

SELANGOR DREDGING BERHAD

Reg No. 196201000105 (4624-U)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2023

| | As at 31.03.2023 | (Audited) As at 31.03.2022 |
|--|---------------------|----------------------------------|
| ASSETS | RM'000 | RM'000 |
| Non-current assets | | |
| Property, plant and equipment | 264,841 | 268,026 |
| Intangible asset | 562 | 545 |
| Investment properties | 70,053 | 31,148 |
| Inventories | 190,797 | 184,912 |
| Investment in jointly controlled entities | 166,119 | 179,077 |
| Investment in associates | 142,691 | 134,422 |
| Amount Owing by Jointly Control Companies | - | 91 |
| Amount Owing by Associate Companies | 3,528 | 3,372 |
| Deferred tax assets | 3,002 | 5,867 |
| | <u>841,593</u> | <u>807,460</u> |
| Current assets | | |
| Inventories - completed unit | 116,922 | 156,732 |
| Inventories - property development costs | 192,370 | 221,894 |
| Trade and other receivable | 162,548 | 46,517 |
| Tax recoverable | 7,453 | 7,255 |
| Cash and Cash Equivalents | 84,979 | 111,326 |
| | <u>564,272</u> | <u>543,724</u> |
| TOTAL ASSETS | <u>1,405,865</u> | <u>1,351,184</u> |
| EQUITY AND LIABILITIES | | |
| Equity attributable to owners of the Company | | |
| Share Capital | 213,541 | 213,541 |
| Reserves | 644,112 | 629,587 |
| | <u>857,653</u> | <u>843,128</u> |
| Non-controlling interest | - | - |
| Total equity | <u>857,653</u> | <u>843,128</u> |
| Non-current liabilities | | |
| Bank Borrowings | 123,989 | 109,432 |
| Lease liabilities | 6,998 | 7,454 |
| Deferred taxation | 10,237 | 10,237 |
| | <u>141,224</u> | <u>127,123</u> |
| Current liabilities | | |
| Trade and other payables | 84,590 | 73,921 |
| Lease liabilities | 462 | 921 |
| Bank Borrowings | 321,936 | 306,091 |
| Taxation | - | - |
| | <u>406,988</u> | <u>380,933</u> |
| Total liabilities | <u>548,212</u> | <u>508,056</u> |
| TOTAL EQUITY AND LIABILITIES | <u>1,405,865</u> | <u>1,351,184</u> |
| Net assets per ordinary share attributable to owners of the Company (sen) | 201.27 | 197.86 |

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31st March 2022

SELANGOR DREDGING BERHAD

Reg No. 196201000105 (4624-U)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED INCOME STATEMENT**for the 4th quarter ended 31 March 2023**

(The figures have not been audited)

| | Current quarter ended 31.03.2023 | Comparative quarter ended 31.03.2022 | Current 12 months ended 31.03.2023 | Corresponding 12 months ended 31.03.2022 |
|--|---|---|---|---|
| | <u>RM'000</u> | <u>RM'000</u> | <u>RM'000</u> | <u>RM'000</u> |
| Revenue | 33,252 | (5,397) | 138,513 | 98,475 |
| Operating expenses | (31,914) | (10,951) | (131,232) | (130,295) |
| Other operating income | 13,878 | 12,997 | 35,251 | 39,260 |
| Profit from operations | 15,217 | (3,351) | 42,532 | 7,440 |
| Depreciation | (1,738) | (1,363) | (6,534) | (4,905) |
| Finance costs | (4,916) | (3,051) | (15,858) | (12,196) |
| Share of associate/jointly controlled entities results | <u>(2,405)</u> | <u>8,214</u> | <u>(7,527)</u> | <u>21,786</u> |
| Profit before taxation | 6,158 | 449 | 12,613 | 12,125 |
| Taxation | <u>(1,322)</u> | <u>(3,513)</u> | <u>(6,499)</u> | <u>(5,367)</u> |
| Profit for the period | <u>4,836</u> | <u>(3,064)</u> | <u>6,114</u> | <u>6,758</u> |
| Attributable to: | | | | |
| Owners of the Company | 4,836 | (3,064) | 6,114 | 6,758 |
| Non-controlling interest | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Profit for the period | <u>4,836</u> | <u>(3,064)</u> | <u>6,114</u> | <u>6,758</u> |
| Earning per share - basic (sen) | 1.13 | (0.72) | 1.43 | 1.59 |
| - diluted (sen) | - | - | - | - |

The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report for the year ended 31st March 2022

SELANGOR DREDGING BERHAD**Reg No. 196201000105 (4624-U)**

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**for the 4th quarter ended 31 March 2023**

(The figures have not been audited)

| | Current quarter ended 31.03.2023 | Comparative quarter ended 31.03.2022 | Current 12 months ended 31.03.2023 | Corresponding 12 months ended 31.03.2022 |
|--|---|---|---|---|
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Profit for the period | 4,836 | (3,064) | 6,114 | 6,758 |
| Fair value changes in available-for-sale financial asset | - | - | - | - |
| Foreign currency translation differences for foreign operations | 2,772 | 1,558 | 13,240 | 1,644 |
| Share of other comprehensive gain/(loss) of a associate | (171) | (1,257) | (4,828) | (2,252) |
| Fair Value changes in PPE | - | - | - | - |
| Other comprehensive income | <u>2,601</u> | <u>301</u> | <u>8,412</u> | <u>(608)</u> |
| Total comprehensive income | <u>7,437</u> | <u>(2,763)</u> | <u>14,526</u> | <u>6,150</u> |
| Attributable to: | | | | |
| Owners of the Company | 7,437 | (2,763) | 14,526 | 6,150 |
| Non-controlling interest | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total comprehensive income | <u>7,437</u> | <u>(2,763)</u> | <u>14,526</u> | <u>6,150</u> |

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31st March 2022

SELANGOR DREDGING BERHAD
Reg No. 196201000105 (4624-U)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the 12 months ended 31 March 2023
(The figures have not been audited)

| | Share capital | Share premium | Revaluation reserve | Capital reserve | Exchange Fluctuation Share of OCI | Exchange Fluctuation | Retained profits | Total |
|---|---------------|---------------|---------------------|-----------------|-----------------------------------|----------------------|------------------|---------|
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| <u>Current 12 months ended</u> | | | | | | | | |
| <u>31 March 2023</u> | | | | | | | | |
| As at 1 April 2022 | 213,541 | - | 93,238 | 7,861 | (1,471) | 35,928 | 494,031 | 843,128 |
| Effects of adopting MFRS 123 Restated | - | - | - | - | - | - | - | - |
| | 213,541 | - | 93,238 | 7,861 | (1,471) | 35,928 | 494,031 | 843,128 |
| Movement during the period: | | | | | | | | |
| - Transfer of revaluation reserve | | | - | | | | - | - |
| - Total comprehensive income for the the period | - | - | - | - | (4,828) | 13,240 | 6,114 | 14,526 |
| - Dividend paid | - | - | - | - | - | - | - | - |
| As at 31 March 2023 | 213,541 | - | 93,238 | 7,861 | (6,299) | 49,168 | 500,145 | 857,654 |
| <u>Preceding 12 months ended</u> | | | | | | | | |
| <u>31 March 2022</u> | | | | | | | | |
| As at 1 April 2021 | 213,541 | - | 101,454 | 7,861 | 781 | 34,414 | 487,726 | 845,777 |
| Effects of adopting MFRS 123 | - | - | - | - | - | (130) | (8,669) | (8,799) |
| Effects of adopting MFRS 15 | - | - | - | - | - | - | - | - |
| | 213,541 | - | 101,454 | 7,861 | 781 | 34,284 | 479,057 | 836,978 |
| Movement during the period: | | | | | | | | |
| - Transfer of revaluation reserve | - | - | (8,219) | - | - | - | 8,219 | - |
| - Total comprehensive income for the the period | - | - | - | - | (2,252) | 1,644 | 6,758 | 6,150 |
| - Dividend paid | - | - | - | - | - | - | - | - |
| As at 31 March 2022 | 213,541 | - | 93,235 | 7,861 | (1,471) | 35,928 | 494,034 | 843,128 |

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31st March 2022

SELANGOR DREDGING BERHAD

Reg No. 196201000105 (4624-U)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**for the 12 months ended 31 March 2023**

(The figures have not been audited)

| | Current 12 months ended 31.03.2023 RM'000 | Corresponding 12 months ended 31.03.2022 RM'000 |
|--|---|---|
| CASHFLOW FROM OPERATING ACTIVITIES | | |
| Profit before taxation | 12,613 | 12,125 |
| Adjustment for : | | |
| Non-cash items | 14,071 | (35,745) |
| Non-operating items (which are investing / financing) | 15,858 | (9,019) |
| Operating profit before working capital changes | <u>42,542</u> | <u>(32,639)</u> |
| Changes in working capital | | |
| Receipts from customer | (65,458) | 117,757 |
| Payments to supplier, contractors and employee | (10,251) | (35,609) |
| Interest paid | (15,585) | (11,886) |
| Tax paid | (3,830) | (3,801) |
| Net cashflows from operating activities | <u>(52,583)</u> | <u>33,823</u> |
| CASHFLOW FROM INVESTING ACTIVITIES | | |
| Equity investments | 3,964 | 20,245 |
| Other investments | (5,885) | (8,725) |
| Investment in jointly controlled entities | - | - |
| Purchase/Disposal of property, plant and equipment | (2,898) | (11,632) |
| Proceeds from disposal of property, plant and equipment / AHFS | 0 | 41,034 |
| Net cashflows from investing activities | <u>(4,819)</u> | <u>40,922</u> |
| CASHFLOW FROM FINANCING ACTIVITIES | | |
| Net repayments of lease liabilities | (1,189) | (1,194) |
| Dividend paid to Shareholder of Company | - | - |
| Withdrawal of fixed deposit pledged | - | - |
| Drawdown of bank borrowings | 66,441 | 23,763 |
| Repayment of bank borrowings | (36,362) | (35,022) |
| Repayment/(Advances) of JV company | 645 | 16,410 |
| Repayment/(Advances) of associates | 0 | (765) |
| Net cashflows from financing activities | <u>29,536</u> | <u>3,193</u> |
| NET CHANGE IN CASH & CASH EQUIVALENTS | (27,867) | 77,937 |
| CASH & CASH EQUIVALENTS AT BEGINNING OF THE PERIOD | 109,334 | 31,406 |
| EFFECT OF EXCHANGE RATE CHANGES | 1,519 | (10) |
| CASH & CASH EQUIVALENTS AT END OF THE PERIOD | <u>82,986</u> | <u>109,333</u> |
| Represented by: | | |
| Cash and Cash Equivalents | 84,979 | 111,326 |
| less: | | |
| Amount pledged as security for bank facilities | (390) | (390) |
| Deposit with licenced banks with maturity more than 3 months | (1,603) | (1,603) |
| | <u>82,986</u> | <u>109,333</u> |

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31st March 2022

SELANGOR DREDGING BERHAD
 Registration No. 196201000105 (4624-U)
 QUARTERLY REPORT ON CONSOLIDATED RESULTS
 FOR THE 4TH FINANCIAL QUARTER ENDED 31 MARCH 2023

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 should be read in conjunction with the Group’s audited consolidated financial statements for the financial year ended 31 March 2022.

A2. Changes in accounting policies

The same accounting policies and method of computation are followed in the interim financial statements as compared with the most recent annual financial statements for the year ended 31 March 2022 except the Group is in the process of assessing the impact of implementing for the adoption of the following amendments to MFRSs.

| | | Effective for annual periods beginning on or after |
|---------------------------|--|--|
| MFRS 1, MFRS 9 & MFRS 141 | : Annual Improvements to MFRS Standards 2018 – 2020 | 1 January 2022 |
| Amendments to MFRS 3 | : Reference to the Conceptual Framework | 1 January 2022 |
| Amendments to MFRS 116 | : Property, Plant and Equipment – Proceeds before Intended Use | 1 January 2022 |
| Amendments to MFRS 137 | : Onerous Contracts—Cost of Fulfilling a Contract | 1 January 2022 |

The Group have not been early adopting the following standards, amendments and interpretations that have been issued by the MASB:

| | | Effective for annual periods beginning on or after |
|------------------------|--|--|
| MFRS 17 | : Insurance Contracts | 1 January 2023 |
| Amendments to MFRS 17 | : Initial Application of MFRS 17 and MFRS 9 - Comparative Information | 1 January 2023 |
| Amendments to MFRS 101 | : Disclosure of Accounting Policies | 1 January 2023 |
| Amendments to MFRS 108 | : Definition of Accounting Estimates | 1 January 2023 |
| Amendments to MFRS 112 | : Deferred Tax related to Assets and Liabilities arising from a Single Transaction | 1 January 2023 |

| | | |
|----------------------------------|--|----------------|
| Amendments to MFRS 16 | : Lease Liability in a Sale and Leaseback | 1 January 2024 |
| Amendments to MFRS 101 | : Non-current Liabilities with Covenants | 1 January 2024 |
| Amendments to MFRS 101 | : Classification of Liabilities as Current or Non-current | 1 January 2024 |
| Amendments to MFRS 10 & MFRS 128 | : Sales or Contribution of Assets between an investor and its Associate or Joint Venture | Deferred |

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 Cash flows

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

A6. Change in Estimate

There were no materials 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 2023.

A8. Dividend Paid

No dividend was paid during the current financial quarter and period-to-date ended 31 March 2023.

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 |
|---|------------------------|---------------------|-------------------------|---------------------------------|-----------------------|------------------------|----------------|
| RM'000 | | | | | | | |
| REVENUE | | | | | | | |
| External Sales | 131 | 16,948 | 118,957 | 1,041 | - | 1,174 | 138,251 |
| Inter-segment Sales | 26 | - | - | 262 | - | (26) | 262 |
| Total revenue | <u>157</u> | <u>16,948</u> | <u>118,957</u> | <u>1,303</u> | <u>-</u> | <u>1,148</u> | <u>138,513</u> |
| RESULTS | | | | | | | |
| Segment results | 37 | (1,830) | 64,289 | (613) | 5,497 | (29,687) | 37,693 |
| Unallocated corporate (expenses)/income | | | | | | | <u>(1,695)</u> |
| Operating profit | | | | | | | <u>35,998</u> |
| Finance cost, net | | | | | | | (15,858) |
| Share of net profit/(loss) of associated companies | | | (24,589) | | 17,062 | | (7,527) |
| Income taxes | | | | | | | <u>(6,499)</u> |
| Profit for the period | | | | | | | <u>6,114</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 and properties, lands and buildings were revalued by Raine & Horne International Zaki + Partners Sdn. Bhd. and Rahim & Co International Sdn Bhd (Penang branch) firms of registered independent professional valuer as at 31 March 2023 on an open market basis for existing use.

The resulting net surplus of RM2.71 million of investment properties 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 2023 up to the date of this announcement that has not been reflected in the financial statements as at 31 March 2023.

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 2023, the Group recorded higher turnover but lower net profit of RM138.51 million and RM6.11 million respectively compared to the corresponding 12 months last financial year. The increase in revenue was mainly due to launching of new projects 19Trees located in Melawati and Jia located at Bukit Serdang, Selangor and will contribute to the Group's Malaysia project for next 2 to 3 years. The lower net profit is mainly due to reversal of deferred tax asset in relation of impaired property development costs.

Our associate company, Fortress Minerals Limited has contributed RM17.06 million to the Group.

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

For the quarter ended 31 March 2023, the Group registered pretax profit of RM6.16 million compared to pretax profit of RM3.78 million recorded in the preceding quarter ended 31 December 2022. The higher profit was mainly due to the recognition of revaluation surplus of RM2.71 million on the Group's investment properties.

B3. Prospects for the Current Financial Year

The outlook for the coming financial year for the property sector is expected to remain challenging in view of the adverse market condition from the uncertainty in global economic condition as a result of high inflation rate, labour shortage and geopolitical unrest resulted from Russia-Ukraine war. The Group has taken rigorous measurement in cost and pricing of our product to remain competitive in the market. Prudent measurements and control will be in place to moderate the impact from the downturn.

On 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 RM624.55 million of unbilled sales in hand which is derived mainly from 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 31.03.2023 RM'000 | Financial year 31.03.2023 RM'000 |
|--|---|--|
| - current taxation | 1,407 | 3,581 |
| - deferred taxation | (161) | 2,866 |
| - (over) / under provision in prior years; | | |
| - taxation | 76 | 52 |
| - deferred | - | - |
| | <u>1,322</u> | <u>6,499</u> |

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 and reversal of Deferred Tax Asset.

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 2023 are as follows:

| <i>Long Term Bank Borrowing</i> | RM'000 |
|--|----------------|
| <i>Secured:</i> | |
| Revolving Credit | 41,867 |
| Term Loan | 116,234 |
| Repayments due within the next 12 months | (34,112) |
| Sub-Total | <u>123,989</u> |
| <i>Unsecured:</i> | |
| Revolving Credit | - |
| Term Loan | - |
| Repayments due within the next 12 months | - |
| Sub-Total | <u>-</u> |
| <i>Short Term Bank Borrowing</i> | |
| <i>Secured:</i> | |
| Revolving Credit | 217,823 |
| Term Loan | - |
| Current portion of long term borrowing | 34,112 |
| Sub-Total | <u>251,935</u> |
| <i>Unsecured:</i> | |
| Revolving Credit | 70,000 |
| Term Loan | - |
| Current portion of long term borrowing | - |
| Sub-Total | <u>70,000</u> |
| Total | <u>445,924</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 | 1,455 | 4,833 |

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 2.5 sen per share amounting to RM10,653,192 in respect of the financial year ended 31 March 2023 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:

| | Individual Quarter | | Cumulative Quarter | |
|---|----------------------------------|--------------------------------------|------------------------------------|--|
| | Current quarter ended 31.03.2023 | Comparative quarter ended 31.03.2022 | Current 12 months ended 31.03.2023 | Corresponding 12 months ended 31.03.2022 |
| (i) Net (loss) / profit for the period (RM'000) | 4,836 | (3,064) | 6,114 | 6,758 |
| (ii) Weighted average number of ordinary shares in issue ('000) | 426,128 | 426,128 | 426,128 | 426,128 |
| Basic earnings per share (sen) | 1.13 | (0.72) | 1.43 | 1.59 |

The company does not have any dilutive potential ordinary shares outstanding as at 31 March 2023. Accordingly, no diluted earnings per share is presented

B11. Profit for the Year

| | Individual Quarter | | Cumulative Quarter | |
|--|--|--|--|--|
| | Current quarter ended 31.03.2023 RM'000 | Comparative quarter ended 31.03.2022 RM'000 | Current 12 months ended 31.03.2023 RM'000 | Corresponding 12 months ended 31.03.2022 RM'000 |
| Profit for the period is arrived at after crediting: | | | | |
| Interest Income | 237 | 171 | 640 | 372 |
| Other Income | 13,641 | 13,457 | 34,611 | 39,519 |
| Foreign Exchange Gain | - | - | - | - |
| Gain on disposal of quoted investment | - | - | - | - |
| and after charging: | | | | |
| Interest expense | 4,916 | 3,051 | 15,858 | 12,196 |
| Depreciation | 1,738 | 963 | 6,534 | 4,505 |
| Provision for/write off of receivables | - | - | - | - |
| Provision for/write off of inventories | - | - | - | - |
| Foreign Exchange Loss | - | - | - | - |