

SELANGOR DREDGING BERHAD

Reg No. 196201000105 (4624-U)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2023

	As at 30.06.2023	(Audited) As at 31.03.2023
ASSETS	RM'000	RM'000
Non-current assets		
Property, plant and equipment	264,180	264,841
Intangible asset	574	562
Investment properties	70,053	70,053
Inventories	191,118	190,797
Investment in jointly controlled entities	175,231	166,119
Investment in associates	151,125	145,695
Amount Owing by Jointly Control Companies	-	-
Amount Owing by Associate Companies	3,528	3,528
Deferred tax assets	2,723	2,723
	<u>858,532</u>	<u>844,318</u>
Current assets		
Inventories - completed unit	116,919	116,922
Inventories - property development costs	180,932	192,370
Trade and other receivable	169,695	141,021
Tax recoverable	7,896	7,581
Cash and Cash Equivalents	61,641	84,979
	<u>537,083</u>	<u>542,873</u>
TOTAL ASSETS	<u>1,395,615</u>	<u>1,387,191</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share Capital	213,541	213,541
Reserves	658,319	647,255
	<u>871,860</u>	<u>860,796</u>
Non-controlling interest	-	-
Total equity	<u>871,860</u>	<u>860,796</u>
Non-current liabilities		
Bank Borrowings	112,966	105,548
Lease liabilities	7,210	6,473
Deferred taxation	9,887	9,887
	<u>130,063</u>	<u>121,908</u>
Current liabilities		
Trade and other payables	66,509	63,130
Lease liabilities	-	981
Bank Borrowings	327,183	340,376
Taxation	-	-
	<u>393,692</u>	<u>404,487</u>
Total liabilities	<u>523,755</u>	<u>526,395</u>
TOTAL EQUITY AND LIABILITIES	<u>1,395,615</u>	<u>1,387,191</u>
Net assets per ordinary share attributable to owners of the Company (sen)	204.60	202.00

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31st March 2023

SELANGOR DREDGING BERHAD

Reg No. 196201000105 (4624-U)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED INCOME STATEMENT**for the 1st quarter ended 30 June 2023**

(The figures have not been audited)

	Current quarter ended 30.06.2023	Comparative quarter ended 30.06.2022	Current 3 months ended 30.06.2023	Corresponding 3 months ended 30.06.2022
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Revenue	46,780	9,340	46,780	9,340
Operating expenses	(45,657)	(14,642)	(45,657)	(14,642)
Other operating income	8,186	1,596	8,186	1,596
Profit from operations	9,309	(3,706)	9,309	(3,706)
Depreciation	(1,718)	(1,534)	(1,718)	(1,534)
Finance costs	(5,380)	(3,163)	(5,380)	(3,163)
Share of associate/jointly controlled entities results	<u>5,566</u>	<u>4,785</u>	<u>5,566</u>	<u>4,785</u>
Profit before taxation	7,777	(3,618)	7,777	(3,618)
Taxation	<u>(740)</u>	<u>(489)</u>	<u>(740)</u>	<u>(489)</u>
Profit for the period	<u>7,037</u>	<u>(4,107)</u>	<u>7,037</u>	<u>(4,107)</u>
Attributable to:				
Owners of the Company	7,037	(4,107)	7,037	(4,107)
Non-controlling interest	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Profit for the period	<u>7,037</u>	<u>(4,107)</u>	<u>7,037</u>	<u>(4,107)</u>
Earning per share - basic (sen)	1.65	(0.96)	1.65	(0.96)
- diluted (sen)	-	-	-	-

The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report for the year ended 31st March 2023

SELANGOR DREDGING BERHAD

Reg No. 196201000105 (4624-U)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**for the 1st quarter ended 30 June 2023**

(The figures have not been audited)

	Current quarter ended 30.06.2023	Comparative quarter ended 30.06.2022	Current 3 months ended 30.06.2023	Corresponding 3 months ended 30.06.2022
	RM'000	RM'000	RM'000	RM'000
Profit for the period	7,037	(4,107)	7,037	(4,107)
Fair value changes in available-for-sale financial asset	-	-	-	-
Foreign currency translation differences for foreign operations	6,592	1,644	6,592	1,644
Share of other comprehensive gain/(loss) of a associate	(2,565)	(2,252)	(2,565)	(2,252)
Fair Value changes in PPE	-	-	-	-
Other comprehensive income	<u>4,027</u>	<u>(608)</u>	<u>4,027</u>	<u>(608)</u>
Total comprehensive income	<u>11,064</u>	<u>(4,715)</u>	<u>11,064</u>	<u>(4,715)</u>
Attributable to:				
Owners of the Company	11,064	(4,715)	11,064	(4,715)
Non-controlling interest	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive income	<u>11,064</u>	<u>(4,715)</u>	<u>11,064</u>	<u>(4,715)</u>

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31st March 2023

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

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the 3 months ended 30 June 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 3 months ended</u>								
<u>30 June 2023</u>								
As at 1 April 2023	213,541	-	93,238	7,861	(3,296)	49,170	500,282	860,796
Effects of adopting MFRS 123 Restated	-	-	-	-	-	-	-	-
	<u>213,541</u>	<u>-</u>	<u>93,238</u>	<u>7,861</u>	<u>(3,296)</u>	<u>49,170</u>	<u>500,282</u>	<u>860,796</u>
Movement during the period:								
- Transfer of revaluation reserve			-				-	-
- Total comprehensive income for the the period	-	-	-	-	(2,565)	6,592	7,037	11,064
- Dividend paid	-	-	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,565)</u>	<u>6,592</u>	<u>7,037</u>	<u>11,064</u>
As at 30 June 2023	<u>213,541</u>	<u>-</u>	<u>93,238</u>	<u>7,861</u>	<u>(5,861)</u>	<u>55,762</u>	<u>507,319</u>	<u>871,860</u>
<u>Preceding 3 months ended</u>								
<u>30 June 2022</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	-	-	-	-	-	-	-	-
Effects of adopting MFRS 15	-	-	-	-	-	-	-	-
	<u>213,541</u>	<u>-</u>	<u>93,238</u>	<u>7,861</u>	<u>(1,471)</u>	<u>35,928</u>	<u>494,031</u>	<u>843,128</u>
Movement during the period:								
- Transfer of revaluation reserve	-	-	-	-	-	-	-	-
- Total comprehensive income for the the period	-	-	-	-	(3,051)	4,093	(4,107)	(3,065)
- Dividend paid	-	-	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,051)</u>	<u>4,093</u>	<u>(4,107)</u>	<u>(3,065)</u>
As at 30 June 2022	<u>213,541</u>	<u>-</u>	<u>93,238</u>	<u>7,861</u>	<u>(4,522)</u>	<u>40,021</u>	<u>489,924</u>	<u>840,063</u>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31st March 2023

SELANGOR DREDGING BERHAD

Reg No. 196201000105 (4624-U)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

for the 3 months ended 30 June 2023

(The figures have not been audited)

	Current 3 months ended 30.06.2023 RM'000	Corresponding 3 months ended 30.06.2022 RM'000
CASHFLOW FROM OPERATING ACTIVITIES		
Profit before taxation	7,778	(3,618)
Adjustment for :		
Non-cash items	(3,846)	(3,249)
Non-operating items (which are investing / financing)	5,380	3,163
Operating profit before working capital changes	9,311	(3,704)
Changes in working capital		
Receipts from customer	(13,755)	(1,291)
Payments to supplier, contractors and employee	(112)	(13,665)
Interest paid	(5,317)	(3,092)
Tax paid	(1,055)	(752)
Net cashflows from operating activities	(10,928)	(22,506)
CASHFLOW FROM INVESTING ACTIVITIES		
Equity investments	0	-
Other investments	(321)	(776)
Investment in jointly controlled entities	-	-
Purchase/Disposal of property, plant and equipment	(803)	(1,463)
Proceeds from disposal of property, plant and equipment / AHFS	0	-
Net cashflows from investing activities	(1,124)	(2,238)
CASHFLOW FROM FINANCING ACTIVITIES		
Net repayments of lease liabilities	(307)	(293)
Dividend paid to Shareholder of Company	-	-
Withdrawal of fixed deposit pledged	-	-
Drawdown of bank borrowings	12,382	-
Repayment of bank borrowings	(18,325)	(1,372)
Repayment/(Advances) of JV company	(23)	(2)
Repayment/(Advances) of associates	0	-
Net cashflows from financing activities	(6,274)	(1,667)
NET CHANGE IN CASH & CASH EQUIVALENTS	(18,326)	(26,411)
CASH & CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	82,986	109,334
EFFECT OF EXCHANGE RATE CHANGES	(5,011)	470
CASH & CASH EQUIVALENTS AT END OF THE PERIOD	59,649	83,392
Represented by:		
Cash and Cash Equivalents	61,641	85,384
less:		
Amount pledged as security for bank facilities	(390)	(390)
Deposit with licenced banks with maturity more than 3 months	(1,603)	(1,603)
	59,649	83,392

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31st March 2023

SELANGOR DREDGING BERHAD
 Registration No. 196201000105 (4624-U)
 QUARTERLY REPORT ON CONSOLIDATED RESULTS
 FOR THE 1ST FINANCIAL QUARTER ENDED 30 JUNE 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 2023.

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

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
Amendments to MFRS 16	: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 107 and MFRS 7	: Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 101	: 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 112	: International Tax Reform - Pillar Two Model Rules	Refer paragraph 98M of MFRS 112
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 30 June 2023.

A8. Dividend Paid

No dividend was paid during the current financial quarter and period-to-date ended 30 June 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	34	4,100	42,249	271	-	32	46,686
Inter-segment Sales	8	-	-	95	-	(8)	95
Total revenue	42	4,100	42,249	366	-	24	46,781
RESULTS							
Segment results	16	(749)	10,340	(105)	1,961	(3,423)	8,040
Unallocated corporate (expenses)/income							(449)
Operating profit							7,591
Finance cost, net							(5,380)
Share of net profit/(loss) of associated companies			3,330	-	2,236		5,566
Income taxes							(740)
Profit for the period							7,037

(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

The valuations of property, plant and equipment have been brought forward without amendments from the most recent annual financial statements for the year ended 31 March 2023.

A11. Material Events Subsequent to the End of the Period

There are no material events subsequent to 30 June 2023 up to the date of this announcement that has not been reflected in the financial statements as at 30 June 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 3 months ended 30 June 2023, the Group recorded higher turnover and net profit of RM46.78 million and RM7.04 million respectively compared to the corresponding 3 months last financial year. The increase in revenue was mainly due to launching of 19Trees located in Melawati and Jia located at Bukit Serdang, Selangor during second half of year 2022. The higher net profit is mainly due to dilution gain of RM5.76 million arose from private placement of Fortress Minerals Limited, our associate company and better sales achieved in both Malaysia and Singapore projects.

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

For the quarter ended 30 June 2023, the Group registered pretax profit of RM7.78 million compared to pretax profit of RM6.16 million recorded in the preceding quarter ended 31 March 2023. The higher profit was mainly due to dilution gain of RM5.76 million arising from private placement of Fortress Minerals Limited and better sales achieved in both Malaysia and Singapore projects.

B3. Prospects for the Current Financial Year

The outlook for the remaining financial year for the property sector is expected to remain challenging in view of the uncertainty in global economic condition as a result of high inflation rate, labour shortage, high interest rate 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 RM629.66 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 30.06.2023 RM'000	Financial year 30.06.2023 RM'000
- current taxation	740	740
- deferred taxation	-	-
- (over) / under provision in prior years;		
- taxation	-	-
- deferred	-	-
	<hr/>	<hr/>
	740	740

The Group's taxation is lower compared to the statutory rate mainly due to dilution gain arising from private placement of our associate company.

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 30 June 2023 are as follows:

<i>Long Term Bank Borrowing</i>	RM'000
<i>Secured:</i>	
Revolving Credit	33,750
Term Loan	104,161
Repayments due within the next 12 months	<u>(24,944)</u>
Sub-Total	<u>112,967</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	232,239
Term Loan	-
Current portion of long term borrowing	<u>24,944</u>
Sub-Total	<u>257,183</u>
<i>Unsecured:</i>	
Revolving Credit	70,000
Term Loan	-
Current portion of long term borrowing	<u>-</u>
Sub-Total	<u>70,000</u>
Total	<u>440,150</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	1,440	4,950

B8. Material Litigation

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

B9. Dividend

No dividend has been recommended in respect of the current financial period.

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 30.06.2023	Comparative quarter ended 30.06.2022	Current 3 months ended 30.06.2023	Corresponding 3 months ended 30.06.2022
(i) Net (loss) / profit for the period (RM'000)	7,037	(4,107)	7,037	(4,107)
(ii) Weighted average number of ordinary shares in issue ('000)	426,128	426,128	426,128	426,128
Basic earnings per share (sen)	1.65	(0.96)	1.65	(0.96)

The company does not have any dilutive potential ordinary shares outstanding as at 30 June 2023. Accordingly, no diluted earnings per share is presented.

B11. Profit for the Year

	Individual Quarter		Cumulative Quarter	
	Current quarter ended 30.06.2023	Comparative quarter ended 30.06.2022	Current 3 months ended 30.06.2023	Corresponding 3 months ended 30.06.2022
	RM'000	RM'000	RM'000	RM'000
Profit for the period is arrived at after crediting:				
Interest Income	251	57	251	57
Other Income	7,935	1,539	7,935	1,539
Foreign Exchange Gain	0	-	0	-
Gain on disposal of quoted investment	0	-	0	-
and after charging:				
Interest expense	5,380	3,163	5,380	3,163
Depreciation	1,718	1,534	1,718	1,534
Provision for/write off of receivables	0	-	0	-
Provision for/write off of inventories	0	-	0	-
Foreign Exchange Loss	0	-	0	-