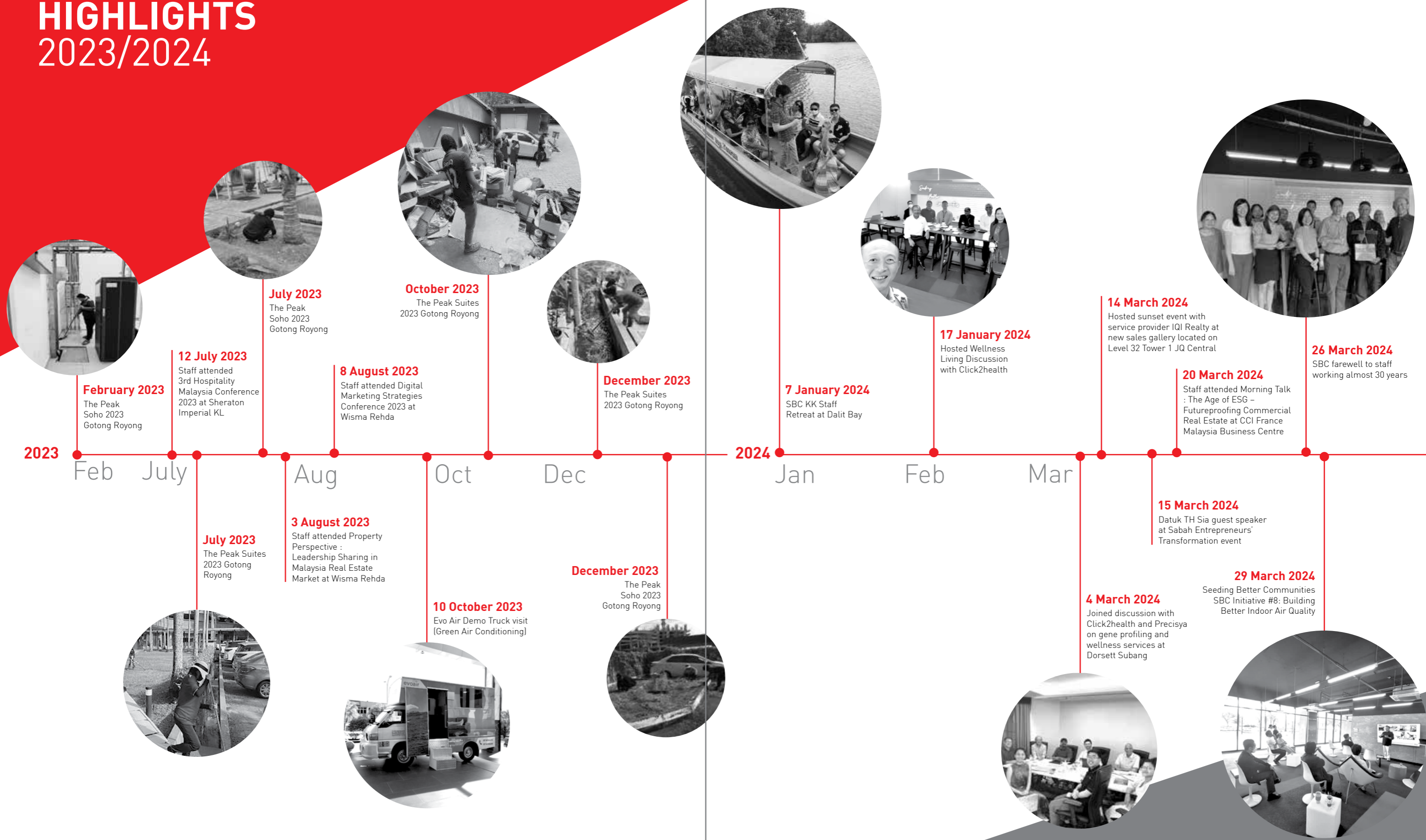
Indicator	Measurement Unit	2024
Non-executive/Technical Staff Female	Percentage	20
General Workers Male	Percentage	12
General Workers Female	Percentage	88
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	83
Female	Percentage	17
Under 30	Percentage	0
Between 30-50 Above 50	Percentage	0
Above 50	Percentage	100
Bursa (Energy Management)		
Bursa C4(a) Total energy consumption	Megawatt	11.93
Bursa (Health and safety)		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0
Bursa C5(c) Number of employees trained on health and safety standards	Number	6
Bursa (Labour practices and standards)		
Bursa C6(a) Total hours of training by employee category		
Management	Hours	8
Executive	Hours	40
Non-executive/Technical Staff	Hours	8
General Workers	Hours	0
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	0
Bursa C6(c) Total number of employee turnover by employee category		
Management	Number	0
Executive	Number	8
Non-executive/Technical Staff	Number	1
General Workers	Number	0
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
Bursa (Supply chain management)		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	100
Bursa (Data privacy and security)		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
Bursa (Water)		
Bursa C9(a) Total volume of water used	Megalitres	0.23

Note

All indicators have not been subjected to any assurance process.

This Statement has been made in accordance with a resolution of the Board dated 30 July 2024.

HIGHLIGHTS 2023/2024



2023

2024

Feb

July

Aug

Oct

Dec

Jan

Feb

Mar

February 2023
The Peak Soho 2023 Gotong Royong

12 July 2023
Staff attended 3rd Hospitality Malaysia Conference 2023 at Sheraton Imperial KL

July 2023
The Peak Soho 2023 Gotong Royong

8 August 2023
Staff attended Digital Marketing Strategies Conference 2023 at Wisma Rehda

October 2023
The Peak Suites 2023 Gotong Royong

December 2023
The Peak Suites 2023 Gotong Royong

7 January 2024
SBC KK Staff Retreat at Dalit Bay

17 January 2024
Hosted Wellness Living Discussion with Click2health

14 March 2024
Hosted sunset event with service provider IQI Realty at new sales gallery located on Level 32 Tower 1 JQ Central

20 March 2024
Staff attended Morning Talk : The Age of ESG - Futureproofing Commercial Real Estate at CCI France Malaysia Business Centre

26 March 2024
SBC farewell to staff working almost 30 years

July 2023
The Peak Suites 2023 Gotong Royong

3 August 2023
Staff attended Property Perspective : Leadership Sharing in Malaysia Real Estate Market at Wisma Rehda

10 October 2023
Evo Air Demo Truck visit (Green Air Conditioning)

December 2023
The Peak Soho 2023 Gotong Royong

4 March 2024
Joined discussion with Click2health and Precisya on gene profiling and wellness services at Dorsett Subang

15 March 2024
Datuk TH Sia guest speaker at Sabah Entrepreneurs' Transformation event

29 March 2024
Seeding Better Communities SBC Initiative #8: Building Better Indoor Air Quality



Jesselton Quay Central

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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 2024.

PRINCIPAL ACTIVITIES

The Company is principally engaged in the businesses of investment holding and the provision of management and administrative services to the subsidiaries. The information on the name, place of incorporation, principal activities, and percentage of issued share capital held by the holding company in each subsidiary company are set out in the "Subsidiaries" of this report. There have been no significant changes in the nature of these activities during the financial year.

RESULTS

	THE GROUP RM'000	THE COMPANY RM'000
Profit after taxation for the financial year	1,312	354
Attributable to:-		
Owners of the Company	297	354
Non-controlling interests	1,015	-
	1,312	354

DIVIDEND

No dividend was recommended by the directors for the financial year.

RESERVES AND PROVISIONS

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

ISSUES OF SHARES AND DEBENTURES

During the financial year:-

- (a) there were no changes in the issued and paid-up share capital of the Company; and
- (b) there were no issues of debentures by the Company.

TREASURY SHARES

As at 31 March 2024, the Company held as treasury shares a total of 58,900 of its 258,129,053 issued and fully paid-up ordinary shares. The treasury shares are held at a carrying amount of RM50,502.

OPTIONS GRANTED OVER UNISSUED SHARES

During the financial year, no options were granted by the Company to any person to take up any unissued shares in the Company.

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables and satisfied themselves that there are no known bad debts and that no allowance for impairment losses on receivables is required.

At the date of this report, the directors are not aware of any circumstances that would require the writing off of bad debts, or the allowance for impairment losses on receivables in the financial statements of the Group and of the Company.

DIRECTORS' REPORT

CURRENT ASSETS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ensure that any current assets, which were unlikely to be realised in the ordinary course of business, including their value as shown in the accounting records of the Group and of the Company, have been written down to an amount which they might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances which would render the values attributed to the current assets in the financial statements misleading.

VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

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

- (a) any charge on the assets of the Group and of the Company that has arisen since the end of the financial year which secures the liabilities of any other person; or
- (b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

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

CHANGE OF CIRCUMSTANCES

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

ITEMS OF AN UNUSUAL NATURE

The results of the operations of the Group and of the Company during the financial year were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature.

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

DIRECTORS' REPORT

DIRECTORS

The names of directors of the Company who served during the financial year and up to the date of this report are as follows:-

DATUK SIA TEONG HENG
SIA TEONG LENG
DATUK ROSELAN JOHAR BIN JOHAR MOHAMED
DATO' LIM CHEANG NYOK
CHOO SUIT LING (APPOINTED ON 30.6.2023)
MOHD FAIZAL BIN MOHD KHASIM (APPOINTED ON 17.7.2024)
LEE KONG LEONG (RETIRED ON 21.9.2023)

The names of directors of the Company's subsidiaries who served during the financial year and up to the date of this report, not including those directors mentioned above, are as follows:-

CHIN YOKE CHUNG, PATRICK
SHAHRUM ALI BIN H.M. SHAH

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors holding office at the end of the financial year in shares of the Company and its related corporations during the financial year are as follows:-

	NUMBER OF ORDINARY SHARES			
	AT 1.4.2023	BOUGHT	SOLD	AT 31.3.2024
THE COMPANY				
DIRECT INTERESTS				
DATUK SIA TEONG HENG	35,803,782	-	-	35,803,782
DATO' LIM CHEANG NYOK	1,767	-	-	1,767
INDIRECT INTERESTS				
DATUK SIA TEONG HENG	48,580,533	-	-	48,580,533
SIA TEONG LENG	48,580,533	-	-	48,580,533

By virtue of their shareholdings in the Company, Datuk Sia Teong Heng is deemed to have interests in shares in its related corporations during the financial year to the extent of the Company's interests, in accordance with Section 8 of the Companies Act 2016.

The other directors holding office at the end of the financial year had no interest in shares of the Company or its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than directors' remuneration as disclosed in the "Directors' Remuneration" of this report) 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 except for any benefits which may be deemed to arise from transactions:-

	THE GROUP/ THE COMPANY RM'000
Rental of premise payable to a director	388

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

DIRECTORS' REPORT

DIRECTORS' REMUNERATION

The details of the directors' remuneration paid or payable to the directors of the Company during the financial year are as follows:-

	THE GROUP/ THE COMPANY RM'000
Fee	111
Salaries, bonuses and other benefits	6,233
Defined contribution benefits	85
	<u>6,429</u>

INDEMNITY AND INSURANCE COST

The Company maintains directors' liability insurance for purposes of Section 289 of the Companies Act 2016, throughout the year, which provides appropriate insurance cover for the directors of the Company.

SUBSIDIARIES

(a) The details of the subsidiaries, which are all incorporated and having principal place of business in Malaysia, are as follows:-

NAME OF SUBSIDIARY	PERCENTAGE OF ISSUED SHARE CAPITAL HELD BY PARENT		PRINCIPAL ACTIVITIES
	2024 %	2023 %	
<i>Subsidiaries of the Company:-</i>			
Syarikat Siah Brothers Trading Sdn. Bhd.	100	100	General building construction and investment holding.
Syarikat Siah Brothers Construction Sdn. Bhd.^	100	100	Building and civil engineering contractor.
PJX Property Sdn. Bhd.	100	100	Investment holding and property investment.
Mixwell (Malaysia) Sdn. Bhd.	100	100	Project management and property development.
South-East Best Sdn. Bhd.	100	100	Project development and property investment.
Masahmura Sdn. Bhd. *^	100	100	Trading of building materials.
Masahmura Sales & Service Sdn. Bhd.^	100	100	Property development.
Aureate Construction Sdn. Bhd.	100	100	Project management and property development.
SBC Leisure Sdn. Bhd. *^	100	100	Investment holding.
SBC Towers Sdn. Bhd. *^	100	100	Investment holding.
PJX Car Parks Sdn. Bhd.	70	70	Property investment and car park operator.
PJX Retail Sdn. Bhd.^	70	70	Property investment, property management and leasing.

DIRECTORS' REPORT

SUBSIDIARIES (CONT'D)

NAME OF SUBSIDIARY	PERCENTAGE OF ISSUED SHARE CAPITAL HELD BY PARENT		PRINCIPAL ACTIVITIES
	2024 %	2023 %	
<i>Subsidiaries of the Company (cont'd):-</i>			
PJX Commercial Sdn. Bhd.^	70	70	Property investment.
Borneo Far East Sdn. Bhd.	100	100	Dormant.
Jesselton Quay Properties Sdn. Bhd.	100	100	Property development.
JQC Property Sdn. Bhd.^	100	100	Property investment.
The Atkinson Hotel Sdn. Bhd.*	100	100	Dormant.
Dalit Development Sdn. Bhd.	100	100	Property development.
<i>Subsidiary of South-East Best Sdn. Bhd.:-</i>			
Gracemart Resources Sdn. Bhd.^	100	100	Property development.
<i>Subsidiaries of PJX Property Sdn. Bhd.:-</i>			
Sinaran Naga Sdn. Bhd.^	100	100	Property development.
Kiara East Property Sdn. Bhd.^	100	100	Property development.
Goldhill Achiever Sdn. Bhd. #	50	50	Property development.

* - Audited by other firms of chartered accountants.

- Goldhill Achiever Sdn. Bhd. is considered a subsidiary although the Company does not own more than 50% of its equity interest because the Company has the power to appoint and remove the majority of the Board of Directors and therefore controls the Board.

^ - Temporarily dormant during the financial year.

(b) The available auditors' reports on the financial statements of the subsidiaries did not contain any qualification.

DIRECTORS' REPORT

AUDITORS

The auditors, Crowe Malaysia PLT, have expressed their willingness to continue in office.

The details of the auditors' remuneration for the financial year are as follows:-

	THE GROUP RM'000	THE COMPANY RM'000
Audit fees	270	63
Non-audit fees	5	5
	<u>275</u>	<u>68</u>

Signed in accordance with a resolution of the directors dated 30 July 2024

DATUK SIA TEONG HENG

SIA TEONG LENG

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

We, Datuk Sia Teong Heng and Sia Teong Leng, being two of the directors of SBC Corporation Berhad, state that, in the opinion of the directors, the financial statements set out on pages 59 to 111 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements 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 of 31 March 2024 and of their financial performance and cash flows for the financial year ended on that date.

Signed in accordance with a resolution of the directors dated 30 July 2024

Datuk Sia Teong Heng

Sia Teong Leng

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

I, Sia Teong Leng, being the director primarily responsible for the financial management of SBC Corporation Berhad, do solemnly and sincerely declare that the financial statements set out on pages 59 to 111 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovementioned
Sia Teong Leng, NRIC Number: 700817-10-6211
at Kuala Lumpur
in the Federal Territory
on this 30 July 2024

Before me
Shaiful Hilmi Bin Halim (W804)
Commissioner for Oaths

Sia Teong Leng

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SBC CORPORATION BERHAD

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

We have audited the financial statements of SBC Corporation Berhad, which comprise the statements of financial position as at 31 March 2024 of the Group and of the Company, and the statements of profit or loss and other 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 59 to 111.

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 2024, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

BASIS FOR OPINION

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

INDEPENDENCE AND OTHER ETHICAL RESPONSIBILITIES

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial 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.

REVENUE RECOGNITION FOR PROPERTY DEVELOPMENT ACTIVITIES	
Refer to Note 29 to the financial statements	
KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
<p>Revenue of the Group was derived mainly from property development activities.</p> <p>The Group recognises property development revenue based on development progress using the input method. This is determined by the proportion of property development costs incurred for work performed to date over the estimated total property development costs.</p> <p>Accounting for property development activities is inherently complex and there is judgement involved in the following areas:-</p> <p>(a) determination of stage of completion; and</p> <p>(b) estimated total property development costs and costs to be incurred to complete a project.</p> <p>We determined this to be a key audit matter given the complexity and judgemental nature of these areas.</p>	<p>Our procedures included, amongst others:-</p> <p>(a) Tested costs incurred to date to supporting documentation such as contractors' claim certificates;</p> <p>(b) Assessed the reasonableness of the estimated total property development costs to supporting documentation such as contracts, quotations and variation orders with contractors;</p> <p>(c) Checked for any variation orders and checked that changes to contracts and quotations with the contractors, if any, are properly supported, for ongoing projects;</p> <p>(d) Tested sales of properties to signed sales and purchase agreements and billings raised to property buyers; and</p> <p>(e) Re-computed the stage of completion and checked the journal entries impacting revenue are recognised appropriately with reference to the computation of the stage of completion of the projects.</p>

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SBC CORPORATION BERHAD (CONT'D)

KEY AUDIT MATTERS (CONT'D)

IMPAIRMENT ASSESSMENT ON GOODWILL Refer to Note 12 to the financial statements.	
KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
<p>Goodwill as at 31 March 2024 amounted to RM9,495,000. It arose from the acquisition of subsidiaries in prior years.</p> <p>Goodwill requires annual impairment assessment. This has been performed by comparing the carrying amounts to their corresponding recoverable amounts.</p> <p>The recoverable amount was determined using the fair value less costs to sell method, after taking into account the market value of the land held for development based on valuations carried out by an independent firm of professional valuers.</p> <p>We determined this to be a key audit matter given the significant management judgement and estimates applied in determining the recoverable amounts.</p>	<p>Our procedures included, amongst others:-</p> <p>(a) Obtained management's impairment analysis and gained an understanding of their impairment assessment process;</p> <p>(b) Evaluated the objectivity, independence and capabilities of the professional valuers and obtained an understanding of the work of the professional valuers;</p> <p>(c) Assessed the appropriateness of the valuation model, property related data, including estimates used by the professional valuers; and</p> <p>(d) Assessed the reasonableness of the assumptions used and judgements made in determining the recoverable amount.</p>

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 Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SBC CORPORATION BERHAD (CONT'D)

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 International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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 financial year and are therefore the 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SBC CORPORATION BERHAD (CONT'D)

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 5 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.

Crowe Malaysia PLT

201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants

Kuala Lumpur

30 July 2024

Leong Pooi Kuan
03732/04/2025 J
Chartered Accountant

STATEMENTS OF FINANCIAL POSITION

AT 31 MARCH 2024

	NOTE	THE GROUP			THE COMPANY	
		31.3.2024 RM'000	31.3.2023 RM'000 (Restated)	1.4.2022 RM'000 (Restated)	31.3.2024 RM'000	31.3.2023 RM'000
ASSETS						
NON-CURRENT ASSETS						
Investments in subsidiaries	5	-	-	-	219,818	218,818
Investments in associates	6	111,716	112,767	111,513	3,234	3,234
Investments in joint ventures	7	*	*	*	*	*
Property, plant and equipment	8	5,254	4,673	4,844	1,617	1,790
Investment properties	9	73,951	76,223	83,871	565	565
Right-of-use asset	10	2,169	855	-	2,169	855
Inventories	11	124,002	122,794	121,617	-	-
Goodwill	12	9,495	9,495	9,495	-	-
Deferred tax assets	13	3,299	1,896	3,027	-	-
Other assets		972	1,080	1,152	-	-
		330,858	329,783	335,519	227,403	225,262
CURRENT ASSETS						
Inventories	11	145,800	157,529	184,414	-	-
Receivables	14	79,663	64,094	41,612	184	184
Contract assets	15	1,710	105	11,561	-	-
Amount owing by subsidiaries	16	-	-	-	109,317	106,796
Amount owing by an associate	17	3,366	3,366	3,366	-	-
Amount owing by a joint venture	18	4,100	4,103	4,099	4,361	4,357
Current tax assets		3,966	4,026	3,875	2,022	2,009
Fixed deposits with licensed banks	19	2,352	2,307	2,077	-	-
Cash and bank balances	20	8,696	4,513	3,121	1,727	1,726
		249,653	240,043	254,125	117,611	115,072
Non-current assets classified as held for sale	21	1,054	-	-	-	-
		250,707	240,043	254,125	117,611	115,072
TOTAL ASSETS		581,565	569,826	589,644	345,014	340,334

* Less than RM1,000

STATEMENTS OF FINANCIAL POSITION

AT 31 MARCH 2024 (CONT'D)

NOTE	THE GROUP			THE COMPANY	
	31.3.2024 RM'000	31.3.2023 RM'000 (Restated)	1.4.2022 RM'000 (Restated)	31.3.2024 RM'000	31.3.2023 RM'000
EQUITY AND LIABILITIES					
EQUITY					
Share capital	22	251,800	251,800	251,800	251,800
Treasury shares	23	(51)	(51)	(51)	(51)
Retained profits		162,282	161,985	152,591	12,359
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY					
		414,031	413,734	404,340	264,462
NON-CONTROLLING INTERESTS					
		(5,288)	(6,303)	(5,072)	-
TOTAL EQUITY		408,743	407,431	399,268	264,108
NON-CURRENT LIABILITIES					
Deferred tax liabilities	13	1,500	1,500	1,500	-
Borrowings	28	64,324	45,387	43,241	-
Lease liability	26	2,020	524	11	2,020
		67,844	47,411	44,752	524
CURRENT LIABILITIES					
Payables	27	49,086	56,683	68,393	4,803
Contract liabilities	15	-	5,335	15,849	-
Amount owing to subsidiaries	16	-	-	-	72,486
Borrowings	28	48,847	46,975	53,345	999
Lease liability	26	244	352	20	244
Current tax liabilities		6,801	5,639	8,017	-
		104,978	114,984	145,624	78,532
TOTAL LIABILITIES		172,822	162,395	190,376	80,552
TOTAL EQUITY AND LIABILITIES		581,565	569,826	589,644	340,334

The annexed notes form an integral part of these financial statements

STATEMENTS OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

NOTE	THE GROUP		THE COMPANY	
	2024 RM'000	2023 RM'000 (Restated)	2024 RM'000	2023 RM'000
REVENUE	29	52,741	72,319	10,400
COST OF SALES	30	(31,555)	(42,763)	-
GROSS PROFIT		21,186	29,556	10,400
OTHER INCOME		9,679	4,929	7
ADMINISTRATIVE EXPENSES		(19,210)	(16,404)	(9,300)
OTHER EXPENSES		(755)	(851)	(503)
FINANCE COSTS		(7,568)	(8,181)	(333)
SHARE OF RESULTS IN ASSOCIATES		830	2,132	-
SHARE OF RESULTS IN JOINT VENTURES		(178)	(160)	-
PROFIT BEFORE TAXATION	31	3,984	11,021	271
INCOME TAX EXPENSE	32	(2,672)	(2,794)	83
PROFIT AFTER TAXATION		1,312	8,227	354
OTHER COMPREHENSIVE INCOME		-	-	-
TOTAL COMPREHENSIVE INCOME		1,312	8,227	354
PROFIT/(LOSS) AFTER TAXATION ATTRIBUTABLE TO:-				
Owners of the Company		297	9,394	354
Non-controlling interests		1,015	(1,167)	-
		1,312	8,227	354
TOTAL COMPREHENSIVE INCOME/(EXPENSES) ATTRIBUTABLE TO:-				
Owners of the Company		297	9,394	354
Non-controlling interests		1,015	(1,167)	-
		1,312	8,227	354
EARNINGS PER SHARE (SEN)				
- basic	33	0.12	3.64	
- diluted		0.12	3.64	

The annexed notes form an integral part of these financial statements

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

THE GROUP	NOTE	SHARE CAPITAL RM'000	TREASURY SHARES RM'000	RETAINED PROFITS RM'000	ATTRIBUTABLE	NON-	TOTAL EQUITY RM'000
					TO OWNERS OF THE GROUP RM'000	CONTROLLING INTERESTS RM'000	
Balance at 1.4.2022							
As previously reported	41	251,800	(51)	168,628	420,377	(5,072)	415,305
Prior year adjustments		-	-	(16,037)	(16,037)	-	(16,037)
As restated		251,800	(51)	152,591	404,340	(5,072)	399,268
(Loss)/Profit after taxation/ Total comprehensive (expenses)/ income for the financial year							
As previously reported	41	-	-	(348)	(348)	(1,167)	(1,515)
Prior year adjustments		-	-	9,742	9,742	-	9,742
As restated		-	-	9,394	9,394	(1,167)	8,227
Winding up of a subsidiary		-	-	-	-	(64)	(64)
Balance at 31.3.2023		251,800	(51)	161,985	413,734	(6,303)	407,431
Balance at 1.4.2023							
As previously reported	41	251,800	(51)	168,280	420,029	(6,303)	413,726
Prior year adjustments		-	-	(6,295)	(6,295)	-	(6,295)
As restated		251,800	(51)	161,985	413,734	(6,303)	407,431
Profit after taxation/ Total comprehensive income for the financial year		-	-	297	297	1,015	1,312
Balance at 31.3.2024		251,800	(51)	162,282	414,031	(5,288)	408,743
THE COMPANY		SHARE CAPITAL RM'000	TREASURY SHARES RM'000	RETAINED PROFITS RM'000	TOTAL EQUITY RM'000		
Balance at 1.4.2022		251,800	(51)	12,329	264,078		
Profit after taxation/Total comprehensive income for the financial year		-	-	30	30		
Balance at 31.3.2023/1.4.2023		251,800	(51)	12,359	264,108		
Profit after taxation/Total comprehensive income for the financial year		-	-	354	354		
Balance at 31.3.2024		251,800	(51)	12,713	264,462		

The annexed notes form an integral part of these financial statements

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

	THE GROUP		THE COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
CASH FLOWS (FOR)/FROM OPERATING ACTIVITIES				
Profit before taxation	3,984	11,021	271	257
Adjustments for:-				
Amortisation of other assets	72	72	-	-
Depreciation of:				
- property, plant and equipment	381	573	211	148
- right-of-use asset	293	206	293	206
- investment properties	1,094	1,217	-	-
Interest expense on lease liability	180	33	180	33
Interest expense	7,013	8,148	153	166
Property, plant and equipment written off	10	-	-	-
Loss on disposal of other assets	23	-	-	-
Interest income	(302)	(241)	-	-
Dividend income	-	-	(5,000)	-
Gain on disposal of investment properties	(1,007)	-	-	-
Share of results in associates	(830)	(2,132)	-	-
Share of results in joint ventures	178	160	-	-
Operating profit/(loss) before working capital changes	11,089	19,057	(3,892)	810
Decrease in inventories	9,032	32,139	-	-
Increase in receivables	(15,569)	(22,482)	-	(81)
(Decrease)/Increase in payables	(7,974)	(9,826)	670	(120)
(Increase)/Decrease in contract assets	(1,605)	11,456	-	-
Decrease in contract liabilities	(5,335)	(10,514)	-	-
CASH (FOR)/FROM OPERATIONS	(10,362)	19,830	(3,222)	609
Interest paid	(7,057)	(7,939)	(180)	(83)
Net income tax paid	(2,853)	(4,193)	(159)	(92)
NET CASH (FOR)/FROM OPERATING ACTIVITIES	(20,272)	7,698	(3,561)	434

The annexed notes form an integral part of these financial statements

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (CONT'D)

NOTE	THE GROUP		THE COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES				
Additional investment in an existing subsidiary	-	-	(1,000)	-
Advances to a joint venture	(3)	(4)	(4)	(4)
Repayment from subsidiaries	-	-	2,480	4,374
Interest income received	85	82	-	-
Dividend received from an associate	1,881	878	-	-
Placement of fixed deposit pledged to a licensed bank	-	(30)	-	-
Proceeds from disposal of other assets	13	-	-	-
Proceeds from disposal of investment properties	2,620	-	-	-
Purchase of property, plant and equipment	34(a)	(846)	(402)	(330)
NET CASH FROM INVESTING ACTIVITIES	3,750	524	1,438	4,040
CASH FLOWS FROM/(FOR) FINANCING ACTIVITIES				
Advances from/(Repayment to) subsidiaries	-	-	1,344	(2,155)
Repayment to a shareholder	34(b)	-	(2,000)	(2,000)
Net repayment of revolving credits	34(b)	(4,835)	(3,500)	-
Drawdown of term loans	34(b)	31,000	12,000	-
Repayment of term loans	34(b)	(3,132)	(5,197)	-
Net repayment of bankers' acceptances	34(b)	(1,000)	(2,000)	-
Repayment of lease liability	34(b)	(219)	(216)	(216)
NET CASH FROM/(FOR) FINANCING ACTIVITIES	21,814	(913)	1,125	(4,371)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	5,292	7,309	(998)	103
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	(15,607)	(22,916)	1,726	1,623
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	34(d)	(10,315)	(15,607)	728

The annexed notes form an integral part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia and listed on the Main Board of Bursa Malaysia Securities Berhad. The registered office, which is also the principal place of business are at Unit No. C-01, Concourse Level, PJX-HM Shah Tower, No. 16A, Persiaran Barat, 46050 Petaling Jaya, Selangor Darul Ehsan.

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to the end of the reporting period.

The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional and presentation currency and has been rounded to the nearest thousand, unless otherwise stated.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 30 July 2024.

2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the businesses of investment holding and the provision of management and administrative services to the subsidiaries. The principal activities of the subsidiaries are disclosed in Note 5 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

3. BASIS OF PREPARATION

The financial statements of the Group and of the Company are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under material accounting policy information, and in compliance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

3.1 During the current financial year, the Group and the Company have adopted the following new accounting standards and/or interpretations (including the consequential amendments, if any):-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)

MFRS 17 Insurance Contracts

Amendments to MFRS 17 Insurance Contracts

Amendment to MFRS 17: Initial Application of MFRS 17 and MFRS 9 – Comparative Information

Amendments to MFRS 101: Disclosure of Accounting Policies

Amendments to MFRS 108: Definition of Accounting Estimates

Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction

Amendments to MFRS 112: International Tax Reform – Pillar Two Model Rules

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the financial statements of the Group and of the Company except as follows:-

Amendments to MFRS 101: Disclosure of Accounting Policies

The Amendments to MFRS 101 'Disclosure of Accounting Policies' did not result in any changes to the existing accounting policies of the Group and of the Company. However, the amendments require the disclosure of 'material' rather than 'significant' accounting policies and provide guidance on how entities apply the concept of materiality in making decisions about the material accounting policy disclosures. The Group and the Company have made updates to the accounting policies presented in Note 4 to the financial statements in line with the amendments.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

3. BASIS OF PREPARATION (CONT'D)

- 3.2 The Group and the Company have not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective for the current financial year:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 16: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to MFRS 101: Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group and of the Company upon their initial application.

4. MATERIAL ACCOUNTING POLICY INFORMATION

4.1 Critical Accounting Estimates and Judgements

Key Sources of Estimation Uncertainty

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as disclosed below:-

(a) Impairment of Investments in Subsidiaries, Investments in Associates, and Land Held for Future Property Development

The Group and the Company determine whether their investments in subsidiaries, investments in associates and land held for future property development are impaired by evaluating the extent to which the recoverable amount of the asset is less than its carrying amount. This evaluation is subject to changes such as market performance, economic and political situation of the country. A variety of methods is used to determine the recoverable amount, such as valuation reports and discounted cash flows. For discounted cash flows, significant judgement is required in the estimation of the present value of future cash flows generated by the assets, which involve uncertainties and are significantly affected by assumptions used and judgements made regarding estimates of future cash flows and discount rates. The carrying amounts of investments in subsidiaries, investments in associates and land for future property development as at the reporting date are disclosed in Notes 5, 6 and 11(a) to the financial statements.

(b) Impairment of Goodwill

The assessment of whether goodwill is impaired requires an estimation of the value in use of the cash-generating unit to which the goodwill is allocated. This has been performed by comparing the carrying amounts to their corresponding recoverable amounts. The recoverable amount was determined using the fair value less costs to sell method, after taking into account the market value of the land held for development based on valuations carried out by an independent firm of professional valuers. The carrying amount of goodwill as at the reporting date is disclosed in Note 12 to the financial statements.

(c) Revenue and Cost Recognition of Property Development Activities

The Group recognises property development revenue as and when the control of the asset is transferred to a customer and it is probable that the Group will collect the consideration to which it will be entitled. The control of the asset may transfer over time or at a point in time depending on the terms of the contract with the customer and the application laws governing the contract.

When the control of the asset is transferred over time, the Group recognises property development revenue and costs by reference to the progress towards complete satisfaction of the performance obligation at the end of the reporting period. This is measured based on the Group's efforts or budgeted inputs to the satisfaction of the performance obligation. Significant judgement is required in determining the completeness and accuracy of the budgets and the extent of the costs incurred. Substantial changes in property development cost estimates in the future can have a significant effect on the Group's results. In making the judgement, the Group evaluates and relies on past experience and works of specialists.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.1 Critical Accounting Estimates and Judgements (Cont'd)

Key Sources of Estimation Uncertainty (Cont'd)

(d) Revenue Recognition for Construction Contracts

The Group recognises construction revenue by reference to the construction progress based on the physical proportion of contract work certified by professional consultants. Significant judgement is required in determining the progress towards complete satisfaction of the performance obligation based on the contract work certified to date corroborated by the level of completion of the construction based on actual costs incurred to date over the estimated total contract costs. The total estimated costs are based on approved budgets, which require assessment and judgement to be made on changes in, for example, work scope, changes in costs and costs to completion. In making the judgement, the Group relies on past experience and the work of specialists. The carrying amounts of contract assets and contract liabilities as at the reporting date are disclosed in Note 15 to the financial statements.

Critical Judgements Made in Applying Accounting Policies

Management believes that there are no instances of application of critical judgement in applying the accounting policies of the Group and of the Company which will have a significant effect on the amounts recognised in the financial statements other than as disclosed below:-

Classification Between Investment Properties and Owner-occupied Properties

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or leased out separately under a finance lease), the Group and the Company account for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes.

4.2 Goodwill

Goodwill is initially measured at cost. Subsequent to the initial recognition, the goodwill is measured at cost less accumulated impairment losses, if any. A bargain purchase gain is recognised in profit or loss immediately.

4.3 Financial Instruments

(a) Financial Assets

Financial Assets at Amortised Cost

The financial assets are initially measured at fair value plus transaction costs except for trade receivables without significant financing component which are measured at transaction price only. Subsequent to the initial recognition, all financial assets are measured at amortised cost less any impairment losses.

Financial Assets Through Other Comprehensive Income

The Group has elected to designate the equity instruments as financial assets through other comprehensive income at initial recognition.

The financial assets are initially measured at fair value plus transaction costs. Subsequent to the initial recognition, the financial assets are remeasured to their fair values at the reporting date with fair value changes taken up in other comprehensive income and accumulated in the fair value reserve, except for the recognition of impairment, interest income and foreign exchange difference of a debt instrument which are recognised directly in profit or loss. The fair value changes do not include interest and dividend income.

(b) Financial Liabilities

Financial Liabilities at Amortised Cost

The financial liabilities are initially measured at fair value less transaction costs. Subsequent to the initial recognition, the financial liabilities are measured at amortised cost.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.3 Financial Instruments (Cont'd)

(c) Equity

Ordinary Shares

Ordinary shares are recorded on initial recognition at the proceeds received less directly attributable transaction costs incurred. The ordinary shares are not remeasured subsequently.

Treasury Shares

Treasury shares are recorded on initial recognition at the consideration paid less directly attributable transaction costs incurred. The treasury shares are not remeasured subsequently.

No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the treasury shares. If such shares are issued by resale, any difference between the sales consideration received and the carrying amount of the treasury shares is recognised in equity. Where treasury shares are cancelled, their carrying amounts are shown as a movement in retained profits.

(d) Financial Guarantee Contracts

Financial guarantee contracts are recognised initially as liabilities at fair value, net of transaction costs. Subsequent to initial recognition, financial guarantee contracts are recognised as income in profit or loss over the period of the guarantee or, when there is no specific contractual period, recognised in profit or loss upon discharge of the guarantee. If the debtor fails to make payment relating to a financial guarantee contract when it is due and the Company, as the issuer, is required to reimburse the holder for the associated loss, the reimbursement is recognised as a liability and measured at the higher of the amount of loss allowance determined using the expected credit loss model and the amount of financial guarantee initially recognised less cumulative amortisation.

4.4 Investments in Subsidiaries

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.

4.5 Investments in Associates

Investments in associates are stated in the separate financial statements of the Company at cost less impairment losses, if any, and accounted for using the equity method in the consolidated financial statements.

4.6 Investments in Joint Ventures

Investments in joint ventures are stated in the separate financial statements of the Company at cost less impairment losses, if any. The Group recognises its interest in the joint ventures using the equity method in the consolidated financial statements.

4.7 Property, Plant and Equipment

All items of property, plant and equipment are initially measured at cost.

Subsequent to the initial recognition, all property, plant and equipment, other than freehold land and buildings, are stated at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land is not depreciated. Depreciation on other property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over the estimated useful lives. The principal annual depreciation rates are:-

Building	2%
Plant and machinery, construction machinery and equipment, formwork, scaffoldings and containers	5% - 25%
Office renovation, office equipment, computers, furniture and fittings, tools and sales office	5% - 20%
Motor vehicles	20%

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.8 Investment Properties

Investment properties are initially measured at cost. Subsequent to the initial recognition, the investment properties are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated using the straight-line method to allocate the depreciable amounts over the estimated useful lives. The estimated useful lives of the investment properties are 50 years.

4.9 Right-of-use Assets and Lease liabilities

(a) Short-term Leases and Leases of Low-value Assets

The Group and the Company apply the "short-term lease" and "lease of low-value assets" recognition exemption. For these leases, the Group and the Company recognise the lease payments as an operating expense on a straight-line method over the term of the lease unless another systematic basis is more appropriate.

(b) Right-of-use Assets

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

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

The Group presents the right-of-use assets that meet the definition of an inventory under land held for future property development and/or property development costs in the statements of financial position.

(c) Lease Liabilities

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the entities' incremental borrowing rate. Subsequent to the initial recognition, the lease liabilities are measured at amortised cost and adjusted for any lease reassessment or modifications.

4.10 Inventories

(a) Land Held for Future Property Development

Land held for future property development is stated at the lower of cost and net realisable value. Cost comprises cost associated with the purchase of land, conversion fees and other relevant levies and an appropriate proportion of common infrastructure costs.

Land held for future property development is transferred to property development cost category when development activities have commenced and are expected to be completed within the normal operating cycle.

(b) Property Development Costs

Property development costs are stated at the lower of cost and net realisable value. Cost comprises cost associated with the purchase of land, conversion fees, aggregate cost of development, materials and supplies, wages and other direct expenses and an appropriate proportion of common infrastructure costs.

The property development costs of unsold units are transferred to inventories once the development is completed.

(c) Completed Development Properties Held for Sale

Completed development properties held for sale are stated at the lower of cost and net realisable value. Cost is determined on specific identification and comprises cost associated with the purchase of land (including all related costs incurred subsequent to the acquisition necessary to prepare the land for its intended use), construction costs and other related development costs incurred in bringing the inventories to their present location and condition.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

5. INVESTMENTS IN SUBSIDIARIES

THE COMPANY

	2024	2023
	RM'000	RM'000
Unquoted shares, at cost	219,818	218,818

(a) The details of the subsidiaries, which are all incorporated and having principal place of business in Malaysia, are as follows:-

PERCENTAGE OF ISSUED
SHARE CAPITAL HELD BY PARENT

NAME OF SUBSIDIARY	2024	2023	PRINCIPAL ACTIVITIES
	%	%	
<i>Subsidiaries of the Company:-</i>			
Syarikat Siah Brothers Trading Sdn. Bhd.	100	100	General building construction and investment holding.
Syarikat Siah Brothers Construction Sdn. Bhd.^	100	100	Building and civil engineering contractor.
PJX Property Sdn. Bhd.	100	100	Investment holding and property investment.
Mixwell (Malaysia) Sdn. Bhd.	100	100	Project management and property development.
South-East Best Sdn. Bhd.	100	100	Project development and property investment.
Masahmura Sdn. Bhd. **	100	100	Trading of building materials.
Masahmura Sales & Service Sdn. Bhd.^	100	100	Property development.
Aureate Construction Sdn. Bhd.	100	100	Project management and property development.
SBC Leisure Sdn. Bhd. **	100	100	Investment holding.
SBC Towers Sdn. Bhd. **	100	100	Investment holding.
PJX Car Parks Sdn. Bhd.	70	70	Property investment and car park operator.
PJX Retail Sdn. Bhd.^	70	70	Property investment, property management and leasing.
PJX Commercial Sdn. Bhd.^	70	70	Property investment.
Borneo Far East Sdn. Bhd.	100	100	Dormant.
Jesselton Quay Properties Sdn. Bhd.	100	100	Property development.
JQC Property Sdn. Bhd.^	100	100	Property investment.
The Atkinson Hotel Sdn. Bhd.*	100	100	Dormant.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

PERCENTAGE OF ISSUED
SHARE CAPITAL HELD BY PARENT

NAME OF SUBSIDIARY	2024	2023	PRINCIPAL ACTIVITIES
	%	%	
Dalit Development Sdn. Bhd.	100	100	Property development.
<i>Subsidiary of South-East Best Sdn. Bhd.:-</i>			
Gracemart Resources Sdn. Bhd.^	100	100	Property development.
<i>Subsidiaries of PJX Property Sdn. Bhd.:-</i>			
Sinaran Naga Sdn. Bhd.^	100	100	Property development.
Kiara East Property Sdn. Bhd.^	100	100	Property development.
Goldhill Achiever Sdn. Bhd. #	50	50	Property development.

* - Audited by other firms of chartered accountants.

- Goldhill Achiever Sdn. Bhd. is considered a subsidiary although the Company does not own more than 50% of its equity interest because the Company has the power to appoint and remove the majority of the Board of Directors and therefore controls the Board.

^ - Temporarily dormant during the financial year.

(b) On 30 June 2023, the Company subscribed for an additional 1,000,000 new ordinary shares of RM1 each in Dalit Development Sdn. Bhd. for a total cash consideration of RM1,000,000.

(c) Summarised financial information of non-controlling interests has not been presented as the non-controlling interests of the subsidiaries are not individually material to the Group.

6. INVESTMENTS IN ASSOCIATES

THE GROUP

THE COMPANY

	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Unquoted shares, at cost	94,063	94,063	3,234	3,234
Share of post acquisition reserves	17,653	18,704	-	-
	111,716	112,767	3,234	3,234

(a) The details of the associates are as follows:-

NAME OF ASSOCIATE	PRINCIPAL PLACE OF BUSINESS AND COUNTRY OF INCORPORATION	PERCENTAGE OF OWNERSHIP		PRINCIPAL ACTIVITIES
		2024	2023	
		%	%	
Built SBC Co., Ltd #	Thailand	49.0	49.0	Dormant.
Kanyara Co., Ltd #	Thailand	49.0	49.0	Dormant.
<i>Associate of Mixwell (Malaysia) Sdn. Bhd.:-</i>				
Ligamas Sdn. Bhd. #	Malaysia	50.0	50.0	Property development.
<i>Associate of Syarikat Siah Brothers Trading Sdn. Bhd.:-</i>				
Sri Rawang Properties Sdn. Bhd.#	Malaysia	28.5	28.5	Investment in properties and rubber estates.

- Audited by other firms of chartered accountants.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

6. INVESTMENTS IN ASSOCIATES (CONT'D)

Built SBC Co., Ltd and Kanyara Co., Ltd both have a piece of land which is a strategic investment for future development in Thailand for the Group.

Ligamas Sdn. Bhd. involves in property development business. It is a strategic investment for KL-North property development business for the Group.

Sri Rawang Properties Sdn. Bhd. involves in investment in properties and rubber estates. It is a strategic investment for quarry mining activities for the Group.

(b) Built SBC Co., Ltd and Kanyara Co., Ltd have different financial year end from the Group. In applying the equity method of accounting, the financial statements of the associate for the financial year ended 31 December 2023 have been used and appropriate adjustments have been made for the effects of significant transactions between 1 January 2024 and 31 March 2024.

(c) Sri Rawang Properties Sdn. Bhd. has different financial year end from the Group. In applying the equity method of accounting, the financial statements of the associate for the financial year ended 30 September 2023 have been used and appropriate adjustments have been made for the effects of significant transactions between 1 October 2023 and 31 March 2024.

(d) The summarised financial information (after the alignment for the Group's accounting policies) for the following associate that is material to the Group is as follows:-

	Ligamas Sdn. Bhd.	
	2024 RM'000	2023 RM'000
<u>At 31 March</u>		
Non-current assets	103,890	114,913
Current assets	33,436	26,565
Current liabilities	(6,554)	(5,859)
Net assets	130,772	135,619
<u>12-month Period Ended 31 March</u>		
Revenue	13,300	16,939
Profit for the financial year	1,380	5,637
Total comprehensive income	1,380	5,637
Group's share of results for the financial year	540	2,113
Dividends received	(1,650)	(750)
<u>Reconciliation of Net Assets to Carrying Amount</u>		
Group's share of net assets	66,768	67,878
Goodwill	41,575	41,575
Carrying amount of the Group's interests in this associate	108,343	109,453

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

6. INVESTMENTS IN ASSOCIATES (CONT'D)

(e) The summarised unaudited financial information (after alignment for the Group's accounting policies) for all associates that are individually immaterial to the Group is as follows:-

	Other Individually Immaterial Associates	
	2024 RM'000	2023 RM'000
<u>Financial Year Ended 31 March</u>		
Group's share of results for the financial year	290	19
Group's share of total comprehensive income	290	19
Dividends received	(231)	(128)
Aggregate carrying amount of the Group's interests in these associates	3,373	3,314

7. INVESTMENTS IN JOINT VENTURES

	THE GROUP		THE COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Unquoted shares, at cost	*	*	*	*
Share of post acquisition profits	*	*	-	-
	*	*	*	*

* - Less than RM1,000.

The details of the joint ventures are as follows:-

NAME OF JOINT VENTURE	PRINCIPAL PLACE OF BUSINESS AND COUNTRY OF INCORPORATION	PERCENTAGE OF OWNERSHIP		PRINCIPAL ACTIVITIES
		2024 %	2023 %	
Cabana International Hotels Pte. Ltd. ("Cabana Hotels") *	Singapore	50	50	Investment holding.
<i>Subsidiary of Cabana Hotels:-</i>				
Cabana Investments Holdings Pty. Ltd. #	Australia	50	50	Investment holding.

* - Audited by other firms of chartered accountants.

- Not required to be audited under the laws of the country of incorporation.

(a) The joint arrangements are structured through separate vehicles which provide the Group a right to the net assets of the entities. Accordingly, these investments are classified as joint ventures.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

7. INVESTMENTS IN JOINT VENTURES (CONT'D)

- (b) The summarised unaudited financial information for both joint ventures that are individually immaterial to the Group is as follows:-

	Individually Immaterial Joint Ventures	
	2024 RM'000	2023 RM'000
<u>Financial Year Ended 31 March</u>		
Group's share of results for the financial year	(178)	(160)
Group's share of total comprehensive income	(178)	(160)
Aggregate carrying amount of the Group's interests in these joint ventures	*	*

* - Less than RM1,000.

8. PROPERTY, PLANT AND EQUIPMENT

THE GROUP	AT 1.4.2023 RM'000	ADDITION (NOTE 34(a)) RM'000	WRITTEN OFF RM'000	DEPRECIATION CHARGES RM'000	AT 31.3.2024 RM'000
2024					
<i>CARRYING AMOUNT</i>					
Freehold land	2,220	-	-	-	2,220
Office renovation, office equipment, computers, furniture and fittings, tools and sales office	2,443	972	(10)	(371)	3,034
Motor vehicles	10	-	-	(10)	-
	<u>4,673</u>	<u>972</u>	<u>(10)</u>	<u>(381)</u>	<u>5,254</u>

THE GROUP	AT 1.4.2022 RM'000	ADDITION (NOTE 34(a)) RM'000	WRITTEN OFF RM'000	DEPRECIATION CHARGES RM'000	AT 31.3.2023 RM'000
2023					
<i>CARRYING AMOUNT</i>					
Freehold land	2,220	-	-	-	2,220
Office renovation, office equipment, computers, furniture and fittings, tools and sales office	2,590	402	-	(549)	2,443
Motor vehicles	34	-	-	(24)	10
	<u>4,844</u>	<u>402</u>	<u>-</u>	<u>(573)</u>	<u>4,673</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

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

THE GROUP	AT COST RM'000	ACCUMULATED DEPRECIATION RM'000	CARRYING AMOUNT RM'000
2024			
Freehold land	2,220	-	2,220
Building	1,520	(1,520)	-
Plant and machinery, construction machinery and equipment, formwork, scaffoldings and containers	8,676	(8,676)	-
Office renovation, office equipment, computers, furniture and fittings, tools and sales office	10,733	(7,699)	3,034
Motor vehicles	1,822	(1,822)	-
	<u>24,971</u>	<u>(19,717)</u>	<u>5,254</u>
2023			
Freehold land	2,220	-	2,220
Building	1,520	(1,520)	-
Plant and machinery, construction machinery and equipment, formwork, scaffoldings and containers	8,676	(8,676)	-
Office renovation, office equipment, computers, furniture and fittings, tools and sales office	9,771	(7,328)	2,443
Motor vehicles	1,822	(1,812)	10
	<u>24,009</u>	<u>(19,336)</u>	<u>4,673</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

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

THE COMPANY	AT 1.4.2023 RM'000	ADDITIONS (NOTE 34(a)) RM'000	DEPRECIATION CHARGES RM'000	AT 31.3.2024 RM'000
2024				
<i>CARRYING AMOUNT</i>				
Office equipment, computers, furniture and fittings	141	26	(26)	141
Office renovation	1,639	12	(175)	1,476
Motor vehicle	10	-	(10)	-
	1,790	38	(211)	1,617

THE COMPANY	AT 1.4.2022 RM'000	ADDITIONS (NOTE 34(a)) RM'000	DEPRECIATION CHARGES RM'000	AT 31.3.2023 RM'000
2023				
<i>CARRYING AMOUNT</i>				
Office equipment, computers, furniture and fittings	45	119	(23)	141
Office renovation	1,529	211	(101)	1,639
Motor vehicles	34	-	(24)	10
	1,608	330	(148)	1,790

THE COMPANY	AT COST RM'000	ACCUMULATED DEPRECIATION RM'000	CARRYING AMOUNT RM'000
2024			
Office equipment, computers, furniture and fittings	788	(647)	141
Office renovation	1,752	(276)	1,476
Motor vehicle	416	(416)	-
	2,956	(1,339)	1,617

2023			
Office equipment, computers, furniture and fittings	762	(621)	141
Office renovation	1,740	(101)	1,639
Motor vehicles	416	(406)	10
	2,918	(1,128)	1,790

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

9. INVESTMENT PROPERTIES

	THE GROUP		THE COMPANY	
	2024 RM'000	2023 RM'000 (Restated)	2024 RM'000	2023 RM'000
Buildings, at cost:-				
At 1 April	86,973	93,404	565	565
Additions/(Adjustments)	1,489	(6,431)	-	-
Disposals	(1,719)	-	-	-
Reclassified to non-current assets classified as held for sale (Note 21)	(1,102)	-	-	-
At 31 March	85,641	86,973	565	565
Accumulated depreciation:-				
At 1 April	(10,750)	(9,533)	-	-
Depreciation during the financial year	(1,094)	(1,217)	-	-
Disposals	106	-	-	-
Reclassified to non-current assets classified as held for sale (Note 21)	48	-	-	-
At 31 March	(11,690)	(10,750)	-	-
Net carrying amount	73,951	76,223	565	565
Represented by:-				
Completed buildings	43,088	46,849	565	565
Building under constructions	30,863	29,374	-	-
	73,951	76,223	565	565
At Fair value				
Completed buildings	66,000	70,000	565	565
Building under constructions	42,000	#	-	-
	108,000	70,000	565	565

- The fair value of the building under constructions cannot be reliably determined until either their fair value become reliably determinable or construction is completed, whichever is earlier.

(a) Certain investment properties of the Group are leased to customers under operating leases with rentals payable monthly. The leases contain initial non-cancellable periods ranging from 2 (2023 - 2 to 5) years and an option that is exercisable by the customers to extend their leases for an average of 2 (2023 - 5) years.

The Group requires a minimum of one month of advanced rental payment from the customers. The leases do not include residual value guarantee and variable lease payments that depend on an index or rate.

As at the reporting date, the future minimum rentals receivable under the non-cancellable operating leases are as follows:-

	THE GROUP	
	2024 RM'000	2023 RM'000
Within 1 year	396	1,538
Between 1 and 2 years	387	597
Between 2 and 3 years	-	-
	783	2,135

(b) Certain investment properties of the Group with a total carrying amount of RM41,060,000 (2023 - RM42,170,000) have been pledged to financial institutions as security for banking facilities granted to the Group as disclosed in Notes 24(a) and 24(e) to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

9. INVESTMENT PROPERTIES (CONT'D)

(c) The total fair values of the investment properties are within level 2 of the fair value hierarchy. The level 2 fair value of the investment properties have been determined based on:-

(i) valuation performed by an independent professional valuer using the Comparison Approach. Under this approach, the fair values of the investment properties are determined by comparing them with recent sales and/or listings of similar properties in the vicinity, or if not available, within similar localities and adjusted for differences in location, size, facilities available, market conditions and other factors in order to arrive at a common basis;

(ii) directors' assessment with reference to independent professional valuer's valuation reports performed in (c)(i) above for properties within the same location; and

(iii) Sale and Purchase Agreement for units sold during the financial year.

10. RIGHT-OF-USE ASSET

THE GROUP/THE COMPANY	AT 1.4.2023 RM'000	ADDITION RM'000	REASSESSMENT OF LEASE LIABILITY (Note 26) RM'000	DEPRECIATION CHARGES RM'000	AT 31.3.2024 RM'000
2024					
<i>CARRYING AMOUNT</i>					
Office premise	855	-	1,607	(293)	2,169
THE GROUP/THE COMPANY	AT 1.4.2022 RM'000	ADDITION RM'000	REASSESSMENT OF LEASE LIABILITY RM'000	DEPRECIATION CHARGES RM'000	AT 31.3.2023 RM'000
2023					
<i>CARRYING AMOUNT</i>					
Office premise	-	1,061	-	(206)	855

(a) The Group and the Company have leased an office premise for 3 years (2023 - 3 years), with an option to renew after the date. The Group and the Company are not allowed to sublease the office premise.

(b) The Group and the Company will reassess whether it is reasonably certain to exercise the options granted in the lease contracts if there is a significant change in circumstances within its control. During the financial year, the Group and the Company have performed a reassessment and the financial effect of revising the lease terms to reflect the effect of exercising the extension options was an increase in recognised lease liabilities and right-of-use assets of approximately RM1,607,000 (2023 - Nil).

11. INVENTORIES

	THE GROUP	
	2024 RM'000	2023 RM'000 (Restated)
Non-current:-		
Land held for future property development	(a) 124,002	122,794
Current:-		
Property development costs	(b) 18,713	60,090
Completed development properties held for sale	(c) 127,087	97,439
	145,800	157,529
	269,802	280,323

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

11. INVENTORIES (CONT'D)

(a) Land Held for Future Property Development

	THE GROUP	
	2024 RM'000	2023 RM'000
At cost:-		
At 1 April	123,211	122,034
Additions during the financial year	1,208	1,177
At 31 March	124,419	123,211
Allowance for impairment losses	(417)	(417)
	124,002	122,794
Analysed by:-		
Freehold land	41,984	41,984
Right-of-use assets (leasehold land)	42,936	42,936
Development costs	39,499	38,291
Allowance for impairment losses	(417)	(417)
	124,002	122,794

(i) Land held for future property development represents land on which no significant development work has been undertaken or where development activities are not expected to be completed within the normal operating cycle.

(ii) Certain land held for future property development of the Group with a total carrying amount of RM31,477,000 (2023 - RM4,197,000) have been pledged to financial institutions as security for banking facilities granted to the Group as disclosed in Notes 24(f) and 24(g) to the financial statements.

(b) Property Development Costs

	THE GROUP	
	2024 RM'000	2023 RM'000 (Restated)
At cost:-		
At 1 April		
- freehold land	-	27,000
- right-of-use assets (leasehold land)	32,254	86,953
- development costs	84,306	336,300
	116,560	450,253
Additions during the financial year:		
- right-of-use assets (leasehold land)	16,400	(9,934)
- development costs	6,159	25,912
	22,559	15,978
Reversal of completed projects:		
- freehold land	-	(21,744)
- right-of-use assets (leasehold land)	(12,720)	(37,535)
- development costs	(51,862)	(243,591)
	(64,582)	(302,870)
Transfer to completed development properties held for sale:		
- freehold land	-	(11,728)
- right-of-use assets (leasehold land)	(11,375)	(758)
- development costs	(44,449)	(34,315)
	(55,824)	(46,801)
At 31 March		
- right-of-use assets (leasehold land)	24,559	32,254
- development costs	(5,846)	84,306
Balance carried forward	18,713	116,560

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

11. INVENTORIES (CONT'D)

(b) Property Development Costs (cont'd)

	THE GROUP	
	2024 RM'000	2023 RM'000 (Restated)
Balance brought forward	18,713	116,560
Costs recognised in profit or loss:		
At 1 April	(56,470)	(324,948)
- costs recognised during the financial year	(8,112)	(34,392)
- reversal of completed projects during the financial year	64,582	302,870
At 31 March	-	(56,470)
Property development costs as at 31 March	18,713	60,090

(c) Completed Development Properties Held for Sale

	THE GROUP	
	2024 RM'000	2023 RM'000 (Restated)
Unsold completed development properties, at cost	127,087	97,439
Recognised in profit or loss:-		
Inventories recognised as cost of sales	26,175	8,471

(i) Certain unsold completed development properties of the Group with a total carrying amount of RM53,467,000 (2023 - RM32,986,000) have been pledged to financial institutions as security for banking facilities granted to the Group as disclosed in Notes 24(d), 25(a) and 25(c) to the financial statements.

(ii) None of these inventories is carried at net realisable value.

12. GOODWILL

	THE GROUP	
	2024 RM'000	2023 RM'000
Cost	27,305	27,305
Accumulated impairment losses	(17,810)	(17,810)
	9,495	9,495

The carrying amounts of goodwill allocated to each cash-generating unit are as follows:-

	THE GROUP	
	2024 RM'000	2023 RM'000
Mixwell (Malaysia) Sdn. Bhd.	7,145	7,145
Kiara East Property Sdn. Bhd.	2,350	2,350
	9,495	9,495

(a) Goodwill arose from the investments in subsidiaries made in prior years.

(b) Goodwill is stated at cost and reviewed for impairment annually.

(c) The recoverable amount used is based on fair value less costs to sell.

(d) The fair value less costs to sell has been determined after taking into account the intrinsic value of the land held for future development. The fair value of the land held for future development is determined using a valuation carried out by an independent firm of professional valuers.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

13. DEFERRED TAX ASSETS/(LIABILITIES)

	THE GROUP	
	2024 RM'000	2023 RM'000 (Restated)
At 1 April	396	1,527
Recognised in profit or loss (Note 32)	1,403	(1,131)
	1,799	396
At 31 March		
Represented by:-		
Deferred tax assets	3,299	1,896
Deferred tax liabilities	(1,500)	(1,500)
	1,799	396

The deferred tax assets and liabilities are attributable to the following items:-

	THE GROUP	
	2024 RM'000	2023 RM'000
Deferred tax assets:-		
Allowance for impairment losses on receivables	320	320
Unrealised profits on contract works	2,979	1,576
	3,299	1,896
Deferred tax liabilities:-		
Surplus arising from revaluation of land held for property development	(967)	(967)
Others	(533)	(533)
	(1,500)	(1,500)
	1,799	396

At the end of the reporting period, the amounts of deferred tax assets not recognised (stated at gross) due to uncertainty of their realisation are as follows:-

	THE GROUP		THE COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Unused tax losses:				
- expires in year of assessment 2028	18,677	18,938	-	-
- expires in year of assessment 2029	4,987	5,569	-	-
- expires in year of assessment 2030	12,839	13,708	-	-
- expires in year of assessment 2031	2,954	3,568	-	-
- expires in year of assessment 2032	1,509	1,509	-	-
- expires in year of assessment 2033	2,409	2,889	-	-
- expires in year of assessment 2034	5,461	-	3,747	-
Unabsorbed capital allowances	520	635	89	-
Accelerated of capital allowances over depreciation	(172)	(74)	(123)	-
Provisions	6,871	2,632	-	-
	56,055	49,374	3,713	-

Based on the current legislation, the unused tax losses up to the year of assessment 2018 can be carried forward until the year of assessment 2028 and the unused tax losses for 2019 onwards are allowed to be utilised for 10 consecutive years of assessment immediately following that year of assessment; whereas, the unabsorbed capital allowances are allowed to be carried forward indefinitely.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

14. RECEIVABLES

	THE GROUP		THE COMPANY	
	2024 RM'000	2023 RM'000 (Restated)	2024 RM'000	2023 RM'000
Trade receivables	1,978	3,504	-	-
Other receivables, deposits and prepayments	77,685	60,590	184	184
	<u>79,663</u>	<u>64,094</u>	<u>184</u>	<u>184</u>

(a) The Group's normal trade credit terms range from 14 to 30 (2023 - 14 to 30) days.

(b) Included in the prepayments are amount prepaid to the land owner for the land proprietor's entitlement arising from the Joint Venture Agreement entered into with a third party to undertake a proposed mixed development in Kota Kinabalu amounted to approximately RM62,447,000 (2023 - RM52,447,000), which have been pledged to financial institutions as security for banking facilities granted to the Group as disclosed in Note 24(h) to the financial statements.

The prepayments for the land costs will be capitalised as property development costs in the inventories account upon approval of joint development's building plan by the authorities.

15. CONTRACT ASSETS/(LIABILITIES)

	THE GROUP	
	2024 RM'000	2023 RM'000 (Restated)
Contract assets:-		
Contract assets relating to property development activities	1,710	105
Contract liabilities:-		
Contract liabilities relating to property development activities	-	(5,335)

(a) The contract assets and liabilities represent the timing differences in revenue recognition and the milestone billings in respect of the property development activities.

(b) In the previous financial year, the transaction price allocated to the remaining performance obligations that are unsatisfied or partially unsatisfied as at the end of the reporting period was RM70,891,000 and the Group has recognised this revenue when the property development was completed, which occurred during the financial year.

(c) The changes to contract assets and contract liabilities balances during the financial year are summarised below:-

	THE GROUP	
	2024 RM'000	2023 RM'000 (Restated)
At 1 April	(5,230)	(4,288)
Revenue recognised in profit or loss during the financial year	13,173	31,963
Billings to customers during the financial year	6,233	(32,905)
At 31 March	<u>1,710</u>	<u>(5,230)</u>
Represented by:-		
Contract assets	1,710	105
Contract liabilities	-	(5,335)
	<u>1,710</u>	<u>(5,230)</u>

16. AMOUNTS OWING BY/TO SUBSIDIARIES

The amounts owing are non-trade in nature, unsecured, interest-free and repayable on demand. The amounts owing are to be settled in cash.

17. AMOUNT OWING BY AN ASSOCIATE

The amount owing is trade in nature. The Group's normal trade credit term is 90 (2023 - 90) days. Other credit terms are assessed and approved on a case-by-case basis. The amount owing is to be settled in cash.

18. AMOUNT OWING BY A JOINT VENTURE

The amount owing is non-trade in nature, unsecured, interest-free and repayable on demand. The amount owing is to be settled in cash.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

19. FIXED DEPOSITS WITH LICENSED BANKS

(a) The fixed deposits with licensed banks of the Group at the end of the reporting period bore effective interest rates ranging from 2.30% to 2.75% (2023 - 2.30% to 2.50%) per annum. The fixed deposits have maturity periods ranging from 30 to 180 (2023 - 30 to 180) days.

(b) Included in the fixed deposits with licensed banks of the Group at the end of the reporting period is an amount of RM1,837,000 (2023 - RM1,792,000) which has been pledged to a licensed bank as security for banking facilities granted to the Group as disclosed in Note 24(e) to the financial statements.

20. CASH AND BANK BALANCES

	THE GROUP		THE COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash and bank balances	8,696	4,513	1,727	1,726

The foreign currency exposure profile of the cash and bank balances is as follows:-

	THE GROUP		THE COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Thai Baht	1,545	1,545	1,545	1,545

Included in the cash and bank balances of the Group is an amount of RM1,067,000 (2023 RM1,074,000) held under the Housing Development Account pursuant to Section 7A of the Housing Development (Control and Licensing) Act 1966 which is restricted from use in other operations.

21. NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

	THE GROUP	
	2024 RM'000	2023 RM'000
At 1 April	-	-
Reclassified from investment properties (Note 9)	1,054	-
At 31 March	<u>1,054</u>	-

On 19 March 2024, PJX Property Sdn. Bhd., a wholly-owned subsidiary of the Company, entered into two Sale and Purchase Agreement for the disposal of 2 units of investment properties for a total consideration of RM1,121,776.

The disposal transactions have been subsequently completed in April 2024.

22. SHARE CAPITAL

	THE GROUP / THE COMPANY			
	2024 Number Of Shares ('000)	2023 RM'000	2024 RM'000	2023 RM'000
Issued and Fully Paid-up Ordinary Shares				
At 1 April/31 March	258,129	258,129	251,800	251,800

The holders of ordinary shares (except treasury shares) are entitled to receive dividends as and when declared by the Company and are entitled to one vote per ordinary share at meetings of the Company. The ordinary shares have no par value.

23. TREASURY SHARES

The Company held 58,900 (2023 - 58,900) treasury shares as at the end of the reporting period. None of the treasury shares were resold or cancelled during the financial year.

Treasury shares have no rights to voting, dividends and participation in any other distribution. Treasury shares shall not be taken into account in calculating the number or percentage of shares or of a class of shares in the Company for any purposes including substantial shareholding, take-overs, notices, the requisition of meeting, the quorum for a meeting and the result of a vote on a resolution at a meeting.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

24. TERM LOANS

	THE GROUP	
	2024	2023
	RM'000	RM'000
Current liabilities (Note 28)	10,971	6,655
Non-current liabilities (Note 28)	64,324	40,887
	75,295	47,542

Details of the term loans outstanding at the end of the reporting period are as follows:-

Term loan	Date of commencement of repayment	THE GROUP	
		2024	2023
		RM'000	RM'000
I	April 2015	2,913	3,406
II	November 2021	4,950	5,395
III	February 2022	3,846	6,040
IV	July 2024	12,061	12,000
V	July 2024	20,533	20,701
VI	June 2024	8,000	-
VII	November 2025	13,000	-
VIII	December 2025	9,992	-
		75,295	47,542

- (a) Term loan I is repayable in 180 monthly instalments of RM54,270 and is secured by:-
- a facility agreement of RM7,000,000;
 - an assignment of all the rights, title and interest in respect of an investment property of a subsidiary as disclosed in Note 9(b) to the financial statements;
 - a first legal charge over an investment property of a subsidiary;
 - a corporate guarantee of the Company; and
 - a power of attorney in respect of a property of a subsidiary.
- (b) Term loan II is repayable in 8 monthly instalments of RM50,000 each, a final principal repayment of RM4,600,000 and is secured by:-
- the Company's shares held by a director; and
 - a corporate guarantee of the Company.
- (c) Term loan III is repayable in 180 monthly instalments of RM50,696 and is secured by:-
- a facility agreement of RM6,360,000;
 - an assignment of all the rights, title and interest in respect of investment properties of a subsidiary;
 - first legal charge over investment properties of a subsidiary as disclosed in Note 9(a) to the financial statements;
 - a corporate guarantee of the Company; and
 - power of attorney in respect of investment properties of a subsidiary.
- (d) Term loan IV is repayable in 95 monthly instalment of RM167,000 and a final principal of RM135,000 and was secured by:-
- deed of assignment of 29 units retail shops of a subsidiary;
 - specific debenture over the 29 units retail shops of a subsidiary as disclosed in Note 11(c) to the financial statements;
 - legal assignment over future rental proceeds from the 29 units retail shops in the Escrow Account-i;
 - charge over Escrow Account-i to be opened with the bank; and
 - a corporate guarantee of the Company.
- (e) Term loan V is repayable in 163 monthly instalments of RM174,787 and is secured by:-
- fixed deposit with a licensed bank of a subsidiary as disclosed in Note 19(b) to the financial statements, pledged for a facility agreement of RM73,000,000;
 - an assignment of all the rights, title and interest in respect of an investment property of a subsidiary;
 - first legal charge over an investment property of a subsidiary as disclosed in Note 9(b) to the financial statements;

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

24. TERM LOANS (CONT'D)

- (e) Term loan V is repayable in 163 monthly instalments of RM174,787 and is secured by (cont'd):-
- a corporate guarantee of the Company; and
 - a power of attorney in respect of an investment property of a subsidiary.
- (f) Term loan VI repayable in 29 monthly instalments of RM200,000 and a final instalment of RM2,200,000 and is secured by:-
- a Facility Agreement of RM8,000,000;
 - third legal charge over a piece of land of a subsidiary as disclosed in Note 11(a)(ii) to the financial statements; and
 - a corporate guarantee of the Company.
- (g) Term loan VII repayable in 36 monthly instalments of RM361,112 and is secured by:-
- a facility agreement of RM13,000,000;
 - first legal charge over 3 pieces of land of a subsidiary as disclosed in Note 11(a)(ii) to the financial statements; and
 - a corporate guarantee of the Company.
- (h) Term loan VIII repayable in 24 monthly instalments of RM416,667 and is secured by:-
- a facility agreement of RM70,000,000;
 - an assignment of all the rights, title and interest in respect of a piece of land of a joint venture partner of a subsidiary;
 - third party legal charge over a piece of land of a joint venture partner of a subsidiary as disclosed in Note 14(b) to the financial statements; and
 - a corporate guarantee of the Company.

25. REVOLVING CREDITS

	THE GROUP	
	2024	2023
	RM'000	RM'000
Current liabilities (Note 28)	18,665	19,000
Non-current liabilities (Note 28)	-	4,500
	18,665	23,500

Details of the revolving credits outstanding at the end of the reporting period are as follows:-

Revolving credit	THE GROUP	
	2024	2023
	RM'000	RM'000
I	10,000	10,000
II	7,000	-
III	1,665	13,500
	18,665	23,500

- (a) Revolving credit I is secured by:-
- a negative pledge on all assets of a subsidiary;
 - third party first legal charge over completed development properties held for sale of a subsidiary as disclosed in Note 11(c) to the financial statements;
 - a power of attorney in respect of properties of a subsidiary; and
 - a corporate guarantee of the Company.
- (b) Revolving credit II is secured in the same manner as term loan IV as disclosed in Note 24(d) to the financial statements.
- (c) Revolving credit III is secured by:-
- a corporate guarantee of the Company;
 - an assignment over any future rental and sales proceeds from the 24 units shop offices building of a subsidiary throughout the tenor of facility; and
 - a first party deed of assignment of 24 units of completed shoplots of a subsidiary located within 'Cantonment Exchange' as disclosed in Note 11(c) to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

26. LEASE LIABILITY

	THE GROUP/THE COMPANY	
	2024 RM'000	2023 RM'000
At 1 April	876	31
Additions (Note 10)	-	1,061
Changes due to reassessment of lease term (Notes 10 and 34(b))	1,607	-
Interest expense recognised in profit or loss (Note 31)	180	33
Repayment of principal	(219)	(216)
Repayment of interest expense	(180)	(33)
At 31 March	2,264	876
Analysed by:		
Current liabilities	244	352
Non-current liabilities	2,020	524
	2,264	876

The lease liability of the Group and of the Company bore an effective interest rates of 6.70% (2023 - 6.45%) per annum.

27. PAYABLES

	THE GROUP		THE COMPANY	
	2024 RM'000	2023 RM'000 (Restated)	2024 RM'000	2023 RM'000
Trade payables	8,167	3,445	-	-
Accruals	6,055	6,500	-	-
Retention sums	7,913	3,950	-	-
Total trade payables	22,135	13,895	-	-
Other payables and accruals	26,951	42,788	4,803	3,979
	49,086	56,683	4,803	3,979

(a) Credit terms of the trade payables range from 30 to 60 (2023 - 30 to 60) days.

(b) The retention sums are unsecured, interest-free and are expected to be collected upon the expiry of defect liability period.

(c) Included in other payables are the following items:-

		THE GROUP		THE COMPANY	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Amount owing to a shareholder of the Company	(i)	3,516	3,366	3,516	3,366
Amount owing to the shareholders of subsidiaries	(ii)	14,707	25,452	-	-

(i) The amount owing to a shareholder of the Company is unsecured, subject to 5% interest per annum and repayable on demand. The amount owing is to be settled in cash.

(ii) The amount owing to the shareholders of subsidiaries at the end of the reporting period is unsecured, interest-free and repayable on demand. The amount owing is to be settled in cash.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

28. BORROWINGS

	THE GROUP		THE COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<u>Non-current</u>				
Term loans (Note 24)	64,324	40,887	-	-
Revolving credits (Note 25)	-	4,500	-	-
	64,324	45,387	-	-
<u>Current</u>				
Bankers' acceptances (Note 28.1)	-	1,000	-	-
Bank overdrafts (Note 28.2)	19,211	20,320	999	-
Term loans (Note 24)	10,971	6,655	-	-
Revolving credits (Note 25)	18,665	19,000	-	-
	48,847	46,975	999	-
	113,171	92,362	999	-

The effective interest rates at the end of the reporting period for borrowings which bore interest at floating rates, were as follows:-

	THE GROUP		THE COMPANY	
	2024 %	2023 %	2024 %	2023 %
Bankers' acceptances	-	5.69	-	-
Bank overdrafts	7.70 - 10.20	7.60 - 8.87	7.70	-
Term loans	4.95 - 9.00	4.70 - 8.75	-	-
Revolving credits	5.59 - 8.25	5.25 - 6.30	-	-

28.1 BANKERS' ACCEPTANCES

The bankers' acceptances at the end of the previous reporting period were secured by:-

- corporate guarantees of the Company;
- a negative pledge on the assets of a subsidiary; and
- a letter of undertaking cum indemnity of a subsidiary.

28.2 BANK OVERDRAFTS

The bank overdrafts are secured by:-

- a corporate guarantee of the Company;
- a negative pledge on the assets of subsidiaries;
- a deed of assignment over rights and benefits in respect of properties of a subsidiary; and
- legal charge over properties of subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

29. REVENUE

	THE GROUP		THE COMPANY	
	2024 RM'000	2023 RM'000 (Restated)	2024 RM'000	2023 RM'000
<u>Revenue from Contracts with Customers</u>				
Property development activities	50,196	69,906	-	-
<u>Revenue from Other Sources</u>				
Management fees and administrative charges	-	-	5,400	5,401
Dividend income	-	-	5,000	-
Others	2,545	2,413	-	-
	52,741	72,319	10,400	5,401

(a) The other information on the disaggregation of revenue is disclosed in Note 37 to the financial statements.

(b) The information of the revenue from other sources is summarised below:-

Rental Income

Rental income is recognised on a straight-line basis over the lease term.

Dividend Income

Dividend income is recognised when the right to receive dividend payment is established.

Management Fees and Administrative Charges

Management fees are recognised in the period in which the services are rendered.

30. COST OF SALES

	THE GROUP		THE COMPANY	
	2024 RM'000	2023 RM'000 (Restated)	2024 RM'000	2023 RM'000
Property development activities	30,574	41,903	-	-
Others	981	860	-	-
	31,555	42,763	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

31. PROFIT BEFORE TAXATION

	THE GROUP		THE COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Profit before taxation is arrived at after charging/(crediting):-				
Amortisation of other assets	72	72	-	-
Audit fee:				
- for the financial year	270	270	63	63
Non-audit fee:				
- for the financial year	5	5	5	5
Depreciation of:				
- property, plant and equipment	381	573	211	148
- right-of-use asset	293	206	293	206
- investment properties	1,094	1,217	-	-
Directors' remuneration (Note 35(a))	6,429	1,546	6,429	1,546
Direct operating expenses arising from investment properties	1,039	1,060	-	-
Property, plant and equipment written off	10	-	-	-
Interest expense:				
- amount owing to a shareholder (Note 34(b))	150	166	150	166
- bankers' acceptances (Note 34(b))	-	107	-	-
- bank overdrafts	1,884	1,851	3	-
- revolving credits (Note 34(b))	1,462	1,365	-	-
- term loans (Note 34(b))	3,416	2,394	-	-
- others	101	2,265	-	-
Interest expense on lease liability (Notes 26 and 34(b))	180	33	180	33
Lease expenses:				
- short-term lease	-	-	132	132
Loss on disposal of other assets	23	-	-	-
Staff costs (including other key management personnel as disclosed in Note 35(b)):				
- salaries, allowances and bonuses	3,200	3,543	1,396	1,469
- defined contribution benefits	308	357	146	161
- other benefits	124	90	51	51
Dividend income:				
- a subsidiary	-	-	(5,000)	-
Gain on disposal of investment properties	(1,007)	-	-	-
Interest income:				
- licensed financial institutions	(105)	(82)	-	-
- others	(197)	(159)	-	-
Lease income:				
- rental income from investment properties	(4,676)	(4,548)	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

32. INCOME TAX EXPENSE

	THE GROUP		THE COMPANY	
	2024 RM'000	2023 RM'000 (Restated)	2024 RM'000	2023 RM'000
Current tax:				
- current financial year	4,723	2,189	-	259
- overprovision in the previous financial year	(648)	(526)	(83)	(32)
	4,075	1,663	(83)	227
Deferred tax (Note 13):				
- origination and reversal of temporary differences	(1,403)	1,131	-	-
	2,672	2,794	(83)	227

A reconciliation of the income tax expense applicable to the profit before taxation at the statutory tax rate to the income tax expense at the effective tax rate of the Group and of the Company is as follows:-

	THE GROUP		THE COMPANY	
	2024 RM'000	2023 RM'000 (Restated)	2024 RM'000	2023 RM'000
Profit before taxation	3,984	11,021	271	257
Tax at statutory tax rate of 24% (2023-24%)	956	2,645	65	62
Tax effects of:-				
Non-taxable income	(234)	-	(1,200)	-
Non-deductible expenses	1,151	755	244	180
Share of results in associates	(199)	(512)	-	-
Share of results in joint ventures	43	38	-	-
Deferred tax assets not recognised during the financial year	2,318	828	891	17
Utilisation of deferred tax assets previously not recognised	(715)	(434)	-	-
Overprovision of current tax in the previous financial year	(648)	(526)	(83)	(32)
Income tax expense for the financial year	2,672	2,794	(83)	227

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2023 - 24%) of the estimated assessable profit for the financial year. The taxation of other jurisdictions is calculated at the rates prevailing in the respective jurisdiction.

Income tax savings during the financial year arising from:-

	THE GROUP		THE COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Utilisation of tax losses:				
- current financial year	69	433	-	-
- previously not recognised	2,830	1,801	-	-
	2,899	2,234	-	-
Utilisation of capital allowances:				
- current financial year	17	101	89	89
- previously not recognised	219	-	-	-
	236	101	89	89

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

33. EARNINGS PER SHARE

(a) Basic Earnings Per Share

The basic earnings per share is calculated by dividing the consolidated profit attributable to the owners of the Group by the weighted average number of ordinary shares in issue (after adjusting for treasury shares) during the financial year.

	THE GROUP	
	2024 RM'000	2023 RM'000 (Restated)
Profit after taxation attributable to owners of the Company	297	9,394
Weighted average number of ordinary shares in issue ('000)	258,070	258,070
Basic earnings per share (Sen)	0.12	3.64

(b) Diluted Earnings Per Share

The diluted earnings per share is equal to the basic earnings per share because there were no potential ordinary shares as at the end of the reporting period.

34. CASH FLOW INFORMATION

(a) The cash disbursed for the purchase of property, plant and equipment and the addition of right-of-use assets is as follows:-

	THE GROUP		THE COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Property, Plant and Equipment				
Cost of property, plant and equipment purchased (Note 8)	972	402	38	330
Less: Other payables - balances remained unpaid at financial year end	(126)	-	-	-
	846	402	38	330
Right-of-use Asset				
Cost of right-of-use asset acquired (Note 10)	-	1,061	-	1,061
Less: Addition of new lease liability (Note 34(b))	-	(1,061)	-	(1,061)
	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

34. CASH FLOW INFORMATION (CONT'D)

(b) The reconciliations of liabilities arising from financing activities are as follows:-

THE GROUP	AMOUNT OWING TO A SHAREHOLDER RM'000	TERM LOANS RM'000	BANKERS' ACCEPTANCES RM'000	REVOLVING CREDITS RM'000	LEASE LIABILITY RM'000	TOTAL RM'000
2024						
At 1 April 2023	3,366	47,542	1,000	23,500	876	76,284
<u>Changes in Financing Cash Flows</u>						
Proceeds from drawdown	-	31,000	-	64,000	-	95,000
Repayment of principal	-	(3,132)	(1,000)	(68,835)	(219)	(73,186)
Repayment of interests	-	(3,531)	-	(1,462)	(180)	(5,173)
	-	24,337	(1,000)	(6,297)	(399)	16,641
	3,366	71,879	-	17,203	477	92,925
<u>Other changes</u>						
Interest expense recognised in profit or loss (Note 31)	150	3,416	-	1,462	180	5,208
Changes due to reassessment of lease term (Note 26)	-	-	-	-	1,607	1,607
	150	3,416	-	1,462	1,787	6,815
At 31 March 2024	3,516	75,295	-	18,665	2,264	99,740

THE GROUP	AMOUNT OWING TO A SHAREHOLDER RM'000	TERM LOANS RM'000	BANKERS' ACCEPTANCES RM'000	REVOLVING CREDITS RM'000	LEASE LIABILITY RM'000	TOTAL RM'000
2023						
At 1 April 2022	5,250	40,549	3,000	27,000	31	75,830
<u>Changes in Financing Cash Flows</u>						
Proceeds from drawdown	-	12,000	8,000	35,000	-	55,000
Repayment of principal	(2,000)	(5,197)	(10,000)	(38,500)	(216)	(55,913)
Repayment of interests	(50)	(2,204)	(107)	(1,365)	(33)	(3,759)
	(2,050)	4,599	(2,107)	(4,865)	(249)	(4,672)
	3,200	45,148	893	22,135	(218)	71,158
<u>Other changes</u>						
Acquisition of new lease (Note 34(a))	-	-	-	-	1,061	1,061
Interest expense recognised in profit or loss (Note 31)	166	2,394	107	1,365	33	4,065
	166	2,394	107	1,365	1,094	5,126
At 31 March 2023	3,366	47,542	1,000	23,500	876	76,284

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

34. CASH FLOW INFORMATION (CONT'D)

(b) The reconciliations of liabilities arising from financing activities are as follows (Cont'd):-

THE COMPANY	AMOUNT OWING TO A SHAREHOLDER RM'000	LEASE LIABILITY RM'000	TOTAL RM'000
2024			
At 1 April 2023	3,366	876	4,242
<u>Changes in Financing Cash Flows</u>			
Repayment of principal	-	(219)	(219)
Repayment of interests	-	(180)	(180)
	-	(399)	(399)
<u>Other changes</u>			
Changes due to reassessment of lease term (Note 26)	-	1,607	1,607
Interest expense recognised in profit or loss (Note 31)	150	180	330
	150	1,787	1,937
At 31 March 2024	3,516	2,264	5,780
2023			
At 1 April 2022	5,250	31	5,281
<u>Changes in Financing Cash Flows</u>			
Repayment of principal	(2,000)	(216)	(2,216)
Repayment of interests	(50)	(33)	(83)
	(2,050)	(249)	(2,299)
<u>Other changes</u>			
Acquisition of new lease (Note 34(a))	-	1,061	1,061
Interest expense recognised in profit or loss (Note 31)	166	33	199
	166	1,094	1,260
At 31 March 2023	3,366	876	4,242

(c) The total cash outflows for leases as a lessee are as follows:-

	THE GROUP		THE COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Payment of short-term leases	-	-	132	132
Interest paid on lease liabilities	180	33	180	33
Payment of lease liabilities	219	216	219	216
	399	249	531	381

(d) For the purpose of the statements of cash flows, cash and cash equivalents comprise the following:-

	THE GROUP		THE COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Fixed deposits with licensed banks	2,352	2,307	-	-
Cash and bank balances	8,696	4,513	1,727	1,726
Bank overdrafts	(19,211)	(20,320)	(999)	-
	(8,163)	(13,500)	728	1,726
Less:				
Fixed deposit pledged to a licensed bank (Note 19(b))	(1,837)	(1,792)	-	-
Fixed deposit with tenure of more than 3 months	(315)	(315)	-	-
	(10,315)	(15,607)	728	1,726

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

35. KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel of the Group and of the Company include executive directors and non-executive directors of the Company and certain members of senior management of the Group and of the Company.

The key management personnel compensation during the financial year are as follows:-

THE GROUP / THE COMPANY	
2024	2023
RM'000	RM'000

(a) Directors

Short-term employee benefits:

- fee	111	112
- salaries, bonuses and other benefits	6,233	1,281
Defined contribution benefits	85	153
Total directors' remuneration (Note 31)	6,429	1,546

(b) Other Key Management Personnel

THE GROUP		THE COMPANY	
2024	2023	2024	2023
RM'000	RM'000	RM'000	RM'000

Short-term employee benefits	528	946	163	353
Defined contribution benefits	56	99	22	34
Total compensation for other key management personnel (Note 31)	584	1,045	185	387

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

36. RELATED PARTY DISCLOSURES

(a) Subsidiaries

The subsidiaries are disclosed in Note 5 to the financial statements.

(b) Significant Related Party Transactions and Balances

Other than those disclosed elsewhere in the financial statements, the Group and the Company also carried out the following transactions with the related parties during the financial year:-

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Subsidiaries				
Advances from	-	-	1,629	7,862
Advances to	-	-	1,387	1,740
Dividend income	-	-	5,000	-
Management fee expense	-	-	60	30
Management fee income	-	-	5,400	5,401
Payment made by	-	-	9,839	1,680
Payment on behalf of	-	-	3,703	465
Rental expense	-	-	132	132
A Director				
Rental expense	388	226	388	226
Sale of completed development property	5,100	-	-	-
A Shareholder				
Interest expense	150	166	150	166
A Shareholder of a subsidiary				
Sale of completed development property	6,975	-	-	-

The significant outstanding balances of the related parties together with their terms and conditions are disclosed in the respective notes to the financial statements.

37. OPERATING SEGMENTS

Operating segments are prepared in a manner consistent with the internal reporting provided to the Group Executive Committee as its chief operating decision maker in order to allocate resources to segments and to assess their performance on a quarterly basis. For management purposes, the Group is organised into business units based on their products and services provided.

The Group is organised into three main reportable business segments as follows:-

(i) Construction

The Group undertakes earthworks and buildings contracts.

(ii) Property development

The Group undertakes the development of commercial and residential properties.

(iii) Investment

The Group involved in investment-related activities and provision of management and administrative services.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

37. OPERATING SEGMENTS (CONT'D)

The Group Executive Committee assesses the performance of the reportable segments based on their operating profit or loss which is measured differently from those disclosed in the consolidated financial statements. The accounting policies of the reportable segments are the same as the Group's accounting policies.

Borrowings and investment-related activities are managed on a group basis by the central treasury function and are not allocated to reportable segments.

Each reportable segment assets is measured based on all assets (including goodwill) of the segment other than investments in associates and tax-related assets.

Each reportable segment liabilities is measured based on all liabilities of the segment other than borrowings and tax-related liabilities.

Assets, liabilities and expenses which are common and cannot be meaningfully allocated to the reportable segments are presented under unallocated items. Unallocated items comprise mainly investments and related income, loans and borrowings and related expenses, corporate assets (primarily the Company's headquarters) and head office expenses.

Transfer prices between operating segments are at arm's length basis in a manner similar to transactions with third parties. The effects of such inter-segment transactions are eliminated on consolidation.

37.1 BUSINESS SEGMENTS

THE GROUP 2024	PROPERTY		CONSOLIDATION		GROUP RM'000
	CONSTRUCTION RM'000	DEVELOPMENT RM'000	INVESTMENT RM'000	ADJUSTMENTS RM'000	
Revenue					
External revenue	-	64,272	2,213	(13,744)	52,741
Inter-segment revenue	4,368	-	10,400	(14,768)	-
Total revenue	4,368	64,272	12,613	(28,512)	52,741
Represented by:-					
<u>Revenue recognised over time</u>					
Property development activities	-	63,940	-	(13,744)	50,196
Construction services	4,368	-	-	(4,368)	-
	4,368	63,940	-	(18,112)	50,196
<u>Revenue from other sources</u>					
Management and administrative charges	-	-	5,400	(5,400)	-
Dividend income	-	-	5,000	(5,000)	-
Others	-	332	2,213	-	2,545
	-	332	12,613	(10,400)	2,545
	4,368	64,272	12,613	(28,512)	52,741

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

37. OPERATING SEGMENTS (CONT'D)

37.1 BUSINESS SEGMENTS (CONT'D)

THE GROUP 2024	CONSTRUCTION RM'000	PROPERTY DEVELOPMENT RM'000	INVESTMENT RM'000	CONSOLIDATION ADJUSTMENTS RM'000	GROUP RM'000
Segment profit/(loss)	4,167	16,278	403	(9,948)	10,900
Finance costs					(7,568)
Share of results in associates					830
Share of results in joint ventures					(178)
Profit from ordinary activities before taxation					3,984
Income tax expense					(2,672)
Profit from ordinary activities after taxation					1,312
Non-controlling interests					(1,015)
Net profit attributable to shareholders					297

THE GROUP 2024	CONSTRUCTION RM'000	PROPERTY DEVELOPMENT RM'000	INVESTMENT RM'000	CONSOLIDATION ADJUSTMENTS RM'000	GROUP RM'000
Interest income	-	(120)	(9)	(173)	(302)
Interest expense	2,068	4,726	774	-	7,568
Depreciation and amortisation	22	194	1,821	(197)	1,840
Share of results in associates	-	-	-	(830)	(830)
Share of results in joint ventures	-	-	-	178	178

THE GROUP 2024	CONSTRUCTION RM'000	PROPERTY DEVELOPMENT RM'000	INVESTMENT RM'000	CONSOLIDATION ADJUSTMENTS RM'000	GROUP RM'000
Segment assets	88,810	498,563	353,719	(366,792)	574,300
Unallocated assets:					
- deferred tax assets					3,299
- current tax assets					3,966
Consolidated total assets					581,565
Liabilities					
Segment liabilities	43,652	225,606	66,683	(171,420)	164,521
Unallocated liabilities:					
- deferred tax liabilities					1,500
- current tax liabilities					6,801
Consolidated total liabilities					172,822
Additions to non-current assets other than financial instruments and deferred tax assets:					
- property, plant and equipment	-	934	38	-	972
- investment properties	-	-	-	1,489	1,489
- land held for future property development	-	1,208	-	-	1,208

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

37. OPERATING SEGMENTS (CONT'D)

37.1 BUSINESS SEGMENTS (CONT'D)

THE GROUP 2023	CONSTRUCTION RM'000	PROPERTY DEVELOPMENT RM'000	INVESTMENT RM'000	CONSOLIDATION ADJUSTMENTS RM'000 (Restated)	GROUP RM'000 (Restated)
Revenue					
External revenue	-	44,650	1,919	25,750	72,319
Inter-segment revenue	(11)	-	5,401	(5,390)	-
Total revenue	(11)	44,650	7,320	20,360	72,319
Represented by:-					
<u>Revenue recognised over time</u>					
Property development activities	-	44,156	-	25,750	69,906
Construction services	(11)	-	-	11	-
	(11)	44,156	-	25,761	69,906
<u>Revenue from other sources</u>					
Management fees and administrative charges	-	-	5,401	(5,401)	-
Others	-	494	1,919	-	2,413
	-	494	7,320	(5,401)	2,413
	(11)	44,650	7,320	20,360	72,319

THE GROUP 2023	CONSTRUCTION RM'000	PROPERTY DEVELOPMENT RM'000	INVESTMENT RM'000	CONSOLIDATION ADJUSTMENTS RM'000 (Restated)	GROUP RM'000 (Restated)
Results					
Segment (loss)/profit	(67)	5,078	(727)	12,946	17,230
Finance costs					(8,181)
Share of results in associates					2,132
Share of results in joint ventures					(160)
Profit from ordinary activities before taxation					11,021
Income tax expense					(2,794)
Profit from ordinary activities after taxation					8,227
Non-controlling interests					1,167
Net profit attributable to shareholders					9,394

THE GROUP 2023	CONSTRUCTION RM'000	PROPERTY DEVELOPMENT RM'000	INVESTMENT RM'000	CONSOLIDATION ADJUSTMENTS RM'000 (Restated)	GROUP RM'000 (Restated)
<u>Other information</u>					
Interest income	(181)	(45)	(37)	22	(241)
Interest expense	1,314	5,423	1,625	(181)	8,181
Depreciation and amortisation	279	197	1,698	(106)	2,068
Share of results in associates	-	-	-	(2,132)	(2,132)
Share of results in joint ventures	-	-	-	160	160

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

37. OPERATING SEGMENTS (CONT'D)

37.1 BUSINESS SEGMENTS (CONT'D)

THE GROUP 2023	CONSTRUCTION RM'000	PROPERTY DEVELOPMENT RM'000	INVESTMENT RM'000	CONSOLIDATION ADJUSTMENTS RM'000 (Restated)	GROUP RM'000 (Restated)
Assets					
Segment assets	76,517	470,885	398,334	(381,832)	563,904
Unallocated assets:					
- deferred tax assets					1,896
- current tax assets					4,026
Consolidated total assets					569,826
Liabilities					
Segment liabilities	33,407	202,853	110,573	(191,577)	155,256
Unallocated liabilities:					
- deferred tax liabilities					1,500
- current tax liabilities					5,639
Consolidated total liabilities					162,395
Additions to non-current assets other than financial instruments and deferred tax assets:					
- property, plant and equipment	-	11	391	-	402
- right-of-use assets	-	-	1,061	-	1,061
- investment properties	-	-	-	(6,431)	(6,431)
- land held for future property development	-	1,177	-	-	1,177

37.2 GEOGRAPHICAL INFORMATION

The Group operates predominantly in one business segment in Malaysia. Accordingly, the information by business and geographical segments is not presented.

37.3 MAJOR CUSTOMERS

The following are major customers with revenue equal to or more than 10% of the Group's total revenue:-

	REVENUE		SEGMENT
	2024 RM'000	2023 RM'000	
Customer #1	7,600	-	Property development
Customer #2	6,975	-	Property development

38. CAPITAL COMMITMENT

	THE GROUP	
	2024 RM'000	2023 RM'000
Purchase of land held for future property development:-		
Payment for right-of-use asset (leasehold land)	-	15,215

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

39. FOREIGN EXCHANGE RATE

The principal closing foreign exchange rate used (expressed on the basis of one unit of foreign currency to Ringgit Malaysia equivalent) for the translation of the foreign currency balances at the end of the reporting period is as follows:-

	THE GROUP	
	2024 RM	2023 RM
Thai Baht	0.129	0.129

40. FINANCIAL INSTRUMENTS

The activities of the Group and of the Company are exposed to a variety of market risk (including foreign currency risk, interest rate risk and equity price risk), credit risk and liquidity risk. The overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group and of the Company.

40.1 Financial Risk Management Policies

The policies in respect of the major areas of treasury activity are as follows:-

(a) Market Risk

(i) Foreign Currency Risk

The Group and the Company is exposed to foreign currency risk on transactions and bank balances that are denominated in currencies other than the respective functional currencies of entities within the Group. The currency giving rise to this risk is primarily Thai Baht. Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level.

Foreign Currency Risk Sensitivity Analysis

Any reasonably possible change in the foreign currency exchange rates at the end of the reporting period against the respective functional currencies of the entities within the Group does not have material impact on the profit/loss after taxation and equity of the Group and of the Company and hence, no sensitivity analysis is presented.

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The exposure to interest rate risk arises mainly from borrowings with variable rates. The Group and the Company adopt a policy of obtaining the most favourable interest rates available and by maintaining a balanced portfolio mix of fixed and floating rate borrowings.

The fixed rate borrowings and fixed deposits with licensed banks of the Group and of the Company are not subject to interest rate risk since neither carrying amounts nor the future cash flows will fluctuate because of a change in market interest rates.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

40. FINANCIAL INSTRUMENTS (CONT'D)

40.1 Financial Risk Management Policies (Cont'd)

(a) Market Risk (Cont'd)

(ii) Interest Rate Risk (Cont'd)

The exposure to interest rate risk based on the carrying amounts of the financial instruments at the end of the reporting period is summarised as follows:-

	THE GROUP	
	2024 RM'000	2023 RM'000
Floating rate instruments		
Bankers' acceptances	-	1,000
Bank overdrafts	19,211	20,320
Term loans	75,295	47,542
	94,506	68,862

	THE COMPANY	
	2024 RM'000	2023 RM'000
Floating rate instrument		
Bank overdrafts	999	-

Floating rate instrument

Bank overdrafts

Interest Rate Risk Sensitivity Analysis

The following table details the sensitivity analysis to a reasonably possible change in the interest rate as at the end of the reporting period, with all other variables held constant:-

	THE GROUP	
	2024 RM'000	2023 RM'000
Effects on Profit After Taxation		
Increase of 100 basis points	(718)	(523)
Decrease of 100 basis points	718	523

	THE COMPANY	
	2024 RM'000	2023 RM'000
Effects on Profit After Taxation		
Increase of 100 basis points	(8)	-
Decrease of 100 basis points	8	-

(iii) Equity Price Risk

The Group and the Company do not have any quoted investments and hence, is not exposed to equity price risk.

(b) Credit Risk

The exposure to credit risk, or the risk of counterparties defaulting, arises mainly from receivables. The Group and the Company manage their exposures to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including cash and bank balances), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

The Company's exposure to credit risk includes loans and advances to subsidiaries, and corporate guarantee given to financial institutions for credit facilities granted to certain subsidiaries. The Company monitors the ability of the subsidiaries to serve their loans on an individual basis.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

40. FINANCIAL INSTRUMENTS (CONT'D)

40.1 Financial Risk Management Policies (Cont'd)

(b) Credit Risk (Cont'd)

(i) Credit Risk Concentration Profile

The Group and the Company do not have major concentration of credit risk related to any individual customer or counterparty.

(ii) Maximum Exposure to Credit Risk

At the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position of the Group and of the Company after deducting any allowance for impairment losses (where applicable).

In addition, the Company's maximum exposure to credit risk also includes corporate guarantees provided to its subsidiaries of RM111,958,828 (2023 - RM92,362,000), representing the outstanding banking facilities of the subsidiaries as at the end of the reporting period. These corporate guarantees have not been recognised in the Company's financial statements since their fair value on initial recognition were not material.

(iii) Assessment of Impairment Losses

The Group and the Company have an informal credit policy in place and the exposure to credit risk is monitored on an on-going basis through periodic review of the ageing of the receivables. The Group and the Company closely monitor the receivables' financial strength to reduce the risk of loss.

At each reporting date, the Group and the Company evaluate whether any of the financial assets at amortised cost and contract assets are credit impaired.

The gross carrying amounts of financial assets are written off against the associated impairment, if any, when there is no reasonable expectation of recovery despite the fact that they are still subject to enforcement activities.

A financial asset is credit impaired when any of following events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred:

- Significant financial difficult of the receivable;
- A breach of contract, such as a default or past due event;
- Restructuring of a debt in relation to the receivable's financial difficulty; or
- It is becoming probable that the receivable will enter bankruptcy or other financial reorganisation.

The Group considers a receivable to be in default when the receivable is unlikely to repay its debt to the Group in full or is more than 120 days past due unless the Group has reasonable and supportable information to demonstrate that a lagging default criterion is more appropriate.

Trade Receivables (including trade amount owing by an associate) and Contract Assets

The Group applies the simplified approach to measure expected credit losses using a lifetime expected credit loss allowance for all trade receivables (including trade amount owing by an associate) and contract assets.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

To measure the expected credit losses, trade receivables (including trade amount owing by associates) and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. Therefore, the Group concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The Group measures the expected credit losses of certain major customers, trade receivables that are credit impaired and trade receivables with a high risk of default on individual basis.

The expected loss rates are based on the payment profiles of sales over certain period before the reporting period date and the corresponding historical credit losses experienced within this period. The historical loss rates were not adjusted to reflect forward-looking information on macroeconomic factors affecting the ability of the customers to settle their debts as the Group has not identified any forward-looking assumptions which correlate to the historical loss rates.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

40. FINANCIAL INSTRUMENTS (CONT'D)

40.1 Financial Risk Management Policies (Cont'd)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Trade Receivables (including trade amount owing by an associate) and Contract Assets (Cont'd)

For property development activities, purchasers are generally financed by loan facilities from reputable financiers. In addition, the credit risk is limited as the ownership and rights to the properties sold will revert to the Group in the event of default, and the products do not suffer from physical, technological and fashion obsolescence. Therefore, there is minimal exposure to credit risk from its property development activities. The identified impairment loss was immaterial and hence, it is not provided for.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses (Cont'd)

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

Allowance for Impairment Losses

The information about the credit exposure and loss allowances recognised for trade receivables and contract assets are as follows:-

	GROSS AMOUNT RM'000	LIFETIME INDIVIDUAL ALLOWANCE RM'000	LIFETIME COLLECTIVE ALLOWANCE RM'000	CARRYING AMOUNT RM'000
THE GROUP				
2024				
Current (not past due)	1,172	-	-	1,172
31 to 60 days past due	-	-	-	-
61 to 90 days past due	-	-	-	-
91 to 120 days past due	-	-	-	-
>120 days	4,172	-	-	4,172
Trade receivables	5,344	-	-	5,344
Contract assets	1,710	-	-	1,710
	7,054	-	-	7,054

	GROSS AMOUNT RM'000	LIFETIME INDIVIDUAL ALLOWANCE RM'000	LIFETIME COLLECTIVE ALLOWANCE RM'000	CARRYING AMOUNT RM'000
THE GROUP				
2023				
Current (not past due)	3,355	-	-	3,355
31 to 60 days past due	-	-	-	-
61 to 90 days past due	-	-	-	-
91 to 120 days past due	-	-	-	-
>120 days	3,515	-	-	3,515
Trade receivables	6,870	-	-	6,870
Contract assets	105	-	-	105
	6,975	-	-	6,975

The Group believes that no impairment allowance is necessary in respect of its trade receivables because the probability of default by these trade receivables were negligible.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

40. FINANCIAL INSTRUMENTS (CONT'D)

40.1 Financial Risk Management Policies (Cont'd)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Other Receivables

The Group and the Company apply the 3-stage general approach to measuring expected credit losses for its other receivables.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

Under this approach, the Group and the Company assess whether there is a significant increase in credit risk for receivables by comparing the risk of a default as at the reporting date with the risk of default as at the date of initial recognition. The Group and the Company consider there has been a significant increase in credit risk when there are changes in contractual terms or delay in payment. Regardless of the assessment, a significant increase in credit risk is presumed if a receivable is more than 90 days past due in making a contractual payment.

The Group and the Company use 3 categories to reflect their credit risk and how the loss allowance is determined for each category:-

<u>Category</u>	<u>Definition of Category</u>	<u>Loss Allowance</u>
Performing:	Receivables have a low risk of default and a strong capacity to meet contractual cash flows	12-months expected credit losses
Underperforming:	Receivables for which there is a significant increase in credit risk	Lifetime expected credit losses
Not performing:	There is evidence indicating the receivable is credit impaired or more than 90 days past due	Lifetime expected credit losses

The Group and the Company measure the expected credit losses of receivables having significant balances, receivables that are credit impaired and receivables with a high risk of default on individual basis. The remaining receivables are grouped based on shared credit risk characteristics and assessed on a collective basis.

Loss allowance is measured on either 12-month expected credit losses or lifetime expected credit losses, by considering the likelihood that the receivable would not be able to repay during the contractual period (probability of default, PD), the percentage of contractual cash flows that will not be collected if default happens (loss given default, LGD) and the outstanding amount that is exposed to default risk (exposure at default, EAD).

In deriving the PD and LGD, the Group and the Company consider the receivable's past payment status and its financial condition as at the reporting date. The PD is adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the receivable to settle its debts.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

Allowance for Impairment Losses

Based on the assessment performed, the identified impairment loss was immaterial and hence, it is not provided for.

Fixed Deposits with Licensed Banks, Cash and Bank Balances

The Group and the Company consider the licensed banks have low credit risks. In addition, some of the bank balances are insured by Government agencies. Therefore, the Group and the Company are of the view that the loss allowance is immaterial and hence, it is not provided for.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

40. FINANCIAL INSTRUMENTS (CONT'D)

40.1 Financial Risk Management Policies (Cont'd)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Amount Owing by Subsidiaries (Non-trade balances)

The Company also applies the 3-stage general approach (see information in other receivables above) to measuring expected credit losses for all inter-company balances.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

The Company measures the expected credit losses on an individual basis, which is aligned with its credit risk management practices on the inter-company balances.

The Company considers loans and advances to subsidiaries have low credit risks. The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. As the Company is able to determine the timing of payments of the loans and advances when they are payable, the Company considers the loans and advances to be in default when the subsidiaries are not able to pay when demanded.

For loans and advances that are repayable on demand, impairment loss is assessed based on the assumption that repayment of the outstanding balances is demanded at the reporting date. If the subsidiary does not have sufficient highly liquid resources when the loans and advances are demanded, the Company will consider the expected manner of recovery to measure the impairment loss; the recovery manner could be either through 'repayable over time' or a fire sale of less liquid assets by the subsidiary.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

Allowance for Impairment Losses

Based on the assessment performed, the identified impairment loss was immaterial and hence, it is not provided for.

Financial Guarantee Contracts

Corporate guarantees for borrowing facilities granted to subsidiaries are financial guarantee contract.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

The Company closely monitors the subsidiaries' financial strength to reduce the risk of loss.

The Company considers there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. A financial guarantee contract is credit impaired when:

- The subsidiary is unlikely to repay its obligation to the bank in full; or
- The subsidiary is having a deficit in equity and is continuously loss making.

The Company determines the probability of default of the guaranteed amounts individually using internal information available.

Allowance for Impairment Losses

All of the financial guarantee contracts are considered to be performing, have low risks of default and historically there were no instances where these financial guarantee contracts were called upon by the parties of which the financial guarantee contracts were issued to. Accordingly, no loss allowances were identified based on 12-month expected credit losses.

(c) Liquidity Risk

Liquidity risk arises mainly from general funding and business activities. The Group and the Company practise prudent risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

40. FINANCIAL INSTRUMENTS (CONT'D)

40.1 Financial Risk Management Policies (Cont'd)

(c) Liquidity Risk (Cont'd)

Maturity Analysis

The following table sets out the maturity profile of the financial liabilities as at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):-

THE GROUP	EFFECTIVE INTEREST RATE %	CARRYING AMOUNT RM'000	CONTRACTUAL UNDISCOUNTED CASH FLOWS RM'000	WITHIN 1 YEAR RM'000	1 - 5 YEARS RM'000	OVER 5 YEARS RM'000
2024						
<u>Non-derivative Financial Liabilities</u>						
Payables	-	45,570	45,570	45,570	-	-
Amount owing to a shareholder	5.00	3,516	3,516	3,516	-	-
Bank overdrafts	7.70 - 10.20	19,211	19,211	19,211	-	-
Revolving credits	5.59 - 8.25	18,665	18,665	18,665	-	-
Term loans	4.95 - 9.00	75,295	79,762	6,260	48,152	25,350
Lease liability	6.70	2,264	3,493	388	1,552	1,553
		164,521	170,217	93,610	49,704	26,903

2023

Non-derivative Financial Liabilities

Payables	-	53,317	53,317	53,317	-	-
Amount owing to a shareholder	5.00	3,366	3,366	3,366	-	-
Bankers' acceptances	5.69	1,000	1,000	1,000	-	-
Bank overdrafts	7.60 - 8.87	20,320	20,320	20,320	-	-
Revolving credits	5.25 - 6.30	23,500	23,500	19,000	4,500	-
Term loans	4.70 - 8.75	47,542	59,939	8,592	24,027	27,320
Lease liability	6.45	876	951	401	550	-
		149,921	162,393	105,996	29,077	27,320

THE COMPANY	EFFECTIVE INTEREST RATE %	CARRYING AMOUNT RM'000	CONTRACTUAL UNDISCOUNTED CASH FLOWS RM'000	WITHIN 1 YEAR RM'000	1 - 5 YEARS RM'000	OVER 5 YEARS RM'000
2024						
<u>Non-derivative Financial Liabilities</u>						
Payables	-	1,287	1,287	1,287	-	-
Amount owing to a shareholder	5.00	3,516	3,516	3,516	-	-
Amount owing to subsidiaries	-	72,486	72,486	72,486	-	-
Bank overdrafts	7.70	999	999	999	-	-
Lease liability	6.70	2,264	3,493	388	1,552	1,553
Financial guarantee contracts in relation to corporate guarantees extended to banks for banking facilities granted to subsidiaries*	-	-	111,959	111,959	-	-
		80,552	193,740	190,635	1,552	1,553

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

40. FINANCIAL INSTRUMENTS (CONT'D)

40.1 Financial Risk Management Policies (Cont'd)

(c) Liquidity Risk (Cont'd)

Maturity Analysis (Cont'd)

THE COMPANY	EFFECTIVE INTEREST RATE %	CARRYING AMOUNT RM'000	CONTRACTUAL UNDISCOUNTED CASH FLOWS RM'000	WITHIN 1 YEAR RM'000	1 - 5 YEARS RM'000	OVER 5 YEARS RM'000
2023						
<u>Non-derivative Financial Liabilities</u>						
Payables	-	613	613	613	-	-
Amount owing to a shareholder	5.00	3,366	3,366	3,366	-	-
Amount owing to subsidiaries	-	71,142	71,142	71,142	-	-
Lease liability	6.45	876	951	401	550	-
Financial guarantee contracts in relation to corporate guarantees extended to banks for banking facilities granted to subsidiaries*	-	-	92,362	92,362	-	-
		75,997	168,434	167,884	550	-

* - The contractual undiscounted cash flows represent the outstanding credit facilities of the subsidiaries at the end of the reporting period. The financial guarantees have not been recognised since their fair value on initial recognition were not material.

40.2 Capital Risk Management

The Group and the Company manage their capital to ensure that entities within the Group will be able to maintain an optimal capital structure so as to support its businesses and maximise shareholder(s) value. To achieve this objective, the Group and the Company may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group and the Company manage their capital based on debt-to-equity ratio that complies with debt covenants and regulatory, if any. The debt-to-equity ratio is calculated as net debt divided by total equity. The Group includes within net debt, loans and borrowings from financial institutions less cash and cash equivalents. Capital includes equity attributable to the owners of the parent and non-controlling interest.

The debt-to-equity ratio of the Group at the end of the reporting period was as follows:-

	THE GROUP		THE COMPANY	
	2024 RM'000	2023 RM'000 (Restated)	2024 RM'000	2023 RM'000
Amount owing to a shareholder	3,516	3,366	3,516	3,366
Bankers' acceptances	-	1,000	-	-
Revolving credits	18,665	23,500	-	-
Term loans	75,295	47,542	-	-
Lease liability	2,264	876	2,264	876
	99,740	76,284	5,780	4,242
Add/(Less): Cash and cash equivalents (Note 34(d))	10,315	15,607	(728)	(1,726)
Net debts	110,055	91,891	5,052	2,516
Total equity	408,743	407,431	264,462	264,108
Debt-to-equity ratio	0.27	0.23	0.02	0.01

There were no changes in the approach to capital management during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

40. FINANCIAL INSTRUMENTS (CONT'D)

40.3 Classification Of Financial Instruments

	THE GROUP		THE COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Financial Assets				
<u>Designated at Fair Value Through Other Comprehensive Income Upon Initial Recognition</u>				
Other assets	208	208	-	-
<u>Amortised Cost</u>				
Receivables	15,428	8,850	-	-
Amount owing by subsidiaries	-	-	109,317	106,796
Amount owing by an associate	3,366	3,366	-	-
Amount owing by a joint venture	4,100	4,103	4,361	4,357
Fixed deposits with licensed banks	2,352	2,307	-	-
Cash and bank balances	8,696	4,513	1,727	1,726
	33,942	23,139	115,405	112,879
Financial Liability				
<u>Amortised Cost</u>				
Payables	45,570	53,317	1,287	613
Amount owing to a shareholder	3,516	3,366	3,516	3,366
Amount owing to subsidiaries	-	-	72,486	71,142
Bankers' acceptances	-	1,000	-	-
Bank overdrafts	19,211	20,320	999	-
Revolving credits	18,665	23,500	-	-
Term loans	75,295	47,542	-	-
Lease liability	2,264	876	2,264	876
	164,521	149,921	80,552	75,997

40.4 Gains Or Losses Arising From Financial Instruments

	THE GROUP		THE COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Financial Asset				
<u>Amortised Cost</u>				
Net gains recognised in profit or loss	302	241	-	-
Financial Liability				
<u>Amortised Cost</u>				
Net losses recognised in profit or loss	(7,193)	(8,181)	(333)	(199)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

40. FINANCIAL INSTRUMENTS (CONT'D)

40.5 Fair Value Information

The fair values of the financial assets and financial liabilities of the Group and of the Company which are maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments or repayable on demand terms.

The following table sets out the fair value profile of financial instruments that are carried at fair value and those not carried at fair value at the end of the reporting period:-

THE GROUP	Fair Value of Financial Instruments Carried at Fair Value			Fair Value of Financial Instruments Not Carried at Fair Value			Total Fair Value RM'000	Carrying Amount RM'000
	LEVEL 1 RM'000	LEVEL 2 RM'000	LEVEL 3 RM'000	LEVEL 1 RM'000	LEVEL 2 RM'000	LEVEL 3 RM'000		
2024								
<u>Financial Asset</u>								
Other assets	208	-	-	-	-	-	208	208
<u>Financial Liabilities</u>								
Amount owing to a shareholder of the Company	-	-	-	-	3,516	-	3,516	3,516
Term loans	-	-	-	-	75,295	-	75,295	75,295
2023								
<u>Financial Asset</u>								
Other assets	208	-	-	-	-	-	208	208
<u>Financial Liabilities</u>								
Amount owing to a shareholder of the Company	-	-	-	-	3,366	-	3,366	3,366
Term loans	-	-	-	-	47,542	-	47,542	47,542

THE COMPANY	Fair Value of Financial Instruments Carried at Fair Value			Fair Value of Financial Instruments Not Carried at Fair Value			Total Fair Value RM'000	Carrying Amount RM'000
	LEVEL 1 RM'000	LEVEL 2 RM'000	LEVEL 3 RM'000	LEVEL 1 RM'000	LEVEL 2 RM'000	LEVEL 3 RM'000		
2024								
<u>Financial Liability</u>								
Amount owing to a shareholder of the Company	-	-	-	-	3,516	-	3,516	3,516
2023								
<u>Financial Liability</u>								
Amount owing to a shareholder of the Company	-	-	-	-	3,366	-	3,366	3,366

(a) Fair Value of Financial Instruments Carried at Fair Value

- The fair value of quoted investments are determined at their quoted closing bid prices at the end of the reporting period.
- There were no transfer between level 1 and level 2 during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

40. FINANCIAL INSTRUMENTS (CONT'D)

40.5 Fair Value Information (Cont'd)

(b) Fair Value of Financial Instruments Not Carried at Fair Value

The fair values, which are for disclosure purposes, have been determined using the following basis:

- (i) The fair value of amount owing to a shareholder of the Company that carries fixed interest rate is determined by discounting the relevant future contractual cash flows using current market interest rate for similar instrument at the end of the reporting period. The interest rate used to discount the estimated cash flows are as follows:-

	THE GROUP/THE COMPANY	
	2024	2023
	%	%

Amount owing to a shareholder	5	5
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- (ii) The fair value of term loans that carry floating interest rates approximated their carrying amounts as they are repriced to market interest rates on or near the reporting date.

41. PRIOR YEAR ADJUSTMENTS AND COMPARATIVE FIGURES

RECONCILIATION OF FINANCIAL POSITION

THE GROUP	AS PREVIOUSLY REPORTED		MISSTATEMENTS		CONFORM WITH CURRENT YEAR'S PRESENTATION		AS RESTATED
	RM'000	NOTE	RM'000	NOTE	RM'000	RM'000	
← AT 31.3.2023 →							
Statements of Financial Position (Extract):-							
<u>Non-current Assets</u>							
Investment properties	85,053	41.1	(8,830)		-		76,223
Deferred tax assets	1,724	41.1	172		-		1,896
<u>Current Assets</u>							
Inventories	223,607	41.1	(13,631)	41.2	(52,447)		157,529
Receivables	11,647		-	41.2	52,447		64,094
<u>Equity</u>							
Retained profits	168,280	41.1	(6,295)		-		161,985
<u>Current Liabilities</u>							
Payables	50,183		-	41.2	6,500		56,683
Contract liabilities	27,829	41.1	(15,994)	41.2	(6,500)		5,335
← AT 1.4.2022 →							
Statements of Financial Position (Extract):-							
<u>Non-current Assets</u>							
Investment properties	87,166	41.1	(3,295)		-		83,871
Deferred tax assets	2,559	41.1	468		-		3,027
<u>Current Assets</u>							
Inventories	216,393	41.1	(4,532)	41.2	(27,447)		184,414
Receivables	14,165		-	41.2	27,447		41,612
<u>Equity</u>							
Retained profits	168,628	41.1	(16,037)		-		152,591
<u>Current Liabilities</u>							
Payables	56,479		-	41.2	11,914		68,393
Contract liabilities	19,085	41.1	8,678	41.2	(11,914)		15,849

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

41. PRIOR YEAR ADJUSTMENTS AND COMPARATIVE FIGURES (CONT'D)

RECONCILIATION OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

THE GROUP	AS PREVIOUSLY REPORTED		MISSTATEMENTS		AS RESTATED
	RM'000	NOTE	RM'000	RM'000	
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023					
Statements of Profit or Loss and Other Comprehensive Income for the (Extract):-					
Revenue	62,329	41.1	9,990		72,319
Cost of sales	(42,811)	41.1	48		(42,763)
Income tax expense	(2,498)	41.1	(296)		(2,794)
(Loss)/Profit after taxation	(1,515)	41.1	9,742		8,227
(Loss)/Profit after taxation attributable to owners of the Company	(348)	41.1	9,742		9,394

NOTES TO RECONCILIATION

41.1 PRIOR YEAR ADJUSTMENTS

During the current financial year, prior year adjustments were made in accordance with MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors. Accordingly, certain comparatives have been restated as set out above.

The prior year adjustments relate to the under or overstatement of investment properties, deferred tax assets, inventories, receivables, payables and contract liabilities arising from misstatements in the consolidation adjustments.

41.2 COMPARATIVE FIGURES

The above figures have been reclassified to conform with the presentation of the current financial year.

LIST OF PROPERTIES AT 31 MARCH 2024

Location	Tenure/ (Age of building or date of expiry)	Land/ (Built-Up) Area Sq. Ft.	Net Book Value As At 31. 03. 2024 RM	Description	Date of Acquisition */ Revaluation
1 74, 74A-E, Wisma Siah Brothers Jalan Pahang 53000 Kuala Lumpur	Freehold (35-38 years)	5,513/ (38,238)	2,219,559	6 1/2 storey commercial building for office headquarters and for rental	28/03/2000
2 Lot 48611 held under PN 48589 Mukim Batu, Daerah Kuala Lumpur Wilayah Persekutuan KL	Leasehold expiring on 04/07/2109	130,675	7,794,533	Vacant land for future development	16/06/2010
3 Lot 48610 held under PN 22337 & Lot 48612 held under PN 22336 Mukim Batu, Daerah Kuala Lumpur Wilayah Persekutuan KL	Leasehold expiring on 22/04/2086	379,560	184,110	Vacant land for future development	28/03/2000
4 Lot 80668 held under PN 51023, Lot 80669 held under PN 51024, Lot 80670 held under PN 51025, Lot 80671 held under PN 51026, Lot 80672 held under PN 51027, Lot 80673 held under PN 51028, Mukim Batu, Daerah Kuala Lumpur Wilayah Persekutuan KL	Leasehold expiring on 22/04/2111	271,899	3,188,620	Vacant land for future development	28/03/2000
5 Lot 48685 (Lot 80421) held under PN 22411 Mukim Batu, Daerah Kuala Lumpur Wilayah Persekutuan KL	Leasehold expiring on 22/04/2086	96,445	3,376,222	Sales gallery	28/03/2000
6 Lot 48686 held under PN 22549 Mukim Batu, Daerah Kuala Lumpur Wilayah Persekutuan KL	Leasehold expiring on 22/04/2086	20,495	17,924	Vacant land for future development	28/03/2000
7 Lot 45197 held under GRN 11712 Mukim Kuala Kuantan Daerah Kuantan Pahang Darul Makmur	Freehold	497,727	911,408	Vacant land for future development	16/12/1993*
8 Lot 3 held under TL 017546486 Signal Hill, Tanjung Lipat Daerah Kota Kinabalu Sabah	Leasehold expiring on 31/12/2093	197,087	29,261,088	Vacant land for future development	30/04/2002*
9 Lot 5871, Seksyen 20, held under GRN 149859 Bandar Serendah, Daerah Ulu Selangor Selangor Darul Ehsan	Freehold	49,213	315,815	Vacant land for future development	03/06/2008
10 Lot 6 held under TL 017560879 Signal Hill, Tanjung Lipat Daerah Kota Kinabalu Sabah	Leasehold expiring on 31/12/2109	66,133	2,985,000	Vacant land for future development	16/11/2011*

LIST OF PROPERTIES AT 31 MARCH 2024

Location	Tenure/ (Age of building or date of expiry)	Land/ (Built-Up) Area Sq. Ft.	Net Book Value As At 31. 03. 2024 RM	Description	Date of Acquisition */ Revaluation
11 CT 10166 for Lot 2398 (GRN 52189) Mukim Batang Kali Daerah Ulu Selangor Selangor Darul Ehsan	Freehold	2,178,149	25,010,000	Vacant land for future development	16/04/2004*
12 PT 2186 held under HS(M) 1622 Pekan Ulu Yam Lama Mukim Ulu Yam Daerah Hulu Selangor Selangor Darul Ehsan	Leasehold expiring on 16/05/2055	236,983	829,000	Vacant land for future development	16/04/2004*
13 A-03, A-3A, A-06, A-09 Residensi 6 Kapas No.6 Jalan Kapas Bukit Bandaraya, Bangsar 59100 Kuala Lumpur	Freehold	(17,179)	23,253,630	Unit for rental and sale	31/03/2023
14 Lot 414-417, 543-545, 677 & 624, held under GRN 37628, 37629, 37631, 37632, 5484, 5485, 5486, 43804 & 65305 Section 47, Bandar Kuala Lumpur Daerah Kuala Lumpur Wilayah Persekutuan KL	Freehold	24,692	8,620,000	Vacant land for future development	28/01/2011*
15 Lot 26 held under GRN 24742 Section 47, Bandar Kuala Lumpur Daerah Kuala Lumpur Wilayah Persekutuan KL	Freehold	17,995	6,740,000	Vacant land for future development	28/01/2011*
16 1-G-1 to 1-3-1, 1-5-1, 1-G-2 to 1-5-2, 1-G-8 to 1-5-8, 1-G-9 to 1-5-9, 2-2-3A, 3-G-1, 4-G-1, 4-1-8 Kompleks Kantonmen Prima No. 698, Jalan Ipoh 51200 Kuala Lumpur	Freehold	(50,588)	20,653,549	Units for rental and sale	31/03/2021
17 20, Jalan Suria Setapak Taman Suria Setapak 53000 Kuala Lumpur	Freehold	(1,359)	372,428	Unit for rental and sale	01/08/2008*
18 Unit No. L11-05, PJX-HM Shah Tower No. 16A, Persiaran Barat 46050 Petaling Jaya Selangor Darul Ehsan	Leasehold expiring on 27/07/2105	(1,621)	926,259	Units for rental and sale	12/10/2011
19 Unit No. L26-06, PJX-HM Shah Tower No. 16A, Persiaran Barat 46050 Petaling Jaya Selangor Darul Ehsan	Leasehold expiring on 27/07/2105	(811)	463,415	Unit for rental and sale	12/10/2011
20 Unit No. L26-08, PJX-HM Shah Tower No. 16A, Persiaran Barat 46050 Petaling Jaya Selangor Darul Ehsan	Leasehold expiring on 27/07/2105	(1,621)	926,259	Unit for rental and sale	12/10/2011

LIST OF PROPERTIES AT 31 MARCH 2024

Location	Tenure/ (Age of building or date of expiry)	Land/ (Built-Up) Area Sq. Ft.	Net Book Value As At 31. 03. 2024 RM	Description	Date of Acquisition */ Revaluation
21 31-0-2 and 31-0-3, Intan Kenny Condo Persiaran Bukit Tunku 50480 Kuala Lumpur	Freehold	(3,851)	1,351,382	Unit for rental and sale	27/03/2000
22 A-33-03A, Suasana Sentral Loft Condominium No. 6, Jalan Stesen Sentral 5, KL Sentral 50470 Kuala Lumpur	Freehold	(811)	287,219	Unit for rental	06/06/2005*
23 Unit nos. S-01 to S-12, Ground Floor The Peak Suites, Signal Hill, Tanjung Lipat 88400 Kota Kinabalu, Sabah	Leasehold expiring on 31/12/2093	(22,490)	7,866,000	Units for rental and sale	02/09/2009
24 No. J-3-12, The Peak Suites Signal Hill, Tanjung Lipat 88400 Kota Kinabalu, Sabah	Leasehold expiring on 31/12/2093	(965)	437,510	Unit for staff hostel	02/09/2009
25 No. J-3-07, The Peak Suites Signal Hill, Tanjung Lipat 88400 Kota Kinabalu, Sabah	Leasehold expiring on 31/12/2093	(972)	361,299	Unit for staff hostel	02/09/2009
26 Unit nos. G-S1 to G-S9, Ground Floor & Unit nos. 1-S10 to 1-S18, First Floor, Retail Shops The Peak Vista, Block B Lorong Puncak 1, Tanjung Lipat 88400 Kota Kinabalu, Sabah	Leasehold expiring on 31/12/2093	(18,923)	5,353,517	Units for rental and sale	03/12/2012
27 No. 8/7, 2nd Floor, Building No. A Ideo Blucove Sathon, Klong Ton Zai, Klong San, Bangkok, Thailand	Freehold	(744)	564,557	Unit for rental and sale	05/08/2008*
29 Unit No. L20-01-08, PJX-HM Shah Tower No. 16A, Persiaran Barat 46050 Petaling Jaya Selangor Darul Ehsan	Leasehold expiring on 27/07/2105	(13,353)	7,468,608	Unit for rental	01/12/2011*
29 Unit No. L-01-01, PJX-HM Shah Tower No. 16A, Persiaran Barat 46050 Petaling Jaya Selangor Darul Ehsan	Leasehold expiring on 27/07/2105	(12,792)	7,355,400	Unit for rental	27/07/2012*
30 Unit No. L-01-02, PJX-HM Shah Tower No. 16A, Persiaran Barat 46050 Petaling Jaya Selangor Darul Ehsan	Leasehold expiring on 27/07/2105	(3,478)	1,999,850	Unit for rental	27/07/2012*
31 Unit No. L-01-03, PJX-HM Shah Tower No. 16A, Persiaran Barat 46050 Petaling Jaya Selangor Darul Ehsan	Leasehold expiring on 27/07/2105	(658)	378,350	Unit for rental	27/07/2012*

LIST OF PROPERTIES AT 31 MARCH 2024

Location	Tenure/ (Age of building or date of expiry)	Land/ (Built-Up) Area Sq. Ft.	Net Book Value As At 31. 03. 2024 RM	Description	Date of Acquisition */ Revaluation
32 Unit No. L9-01-08, PJX-HM Shah Tower No. 16A, Persiaran Barat 46050 Petaling Jaya Selangor Darul Ehsan	Leasehold expiring on 27/07/2105	(54,479)	15,943,924	Unit for rental	27/07/2012*
33 Unit Nos. L2-L8, PJX-HM Shah Tower No. 16A, Persiaran Barat 46050 Petaling Jaya Selangor Darul Ehsan	Leasehold expiring on 27/07/2105	N/A	10,808,800	Commercial car park operation	27/07/2012*
34 Unit Nos. 1-1-01, 1-1-08, 1-1-09, 1-1-10, 1-1-12, 1-1-13, 1-1-13A Jesselton Quay Central Off Jalan Tun Fuad Stephens Tanjung Lipat 88400 Kota Kinabalu, Sabah	Leasehold expiring on 31/12/2108	(4,012)	3,917,702	Units for rental and sale	28/06/2019*

SHAREHOLDERS' INFORMATION AS AT 24 JUNE 2024

Issued and Fully Paid Up Capital	:	RM251,934,836.28 consisting of 258,129,053 ordinary shares
Class of Shares	:	Ordinary shares
Voting Right	:	1 vote per ordinary share

DISTRIBUTION SCHEDULE

Shareholding Category	No. of Shareholders	% of Shareholders	No. of Shares	% of Total Number of Issued Shares
Less than 100 shares	474	12.31	17,691	0.01
100 - 1,000 shares	269	6.99	115,315	0.04
1,001 - 10,000 shares	1,860	48.30	8,734,940	3.39
10,001 - 100,000 shares	1,063	27.60	33,507,932	12.98
100,001 to less than 5% of shares	183	4.75	148,152,668	57.41
5% and above of shares	2	0.05	67,541,607	26.17
Total	3,851	100.00	258,070,153^Ω	100.00

Ω is equivalent to 258,129,053 less 58,900 shares bought back and retained as treasury shares

THIRTY LARGEST SHAREHOLDERS (As per Record of Depositors)

Name of Shareholders	No. of Shares Held	% of Total Number of Issued Shares
1. LOM Holdings Sdn. Bhd.	40,808,999	15.81
2. RHB Nominees (Tempatan) Sdn. Bhd. - OSK Capital Sdn. Bhd. for Sia Teong Heng	26,732,608	10.36
3. Maybank Securities Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Tan Ching Ching	12,310,700	4.77
4. Tan Han Chuan	12,217,500	4.73
5. Morisem Consolidated Sdn. Bhd.	11,740,000	4.55
6. Bina PYK (Sabah) Sdn. Bhd.	10,777,188	4.18
7. Mun Oi @ Mun Oi Lin	10,437,875	4.04
8. Sia Teong Heng	8,375,800	3.25
9. Evergreen Legacy Sdn. Bhd.	7,771,534	3.01
10. Kho Choon Kian	7,771,080	3.01
11. Ong Wee Shyong	5,071,500	1.97
12. Ho Fook Seng @ Ho Pock Seng	2,928,800	1.13
13. RHB Capital Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Michelle Looi Poh Gaik	2,298,400	0.89
14. Kingsley Lim Fung Wang	2,094,600	0.81
15. Alliancegroup Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Ong Siew Eng @ Ong Chai (3000190)	2,057,100	0.80
16. Yu Kok Ann	2,000,000	0.77

SHAREHOLDERS' INFORMATION AS AT 24 JUNE 2024

Name of Shareholders	No. of Shares Held	% of Total Number of Issued Shares
17. HSBC Nominees (Asing) Sdn. Bhd. - Exempt An For The Hongkong and Shanghai Banking Corporation Limited (HBAP-SGDIV-ACCL)	1,800,000	0.70
18. Lim Boon Liat	1,695,000	0.66
19. Siah Chong Hock	1,266,150	0.49
20. Meer Sadik Bin Habib Mohamed	1,260,003	0.49
21. Lee Eng Hock & Co. Sendirian Berhad	1,100,000	0.43
22. Yayasan Guru Tun Hussein Onn	1,066,250	0.41
23. CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. - Pledged Securities Account for Salbiah Binti Shuib (MM0641)	1,060,000	0.41
24. Lem Kim Seong	962,785	0.37
25. RHB Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Tan Gaik Suan	943,300	0.37
26. Kenanga Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Ong Siew Eng @ Ong Chai	917,200	0.36
27. Affin Hwang Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Ong Siew Eng @ Ong Chai (M04)	853,500	0.33
28. Maybank Nominees (Tempatan) Sdn. Bhd. - Ho Fook Seng @ Ho Pock Seng	831,475	0.32
29. Kenanga Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Chia Yoon Ling (002)	821,700	0.32
30. Yong Min Foong	800,000	0.31
TOTAL	180,771,047	70.05

The thirty largest shareholders refer to the thirty securities account holders having the largest number of securities according to the Record of Depositors (without aggregating the securities from different securities accounts belonging to the same depositor).

DIRECTORS' SHAREHOLDINGS AS AT 18 JULY 2024

(As per Register of Directors' Shareholdings)

Name of Directors	Direct Interest		Indirect Interest	
	Shareholdings	%	Shareholdings	%
Datuk Sia Teong Heng	35,803,782 ^(a)	13.87	48,580,533 ^(b)	18.82
Datuk Roselan Johar bin Johar Mohamed	-	-	-	-
Sia Teong Leng	-	-	48,580,533 ^(b)	18.82
Dato' Lim Cheang Nyok	1,767 ^(c)	0.001	-	-
Choo Suit Ling	-	-	-	-
Mohd Faizal bin Mohd Khasim	-	-	-	-

Notes –

- (a) 26,732,608 shares are held in bare trust by RHB Nominees (Tempatan) Sdn. Bhd. – OSK Capital Sdn. Bhd.
- (b) Deemed interest by virtue of his shareholding in LOM Holdings Sdn. Bhd. (40,808,999 shares) and Evergreen Legacy Sdn. Bhd. (7,771,534 shares).
- (c) 1,767 shares are held in bare trust by Maybank Nominees (Tempatan) Sdn. Bhd.

SHAREHOLDERS' INFORMATION AS AT 24 JUNE 2024

SUBSTANTIAL SHAREHOLDERS AS AT 18 JULY 2024 (excluding bare trustees)
(As per Register of Substantial Shareholders)

Name of Substantial Shareholders	No. of shares held or beneficially interested in		% of Total Number of Issued Shares	
	Direct	Indirect	Direct	Indirect
The Estate of Sia Kwee Mow @ Sia Hok Chai, Deceased	2,221,200 ^(a)	48,580,533 ^(b)	0.86	18.82
Datuk Sia Teong Heng	35,803,782 ^(c)	48,580,533 ^(b)	13.87	18.82
LOM Holdings Sdn. Bhd.	40,808,999	7,771,534 ^(d)	15.81	3.01
Sia Teong Leng	-	48,580,533 ^(b)	-	18.82

Notes –

- (a) 2,221,200 shares are held by Mun Oi @ Mun Oi Lin as the Executor
- (b) Deemed interest by virtue of his shareholding in LOM Holdings Sdn. Bhd. (40,808,999 shares) and Evergreen Legacy Sdn. Bhd. (7,771,534 shares)
- (c) 26,732,608 shares are held in bare trust by RHB Nominees (Tempatan) Sdn. Bhd. – OSK Capital Sdn. Bhd.
- (d) Deemed interest by virtue of its shareholding in Evergreen Legacy Sdn. Bhd.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Thirty-fourth Annual General Meeting of SBC Corporation Berhad will be held at Unit No. C-01, Concourse Level, PJX-HM Shah Tower, No. 16A, Persiaran Barat, 46050 Petaling Jaya, Selangor Darul Ehsan on Wednesday, 25 September 2024 at 10.00 a.m. to transact the following business –

AGENDA

As Ordinary Business

- To receive the Directors' Report and the Audited Financial Statements for the financial year ended 31 March 2024 together with the Auditors' Report thereon.
- To approve the following payment to Directors –
 - Fees totalling RM139,000 payable for the financial year ending 31 March 2025. **(Ordinary Resolution 1)**
 - Benefits of up to RM100,000 from this Annual General Meeting until the next annual general meeting of the Company. **(Ordinary Resolution 2)**
- To re-elect the following Directors retiring in accordance with Clause 88 of the Constitution of the Company –
 - YBhg. Dato' Lim Cheang Nyok **(Ordinary Resolution 3)**
 - YBhg. Datuk Sia Teong Heng **(Ordinary Resolution 4)**
- To re-elect En. Mohd Faizal bin Mohd Khasim as a Director retiring in accordance with Clause 95 of the Constitution of the Company. **(Ordinary Resolution 5)**
- To re-appoint Crowe Malaysia PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Ordinary Resolution 6)**

As Special Business, to consider and, if thought fit, to pass the following resolutions –

- AUTHORITY TO DIRECTORS TO ALLOT AND ISSUE SHARES** **(Ordinary Resolution 7)**

"THAT subject always to the Companies Act, 2016 ("the Act"), the Constitution of the Company and the approval from Bursa Malaysia Securities Berhad ("Bursa Securities") and other governmental/regulatory bodies, where such approval shall be necessary, the Directors be and are hereby authorised pursuant to Sections 75 and 76 of the Act, to allot and issue shares in the Company at any time and upon such terms and conditions and for such purposes as they may in their absolute discretion deem fit and that the Directors be and are hereby empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities provided always that the aggregate number of shares issued pursuant to this resolution does not exceed ten percent (10%) of the total number of issued shares (excluding treasury shares) of the Company for the time being and that such authority shall continue in force until the conclusion of the next annual general meeting of the Company; AND THAT the shareholders of the Company do hereby waive their pre-emptive rights pursuant to Section 85 of the Act to be read with the Constitution of the Company to be first offered new shares of the Company ranking equally to the existing issued shares arising from any issue of new shares in the Company pursuant to Sections 75 and 76 of the Act."

- PROPOSED RENEWAL OF AUTHORITY FOR SHARE BUY-BACK** **(Ordinary Resolution 8)**

"THAT subject to compliance with all applicable rules, regulations and orders made pursuant to the Act, the provisions of the Company's Constitution and the Main Market Listing Requirements of Bursa Securities and any other relevant authority, approval be and is hereby given to renew the authority for the Company to purchase its own shares through Bursa Securities, subject to the following –

- the maximum number of shares which may be purchased by the Company (which includes the shares already purchased and held as treasury shares) shall be 25,812,905 representing 10% of the total number of issued shares of the Company as at 24 June 2024;
- the maximum fund to be allocated by the Company for the purpose of purchasing the shares shall not exceed the audited retained profits of the Company as at 31 March 2024 of RM12.71 million;

NOTICE OF ANNUAL GENERAL MEETING

- (c) the authority conferred by this Ordinary Resolution will be effective immediately upon the passing of this Ordinary Resolution and will expire at the conclusion of the next annual general meeting or the expiry of the period within which the next annual general meeting is required by law to be held, whichever occurs first (unless earlier revoked or varied by ordinary resolution of the shareholders of the Company in a general meeting) but not so as to prejudice the completion of purchase(s) by the Company or any person before the aforesaid expiry date and in any event, in accordance with the provisions of the requirements issued by Bursa Securities or any other relevant authorities;
- (d) upon completion of the purchase by the Company of its own shares, the shares shall be dealt with in the following manner –
- (i) to cancel the shares so purchased; or
- (ii) to retain the shares so purchased in treasury for distribution as dividend to the shareholders of the Company and/or resell through Bursa Securities and/or subsequently cancel the treasury shares and/or transfer the treasury shares for the purposes of or under an employees' share scheme or as purchase consideration; or
- (iii) to retain part of the shares so purchased as treasury shares and cancel the remainder,
- and in any other manner as prescribed by Section 127 of the Act, rules, regulations and orders made pursuant to the Act and the requirements of Bursa Securities and any other relevant authority for the time being in force;

AND THAT the Directors of the Company be and are hereby authorised to take all steps as are necessary or expedient to implement or to effect the purchase(s) of the shares with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments as may be imposed by the relevant authorities from time to time and to do all such acts and things as the Directors may deem fit and expedient in the best interest of the Company."

8. RETENTION OF INDEPENDENT NON-EXECUTIVE DIRECTOR

(Ordinary Resolution 9)

"THAT YBhg. Datuk Roselan Johar bin Johar Mohamed, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than 9 years, be retained as an Independent Non-Executive Director of the Company in accordance with the Malaysian Code on Corporate Governance 2021."

9. To consider any other business for which due notice shall have been given.

By Order of the Board

CHONG FOOK SIN (CCM PC No. 202008000484) (MACS 00681)
KAN CHEE JING (CCM PC No. 202008000596) (MAICSA 7019764)
Company Secretaries

Petaling Jaya
31 July 2024

NOTICE OF ANNUAL GENERAL MEETING

NOTES -

- (1) A member whose name appear in the Record of Depositors as at 18 September 2024 shall be regarded as a member entitled to attend, speak and vote at the meeting.

- (2) Proxy -

A member entitled to attend and vote at the meeting is entitled to appoint any person as his proxy to attend, speak and vote instead of him. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy. To be valid, the Form of Proxy duly completed must be deposited at the Registered Office of the Company not less than twenty-four (24) hours before the time set for holding the meeting or any adjournment thereof. If the appointor is a corporation, this Form must be executed under its common seal or under the hand of its attorney.

Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

- (3) Audited Financial Statements for the financial year ended 31 March 2024 -

The Audited Financial Statements are laid in accordance with Section 340(1)(a) of the Companies Act, 2016 for discussion only under Agenda 1. They do not require shareholders' approval and hence, will not be put for voting.

- (4) Ordinary Resolution 2 -

The Directors' benefits comprise the following –

- (a) Meeting allowance of RM300 per meeting; and
(b) Training benefits and directors & officers liability insurance coverage.

- (5) Ordinary Resolution 7 -

This resolution, if passed, will give the Directors authority to allot and issue new ordinary shares up to an amount not exceeding 10% of the total number of issued shares (excluding treasury shares) of the Company for such purposes as they may in their absolute discretion deem fit and in the best interest of the Company. This authority will commence from the date of this Annual General Meeting and unless revoked or varied by the Company at a general meeting, expire at the next annual general meeting.

The approval is a renewed general mandate and is sought to provide flexibility and to avoid delay and cost in convening a general meeting for such issuance of shares.

As at the date of this Notice, no new shares in the Company were issued pursuant to the authority granted to the Directors at the last Annual General Meeting held on 21 September 2023 and which will lapse at the conclusion of the Thirty-fourth Annual General Meeting.

Should there be a decision to issue new shares after the authority is sought, the Company will make an announcement of the actual purpose and utilisation of proceeds arising from such issuance of shares.

By passing this resolution, the shareholders of the Company have waived their pre-emptive rights to be first offered new shares of the Company which will result in a dilution of their shareholding percentage in the Company.

- (6) Ordinary Resolution 8 -

The detailed text on this resolution on the Proposed Renewal of Authority for Share Buy-Back is included in the Statement to Shareholders dated 31 July 2024 which is enclosed together with the Annual Report 2024.

NOTICE OF ANNUAL GENERAL MEETING

(7) Ordinary Resolution 9 -

Both the Nominating Committee and the Board have assessed the independence of YBhg. Datuk Roselan Johar bin Johar Mohamed who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than 9 years, and recommended him to be retained as an Independent Non-Executive Director of the Company based on the following justifications:-

- (a) He has fulfilled the criteria under the definition of an Independent Director as stated in the Main Market Listing Requirements of Bursa Securities, and thus, he would be able to provide independent judgement, objectivity and check and balance to the Board.
- (b) He performs his duties and responsibilities diligently and in the best interests of the Company without being subject to influence of the management.
- (c) His in-depth knowledge of the Group's businesses and his extensive knowledge, commitment and expertise continue to provide invaluable contributions to the Board.
- (d) He, having been with the Company for more than 9 years, is familiar with the Group's business operations and has devoted sufficient time and attention to his professional obligations and attended the Board and Committee meetings for an informed and balanced decision making.
- (e) He is independent as he has shown great integrity and he has not entered into any related party transaction with the Group.
- (f) He is currently not sitting on the board of any other public and/or private companies having the same nature of business as that of the Group.

Shareholders' approval for Ordinary Resolution 9 will be sought on a single tier voting basis.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

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

(1) The following are the Directors standing for re-election at the Thirty-fourth Annual General Meeting -

- (a) Re-election of the following Directors pursuant to Clause 88 of the Constitution of the Company.
 - (i) YBhg. Dato' Lim Cheang Nyok
 - (ii) YBhg. Datuk Sia Teong Heng
- (b) Re-election of En. Mohd Faizal bin Mohd Khasim as a Director pursuant to Clause 95 of the Constitution of the Company.

The profiles of the Directors as mentioned in the above paragraph are set out in the Annual Report 2024 under the section named Directors' Profile.

(2) The statement relating to the general mandate for authority to Directors to allot and issue shares is set out in Note 5 to the Notice of the Thirty-fourth Annual General Meeting.

CDS Account No.	
Contact No.	

FORM OF PROXY

SBC CORPORATION BERHAD

Registration No. 199001007740 (199310-P)

(Incorporated in Malaysia)

I/We, _____

Company No./NRIC No. (new) _____ (old) _____

of _____

being (a) member(s) of SBC Corporation Berhad do hereby appoint: _____

NRIC No. (new) _____ (old) _____

of _____

and/or failing whom _____ NRIC No. (new) _____

(old) _____ of _____

or failing whom, the Chairman of the Meeting as my/our proxy to attend and vote for me/us and on my/our behalf at the Thirty-fourth Annual General Meeting of the Company to be held at Unit No. C-01, Concourse Level, PJX-HM Shah Tower, No. 16A, Persiaran Barat, 46050 Petaling Jaya, Selangor Darul Ehsan on Wednesday, 25 September 2024 at 10.00 a.m. and at any adjournment thereof in the manner indicated below

No.	Ordinary Resolution	For	Against
1.	Payment of Directors' fees		
2.	Payment of Directors' benefits		
3.	Re-election of Director : YBhg. Dato' Lim Cheang Nyok		
4.	Re-election of Director : YBhg. Datuk Sia Teong Heng		
5.	Re-election of Director : En. Mohd Faizal bin Mohd Khasim		
6.	Re-appointment of Auditors		
7.	Authority to Directors to allot and issue shares		
8.	Proposed Renewal of Authority for Share Buy-Back		
9.	Retention of Independent Non-Executive Director : YBhg. Datuk Roselan Johar bin Johar Mohamed		

(Please indicate with an 'X' in the appropriate box against each resolution how you wish your proxy to vote. If no instruction is given, this form will be taken to authorise the proxy to vote at his/her discretion.)

Dated this _____ day of _____, 2024

Number of Shares held	
-----------------------	--

Signature(s)/Common Seal of Member(s)

For appointment of two proxies, percentage of shareholdings to be represented by proxies:		
	No. of shares	Percentage
Proxy 1		
Proxy 2		
Total		100%

NOTES -

A member whose name appear in the Record of Depositors as at 18 September 2024 shall be regarded as a member entitled to attend, speak and vote at the meeting.

A member entitled to attend and vote at the meeting is entitled to appoint any person as his proxy to attend, speak and vote instead of him. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy. To be valid, the Form of Proxy duly completed must be deposited at the Registered Office of the Company not less than twenty-four (24) hours before the time set for holding the meeting or any adjournment thereof. If the appointor is a corporation, this Form must be executed under its common seal or under the hand of its attorney. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

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Stamp

The Company Secretaries
SBC CORPORATION BERHAD

Unit No. C-01, Concourse Level,
PJX-HM Shah Tower,
No. 16A, Persiaran Barat,
46050 Petaling Jaya,
Selangor Darul Ehsan.

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www.sbcgroup.com.my

SBC CORPORATION BERHAD

Registration No. 199001007740 (199310-P)

The Gallery @ PJX

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