

**SELANGOR DREDGING BERHAD ( 4624-U)**  
( Incorporated in Malaysia )

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
As at 31 March 2019

	As at 31.03.2019	(Restated) As at 31.03.2018
<b>ASSETS</b>	RM'000	RM'000
<b>Non-current assets</b>		
Property, plant and equipment	230,218	224,358
Intangible asset	560	561
Investment properties	10,075	9,920
Inventories	326,314	324,956
Investment in jointly controlled entities	160,711	148,850
Investment in associates	92,539	48,924
Amount Owing by Associate Companies	1,881	
Deferred tax assets	16,000	-
	<u>838,298</u>	<u>757,569</u>
<b>Current assets</b>		
Inventories - completed unit	111,533	172,425
Inventories - property development costs	264,513	211,783
Trade and other receivable	194,752	173,664
Tax recoverable	8,061	18,033
Cash and Cash Equivalents	39,606	141,219
	<u>618,465</u>	<u>717,124</u>
<b>TOTAL ASSETS</b>	<u>1,456,763</u>	<u>1,474,693</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share Capital	213,541	213,541
Reserves	645,544	616,788
	<u>859,085</u>	<u>830,329</u>
<b>Non-controlling interest</b>	-	-
<b>Total equity</b>	<u>859,085</u>	<u>830,329</u>
<b>Non-current liabilities</b>		
Bank Borrowings	133,752	151,581
Deferred taxation	3,358	3,037
	<u>137,110</u>	<u>154,618</u>
<b>Current liabilities</b>		
Trade and other payables	177,641	206,886
Bank Borrowings	279,207	280,862
Taxation	3,720	1,998
	<u>460,568</u>	<u>489,746</u>
<b>Total liabilities</b>	<u>597,678</u>	<u>644,364</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>1,456,763</u>	<u>1,474,693</u>
<b>Net assets per ordinary share attributable to owners of the Company (sen)</b>	201.60	194.85

*The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31st March 2018*

**SELANGOR DREDGING BERHAD ( 4624-U)**  
( Incorporated in Malaysia )

**CONDENSED CONSOLIDATED INCOME STATEMENT**

**for the 4th quarter ended 31 March 2019**

( The figures have not been audited )

	Current quarter ended 31.03.2019	(Restated) Comparative quarter ended 31.03.2018	Current 12 months ended 31.03.2019	(Restated) Corresponding 12 months ended 31.03.2018
	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>	60,667	(2,778)	256,126	151,049
Operating expenses	(58,141)	(45,494)	(224,235)	(194,179)
Other operating income	12,600	10,600	20,625	121,604
Profit from operations	15,126	(37,672)	52,516	78,474
Depreciation	(1,131)	(934)	-4,368	(3,736)
Finance costs	(4,651)	(2,831)	-18,601	(18,561)
Share of jointly controlled entities results	<u>3,817</u>	<u>(388)</u>	<u>6,168</u>	<u>(3,283)</u>
<b>Profit before taxation</b>	13,161	(41,825)	35,715	52,894
Taxation	<u>(4,062)</u>	<u>(4,594)</u>	<u>-11,299</u>	<u>(11,049)</u>
<b>Profit for the period</b>	<u>9,099</u>	<u>(46,420)</u>	<u>24,416</u>	<u>41,845</u>
<b>Attributable to:</b>				
Owners of the Company	9,099	(46,420)	24,416	41,845
Non-controlling interest	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Profit for the period</b>	<u><u>9,099</u></u>	<u><u>(46,420)</u></u>	<u><u>24,416</u></u>	<u><u>41,845</u></u>
Earning per share - basic ( sen )	2.14	(10.89)	5.73	9.82
- diluted ( sen )	-	-	-	-

*The Condensed Consolidated Income Statement should be read in conjunction with the  
Annual Financial Report for the year ended 31st March 2018*

**SELANGOR DREDGING BERHAD ( 4624-U )**  
( Incorporated in Malaysia )

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**for the 4th quarter ended 31 March 2019**

( The figures have not been audited )

	Current quarter ended 31.03.2019	(Restated) Comparative quarter ended 31.03.2018	Current 12 months ended 31.03.2019	(Restated) Corresponding 12 months ended 31.03.2018
	RM'000	RM'000	RM'000	RM'000
<b>Profit for the period</b>	9,099	(46,420)	24,416	41,845
Fair value changes in available-for-sale financial asset	-	-	-	-
Foreign currency translation differences for foreign operations	(5,357)	(17,160)	14,993	(17,792)
Fair Value changes in PPE	-	37,164	-	37,164
<b>Other comprehensive income</b>	<u>(5,357)</u>	<u>20,004</u>	<u>14,993</u>	<u>19,372</u>
<b>Total comprehensive income</b>	<u>3,742</u>	<u>(26,416)</u>	<u>39,409</u>	<u>61,217</u>
Attributable to:				
Owners of the Company	3,742	61,217	39,409	61,217
Non-controlling interest	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total comprehensive income</b>	<u><u>3,742</u></u>	<u><u>(26,416)</u></u>	<u><u>39,409</u></u>	<u><u>61,217</u></u>

*The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31st March 2018*

**SELANGOR DREDGING BERHAD ( 4624-U )**  
( Incorporated in Malaysia )

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

**for the 12 months ended 31 March 2019**

( The figures have not been audited )

	Share capital RM'000	Share premium RM'000	Revaluation reserve RM'000	Capital reserve RM'000	Fair value reserve RM'000	Exchange Fluctuation RM'000	Retained profits RM'000	Total RM'000
<u>Current 12 months ended</u>								
<u>31 March 2019</u>								
As at 1 April 2018	213,541	-	87,597	7,861	-	21,431	541,737	872,167
Effects of adopting MFRS 9	-	-	-	-	-	-	(419)	(419)
Effects of adopting MFRS 15	-	-	-	-	-	-	(41,418)	(41,418)
Restated	213,541	-	87,597	7,861	-	21,431	499,899	830,329
Movement during the period:								
- Total comprehensive income for the the period	-	-	-	-	-	14,993	24,416	39,409
- Dividend paid	-	-	-	-	-	-	(10,653)	(10,653)
As at 31 March 2019	213,541	-	87,597	7,861	-	36,424	513,662	859,085
<u>Preceding 12 months ended</u>								
<u>31 March 2018</u>								
As at 1 April 2017	213,541	-	50,433	7,861	-	39,223	565,189	876,247
Effects of adopting MFRS 9	-	-	-	-	-	-	(606)	(606)
Effects of adopting MFRS 15	-	-	-	-	-	-	(14,911)	(14,911)
Restated	213,541	-	50,433	7,861	-	39,223	549,672	860,730
Movement during the period:								
- Total comprehensive income for the the period	-	-	37,164	-	-	(17,792)	83,682	103,054
- Dividend paid	-	-	-	-	-	-	(91,617)	(91,617)
As at 31 March 2018	213,541	-	87,597	7,861	-	21,431	541,737	872,167

*The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31st March 2018*

**SELANGOR DREDGING BERHAD ( 4624-U )**  
( Incorporated in Malaysia )

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

**for the 12 months ended 31 March 2019**

( The figures have not been audited )

	Current 12 months ended 31.03.2019 RM'000	(Restated) Corresponding 12 months ended 31.03.2018 RM'000
<b>CASHFLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	35,715	52,894
Adjustment for :		
Non-cash items	(12,720)	56,736
Non-operating items ( which are investing / financing )	18,002	(89,234)
Operating profit before working capital changes	40,997	20,396
Changes in working capital		
Receipts from customer	(31,517)	(79,079)
Payments to supplier, contractors and employee	(20,487)	(4,870)
Interest paid	(13,854)	(18,459)
Tax paid	(14,494)	(32,387)
Net cashflows from operating activities	(39,355)	(114,399)
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>		
Equity investments	(36,539)	(46,476)
Other investments	8,142	462,383
Investment in jointly controlled entities	-	-
Purchase/Disposal of property, plant and equipment	(9,753)	(991)
Proceeds from disposal of property, plant and equipment	-	-
Net cashflows from investing activities	(38,150)	414,916
<b>CASHFLOW FROM FINANCING ACTIVITIES</b>		
Dividend paid to MI Shareholders of subsidiary companies	-	-
Dividend paid to Shareholder of Company	(10,653)	(91,617)
Withdrawal of fixed deposit pledged	-	-
Drawdown of bank borrowings	-	54,483
Repayment of bank borrowings	(19,485)	(251,461)
Repayment of JV company	-	(5,534)
Advances to associates	-	(20,175)
Net cashflows from financing activities	(30,138)	(314,304)
<b>NET CHANGE IN CASH &amp; CASH EQUIVALENTS</b>	<b>(107,643)</b>	<b>(13,787)</b>
<b>CASH &amp; CASH EQUIVALENTS AT BEGINNING OF THE PERIOD</b>	<b>138,874</b>	<b>156,010</b>
<b>EFFECT OF EXCHANGE RATE CHANGES</b>	<b>6,068</b>	<b>(3,311)</b>
<b>CASH &amp; CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b>37,299</b>	<b>138,912</b>
Represented by:		
Cash and Cash Equivalents	39,606	141,219
less:		
Amount pledged as security for bank facilities	(195)	(195)
Deposit with licenced banks with maturity more than 3 months	(2,112)	(2,112)
	37,299	138,912

*The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31st March 2018*

# SELANGOR DREDGING BERHAD (4624-U)

## QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE 4TH FINANCIAL QUARTER ENDED 31 MARCH 2019

### *Part A - Selected Explanatory Notes pursuant to Malaysia Financial Reporting Standard 134 ("MFRS 134")*

#### **A1. Basis of preparation**

The interim financial report has been prepared in accordance with MFRS 134 - Interim Financial Reporting and Chapter 9 Part K of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements of the Group for the financial period ended 31 March 2018 are the first set of financial statements prepared in accordance with the Malaysia Financial Reporting Standards ("MFRS") Framework. The MFRS Framework is effective for the Group from 1 April 2018 and the date of transition to the MFRS Framework for the purposes of preparation on the MFRS compliant financial statements is 1 January 2017.

The interim financial statements should be read in conjunction with the Group's audited consolidated financial statements for the financial year ended 31 March 2018. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 March 2018.

#### **A2. Changes in accounting policies**

The Group and the Company are transitioning entities as defined by the Malaysian Accounting Standards Board ("MASB"), and adopted the MFRS Framework during the financial year ended 31 December 2018. Accordingly, these are the first financial statements of the Group and of the Company prepared in accordance with MFRSs.

In adopting the new MFRS Framework, the Group applied the transition requirements in MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards. In addition to the adoption of the new MFRS Framework, the following new MFRSs and Amendments to the MFRSs issued by MASB were adopted by the Group during the financial year:

MFRS 15	Revenue from Contracts with Customers
Amendments to MFRS 15	Clarifications to MFRS 15
MFRS 9	Financial Instruments
Amendments to MFRS 1	First time Adoption of MFRS 1 (Annual Improvements to MFRSs 2014-2016 Cycle)
Amendments to MFRS 140	Transfers of Investment Property
Amendments to MFRS 2	Classification and Measurement of Share-based Payment Transactions
Amendments to MFRS 4	Applying MFRS 9 – Financial Instruments with MFRS 4 – Insurance Contracts
Amendments to MFRS 128	Investments in Associates and Joint Ventures (Annual Improvements to MFRSs 2014-2016 Cycle)
IC Interpretation 22	Foreign Currency Transactions and Advance Consideration

The Group have not applied the following standards, amendments and interpretations that have been issued by the MASB but are not yet effective:

		Effective for annual periods beginning on or after
MFRS 16	: Leases	1 January 2019
IC Interpretation 23	: Uncertainty Over Income Tax Treatments	1 January 2019
<i>Amendments to:</i>		
MFRS 9	: Prepayment Features with Negative Compensation	1 January 2019
MFRS 128	: Long-term Interest in Joint Ventures and Associates	1 January 2019
MFRS 3 & MFRS 11	: Previously Held Interest in a Joint Operation (Annual Improvements to MFRSs 2015 – 2017 Cycle)	1 January 2019
MFRS 112	: Income Taxes Consequences of Payments on Financial Instruments Classified as Equity (Annual Improvements to MFRSs 2015 – 2017 Cycle)	1 January 2019
MFRS 123	: Borrowing Cost Eligible for Capitalisation (Annual Improvements to MFRSs 2015 – 2017 Cycle)	1 January 2019
MFRS 10 & MFRS 128	: Sales or Contribution of Assets between an investor and its Associate or Joint Venture	Deferred
MFRS 3	: Business Combinations	1 January 2020
MFRS 101	: Presentation of Financial Statements	1 January 2020
MFRS 108	: Accounting Policies, Changes in Accounting Estimates and Errors MFRS 134 Interim Financial Reporting	1 January 2020

**A3. Audit Report of Preceding Annual Financial Statements**

The Group's preceding annual financial statements were reported without any qualification.

**A4. Seasonality or Cyclicity of Operations**

The business operations of the Group are generally not affected by seasonal or cyclical factors except for the hotel operations which are generally affected by major festive seasons.

**A5. Unusual items affecting Assets, Liabilities, Equity, Net Income or Cashflows**

There are no unusual items affecting assets, liabilities, equity, net income or cashflows during the financial year under review.

**A6. Change in Estimate**

There were no material changes in estimates reported in prior interim periods of the current financial year or in prior financial years which have a material effect in the current interim period.

**A7. Debt and Equity Securities**

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the current financial quarter and year-to-date ended 31 March 2019.

**A8. Dividend Paid**

A dividend of RM10,653,190.44 for the year ended 31 March 2018 was paid during the second quarter.

**A9. Segment Revenue and Segment Result By Business Segments***(a) Primary reporting format – business segment*

All the operations of the Group are organised in Malaysia into six main business segments:

- (i) Property investments - letting of commercial properties
- (ii) Property development - property development
- (iii) Hotel operations - operation of hotel and related services
- (iv) Investment holding - holding of shares in quoted and non-quoted companies
- (v) Property Support Service - providing support service to purchasers of properties developed by the SDB Group
- (vi) Others - provision of management services.

Transactions between segments were entered into in the normal course of business and were established on terms and conditions that are not materially different from that obtainable in transactions with unrelated parties. The effects of such inter-segmental transactions are eliminated on consolidation.

	Property Investment	Hotel Operations	Property Development	Property Support Services	Investment Holding	Others/ Elimination	Consolidated
<b>RM'000</b>							
<b>REVENUE</b>							
External Sales	83	13,868	236,869	1,980	143	1,865	254,808
Inter-segment Sales	204	-	-	1,258	-	(144)	1,318
Total revenue	<u>287</u>	<u>13,868</u>	<u>236,869</u>	<u>3,238</u>	<u>-</u>	<u>1,721</u>	<u>256,126</u>
<b>RESULTS</b>							
Segment results	278	(6,484)	157,342	8	111,806	(212,647)	50,303
Unallocated corporate (expenses)/income							<u>(2,155)</u>
Operating profit							48,148
Finance cost, net							(18,601)
Share of net profit/(loss) of associated companies							6,168
Income taxes							<u>(11,299)</u>
Profit for the period							<u><u>24,416</u></u>

*(b) Secondary reporting format – geographical segment*

The operations of the Group are substantially carried out in Malaysia except for SDB Asia Pte Ltd and SDB Green Energy Pte Ltd which is incorporated in Singapore.



**A10. Valuation of property, plant and equipment**

In line with the Group's adoption of fair value method in relation to its investment properties, the Group's property, land and buildings were revalued by Raine & Horne International Zaki + Partners Sdn. Bhd. ("Raine & Horne") a firm of registered independent professional valuer as at 31 March 2019 on an open market basis for existing use.

The resulting net surplus of RM155,000 has been recognised directly to the income statement.

**A11. Material Events Subsequent to the End of the Period**

There are no material events subsequent to 31 March 2019 up to the date of this announcement that has not been reflected in the financial statements as at 31 March 2019.

**A12. Effects of Changes in the Composition of the Group**

There are no changes in the composition of the Group for the current financial quarter under review.

**A13. Changes in Contingent Liabilities and Contingent Assets**

The Group does not have any contingent liabilities and contingent assets as at the last annual balance sheet date up to the current financial year to-date.

**Part B - Selected Explanatory Notes pursuant to Appendix 9B of the Bursa Malaysia Securities Berhad Listing Requirements**

**B1. Review of Performance of the Company and its Principal Subsidiaries**

For the 12 months ended 31 March 2019, the Group recorded an increase in turnover amounting to RM256.13 million compared to the corresponding last financial year. The increase was mainly due to marketing strategy implemented by the group to convert the stock into sales. The decrease in net profit was mainly due to the completion of disposal of Wisma Selangor Dredging on 5th December 2017 during corresponding financial year.

The Financial Statement for Financial Year 2017/2018 was restated due to the adoption of Malaysian Financial Reporting Standards.

Fortress Minerals Limited, a 31% associate company, which engage in iron ore mining has contributed RM7.08 million of net profit to the Group during the financial year. The listing of Fortress Minerals Limited in Singapore Exchange has resulted a net gain of RM11.45 million.

**B2. Material Changes in Profit Before Tax of the Current Quarter compared to the Immediate Preceding Quarter**

For the quarter ended 31 March 2019, the Group registered a higher profit before tax of RM13.16 million compared to RM5.49 million recorded in the preceding quarter ended 31 December 2018. This was mainly due to the net gain arising from the listing of Fortress Minerals Limited.

**B3. Prospects for the Current Financial Year**

The outlook for coming financial year is expected to remain challenging as Property sector in Malaysia has remained challenging in view of adverse market condition due to uncertainty in economic condition and over supply of property in the country. The Group has taken rigorous measurement in cost and pricing of our product and engaging marketing strategy to remain competitive in the market. However, prudent measurements and control will be in place to moderate the impact from the downturn.

In a review of abovementioned factors, the Group will continue to strategize its marketing activities in order to convert its inventories into sales and adopt cautious approach in launching any new projects. Currently the Group has approximately RM218.43 million of unbilled sales in hand which is derived from mainly ongoing projects.

**B4. Variance of Actual Profit from Forecast Profit and Shortfall in Profit Guarantee**  
Not Applicable.

**B5. Taxation**

Tax charge comprises the following:-

	Current quarter 31/03/2019 RM'000	Financial year 31/03/2019 RM'000
- current taxation	3,161	13,858
- associated companies	-	-
- deferred taxation	962	(1,147)
- under/(over) provision in prior years		
- Current	(60)	(1,412)
- Deferred	-	-
	<u>4,063</u>	<u>11,299</u>

For the current quarter, the Group's taxation is higher compared to the statutory rate mainly due to the offset effect amongst subsidiaries which has more losses before taxation.

**B6. Status of Corporate Proposal**

- (a) Since the last balance sheet date, there were no corporate proposals announced.  
 (b) Status of utilization of proceeds raised from any corporate proposal – Not Applicable.

**B7. Group Borrowings and Debts Securities**

Total Group borrowings as at 31 March 2019 are as follows:-

<i>Long Term Bank Borrowing</i>	RM'000
<i>Secured:</i>	
Revolving Credit	68,750
Term Loan	154,209
Repayments due within the next 12 months	<u>(46,207)</u>
Sub-Total	<u>176,752</u>
<i>Unsecured:</i>	
Revolving Credit	-
Term Loan	-
Repayments due within the next 12 months	<u>-</u>
Sub-Total	<u>-</u>
<i>Short Term Bank Borrowing</i>	
<i>Secured:</i>	
Revolving Credit	125,000
Term Loan	-
Current portion of long term borrowing	<u>46,207</u>
Sub-Total	<u>171,207</u>
<i>Unsecured:</i>	
Revolving Credit	65,000
Term Loan	-
Current portion of long term borrowing	<u>-</u>
Sub-Total	<u>65,000</u>
Total	<u>412,959</u>

There were no borrowings or debt securities denominated in foreign currencies except for the followings:

	SGD'000	equivalent RM'000
Borrowings denominated in foreign currency	6,875	20,723

**B8. Material Litigation**

There were no significant changes in material litigation since the last annual balance sheet date.

**B9. Dividend**

The Board has recommended a single-tier dividend of 2 sens per share (FY2018: 2.5 sens ; special dividend 19 sens) amounting to RM8,522,553 (FY2018: RM10,653,192 ; special dividend RM80,964,259) in respect of the financial year ended 31 March 2019 which will be proposed for shareholders' approval at the forthcoming Annual General Meeting.

**B10. Earnings Per Share**

Basic earnings per share is calculated by dividing the Group's net profit for the period by the weighted average number of ordinary shares in issue during the period, disclosed as follows:-

	Current quarter ended 31/03/2019	Comparative quarter ended 31/03/2018	Current 12 months ended 31/03/2019	Corresponding 12 months ended 31/03/2018
( i ) Net profit for the period ( RM'000 )	9,099	(46,420)	24,416	41,845
( ii ) Weighted average number of ordinary shares in issue ( '000 )	426,127	426,127	426,127	426,127
Basic earnings per share (sen)	2.14	(10.89)	5.73	9.82

The company does not have any dilutive potential ordinary shares outstanding as at 31 March 2019. Accordingly, no diluted earnings per share is presented.

**B11. Profit for the Year**

	Individual Quarter		Cumulative Quarter	
	Current quarter ended 31.03.2019 RM'000	Comparative quarter ended 31.03.2018 RM'000	Current 12 months ended 31.03.2019 RM'000	Corresponding 12 months ended 31.03.2018 RM'000
Profit for the period is arrived at after crediting:				
Interest Income	587	-	1,709	373
Other Income	11,693	-	18,596	2,040
Foreign Exchange Gain	320	-	320	271
Gain on disposal of quoted investment	-	-	-	-
and after charging:				
Interest expense	4,651	2,831	18,601	18,561
Depreciation	1,131	934	4,368	3,736
Provision for/write off of receivables	-	-	-	-
Provision for/write off of inventories	-	-	-	-
Foreign Exchange Loss	(218)	-	237	-