See Hup Consolidated Berhad

(Registration No. 199601018726 (391077-V))

WE REDEFINE
LOGISTICS

ANNUAL REPORT
2023

CONTENTS

CORPORATE INFORMATION

BOARD OF DIRECTORS

Lee Chor Min
Group Managing Director

Lee Hean Huat
Executive Director

Ng Shiek Nee
Non-Independent Non-Executive Director

Lee Phay Chian
Independent Non-Executive Director

Soon Gim Wooi
Independent Non-Executive Director

AUDIT COMMITTEE

Ng Shiek Nee (Chairman)
Lee Phay Chian
Soon Gim Wooi

NOMINATING COMMITTEE

Lee Phay Chian (Chairman)
Ng Shiek Nee
Soon Gim Wooi

REMUNERATION COMMITTEE

Lee Phay Chian (Chairman)
Ng Shiek Nee
Soon Gim Wooi

JOINT COMPANY SECRETARIES

Tai Yit Chan
(MAICSA 7009143) (SSM PC No. 202008001023)
Ong Tze-En
(MAICSA 7026537) (SSM PC No. 202008003397)
Lau Yoke Leng
(MAICSA 7034778) (SSM PC No. 202008003368)

AUDITORS

UHY
Chartered Accountants
Suite 11.05, Level 11
The Gardens South Tower
Mid Valley City, Lingkaran Syed Putra
59200 Kuala Lumpur

REGISTERED OFFICE

170-09-01, Livingston Tower
Jalan Argyll
10050 Georgetown, Penang
Tel : 04-229 4390
Fax : 04-226 5860
Email : boardroom-kl@boardroomlimited.com

PRINCIPAL PLACE OF BUSINESS

No. 1062, Mukim 6, Jalan Perusahaan,
Kawasan Perusahaan Perai,
13600 Perai, Penang, Malaysia

Tel : 04-688 2688
Fax : 04-688 6249
Website : www.seehup.com.my

REGISTRARS

Plantation Agencies Sdn Berhad
3rd Floor, 2, Lebuh Pantai
10300 George Town, Penang
Tel : 04-262 5333
Fax : 04-262 2018
Email : sharereg@plantationagencies.com.my

PRINCIPAL BANKERS

AmBank (M) Berhad
CIMB Bank Berhad
Hong Leong Bank Berhad

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad
Stock Code: 7053

CORPORATE STRUCTURE

See Hup Consolidated Berhad
(Registration No. 199601018726 (391077-V))

Transportation & Logistics Services Division

100%
See Hup Transport Company Sdn Berhad
(195901000322/3666-U)

100%
See Hup Transport (KL) Sdn Bhd
(199101019871/230182-A)

100%
Butterworth Transport Company Sendirian Berhad
(196901000474/8818-U)

70%
Agriplex (M) Sdn Bhd
(200501023517/705649-D)

52.34%
SH Logistics (M) Sdn Bhd
(197201001659/13323-K)

88.7%
Jentanian Transport and Forwarding Sdn Bhd
(198001010683/64468-D)

Machinery Hire, Sub-Contracting Works & Trading Division

100%
See Heng Company Sdn Bhd
(197201001801/13493-H)

54.26%
SH Moment Builder Sdn Bhd
(201401009865/1085944-V)

Freight Forwarding Division

81.25%
SH Worldwide Logistics Sdn Bhd
(199301008684/263421-K)

79.78%
SH Supply Chain Sdn Bhd
(199001010043/201615-K)

90%
SH Global Freight Sdn Bhd
(201001004302/888908-A)

49%
Tanjung Marine Sdn Bhd
(198201000750/80494-P)

49%
Perkapalan Maritime Sdn Bhd
(198201001279/81023-W)

Investment Holding & Other Division

100%
Mahajaya View Sdn Bhd
(200501026367/708501-K)

100%
Limsa Ekuiti Sdn Bhd
(199301008686/263423-V)

51%
Hot Colour Furniture Sdn Bhd
(199601020645/392997-X)

47.71%
Kimsar Sdn Bhd
(196801000688/8285-V)

Warehousing & Haulage Division

39.52%
Maruzen SH Logistics Sdn Bhd
(201501036609/1161930-M)

89.55%
See Hup Pioneer Logistics Sdn Bhd
(200001028191/530798-U)

70%
SH Haulage Sdn Bhd
(200101014560/550317-T)

PROFILE OF DIRECTORS

Lee Chor Min

Group Managing Director
Executive Director

Male, aged 48, Malaysian. He was appointed to the Board on 2 April 2004 and subsequently as Group Managing Director on 30 May 2008. He holds a Bachelor of Business (International Trade) degree from University of Monash and a Masters degree in Applied Finance from University of Melbourne in Australia.

He began his career in the banking industry prior to joining See Hup Group. He has been actively involved in strategic business planning for various divisions of the Group. He has also played a vital role in promoting cross-border logistics between Thailand, Malaysia, and Singapore. Furthermore, he was instrumental in launching the Group's Air and Sea Freight divisions, which have contributed positively to the growth of the Group.

Lee Hean Huat

Executive Director

Male, aged 75, Malaysian. He has been with the Group since 1971 after completing his secondary school education. He was appointed to the Board on 18 November 1997.

With his vast experience in the logistics industry, he actively contributes to the strategic business planning of various divisions of the Group, particularly the construction and equipment hiring divisions.

Lee Phay Chian

Independent Non-Executive Director

Male, aged 56, Malaysian. He was appointed to the Board on 18 March 2013. He is a Fellow of the Association of Chartered Certified Accountants (ACCA) United Kingdom and a member of the Malaysian Institute of Accountants. He has over 20 years of working experience in company secretarial, business advisory and tax consultant field. He is currently the Managing Director of LWK Management Sdn. Bhd. and LWK Tax Services Sdn. Bhd.

He is the Chairman of the Audit Committee, Nomination Committee and Remuneration Committee.

Ng Shiek Nee

Non-Independent Non-Executive Director

Female, aged 56, Malaysian. She was appointed to the Board on 16 May 2001. She is a Fellow of the Association of Chartered Certified Accountants (ACCA). She began her career with Ernst & Young in Melaka before moving to the commercial sector. Over the years, she has held various senior management positions across various industries.

She is a member of the Audit Committee, Nominating Committee and Remuneration Committee.

Soon Gim Wooi

Independent Non-Executive Director

Male, aged 56, Malaysian. He was appointed to the Board on 5 December 2022.

Mr. Soon Gim Wooi is a Chartered Accountant registered with the Malaysian Institute of Accountants, having qualified under the Association of Chartered Certified Accountants (ACCA), United Kingdom in 1997. He is currently a fellow of ACCA. He has more than 25 years of extensive experience in audit as well as tax and management consulting.

Mr. Soon started his career in KPMG PLT (then KPMG) from 1994 until his departure in 2000 to set up GW Soon & Partners and GW Soon & Ken Consultancy Services Sdn. Bhd. in June 2000 upon receipt of approved company auditor license from the Ministry of Finance Malaysia in May 2000. His firms provide full range of audit and tax related services in Penang and Kedah.

Mr. Soon also actively volunteered his time for community services with particular focus on education and social welfare. He is a director in Chung Ling High School and SJK (C) Chung Hwa 1 while his firm provides pro-bono audit service to Eden Handicap Service Centre Berhad, Butterworth Nine Emperor Gods Temple (Butterworth Tow Boo Kong Temple) and Seberang Perai Hemodialysis Centre, all located in Penang.

He is a member of the Audit Committee, Remuneration Committee and Nominating Committee.

NB:

i) Family relationships with any director and/or major shareholder

Director	**Relationship**
Lee Hean Huat	Uncle of Lee Chor Min.

Major shareholders	**Relationship**
Dato' Lee Hean Guan Datin Chan Kooi Cheng	Parents of Lee Chor Min.
Lee Hean Huat Lee Hean Beng Lee Hean Teik Lee Hean Seng	Uncles of Lee Chor Min.

ii) Conflict of Interest
None of the Directors have any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.

iii) Non-Conviction of Offences
Other than traffic offences (if any), none of the Directors have been convicted of any offences within the past 5 years. There were no public sanction or penalty imposed by the relevant regulatory bodies on the Directors of the Company during the financial year.

iv) Attendance at Board Meeting
Details of the Directors' attendance at Board Meetings are detailed in the Corporate Governance Overview Statement.

v) Other directorship of public and listed companies
None of the Directors hold any directorship in other public or listed companies except:-

Director	**Other Directorships**
Soon Gim Wooi	Tong Herr Resources Berhad Leader Steel Holdings Berhad

vi) Directors' shareholdings
Details of the Directors' shareholdings in the Company and its Subsidiaries are provided in the Analysis of Shareholdings section of this Annual Report.

PROFILE OF KEY SENIOR MANAGEMENT

Lee Hean Seng
Aged 54 | Male | Malaysian

Academic/Professional Qualification
Diploma in London Chamber of Commerce and Industry

Working Experience
He joined the Group in 1996 and with his in-depth of experience in the logistics industry, he is responsible for the Group's overall transportation operations.

Directorship in public companies or the Company
Nil

Family Relationship with Director or Major shareholder of the Company:
Uncle of Lee Chor Min, the Group Managing Director
Brother of Lee Hean Huat, Director and major shareholder of the Company
Brother of Major Shareholders, Dato' Lee Hean Guan, Lee Hean Beng and Lee Hean Teik

Conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries
Nil

Convictions for Offences (Other than traffic) within the past 5 years/Public Sanctions or penalty
Nil

Ivan Lee Yee Huei
Aged 43 | Male | Malaysian

Academic/Professional Qualification
Monash University Foundation Year

Working Experience
He started his career with the Group in 2003. Currently he heads the Group's Haulage Division.

Directorship in public companies or the Company
Nil

Family Relationship with Director or Major shareholder of the Company:
Cousin of Mr Lee Chor Min, the Group Managing Director
Nephew of Lee Hean Huat, Director and major shareholder of the Company
Son of Lee Hean Beng, a major shareholder of the Company.

Conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries
Nil

Convictions for Offences (Other than traffic) within the past 5 years/Public Sanctions or penalty
Nil

Lim Weng Nam
Aged 53 | Male | Malaysian

Academic/Professional Qualification
Bachelor of Science (Mathematics)
Universiti Teknologi Malaysia 1994

Working Experience
He began his career as a Business Executive in 1994 at Malayan Sugar Manufacturing Co Bhd before assuming the role of Warehouse Superintendent at Flextronics Technology Penang in 2000. In 2001, he joined K Line Air Service Sdn Bhd as Logistics Manager.

Before joining the Group in 2007 as Project Development Manager, he served as Branch Manager at SMT Speedmark Forwarders Sdn Bhd Penang.

Given his vast expertise in logistics and supply chain management, he is tasked with developing and implementing effective strategies for the Group's project cargo and warehousing operations.

Directorship in public companies or the Company
Nil

Family Relationship with Director or Major shareholder of the Company
N/A

Conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries
Nil

Convictions for Offences (Other than traffic) within the past 5 years/ Public Sanctions or penalty
Nil

Peter Lai Yew Chong

Aged 51 | Male | Malaysian

Academic/Professional Qualification
Advanced Diploma in Logistics Management from the Chartered Institute of Transport, United Kingdom (The Advanced Diploma above is declared by the Public Service Department of Malaysia as equivalent to a Bachelor Degree awarded by the Public Institutions of Higher Learning in Malaysia) & a member of the society of Logisticians Malaysia

Working Experience
He has extensive working experience in Total Logistics Transport. He joined Malaysia Airlines System in 1993 as Import & Export Cargo Officer before moving on to FM Global Logistics Sdn Bhd as Sales Manager from 1994 -1997. Subsequently he was promoted to Penang Branch & Country Manager and then as General Manager overseeing its business directions, marketing & corporate accounts.

He joined the Group in 2015 and has since played a key role in driving the growth for both the air freight division and cross-border logistics operations, particularly in Thailand.

Directorship in public companies or the Company
Nil

Family Relationship with Director or Major shareholder of the Company
N/A

Conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries
Nil

Convictions for Offences (Other than traffic) within the past 5 years/Public Sanctions or penalty
Nil

Ivy Tong Wei Wei

Aged 49 | Female | Malaysian

Academic/Professional Qualification
Bachelor of Business Administration, University Putra Malaysia

Working Experience
She began her career in 1998 as a Sales Coordinator at Asia Air Elite Services before taking on the role of Business Development Manager at Transways Logistics Group in 1999.

Since joining the Group in 2011, she has been the Head of the Sea Freight Division and her extensive background in sales and business development has played a key role in the growth of the division.

Directorship in public companies or the Company
Nil

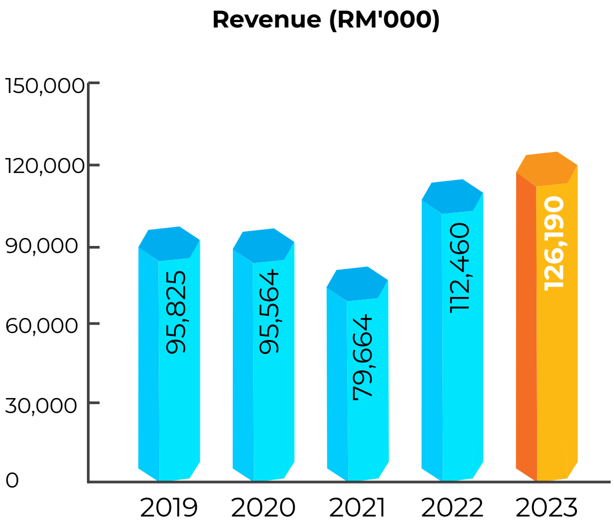
Family Relationship with Director or Major shareholder of the Company:
N/A

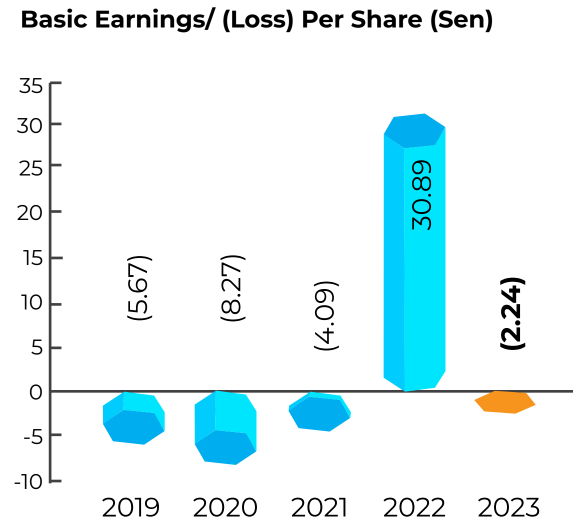
Conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries
Nil

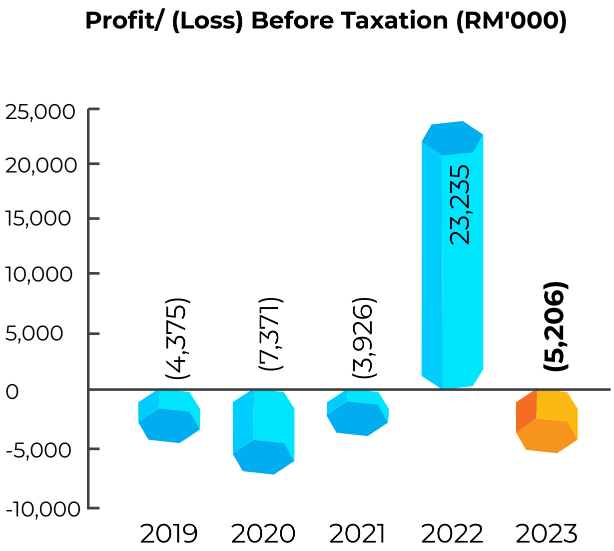
Convictions for Offences (Other than traffic) within the past 5 years/Public Sanctions or penalty
Nil

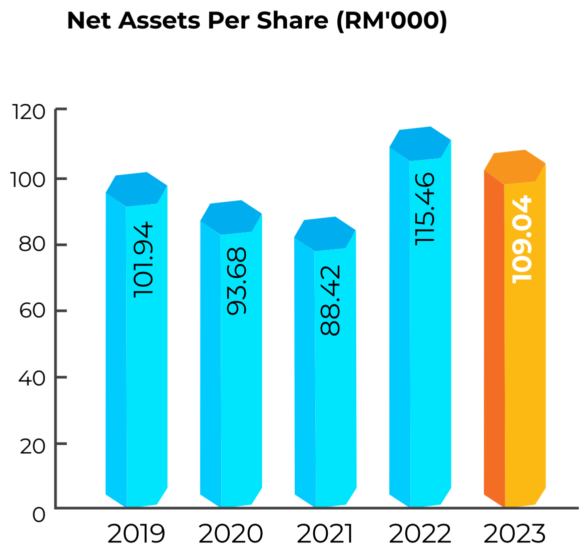
5 YEARS FINANCIAL HIGHLIGHTS

	2019 RM'000	2020 RM'000	2021 RM'000	2022 RM'000	**2023 RM'000**
Revenue	95,825	95,564	79,664	112,460	**126,190**
Profit/ (Loss) Before Taxation	(4,375)	(7,371)	(3,926)	23,235	**(5,206)**
Profit/ (Loss) After Taxation	(4,819)	(7,847)	(4,720)	22,393	**(6,097)**
Profit/ (Loss) Attributable to Owners of the Company	(4,562)	(6,618)	(3,273)	24,725	**(1,782)**
Shareholders' Fund	81,988	75,341	71,110	92,863	**87,695**
Basic Earnings/ (Loss) Per Share (Sen)	(5.67)	(8.27)	(4.09)	30.89	**(2.24)**
Net Assets Per Share Attributable to Ordinary Equity Holders of the Parent (Sen)	101.94	93.68	88.42	115.46	**109.04**









MANAGEMENT DISCUSSIONS AND ANALYSIS

OVERVIEW OF THE GROUP'S BUSINESS

See Hup Consolidated Berhad ("See Hup," "we" or the "Group") was incorporated in Malaysia under the Companies Act, 1965 on 19 June 1996 as a private limited company under the name See Hup Consolidated Sdn Bhd. On 22 July 1996, the Company was converted to a public limited company and assumed its present name. On February 13,1998, the Company achieved a significant milestone by successfully listed on the then Second Board of the Kuala Lumpur Stock Exchange, which later merged with the Main Board to form the Main Market.

Our rich history dates back to 1948 when See Hup Group commenced its operations with the introduction of our first lorry. Initially, our focus centred on facilitating efficient cargo transport within Butterworth town and the Northern Region of Peninsular Malaysia.

However, as time progressed, we embraced growth opportunities and broadened our horizons by venturing into a diverse range of logistics-related businesses. Today, we take great pride in our specialization across the following areas, where we have honed our expertise:

Freight forwarding

- We offer comprehensive air logistic and sea freighting services

Inland transport

- Our services cover all modes of transportation, ensuring complete transportation management.
- Our facilities include cement mixer truck, bulk tanker, container haulage, refrigerated truck, 20ft/ 40ft box trailer, pole trailer, cargo trailer, flat bed semi-trailer and tipper truck.

Warehousing

- We offer warehousing solutions at 2 strategically located facilities, including Thailand-Malaysia Border – Bukit Kayu Hitam (40,000 sq ft), and Central Region Prai Butterworth (approximately 120,000 sq ft).

Trading, Machinery and subcontracting works

- We provide a wide range of vehicles and machineries to support both industrial and commercial needs.
- We are also engaged in the trading of construction materials and general merchandise.
- We are registered with the CIDB and holds a Grade G7 license which permits the undertaking of building construction works, civil engineering construction and supply of various mechanical equipment with indefinite contract value.

With over 70 years of experience in the transportation and logistics industry, the Group has gained extensive expertise and knowledge.

To cater to our customers' needs effectively, we operate various branch offices strategically positioned across peninsular Malaysia, i.e., Bukit Kayu Hitam, Penang, Selangor and Johor Bahru.

The corporate and head office of the Group is located at No. 1062, Mukim 6, Jalan Perusahaan, Kawasan Perusahaan Perai, 13600, Perai, Penang, Malaysia.

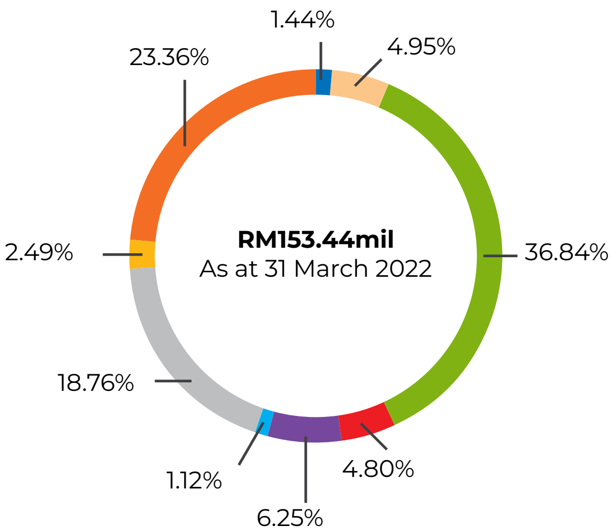
At See Hup, we are committed to providing value-added services and total logistics solutions to our valued customers through personalised and reliable services to help them achieve higher cost efficiency.

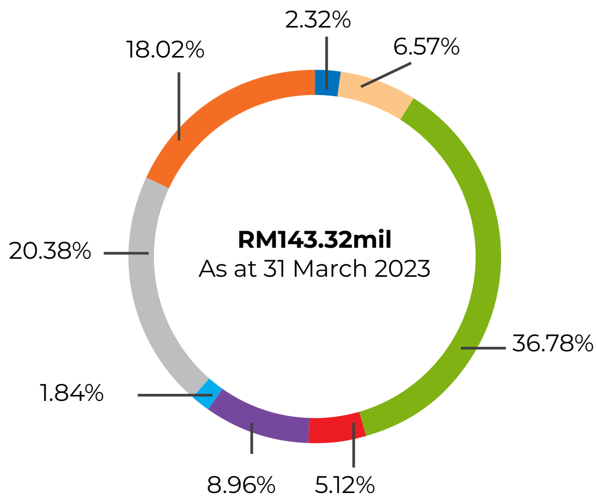
FINANCIAL PERFORMANCE

Our Group's total assets experienced a decrease to RM143.3 million in comparison to RM153.4 million in FY2022, mainly due to lower deposit, cash and bank balances held for the year. On the other hand, our Group's total liabilities have slightly decreased to RM54.7 million in comparison to RM55.9 million in FY2022.

As of the financial year-end, the Group's net cash and cash equivalents amounted to RM19.6 million (2022: 29.9 million) and net equity of RM87.7 million (2022: RM92.8 million), rendering a valuation of RM1.08 per share (2022: RM1.15). The gearing ratio of the Group remained flat at 0.106 times in comparison to 0.024 times in FY2022.

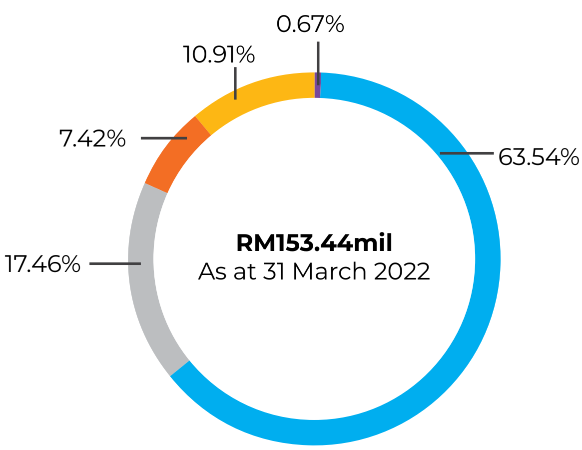
Total Assets

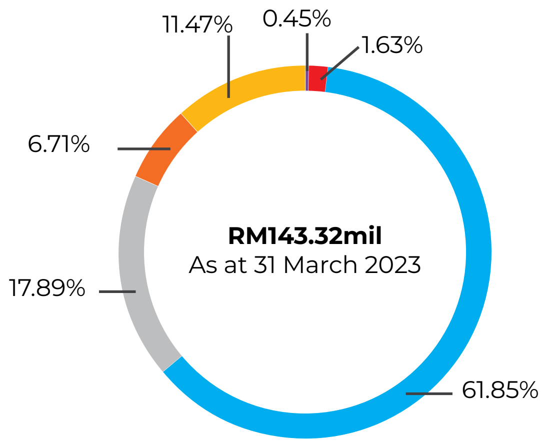




Property, plant and equipment | Right of use | Investment properties | Investment in associates | Trade and other receivables | Inventories | Contract assets | Deposits, cash and bank balances | Other assets

Total Liabilities and Shareholder's Equity



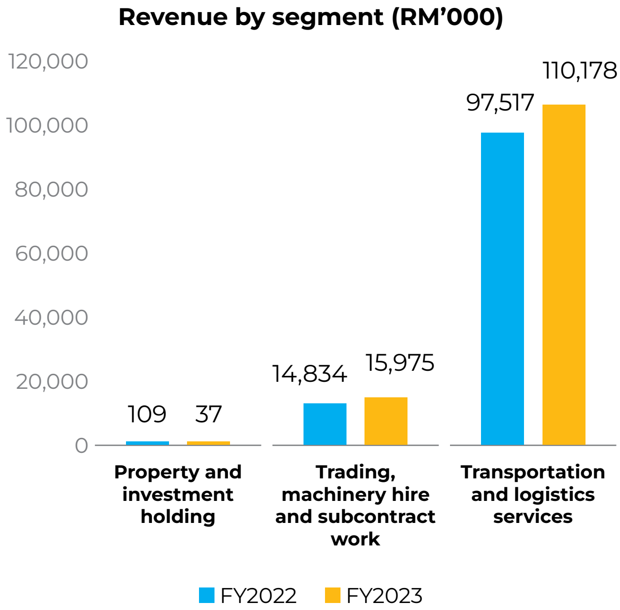


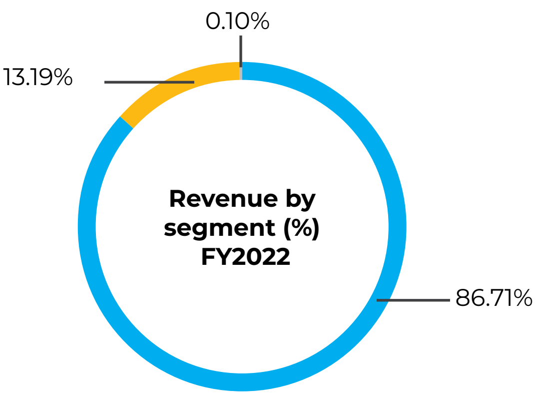
Shareholders' equity | Loans and borrowings | Lease liabilities | Trade and other payables | Other liabilities | Contract liabilities

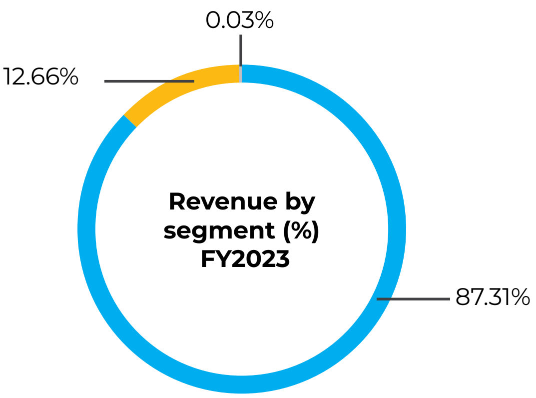
FINANCIAL PERFORMANCE (CONT'D)

The Group recorded a total revenue of RM126.2 million for the financial year ended 31 March 2023 ("FY2023"), representing a 12.2% increase compared to RM112.5 million in the preceding financial year.

The Group recorded a loss before taxation of RM5.2 million and a loss after taxation of RM6.1 million. The Group's loss is primarily attributed to impairment losses on trade receivables. The impairment loss was mainly associated with the trading, machinery hire, and subcontracting works segment. The inability to recover these debts is primarily attributed to challenges faced by the construction industry, particularly the significant increase in construction material expenses resulting from the Geopolitical tensions. Consequently, the construction projects undertaken have incurred unexpected losses due to costs surpassing initial projections.







Transportation and logistics services

Property and investment holding

Trading, machinery hire and subcontract work

The transportation and logistics services segment were the key contributor to the Group's revenue, accounting for 87.31%, followed by trading, machinery for hire and subcontracting works, and property and investment holding, constituting 12.66% and 0.03% of the Group's revenue, respectively.

The transportation and logistics services segment reported a 13.0% growth in revenue to RM110.2 million compared to RM97.5 million in the financial year ended 31 March 2022 ("FY2022"). This improvement in revenue was attributed to the resumption of business activities in the country, resulting in increased sales volume and higher demand for transportation and freight forwarding services.

The trading, machinery for hire and subcontracting works segment registered a revenue of RM16.0 million as compared to its corresponding year's RM14.8 million. The revenue increase is mainly due to the recognition of progress claims for subgrade works of Package 1 and Package 2 of Section 4 of the East Coast Rail Link (the "ECRL Project").

OPERATIONAL REVIEW

As part of our commitment to continuous improvement, we have embarked on a comprehensive facility upgrading initiative. This strategic endeavour not only enhances our value chain but also cultivates a shared dedication to quality, assurance, and process enhancements. By investing in the modernization of our facilities, we have fortified our infrastructure to meet the evolving needs of our stakeholders.

The Group will continue to build on its air and sea freighting services, transportation services and freight forwarding business. The Group further invested approximately RM6.46 million in capital expenditure for the acquisitions of trucks and trailers during the financial year under review in order to support the growth.

See Hup Group has embarked on a transformative journey towards sustainable energy solutions by installing solar panels on the rooftops of our office headquarters since FY2022. As we move into FY2023, the positive impact of our solar panels is evident, with substantial cost savings of approximately RM29,532. These solar panels have successfully generated 58 MWh of electricity, accounting for an impressive 27.54% of the headquarters' total electricity usage

In line with our strategic plan for the current year, we remain committed to strengthening our operational resilience through the implementation of robust business continuity plans. This includes ongoing process enhancements and continuous assessment of our business, infrastructure, and workplace requirements. Additionally, we prioritise prudent risk management practices and carefully allocate capital expenditure to preserve our cash reserves, ensuring that the Group can fulfil its financial and operational obligations effectively.

CHALLENGES AND RISKS

Market Risk

The logistics industry, being intricately intertwined with both international and domestic trade, is highly susceptible to geopolitical events that can profoundly impact global economic activities. Recognising our role as a vital link in the global supply chain, we offer a comprehensive range of services, including freight forwarding, inland transport, warehousing, and machinery for hire. As a result, our business performance is indirectly reliant on our customers' success and the developments in their respective markets and industries. The occurrence of any global economic slowdown or trade restrictions has the potential to dampen the demand for products and goods worldwide, which would subsequently affect the demand for our services.

To mitigate these risks, we have been diligently expanding our customer bases, acknowledging that a diversified clientele not only enhance our business opportunities but also bolsters our overall resilience. By catering to the logistics service demands of various industries, we position ourselves to benefit from the collective demand across different sectors. These strategic measures fortify our resilience in the face of potential challenges and enable us to seize growth opportunities even amidst volatile market conditions.

Competition Risk

The logistics sector is characterised by fierce competition and fragmentation, with a multitude of service providers offering varying pricing levels, both locally and internationally. However, engaging in a destructive pricing war could potentially undermine the profitability and market share of the Group.

To fortify our value proposition and solidify our position in the market, we place significant emphasis on delivering services that offer exceptional value and superior quality to our customers. We strive to stand out by providing services that consistently exceed expectations. To sustain our competitive advantage and expand our market share, we will continue to leverage our extensive expertise, profound technical knowledge, and proven track record in the industry. Guided by our experienced key senior management team, we are equipped to navigate the challenges that arise and seize emerging opportunities with unwavering confidence. Their wealth of experience and strategic guidance enable us to adapt swiftly to changing market dynamics and stay ahead of the competition.

Operation Risk

Being a provider of land transportation services, our operations are intricately reliant on the availability of drivers. Any shortages in our driver workforce would undoubtedly impact on our delivery schedule and compromise our service quality. To address this risk, we proactively develop and implement a range of initiatives and offers competitive compensation packages that attract and retain both new and existing drivers.

Additionally, we provide comprehensive on-the-job training to all drivers, equipping them with the necessary skills and knowledge to excel in their roles. Furthermore, our management team remains readily accessible, fostering an open-door policy to address any concerns they may have. By cultivating a supportive and engaging work environment, we foster strong relationships with our drivers, promoting their job satisfaction and professional growth within our organisation.

Volatility of Fuel Price

Given the inherent nature of our business, fuel costs represent a substantial portion of our expenses, exposing the Group to the inherent risks associated with fuel price fluctuations. Various factors, including shifts in global demand and supply environment, trade policies, and global economic activities, contribute to the volatility of fuel price, which lie beyond our direct control. To mitigate this risk, we maintain a vigilant approach by closely monitoring the daily movement of fuel prices, enabling us to stay well-informed and make informed procurement decisions.

Furthermore, we proactively optimise driving routes, seeking to maximise fuel efficiency and minimise consumption. By implementing efficient routing strategies, we can reduce both fuel consumption and costs, mitigating the impact of fuel price fluctuations on our operational expenses. Additionally, when determining the pricing structure of our services, we conscientiously factor in the fluctuating fuel costs. This approach allows us to strike a balance between providing competitive pricing to our customers and safeguarding against potential volatile fuel price fluctuations. By carefully considering fuel costs within our pricing models, we aim to minimise the overall financial impact of fuel price variability on our business operations.

DIVIDEND

In recognition of our shareholders' continuous support, the company declared and paid out a single-tier interim dividend of 2.7 sen per share, totalling RM2,146,151.75 for the financial year ended 31 March 2023. The dividend was paid on 28 December 2022.

OUTLOOK AND PROSPECTS

Although the economy is on its way to recovery after turning the corner against the pandemic, the Group remain cautious over the short-term forecasts of our land transport business across the countries where we have our footprints in Malaysia, Thailand and Singapore. This caution stems from the challenges posed by cost escalations, particularly in the logistics industry, which faces the impacts of the fuel price hike, labor shortage, pandemic-related effects, and global economic uncertainty.

In light of these factors, the current operating landscape is expected to remain soft and challenging, marked by inflationary pressure and intense competition. To navigate these effects, the Group is committed to focusing on its core business, expanding its customer base, improving operational efficiency, and implementing robust cost control measures. These proactive steps are crucial to ensure the sustainability and competitiveness of our businesses in the dynamic transportation and logistics industry.

Looking ahead, the business environment in which the Group operates is poised to become highly challenging and fiercely competitive over the next two years. This is primarily driven by the ongoing global recession and the significant impact coming from the semiconductor industry, which is renowned for driving economic growth and technological advancement. However, the semiconductor industry itself faces unique challenges, including supply chain disruptions, chip shortages, and demand fluctuations that have ripple effects across multiple sectors, including logistics. Therefore, adaptability and resilience are key traits for success in this evolving landscape.

Despite the anticipated challenges, the logistics industry in Malaysia holds both opportunities and challenges in the next two years. Factors such as economic recovery, the growth of e-commerce, digital transformation, supply chain resilience, sustainability initiatives, technological advancements, and evolving regulations will all shape the trajectory of the industry. Moreover, the Prime Minister's initiatives in the Budget 2023 aim to stimulate domestic economic growth and overcome challenges, which are expected to have a positive impact on Malaysia's economic prospects in the coming years. As a logistics player in the region, the Group foresees benefiting from these initiatives, particularly in cross-border transportation and e-commerce logistics.

The Group acknowledges the importance of staying updated and adapting to ongoing regulatory developments in trade policies, customs regulations, and cross-border procedures to ensure compliance and maintain smooth operations. Furthermore, the Group recognises that maintaining agility, adaptability, and a customer-focused approach while embracing innovation and sustainability will position them favourably to thrive in this evolving landscape. By prioritising these factors, the Group can enhance its competitiveness and meet the changing needs of customers effectively.

MOVING FORWARD

To address the shifting economy, we are implementing several key initiatives internally. As part of our ongoing digital transformation journey, the Group remains fully committed to reinvesting in technology, specifically focusing on data breach prevention and data security. By placing a high priority on data security, our objective is to safeguard our customers' sensitive information, maintain their trust, and protect the integrity of our internal processes.

Simultaneously, we are conducting a thorough re-evaluation of our internal processes across all areas, encompassing but not limited to warehousing and local transport. By streamlining and optimizing our internal processes, we can enhance operational efficiency, reduce costs and better respond to market demands.

Furthermore, we are actively embarking on initiatives to incorporate sustainable practices throughout our operations. By steering the Group towards a more environmentally responsible and sustainable direction, we aim to minimize our ecological footprint and contribute positively to the planet. These initiatives may involve adopting renewable energy sources, implementing waste management strategies and promoting responsible resource consumption.

As part of our strategic growth plan, we recognize the importance of leveraging our expertise in warehouse third-party logistics (3PL) to solidify our position as a market leader. We are dedicated to expanding our network of warehouses strategically, allowing us to better serve our clients and meet the evolving demands of the market.

Additionally, we understand that talent development plays a crucial role in our success within the logistics industry. Hence, we are committed to prioritizing the continuous growth and development of our team. Through training programs, skill enhancement initiatives and fostering a culture of innovation, we aim to empower our team to excel in finding tailored solutions for our clients while staying ahead of industry trends.

By combining our focus on data security, process optimization, sustainability practices and talent development, we are confident in our ability to navigate the shifting economy and position ourselves as a forward-thinking and customer-centric organization in the logistics industry.

ABOUT THIS SUSTAINABILITY REPORT

See Hup Consolidated Berhad ("See Hup") and its subsidiaries (collectively referred to as the "Group") are pleased to present our Sustainability Statement ("Statement") for the financial year ended 31 March 2023 ("FY2023"), providing an overview of our Group's sustainability goals, financial and non-financial measures against the sustainability strategy and approach. This Statement also highlight principal sustainability features and practices for the FY2023 and key focus areas and future priorities concerning sustainability which form the foundation for See Hup's long term value creation.

Reporting period

This Statement covers the sustainability performance and efforts of operations from 1 April 2022 to 31 March 2023 ("FY2023"), unless otherwise stated. Where relevant, we will also include data from previous years to track year-on-year progress and provide comparative data.

Reporting cycle

This Statement is published annually to provide an overview of our operations in Economic, Environmental and Social ("EES") dimensions and strategies for sustainability and responsible business development.

Reporting scope and boundaries

This Statement includes the coverage of the Group's core nature of transportation and logistics business and key subsidiaries as listed in the corporate structure on page 3 of this Annual Report. The associates, joint ventures and organisations within its value chain, that See Hup does not have managerial control over said organisations' operational matters were excluded from this reporting scope.

Principle guideline

This Statement is completed according to Paragraph 15.25(1) of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") and guidance drawn from Practice Note 9 of the Main Market Listing Requirements ("MMLR") and the Sustainability Reporting Guide (3rd edition) and Toolkits issued by Bursa Securities. In addition, we support the United Nations Sustainability Development Goals ("UNSDGs").

Reporting methodology

This Statement is to be read in conjunction with the Management Discussion and Analysis, Corporate Governance Overview Statement and Statement on Risk Management and Internal Control, revealed together in this Annual Report that sets out both our financial and operational performance for the financial year ended 31 March 2023.

Assurance

There is no external assurance on seeking an independent evaluation of performance data published in this Statement. Regular audits/ reviews are in place in relations to the policies and procedures quoted in this Statement. This Statement is reviewed and approved by the Board.

Availability and Feedback

This Statement is accessible from our corporate website at http://www.seehup.com.my. We are fully committed to listening to our stakeholders, we appreciate and value your feedback on this Statement to improve our sustainability reporting journey in the future. Please contact us at investorrelations@seehup.com.my.

OUR COMMITMENT TOWARD SUSTAINABILITY

Our Group has demonstrated exceptional resilience and determination over the past year, despite the unprecedented challenges posed by the pandemic-induced economic downturn. Our unwavering commitment to sustainability has been a key factor in our success, as we continue to prioritize the practical application of sustainable progress and development across the Group.

Our flexibility and agility in adapting to the rapidly changing economic landscape have allowed us to weather the storm and stay on course. We have implemented innovative strategies to navigate the new normal, such as leveraging digital technologies to optimize our logistics and transportation processes and adopting new health and safety protocols to protect our employees and customers.

Throughout this difficult period, our employees have demonstrated exceptional dedication and fortitude in the face of adversity. Despite facing numerous obstacles, we persevered and emerged stronger than ever, a testament to our unwavering commitment to sustainability and our long-standing position as a reliable logistics and transportation company.

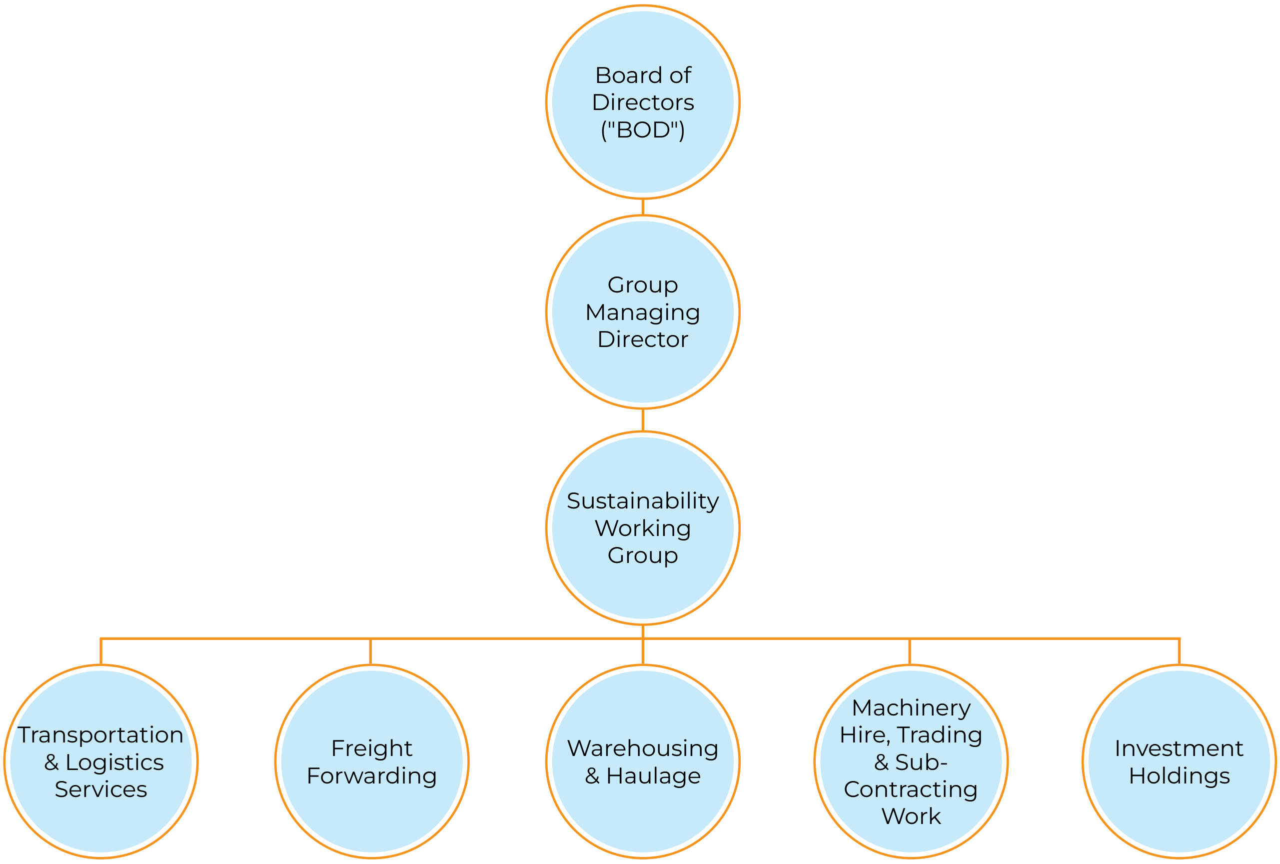
At See Hup, we remain committed to steering our business towards sustainable progress and development. We firmly believe that our commitment to sustainability has been a key factor in our ability to withstand the challenges of the past year. By prioritizing sustainability across the Group, we have been able to maintain our position as a responsible and forward-thinking organization, committed to meeting the needs of our customers while contributing to the larger goal of a sustainable future.

Moving forward, we will continue to build on this foundation, leveraging our expertise in logistics and transportation to drive sustainable progress across our operations. We remain committed to our employees, customers, and the larger community, and we look forward to continuing our journey towards a more sustainable future, together.

SUSTAINABILITY GOVERNANCE

The sustainability governance structure was established as a foundation and direction for corporate sustainability and reporting throughout the Group. The structure comprises three layers of reporting directed by a Sustainability Working Group ("SWG"), encompassing each division's representatives and led by the Group Managing Director, Mr. Lee Chor Min. The Group Managing Director reports to the Board of Directors ("The Board") on all subjects related to corporate sustainability. The Board, with the assistance of Group Managing Director and SWG, take ultimate responsibility in the sustainability direction of the group and endorse the overall corporate sustainability-related business strategies.

The sustainability governance structure at See Hup is depicted in diagram below:



At See Hup, we understand that sustainability is a critical component of our long-term success. To ensure that sustainability is integrated into all aspects of our business, we have established a dedicated team namely Sustainability Working Group ("SWG") that is responsible for driving our sustainability efforts forward. This team is composed of the Group Managing Director, Executive Directors, and Heads of Departments from the respective business units and operating divisions of See Hup Group and its subsidiaries.

The SWG brings together a diverse range of viewpoints and ideas for sustainability-related strategies. The responsibilities and functions of the SWG includes the following: -

- ✓ Providing additional viewpoint to the management to ensure that the Group's sustainability strategies, principles and objectives correlate with the commitment towards sustainability;
- ✓ Assisting the Board in performing its supervisory duties in support of the Group's material sustainability strategies and initiatives;
- ✓ Examine sustainable issues arising from independent audits and assurance reports;
- ✓ Overseeing the management of sustainability matters by focusing on matters material to the Group; and
- ✓ Overseeing the preparation of the Sustainability Statement and recommending it for Board's approval.

The Board of Directors is jointly involved with the SWG in administering sustainability matters of the Group. As such, with the delineation of responsibilities and due considerations, the Group affirms all concerns are deliberated and addressed through various reporting tiers.

STAKEHOLDERS ENGAGEMENT

We have actively engaged with our stakeholders through various channels to identify and address sustainable matters that are important to them. We recognize that ongoing communication and engagement with stakeholders are critical in defining our sustainable priorities and achieving our long-term business objectives. At See Hup, we prioritise corporate sustainability as the Group's commitment in creating long-term value for stakeholders and enabled us to intensify our presence in the industry.

See Hup has assessed its stakeholders through various engagement to evaluate and assess the key stakeholders in terms of influence and dependence to the Group. The Group has undertaken direct and active engagement through stakeholder mapping exercises and formal and informal channels of communication with stakeholders for the year in review. By keeping an open dialogue and considering their primary interests, concerns, suggestions and expectations in our business decisions and operations, we can build trust, credibility and long term loyalty with our stakeholders which helps to achieve organisational success.

As the business landscape continues to evolve rapidly and stakeholders' expectation shift, See Hup remains committed in meeting their expectations and continuing our efforts towards sustainability. We will continue to engage with our stakeholders and prioritize sustainability as a core value, ensuring that we create long-term value for all of our stakeholders while contributing to a more sustainable future.

The interests and key concerns, engagement method and frequency of engagement for the respective stakeholder groups are presented in the following table.

Stakeholder	Scope of interest	Means of Engagement	Frequency
Government & Regulators 	• Adherence to applicable laws and regulations • Security and safety measures and procedures • Corporate contribution	• Report Submission • Audit/Other Inspection Visit • Meeting/ Discussion • Press Release/ Announcement • Corporate Website	• Ad-Hoc • Ad-Hoc • On-going • Ad-Hoc • On-Going
Employees 	• Corporate direction and growth • Remuneration and benefits • Diversity and equal opportunities • Training and career development • Job security • Occupational health and safety	• Performance Review • Grievances/ Whistleblowing Procedures • Meeting/Discussion	• Annually • Ad-Hoc • On-going
Supplier/ Vendor 	• Fair contract terms and conditions • Transparent procurement policy and practice • Optimum payment schedule • Supply commitment • Service and delivery	• Evaluation and Performance Review • Contract Negotiation • Vendor Registration • Meeting/ Discussion	• Annually • Ad-Hoc • Ad-Hoc • On-Going

STAKEHOLDERS ENGAGEMENT (CONT'D)

Stakeholder	Scope of interest	Means of Engagement	Frequency
Customer	• Service satisfaction • After sales services • Customer relationship management • Pricing • Data privacy	• Customer Satisfaction Survey • Contract Negotiation • Meeting/Discussion • Press Release / Announcement • Corporate Website	• Annually • Ad-Hoc • On-Going • Ad-Hoc • On-Going
Shareholder	• Financial and operational performance • Investment returns and associated risks • Business strategies and direction • Corporate governance and transparency	• Annual General Meeting • Annual Report • Quarterly Result Announcement • Press Release • Corporate Website	• Annually • Annually • Quarterly • Ad-Hoc • On-Going
Public/ Local Community	• Impact to socio-environment • Community support and development • Conservation initiatives • Corporate social responsibilities	• Community/Engagement Programme • Press Release/ Announcement • Corporate Website	• Ad-Hoc • Ad-Hoc • On-Going
Competitor	• Fair competition terms • Development of rules and regulations • Association/membership support	• Announcement / Disclosure • Social Media • Press Release	• Quarterly • Ad-Hoc • Ad-Hoc

MATERIALITY ASSESSMENT

Materiality assessment plays a vital role in our sustainability strategy, enabling the Group to identify, assess and prioritise the material sustainability matters that are most relevant to the business operations and its stakeholders. By understanding the three pillars of EES, we can develop and execute sustainability strategies and initiatives that align with our sustainability roadmap and produce outcome that meet our stakeholders' expectations. To ensure our approach, resources, and actions are focused in achieving our goals, we have undertaken extensive efforts to understand better the expectations of sustainability performance from internal and external stakeholders.

The diagram below illustrates the process of materiality assessment being adopted for materiality assessment:

Phase 1: Identification of sustainability matters

- Identify key internal and external stakeholders
- Understand key stakeholders' needs and expectations pertaining to sustainability-related impacts
- Derive preliminary list of sustainability matters

Phase 2: Prioritisation of material sustainability matters

- Apply materiality concept and understand stakeholder engagement in prioritisation
- Disclose prioritised material sustainability matters in a manner which illustrates the relative importance of each material sustainability matter

Phase 3: Review and validation of process and outcome

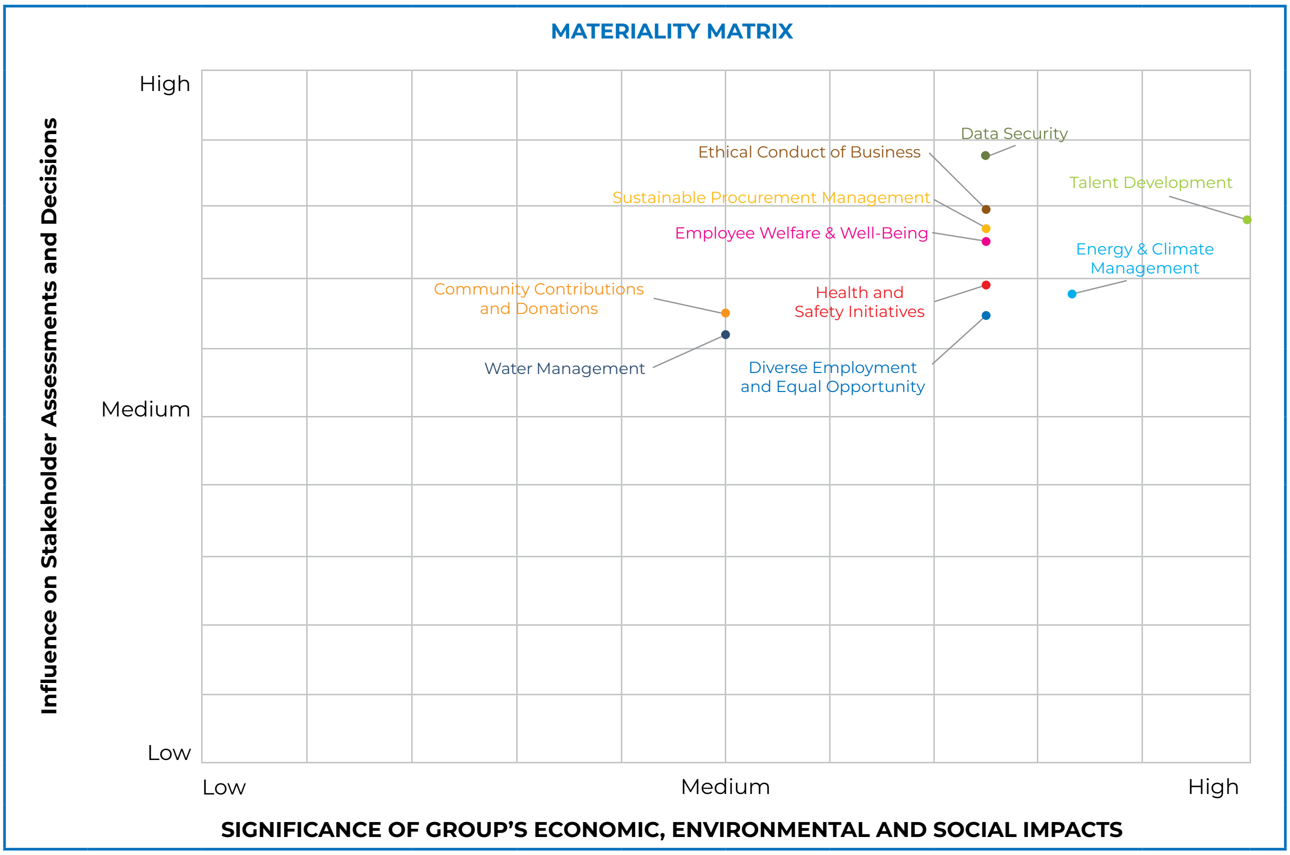
- Present the materiality outcome and results to the Board of Directors for approval

We have conducted survey to both internal and external stakeholders to review and reassess the FY2022 Materiality Matrix. Following a comprehensive review of our sustainability matrix, we have made updates to ensure that our sustainability matters align with our current business practices and priorities. In light of this, we have identified a new sustainability matter, namely "data security". We have also added "talent development" as a distinct sustainability matter, which was previously included under "employee welfare and well-being" in our FY2022 sustainability statement. Furthermore, we have grouped "efficient utilisation and upkeep of motor vehicles" and "energy regeneration" into the broader category of "energy and climate management". Lastly, we have renamed "environmental conservation" to "water management" and "waste management" to better reflect our focus on managing these resources sustainably. We believe that these updates better reflect our commitment to sustainability and our efforts to address the most significant sustainability challenges face by our industry and the world.

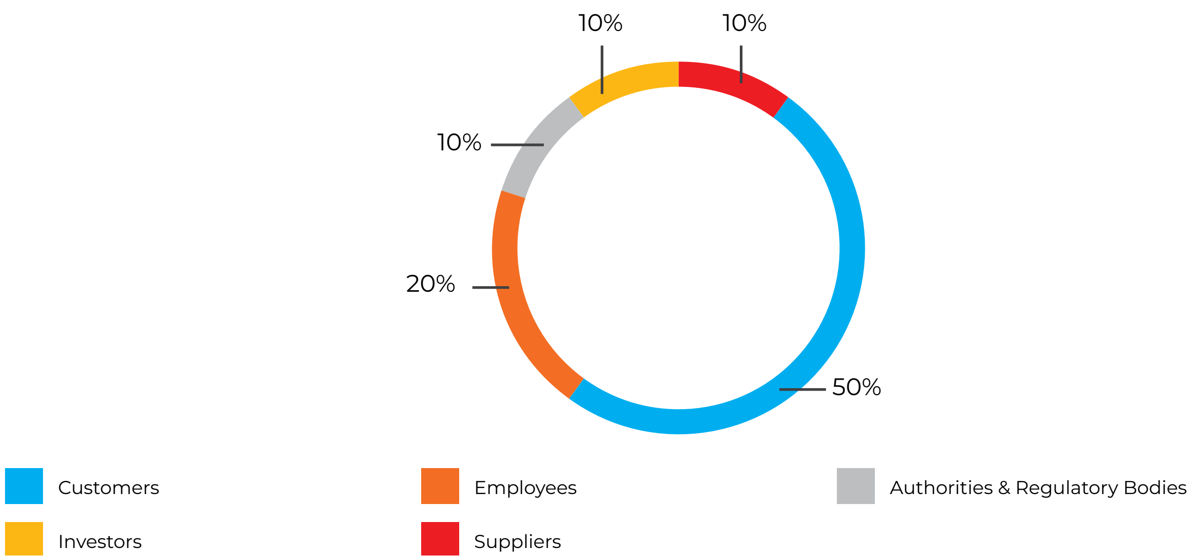
MATERIALITY ASSESSMENT (CONT'D)

Materiality Matrix

The Materiality Matrix maps out the material sustainability matters that are important to See Hup and our stakeholders. It helps us to prioritise our resources to address the highly material sustainability matters, and at the same time, having an oversight on all other sustainability matters. The materiality of the sustainability matters to stakeholders and business operations are prioritised and presented in the Materiality Matrix below:



Stakeholders' Importance Level To See Hup



MATERIALITY ASSESSMENT (CONT'D)

Sustainability Matters, Goals and Performance

The Group recognises that the correlation between the sustainability matters is of equal importance and ensures all efforts are uniformly implemented at addressing and managing each sustainability matter effectively. As we continue to build on our efforts in sustainability, we will focus on meeting the growing needs of logistics and transport sector and remain competitive.

The table below presents the overview of sustainability matters, goals, target and our performance in FY2023:

Sustainability Matters	Sustainability Goals	FY2023 Performance
Economic • Ethical conduct of business • Sustainable procurement management • Data Security	• No confirmed incidents of corruption • Promote local procurement • No substantiated complaints concerning breach of customer privacy and losses of customer data	• No confirmed incidents of corruption • 91% of spending on local suppliers • No substantiated complaints concerning breach of customer privacy and losses of customer data
Environment • Energy and climate management • Water management • Waste management	• Efficient in energy, water and waste management	• 58MWh of electricity are generated from the solar panels, contributing to a cost saving of approximately RM29,352
Social • Health and safety initiatives • Diverse employment and equal opportunity • Employee welfare and well-being • Talent development • Community contributions and donations	• No work-related fatalities reported • Promote awareness on health and safety standards • No substantiated complaints concerning human rights violations • Provide equal employment and career growth opportunities for all irrespective of gender, age, race and religion • Provide employment with development and talent retention • Support local communities through corporate social responsibility programs	• No work-related fatalities reported • 120 employees trained on health and safety standards • No substantiated complaints concerning human rights violations • Increase in representation of women in managerial and above roles by 5% • Achieved 1,900 of training hours with an average 4.7 hours per employee • Contributed RM38,459 on corporate social programs

ECONOMIC

See Hup faced another challenging year that demanded immense flexibility and determination to navigate the economic landscape in the aftermath of the Covid-19 pandemic which was compounded by the ongoing geopolitical tensions between Ukraine and Russia. The outbreak of Coronavirus disease 2019 ("COVID-19" or "Pandemic") presented formidable challenges to our business operations. However, we have vigilantly monitored the industry's developments and implemented prudent measures to execute our strategy, mitigating the impact of the Pandemic.

We remain dedicated to providing comprehensive logistics solutions to our stakeholders, recognizing our role as contributors to the country's economic progress. By implementing effective supply chain management practices, enhancing operational efficiency, and employing rigorous cost control measures, we optimize our resources to fulfill the commitments we have made to our valued stakeholders.

SUSTAINABLE PROCUREMENT MANAGEMENT

The pandemic has demonstrated the importance of building strong and resilient relationships with our vendors and business partners in overcoming challenges to ensure an uninterrupted supply of spare parts and services while upholding operational efficiency and cost optimisation. As such, sustainable procurement management is one of See Hup's corporate sustainability components. Sustainable procurement integrates the "EES" principles into our procurement processes and decisions while meeting stakeholders' expectations.

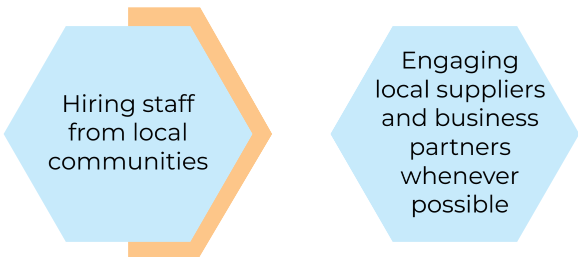
Constant upkeep of our vehicles, tools and equipment is always our primary focus to ensure the safety of our employees (i.e., Drivers, Carriers and etc.). Henceforth, we have taken appropriate measures to secure a reliable supply of replacement parts and consumables to sustain our activities in repairs and maintenance. We firmly believe in supporting the local economy, and hence, we always give priority to sourcing goods and services locally whenever possible, to help boost the local economy.

To streamline our procurement processes and promote consistency, See Hup has established a comprehensive Group Purchasing Procedure and Guideline. This procedure provides a standard framework for sourcing goods and services and ensures uniformity and consistency in supplier selection, price negotiation, delivery, and contractual agreements. By leveraging standard suppliers' groups, we are also able to achieve potential cost savings that ultimately benefit our stakeholders.

The Group constantly enforces strict criteria in our suppliers' selection and evaluation processes. On an annual basis, we have conducted suppliers' evaluations of both new and existing vendors to assess their performances, such as their timeliness and reliability of delivery, quality, and pricing of products. The assessment result will be presented to the management for review and approval to provide productive feedback for constructive progress of overall operations.

See Hup's responsibilities extend beyond its own direct activities by ensuring our suppliers behave responsibly towards society and the environment. Suppliers and business partners must adhere to the law, stipulated contract conditions and international best practices in respect of human rights, the environment, health and safety, and labour standards.

Approach to Sustainable Procurement Management



We are committed to promote fair procurement where we design our procurement processes to select and retain suppliers through a non-discriminatory bidding and tendering process. To contribute a direct positive economic impact on the communities where we operate, we also prioritise our procurement of goods and services with local suppliers who meet the standards that we require.

The proportion of our spending with local and foreign suppliers are illustrated as below:

	FY2022	FY2023
Proportion of spending on local suppliers (%)	91%	91%
Proportion of spending on foreign suppliers (%)	9%	9%

ECONOMIC (CONT'D)

ETHICAL CONDUCT OF BUSINESS

See Hup is committed to conducting its business ethically and complying with applicable laws and regulations. See Hup is devoted to adopting a zero-tolerance policy against all forms of bribery and corruption and taking solid stances against such acts in any circumstances. In respect to this, we establish a strong corporate governance culture with zero tolerance towards unethical practices. The Group believes that upholding high standards of ethics and conducting our business with integrity is fundamental for the business' success. Therefore, we are committed to building a positive corporate image through corporate governance and business ethics. Several governance policies and procedures have been established such as the Code of Ethics ("Code"), Anti-Bribery and Anti-Corruption ("ABAC") Policy and Whistleblowing Policy. These policies are communicated to all employees upon onboarding and are made accessible to all employees on our company website.

In See Hup, we are furnished and directed to embed the best corporate governance practices into our business activities under the Malaysian Code of Corporate Governance 2017 ("MCCG"), Bursa Malaysia Securities Berhad Main Market Listing Requirements ("MMLR") and the Companies Act 2016. In addition, we are keen to ensure that all of our activities are carried out professionally and ethically in line with all applicable laws, regulations, compliance acts, and codes of corporate governance practices.

Anti-Bribery and Anti-Corruption Policy

We have established ABAC Policy, which is aligned with the MMLR and MACC Amendment Acts (2018) to ensure compliance with the requirements set by the authority & Bursa Securities. The ABAC Policy is applicable to all directors, employees, officers and workers (whether permanent, fixed term or temporary) of See Hup and its subsidiaries. We also expect our business associates such as suppliers, vendors, consultants, customers, contractors, sub-contractors, agents, and etc, who perform work or services for and on behalf of See Hup will comply with See Hup's ABAC Policy when performing job or services. It is our Policy to ensure vendors and customers sign and acknowledge the ABAC Declaration Form during the registration.

We regard the acts of bribery and corruption seriously and will take all appropriate and necessary actions in the event of non-compliance of this Policy. Non-compliance of this Policy may lead to disciplinary action and termination of employment. For business associates, non-compliance of this Policy may lead to termination of contract and claims for damages or indemnity.

We have made the ABAC Policy a public document at our Company's website to all employees and business associates. See Hup's employees are mandatory to retain the highest standard of ethics and professional conduct during their employment with the Group. To ensure our employees are fully aware of the ABAC Policy, our Group also organises training and briefing on ABAC compliance. See Hup is committed to ensuring that the Group is and will continue to stay abreast with all the latest development of rules and regulations and will be observing and adhering to the requirements at all times.

The percentage of employees who have received training on anti-corruption by employee category is tabulated as below:

	FY2022		FY2023	
	Number	**%**	**Number**	**%**
Manager and above	-	-	18	41.86%
Executive	-	-	2	7.14%
Non-Executive	-	-	1	0.30%

In addition, we have established an ABAC Unit that will responsible for all ABAC compliance matters. The ABAC unit is comprised of designated personnel who has been adequately trained to act effectively against bribery and corruption in the following manner:

- Provide advice and guidance on the ABAC Policy and issues relating to bribery and corruption;
- Prepare and execute steps to ensure that there is adequate monitoring, analysis and evaluation of compliance of the ABAC Policy; and
- Report on the performance of the ABAC Policy compliance record and any other bribery and corruption related instances to the management and Audit Committee regularly.

In FY2023, we have conducted an internal evaluation together with assistance of external advisory provider to review and incorporate the governance practices on Anti-Bribery and Anti-Corruption into current operating processes and policies in the Group. This is to ensure that the priorities of assurance on regulatory requirements are regularly kept and upheld, aligning all activities and procedures with clear and strong corporate values .

ECONOMIC (CONT'D)

ETHICAL CONDUCT OF BUSINESS (CONT'D)

Anti-Bribery and Anti-Corruption Policy (cont'd)

The percentage of operations assessed for corruption-related risk is tabulated as below:

	FY2022	FY2023
Percentage of operations assessed for corruption-related risks	60%	100%

Whistleblowing Policy

The Group has established a Whistleblowing Policy with the aim to provide a structured reporting channel and guidelines to our internal and external stakeholders to raise concerns of malpractice or any suspicious of fraudulent or unethical activity within the Group. The examples of improper conduct that can be reported includes but not limited to the following:

- Suspected criminal offence;
- Impropriety, corruption, acts of fraud, theft and/misuse of the Company´s properties/resources;
- Abuse of power or authority;
- Serious conflicts of interest without disclosure;
- Sexual harassment;
- Bribery, blackmail and miscarriage of justice;
- Attempts to suppress or conceal any information relating to any of the above; and
- Non-compliance or inappropriate business practice.

See Hup guarantees anonymity for all employees, which allows them to share their views without fear of reprisal. The anonymity guarantee shaped an atmosphere in which workers will feel secure while maintaining the principles kept by the Group.

The are no confirmed incidents of corruption in the past as shown below:

	FY2022	FY2023
Confirmed incidents of corruption	-	-

Code of Ethics

See Hup has a strict Code of Ethics that define the expected action and behaviour from our employees and business associates. The business code accentuates legal, equitable and unbiased standards by applying integrity and transparency as our foundations. We also identify conduct that is considered unethical in the workforce, such as coercion, discriminating and bullying behaviour, and corruption.

DATA SECURITY

Information security is vital for data privacy and protection. We are committed to protect the private information and personal data of our customers, suppliers and employees. In respect to this, we have established Information Security Policy with the aim to maintain the confidentiality, integrity, availability and regulatory compliance of non-public information stored, processed and/ or transmitted at our Group. It is our Policy that customer information will be kept secure and confidential where information about our customers will not be sold, exchanged or given away without their prior consents.

The Information Security Policy has set out the guiding principles covering the following key areas:

- Password security
- Email data encryption
- Internet usage within company premise
- External and sensitive data transfer
- Personal device policy
- Visitor and non-employee access

Violations of the Information Security Policy will result in disciplinary action which may include termination for employees, a termination of employment relations in the case of contractors or consultants. Additionally, individuals are subject to loss of See Hup Group of companies privileges, civils and/ or criminal prosecution.

There are no substantiated complaints concerning breach of customer privacy and losses of customer data in the past, as shown below:

	FY2022	FY2023
Number of substantiated complaints concerning breach of customer privacy and losses of customer data	-	-

ENVIRONMENT

At See Hup, we are attentive to our business's direct impact on the environment and remains dedicated to safeguarding the environment by establishing long-term sustainable solutions. We recognize that environmental safeguard is not only critical for the health and well-being of our planet but also essential for the long-term success of our business. As such, we remain committed to focusing our efforts on efficient fleet management and resource conservation practices to continue working at an operative and sustainable economic level over a longer-term. Our commitment to managing and reducing our ecological footprint is an ongoing process that requires continuous improvements in our business processes and operations.

ENERGY AND CLIMATE MANAGEMENT

We recognise the importance of preserving our natural environment and we are aware of the global concerns on the climate change resulting from the increase in energy consumption and GHG emissions. It is everyone's responsibility to commit to the responsible usage of energy in our Group. Accordingly, we have in place conservation initiatives such as turn off the air-conditioning units, lighting, and other fixtures when not in use, switch to energy-efficient LED lighting gradually as well as purchase and replace office equipment with energy-saving features. We believe that all these minor activities in our operation which do not appear significant also can help in reducing our carbon footprint and fighting climate change.

The total energy consumption is illustrated as below:

Description	FY2022	FY2023
Electricity consumption (KWh)	240,094	250,493
Petrol and diesel consumption (litre)	3,844,489	4,830,068

Note:
a) Consumption of electricity is measured based on the quantities consumed according to the electricity bill.
b) Consumption of petrol is measured based on the petrol claimed.

The Scope 1 and Scope 2 emissions in tCO2e are shown below:

Description	FY2022	FY2023
Direct emissions – Scope 1 (tCO2e)	10,282.16	12,918.69
Indirect emissions – Scope 2 (tCO2e)	140.45	146.54
Total (tCO2e)	10,422.61	13,065.23
Carbon emission intensity (total carbon emission over revenue in RM'000)	0.09	0.11

Note:

a) **Scope 1, direct emissions**: emissions come from the consumption of petrol and diesel for vehicles, calculated based on the reported fuel quantities.
b) **Scope 2, indirect emissions**: emissions come from the consumption of electricity, calculated based on the energy quantities.
c) The GHG emission for Scope 1 is calculated using the emission factor obtained from IPCC Fifth Assessment Report, while the default emissions factors were based on IPCC Guidelines for National Greenhouse Gas Inventories (2006).
d) The GHG emission for Scope 2 is calculated using the emission factor obtained from 2017 Clean Development Mechanism ("CDM") Electricity Baseline for Malaysia.

Efficient Utilization and Upkeep of Motor Vehicles

We are committed to reducing our environmental impact, particularly emission mitigation. As such, we have taken proactive actions towards improving our environmental performance, reducing environmental pollutants and hazards generated from operations and navigating towards a greener environment. One of our key strategies is to focus on rigorous upkeep and regular maintenance on vehicles, machinery, and equipment used in carrying out our services are executed by our fleet management expertise. Monitoring fleet performance, together with real-time mileage tracking, is supported by facilitating GPS devices affixed to all of our commercial vehicles. From the daily reports generated through this system, our fleet monitoring teams could access the fluctuating patterns and highlight inefficiencies practically, resulting in the prevention and moderation of excessive fuel consumption and emissions.

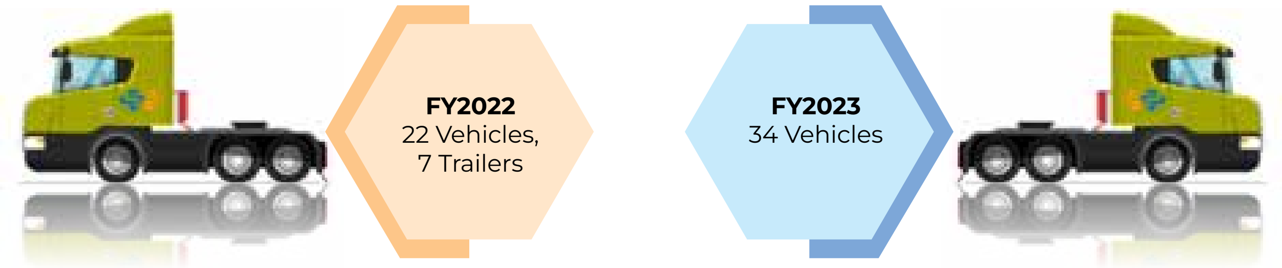
ENVIRONMENT (CONT'D)

ENERGY AND CLIMATE MANAGEMENT (CONT'D)

Efficient Utilization and Upkeep of Motor Vehicles (cont'd)

To ensure we can curb the increasing levels of exhaust fumes and other pollutants, we always examine that our vehicles are operating at optimal working conditions. Furthermore, our repair and maintenance service providers are appointed across various location, i.e., Penang, Kedah, Selangor, and Johor which are strategically pre-planned to align with our transportation lanes. This arrangement saved on the number of trips and distances travelled and trimmed down the time and cost for relocation for fixing the glitched vehicle. Every See Hup operational division has fulfilled its biannual inspection rounds with PUSPAKOM for all vehicles in conjunction with our upkeep schedule.

In FY2023, See Hup had acquired 34 vehicles (FY2022: 22 vehicles and 7 trailers). Most of the vehicles were acquired to replace the existing disposed fleet. By investing in newer vehicles, we can incorporate features and technologies that promote sustainability, such as lower emissions and increased fuel efficiency. This contributes to our overall goal of reducing our carbon footprint and operating in an environmental responsible manner.



Energy Regeneration through Solar Panel

Managing our environmental footprint consists of making continuous improvements in energy efficiency. Climate change is driving a shift towards sustainable and eco-friendly power generation, which includes renewable energy technology. The energy consumption across our operations contributes to the generation of carbon emission. We are progressively minimising our reliance on non-renewable sources of energy which in turn increases cost-efficiency.

Given the nature of our operations, a tangible influence See Hup can have in reducing energy consumption is through energy saving adaptations at our offices and solar panels installations. See Hup has taken a step further in reducing our reliance on non-renewable sources of energy by installing solar panels on the rooftops of headquarters office building in FY2022.

During FY2023, total 58 MWh (FY2022: 60 MWh) of electricity are generated from the solar panels. It had covered up to 27.54% (FY2022: 33.41%) of our headquarters' power usage and contributed to a cost savings of approximately RM29,352 for this year (FY2022: RM30,645).

Installation of solar panel at headquarter office, Prai, Penang.

ENVIRONMENT (CONT'D)

ENERGY AND CLIMATE MANAGEMENT (CONT'D)

Energy Regeneration through Solar Panel (cont'd)

The positive outcome from our solar panel installation is shown as below:

Description	FY2022	FY2023
Solar installed capacity (kWp)	43	43
Total electricity generated (MWh)*	60	58
Monthly average electricity savings (MWh)*	5.00	4.83
Monthly average cost savings (RM)*	2,554	2,446

* The FY2022 figure has been restated to correct an error that was previously reported.

WATER MANAGEMENT

All our operations utilise water from water supply companies with developed water distribution infrastructure. Our operations are not located in water stressed areas and our operations do not cause water pollution. Concerning water management, See Hup also actively manages and works toward lowering our corporate's water footmark by fostering employees with water saving habits in order to minimise water usage. Water consumption are monitored regularly to control usage. See Hup also preserves the corporate office's piping systems and water outlets to facilitate and ensure the water quality for employees' daily use.

The volume of water used Is tabulated below:

Description	FY2022	FY2023
Water consumption (m3)	11,565	15,742
Water intensity (water consumption over revenue in RM'000)	0.10	0.13

Note:
a) Consumption of water is measured based on the quantities consumed according to the water bill.

WASTE MANAGEMENT

See Hup recognises the significance in achieving a greener future. As part of our efforts, we embrace the 3Rs (Reduce, Reuse and Recycle) approach in our operations to minimize our environmental impact. The Group embarked on business process redesign and data automation in business operations to improve overall productivity and enhance greater efficiency in financial reporting and fleet management. With the adoption of digitalisation and the paperless revolution, the group is transforming to paperless communication, by converting most of the paper and records to digital files without maintaining physical copies. Printing is discouraged and we advise employees to send documents electronically.

SOCIAL

Our employees play a vital role in our business success and sustainability. See Hup recognises the importance of managing human capital and is determined to be attentive to feedback from employees and stakeholders. As a result, See Hup soliciting feedback and tracking issues and improvement over time with establishing internal support systems to support employee growth and professional development.

In addition, seeing that our business success is directly tied to the impacts from local community, See Hup did not forget to outspread a helping hand back to the community.

HEALTH AND SAFETY INITIATIVE

See Hup recognises that the health and safety of our employees are of utmost importance and we are committed to provide a safe and healthy working environment for all employees. We firmly believe that all our employees deserve to work in a safe and healthy environment and a conducive working environment will boost morale, productivity and efficiency of our workforce.

The Group seeks to establish a "Safety First" culture through training, coaching and recognising safe behaviours and practices to honour its commitment. We emphasis on the need of continuous training to refresh employees and workers with the latest safety guidelines and strengthen their workplace health and safety awareness so as to upkeep a high standard of workplace health and safety.

We have established a Safety, Health and Environment Policy which serves as a guideline for health and safety practices for all employees. Our Safety, Health and Environment Officer is responsible for ensuring that the policy is understood and adhered by all employees and workers.

First Aid Training.

SOCIAL (CONT'D)

HEALTH AND SAFETY INITIATIVE (CONT'D)

In addition, the role and responsibilities of the Safety, Health and Environment Officer include reviewing, implementing and reinforcing safety standards and regulations to ensure all safety risks are adequately mitigated.

Various safety programs have been introduced to our truck drivers and operation team during the year to address significant risks. For instance, we set up an Emergency Response Team ("ERT") comprised of operation and supporting personnel based in the headquarters office. A scheduled fire and safety drills training has been conducted by Jabatan Bomba dan Penyelamat Perai, Pulau Pinang for the ERT to ensure they are equipped to handle emergencies and familiarise firefighting equipment.

Fire Safety Training with Jabatan Bomba and Penyelamat.

SOCIAL (CONT'D)

HEALTH AND SAFETY INITIATIVE (CONT'D)

The number of work-related fatalities and lost time incident rate are shown below:

	FY2022	FY2023
Number of work-related fatalities	-	-
Lost time incident rate	3.69	11.25

Note:
a) Lost time incident rate= Number of lost time injuries/ number of hours worked x 1,000,000. Lost time injuries refer to incidents that lead to sick leave of more than one (1) day.

The number of employees trained on health and safety standards are as below:

	FY2022	FY2023
Number of employees trained on health and safety standards	92	120
Number of training hours on health and safety standards	64	40
Total training hours on health and safety standards	1,056	960

In addition, the protection of our employees and stakeholders is supported with the enforcement of the following practices:

Health and Safety Trainings for Drivers

In line with the Agensi Pengangkutan Awam Darat ("APAD") guidelines, all See Hup drivers are required to undergo a yearly training to reinforce on-the-job competency and awareness.

Safety Equipment

To safeguard our employees from hazards present in our line of work, routine inspection is carried out on the availability and hygienic condition of safety equipment such as respiratory face masks, safety glasses, gloves, protective footwear, earplugs and high visibility safety vests.

Fire-fighting Equipment

Fire extinguishers, fire hose reels and water tanks are fitted at each of our working facilities and are maintained by our outsourced service providers with expertise in fire safety and security solutions.

First Aid Kits

First aid kits are consistently replenished and are visibly located at accessible locations throughout our premises.

Health and Safety Standard Operating Procedures ("SOP")

Health and safety policies and procedures that are standardised and streamlined throughout our entire operation:

- Safety, Health and Environmental Policy;
- Personal Protective Equipment ("PPE");
- Road Transport Safety Policy;
- Vehicle Inspection and Conditioning Management;
- Fleet Journey Risk Management; and
- Accident Reporting and Investigation Procedure.

Security Surveillance System

Surveillance features guarding all of premises are serviced and supported by trusted security providers to ensure that unauthorised entry attempts are inhibited.

Health and Safety Internal Assessment

Led by our Health and Safety Officer, a workplace safety audit was initiated and directed through the assessment of identified risk areas over the aforesaid measures as outlined in our inspection checklist:
- Management of overall health and safety;
- Safety of vehicles, machinery and equipment;
- Oversight of driver recruitment and skill assessment;
- Emergency procedures and respondents;
- Documentation of health and safety records; and
- Compliance of applicable regulations.

SOCIAL (CONT'D)

HEALTH AND SAFETY INITIATIVE (CONT'D)

The productive application of our health and safety approach is mainly attributed to our staff's general awareness and cooperation and the enduring commitment to uphold the Occupational Safety and Health Act 1994 and Factories and Machinery (Amendment) Act 206. Reference and analysis have been made to the safety statistics and data for common primary risk factors as so to identify common injuries at workplace, which was part of the Group's efforts to enhance the safety performance further and allows the Group to formulate action plans to mitigate the risk identified.

The mitigating steps of dispatching for medical care and removing identified hazards ensure that our drivers' safety is not compromised. During the reporting period, we recorded one work related injury case which has been reported to the Department of Occupational Safety and Health ("DOSH"). The recordable work-related injury is mainly associated with slip and fall from heights while performing company's job outside the premise.

Our Group will strive for continuous improvements over the health and safety strategies and to reduce occupational health and safety risks in order to provide a comfortable, safe, and conducive working environment for our employees.

COVID-19 PREVENTIVE MEASURES IN FY2023

The covid 19 pandemic was in transition to endemic; however, we continued to implement and refine our COVID-19 safety measures throughout FY2023 and prioritised the safety of our employees and the community. We strive to maintain quality service to customers with minimal disruptions by implementing safety measures across our operations.

To avert the risk of contagion in the workplace and promote a safe working environment for our employees, we remain committed to ensuring compliance with the Government's Standard Operating Procedures ("SOP"), including handwashing and wearing masks in workplace. We complied with all local safety regulations and kept abreast of the latest developments and best practices and provided all employees with the necessary safety equipment and work support. See Hup will remain attentive and alert on all new developments of SOP in the new normal.

DIVERSE EMPLOYMENT AND EQUAL OPPORTUNITY

See Hup recognises that our employees are the foundation of our business operations, and we are committed to provide a work environment that fosters fairness, equality and respect for social and cultural diversity. We firmly believe that promoting diversity and equal opportunity in employment is crucial for leveraging the advantages of diverse perspectives, ideas, and cultures.

At See Hup, we value the unique strengths and experiences that each employee brings, regardless of their gender, age or educational background. We believe that by respecting and embracing diversity in the workplace, we can harness the full potential of our workforce, leading to greater productivity, innovation and creativity. Esteeming the differences of others is what ultimately brought all the employees work together and created a thriving work environment and a fair work culture.

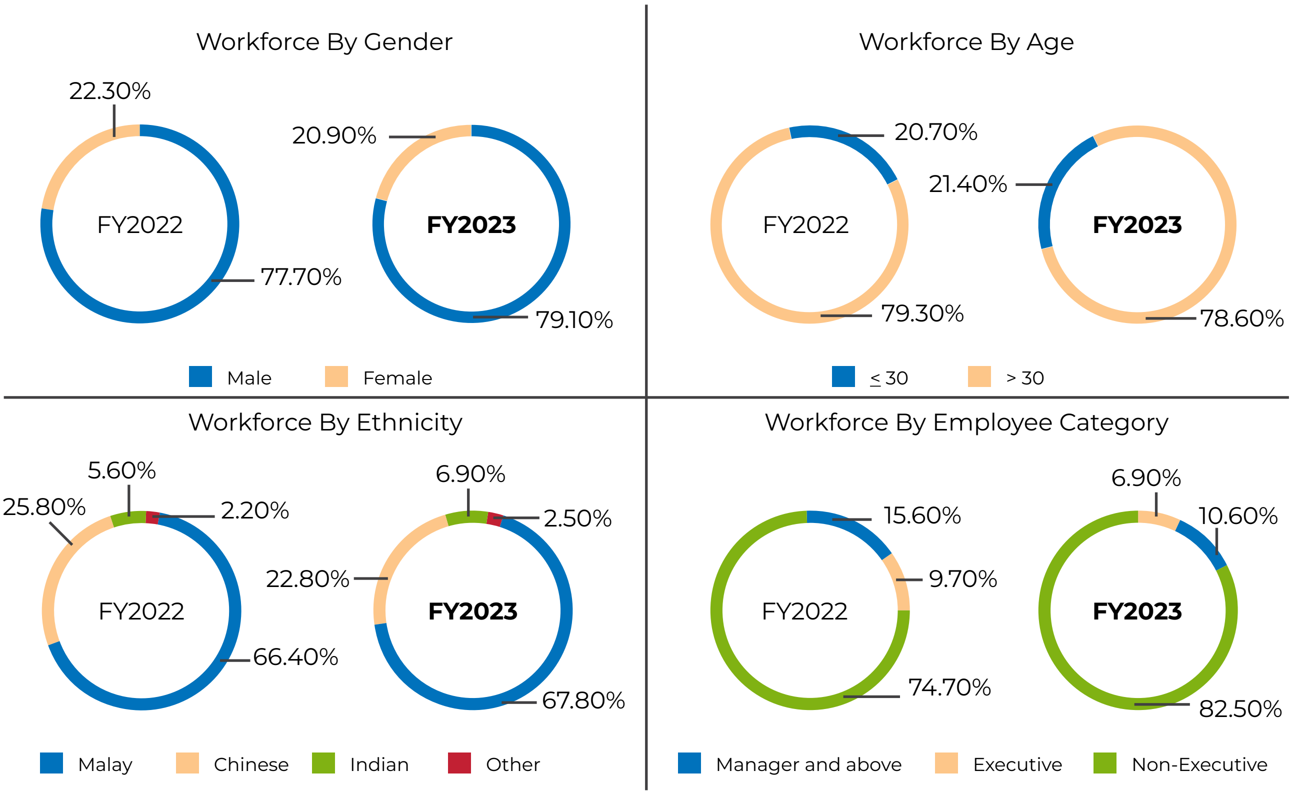
We uphold a culture of inclusivity and respect where every employee is valued for their unique qualities and contributions to the organizations. Our commitment to equal employment opportunities is reflected in our rigorous recruitment, training and promotion policies that promote fairness and non-discrimination. We avoid preconceptions and do not allow unlawful discrimination based on individual traits such as age, gender, or race. In addition, we strive to foster a work environment that is free from discrimination, sexual harassment or retaliation. All the employees are encouraged to speak up or report grievances directly to their superior, head of department and human resource department. This is to reinforce our commitment to our employees to provide them with a workplace that is healthy, safe and secure.

As of 31 March 2023, we have a total of 407 employees, indicating growth compared to previous financial year where we had 372 employees. It is important to note that our workforce is predominantly composed of male employees due to the nature of our business in transport, logistics, and warehousing. However, we recognize the significance of gender diversity and are committed to fostering a more balanced gender ratio and embracing diversity whenever possible. As of 31 March 2023, the percentage of female in relation to the total number of employees is 20.9%, a slight decrease from the previous financial year's figure of 22.3%. Despite the decline, we see a positive development in the representation of women in managerial and above roles. In FY2023, we witnessed a notable increase of 5%, bringing the female representation in these positions to 32.6%, compared to 27.6% in FY2022. This progress demonstrates our ongoing efforts to enhance gender diversity within our organization.

SOCIAL (CONT'D)

DIVERSE EMPLOYMENT AND EQUAL OPPORTUNITY (CONT'D)

Employee statistics at See Hup



	FY2022		FY2023	
	Number	%	Number	%
Employee Statistics By Gender*				
Male	289	77.7%	322	79.1%
Female	83	22.3%	85	20.9%
Employee Statistics By Age Group				
≤30	77	20.7%	87	21.4%
>30	295	79.3%	320	78.6%
Employee Statistics By Ethnicity*				
Malay	247	66.4%	276	67.8%
Chinese	96	25.8%	93	22.8%
Indian	21	5.6%	28	6.9%
Other	8	2.2%	10	2.5%
By Employee Category				
Manager and above	58	15.6%	43	10.6%
Executive	36	9.7%	28	6.9%
Non-Executive	278	74.7%	336	82.5%

*The FY2022 figure has been restated to correct an error that was previously reported.

SOCIAL (CONT'D)

DIVERSE EMPLOYMENT AND EQUAL OPPORTUNITY (CONT'D)

	FY2022		FY2023	
	Number	**%**	**Number**	**%**
Gender by Employee Category				
Manager and above - Male	42	72.4%	29	67.4%
Manager and above - Female	16	27.6%	14	32.6%
Executive - Male	17	47.2%	15	53.6%
Executive - Female	19	52.8%	13	46.4%
Non-Executive - Male	230	82.7%	278	82.7%
Non-Executive - Female	48	17.3%	58	17.3%
Age by Employee Category				
Manager and above - ≤30	2	3.4%	2	3.8%
Manager and above - >30	56	96.6%	50	96.2%
Executive - ≤30	14	38.9%	10	25.0%
Executive - >30	22	61.1%	30	75.0%
Non-Executive - ≤30	61	21.9%	75	23.8%
Non-Executive - >30	217	78.1%	240	76.2%

Board of Director statistics at See Hup

	FY2022		FY2023	
	Number	**%**	**Number**	**%**
Director Statistics By Gender				
Male	6	85.7%	6	85.7%
Female	1	14.3%	1	14.3%
Director Statistics By Age Group				
<50	1	14.3%	1	14.3%
50-60	2	28.6%	2	28.6%
>60	4	57.1%	4	57.1%

The number of turnovers by employee category is illustrated below:

	FY2022	**FY2023**
Total Number of Employee Turnover	151	234
Turnover by Employee Category		
Turnover - Manager and above	4	13
Turnover - Executive	14	17
Turnover - Non-Executive	133	204

SOCIAL (CONT'D)

EMPLOYEE WELFARE AND WELL-BEING

We are committed to complying with international standards, local laws and regulations applicable to the protection of human and labour rights. Our Human Resource Department oversees the issues regarding human rights, forced and child labour and ensure protection of our employees' rights. They are tasked to ensure the compliance and they are also aware on the minimum age for hiring which they will perform age verification to avoid hiring of underage employees. There are no substantiated complaints concerning human rights violations in the past as shown below:

	FY2022	FY2023
Number of substantiated complaints concerning human rights violations	-	-

In See Hup, we believe that our commitment to supporting and investing in our human capital is critical to the success and sustainability of our business. We recognise that every employee is an essential contributor to our productivity and profitability. Hence, we promote a healthy working life, we believe in providing a balanced work-life environment to all our employees to enable them to have more time for their family and/or to pursue and advance their areas of interest. In this respect we do not encourage overtime work unless it is absolutely necessary such as to meet customer's order or regulatory deadlines. All our employees are entitled to national and state public holidays. In addition, our employees are entitled to annual leave, medical leave, marriage leave, maternity leave, paternity leave and etc.

We are committed to fostering a supportive and inclusive workplace culture that encourages work-life balance and the overall well-being of our employees. To achieve this goal, we organise various events that promote a healthy living, team building and personal development.

Vital to our achievement, See Hup continues to hold the contribution and support of our employees in high esteem. We encourage diversity in our work and hope to give our employees the tools required to execute their respective roles. The Group is dedicated to constantly reviewing our employment policies, benefits and remuneration practices to ensure compliance with the updated employment laws and keep up with the best industry practices to provide the optimal working conditions for our people.

SOCIAL (CONT'D)

TALENT DEVELOPMENT

Investing in training and development programmes to groom skilled and competent employees and workers create long-term value for our Group. We advocate good working environment by providing orientation and on-job supervision and guidance. We also foster continuous learning for our employees to enhance their knowledge, skills, and competencies in their respective roles. See Hup places a high priority on talent retention and competency development of our employees as we believe that well-trained employees are vital to the long-term success of our business. The Group is committed in providing in-house and external training programs for our employees to attain accredited work-related certifications and knowledges as well as to upgrade their skill sets and meet the needs of their professional development.

205 employees

30 online virtual/physical training courses for 1,900 hours

During FY2023, 205 (FY2022: 173) of our employees participated in 30 (FY2022: 18) various virtual online or physical training courses with total of 1,900 hours (FY2022: 2,420 hours). The selected courses and programs were tailored to equip our workforce with professional, personal and industry-specific technical expertise.

The total hours of training by employee category are shown below:

	FY2022	**FY2023**
Total training hours	2,420	1,900
Training Hours By Employee Category		
Training hours - Manager and above	372	616
Training hours - Executive	1,536	884
Training hours - Non-Executive	512	400

COMMUNITY CONTRIBUTION AND DONATIONS

As a responsible corporate citizen, we recognize that we have a vital role to play in promoting sustainable development and enhancing the well-being of the local community. See Hup Group has always been dedicated to creating a positive impact on the local community through our various Corporate Social Responsibility ("CSR") initiatives.

The group persists in serving the local community by regularly contributing funds and in-kind to various charities and foundations to support the underprivileged and less fortunate. Our social responsibility is not limited to internal endeavours, but we also partner with various charitable organisations where stronger relationships have been built through the years. Our CSR initiatives are an essential part of our corporate value, we will continue to uphold them as we strive to make a positive impact on society.

	FY2022	**FY2023**
Total amount invested in the community (RM)	49,753	38,459
Total number of beneficiaries of the investment in communities	6	9

SOCIAL (CONT'D)

COMMUNITY CONTRIBUTION AND DONATIONS (CONT'D)

Along the journey, we have explored ways to endorse the welfare of those around us and to share in community outreach and enrichment programs as disclosed below:

Beneficiary	Description
SJK(C) Chung Hwa	Donation RM600 to SJC(C) Chung Hwa PIBG.
SJK(C) Keow Kuang	Donation RM5,000 to SJK(C) Keow Kuang (Penang Chinese Town Hall).
UTAR Education Foundation	Donation RM3,000 for Caring and Sharing Concert with Aniu in aid of UTAR Hospital.
YAYASAN Tow Boo Kong Butterworth	Donation RM2,000 to Yayasan Tow Boo Kong Butterworth.
SJK(C) Kwang Hwa	Donation RM240 to SJK(C) Kwang Hua.
Grace Family Home	In FY2023, we have donated foods and fruits worth RM516 to Grace Family Home.
Persatuan Bola Baling Daerah Kulai	Cash donation RM5,000 for the event Kejohanan Bola Baling Terbuka Kulai Kali Ke-7 2022.
Crystal Family Home ("CFH")	Crystal Family Home is a non-profit organisation established in 2009 to help children without a home. In FY2023, we have contributed RM19,350 to the Crystal Family Home and apparel worth RM753.
Pertubuhan Kebajikan Amitabha Malaysia	Donation RM2,000 to Pertubuhan Kebajikan Amitabha Malaysia.

A FORWARD LOOK AT SUSTAINABILITY

Undertaking the journey towards sustainability has been a gratifying experience for See Hup. Our unwavering determination and steadfast commitment towards the economic, environmental, and social avenues over the years have become an integral part of our corporate culture. We continue to strive to ensure the notion and continuation of sustainability.

We recognise that sustaining our commitment to sustainability requires ongoing progress and development. Thus, we remain resolute in our efforts to build a better sustainable future for See Hup Group. We recognise that this cannot be achieved in isolation and requires the support and commitment of every employee at See Hup. Therefore, we will continue to channel our collective efforts to strive to ensure the notion and continuation of sustainability for a better world for ourselves and future generations.

In addition, we are grateful for the support and partnership of our stakeholders in our journey towards sustainability, and we look forward to continuing to work together to create a more sustainable future for all.

The Board is pleased to provide an overview of the principles and practices of the Malaysian Code on Corporate Governance 2021 ("MCCG") that were adopted throughout the financial year based on the three key principles of good corporate governance, which are:-

Principal A	:	Board Leadership and Effectiveness
Principal B	:	Effective Audit and Risk Management
Principal C	:	Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders

Further details on the application and departure from the practices are elaborated in the Corporate Governance Report, which is available on the Company's website, www.seehup.com.my as well as Bursa Malaysia Securities Berhad's website.

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS

I. BOARD RESPONSIBILITIES

Board Roles and Responsibilities

The Group recognises the crucial role played by the Board in the stewardship of its direction and operations, and ultimately the enhancement of long-term shareholder value. To fulfill this role, the Board has established functions which are reserved for the discretion and decision of the Board. A summary of key matters reserved for the Board's approval include business operation restructuring, new issuance of securities, dividend policy, approval of expenditure above a certain pre-determined limit, disposal of significant fixed assets, and the acquisition or disposal of companies within the Group.

Primarily, the Board is responsible to promote good corporate governance culture within the Group, including the setting of strategic direction that support long term value creation, establishing goals for Management and monitoring the achievement of the goals and regular review of the division of responsibilities between the Board and Management.

Role of Chairman, Group Managing Director, Executive Directors and Independent Directors

The roles and responsibilities of Chairman and Group Managing Director are defined in the Board Charter. There is a clear division of responsibilities between the Chairman and Group Managing Director to ensure balance of power and authority and greater capacity for independent decision-making.

The position of Chairman of the Board is currently vacant. At each Board meeting or shareholders' meeting, its role is assumed by one of the Board members on appointment by members at the meetings concerned. The Board is of the view that the balance of power is still in place as it has been the practice of the Chairman of the relevant meetings to encourage participation by all concerned.

Management of the Group is entrusted to the Executive Directors, led by the Group Managing Director, whilst the Independent Non-Executive Directors provide a check and balance in the process of decision-making by the Board. The Independent Non-Executive Directors are not employees of the Group and do not participate in the day-to-day management of the Group and are not engaged in any business dealings with the Group.

Company Secretaries

The Board is supported by suitably qualified and competent Company Secretaries. Every Director has unhindered access to the advice and services of the Company Secretaries. The Company Secretaries are qualified to act under the Companies Act, 2016 and undertake the following roles and responsibilities:

- Provide advice to the Board on the discharge and monitoring of its roles and responsibilities;
- Advising the Board on matters in relation to corporate disclosures, company and securities regulations, listing requirements as well as the principles of good governance practices; and
- Manage processes relating to the Group's annual shareholder meeting.

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. BOARD RESPONSIBILITIES (CONT'D)

Access to Information and Advice

The Group Managing Director, with the assistance of the Company Secretary, ensures that all Directors have full and timely access to information with Board papers distributed in advance of meetings. Prior to meetings of the Board and Board Committees, appropriate documents, which include the agenda and reports relevant to issues of the meetings covering strategic, financial, operational and regulatory compliance matters, where appropriate, are circulated to all members within a reasonable period in order for them to be properly briefed before the meeting.

Furtherance to the abovementioned, the Board, as a whole, has the right to determine whether as a full Board or in their individual capacity, to seek and take independent professional advice, where necessary and under appropriate circumstances, in pursuance of their duties at the Group's expense.

Board Meetings

The Board meets at least four (4) times a year at quarterly intervals with additional meetings convened when urgent and important decisions need to be taken between the scheduled meetings. Board Meetings are scheduled ahead to enable the Directors to plan and adjust their schedule to ensure good attendance and the expected degree of attention given to the Board agenda.

During the financial year under review, the Board met four (4) times, where it deliberated upon and considered a variety of matters including the Group's financial results, major investments, corporate announcements and the direction of the Group. Details of Directors' meeting attendances during the financial year are as follows:

	Directors	Number of meetings attended			
		BOD	AC	NC	RC
Executive	Lee Chor Min	4/4	N/A	N/A	N/A
	Lee Hean Huat	3/4	N/A	N/A	N/A
Non-Executive	Ng Shiek Nee	4/4	4/4	2/2	2/2
	Lee Phay Chian	4/4	4/4	2/2	2/2
	Soon Gim Wooi (Appointed on 5.12.2022)	1/1	1/1	N/A	1/1

BOD – Board of Directors Meeting
AC – Audit Committee Meeting
NC – Nominating Committee Meeting
RC – Remuneration Committee Meeting

Board Charter

The roles and functions of the Board, as well as the differing roles of Executive Directors and Non-Executive Directors are clearly delineated in a Board Charter. Under this Charter, the Board has a formal schedule of matters reserved to itself for decision, which includes the overall Group strategy and direction, acquisition and divestment policy, approval of major capital expenditure, consideration of significant financial matters and the review of financial and operating performance of the Group. Besides, the Board delegates certain responsibilities to Board Committees, namely the Audit Committee, Nominating Committee and Remuneration Committee in order to enhance business and operational efficiency as well as efficacy.

The Charter shall be reviewed periodically as stipulated to ensure its relevance in assisting the Board to execute its duties with changes in corporate laws and regulations that may arise from time and time. The Charter is available on the Company's website at www.seehup.com.my.

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. BOARD RESPONSIBILITIES (CONT'D)

Code of Ethics and Conduct

The Board recognizes the need to discharge its responsibilities ethically and has adopted the Code of Ethics as issued by the Companies Commissions of Malaysia, which is available on its website at www.ssm.com.my. The Code of Ethics set out the principles in relation to corporate governance, relationship with shareholders, employees, creditors, customers, corporate social responsibilities and the environment. The details of the Code of Ethics is available on the Company's website at www.seehup.com.my.

Whistleblowing Policy

Furthermore, the Board has set up a Whistleblowing Policy which established the proper communication and feedback channels for exposure of any violation or improper conduct or wrongdoing within the Group whilst ensuring that integrity and ethical behaviour are maintained through relevant protocols. This practice is to encourage transparency and offers confidentiality to its employees to raise issues of concern regarding its financial, operating and management's ethical business conduct.

The details of the Whistleblowing Policy is available on the Company's website at www.seehup.com.my.

Anti-Bribery and Anti-Corruption Policy

In line with Section 17A of the Malaysian Anti-Corruption Commission (Amendment) Act 2018, the Board has adopted an Anti-Bribery and Anti-Corruption Policy ("ABAC") that outlines the Group's commitment towards conducting its business ethically and in compliance with all applicable laws and regulations.

The ABAC is available on the Company's website at www.seehup.com.my

Directors' Fit and Proper Policy

The Board had on 30 May 2022 adopted the Directors' Fit and Proper Policy to enhance good corporate governance practices in the nomination and election of its directors.

The policy is available on the Company's website at www.seehup.com.my

Governance of Sustainability

The Board emphasized that the corporate commitment shall be a balanced integration of economic, environmental, and social elements into daily business operations to create and maximize the stakeholders' value over long term and sustainable growth.

Our sustainability strategies in addressing the material risks and opportunities are illustrated in the Sustainability Report.

II. BOARD COMPOSITION

Composition and Independence of the Board

The Board consists of five (5) members, comprising two (2) Independent Non-Executive Directors, one (1) Non-Independent Non-Executive Director and two (2) Executive Directors. The Board has complied with Paragraph 15.02 of the MMLR of Bursa Malaysia that stipulates at least two (2) Directors or one-third of the Board of the Company, whichever is the higher, are Independent Directors.

Although the Board has not met the composition recommended under the MCCG whereby at least half (50%) of the Board comprises independent directors, the Board believes the two (2) Independent Directors are capable of ensuring that issues of strategies, performance and resources proposed by the Management are objectively evaluated, taking into consideration of the long-term interest of shareholders, employees, customers, and other communities in which the Group conducts its business.

Annual Assessment of Independence

The Nominating Committee annually assess the independence of Independent Non-Executive Directors based on the criteria as defined in the Listing Requirements and is satisfied with the level of independence demonstrated by the two (2) Independent Non-Executive Directors and their ability in exercising independent and objective judgement in Board deliberations.

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II. BOARD COMPOSITION (CONT'D)

Tenure of Independent of Directors
The Board has not formalised a policy that restricts the tenure of Independent of Directors to nine (9) years.

Mr Lee Phay Chian, who was appointed as an Independent Director on 18 March 2013, has served the Board for more than nine (9) years. The Board shall seek shareholders' approval to retain Mr Lee Phay Chian as Independent Non-Executive Directors of the Company through a two-tier voting process. The Board believes that despite his extended tenure, Mr. Lee's active participation in Board deliberations and his ability to impartially exercise independent judgement has remained unimpaired.

Ms Ng Shiek Nee, who has served the Board for more than twelve (12) years, has been redesignated as Non-Independent Non-Executive Director on 5 December 2022.

Board and Senior Management Diversity
The Board recognises the need for diversity within its Board and Senior Management. The Company is committed to providing fair and equal opportunities and nurturing diversity within the Company. The appointment of board and senior management are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.

Details of the diversity of the Group's workforce are reported in the Sustainability Report 2023.

The present Directors, with their different backgrounds and specialization, collectively bring with them experience and expertise in areas such as finance, corporate affairs, marketing and operations. With this mix of expertise, the Company is essentially led and guided by an experienced and competent Board. The brief profile of each Director is presented in this Annual Report under Profile of Directors.

Furthermore, in view of maintaining a truly well-diversified Board, the Group has developed and maintained a Board Gender Diversity policy which recognises the importance of gender diversity in the Board. Currently, the Board comprises one (1) female member, representing a 20% allocation in the overall Board composition. The Nominating Committee will prioritize the appointment of female candidates based on their individual merits.

In summary, the Directors believe that the current Board composition fairly represents the investment of all shareholders in the Company.

Nominating Committee
The Nominating Committee comprises exclusively of Non-Executive Directors, all of whom are Independent Directors as follows:

Mr. Lee Phay Chian, Chairman
(Independent Non-Executive Director)
Ms. Ng Shiek Nee
(Non-Independent Non-Executive Director); and
Mr. Soon Gim Wooi (Appointed on 5.12.2022)
(Independent Non-Executive Director)

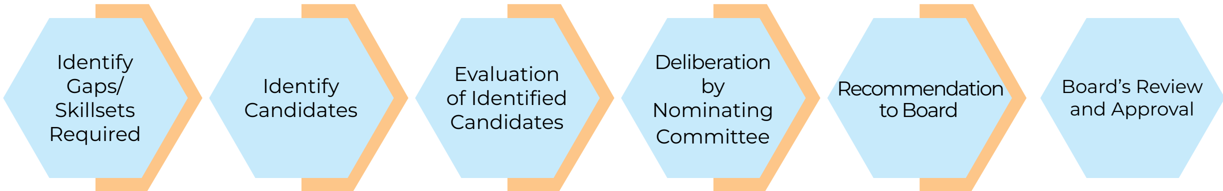
PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II. BOARD COMPOSITION (CONT'D)

Recruitment and Annual Assessment of Directors

The Nominating Committee is empowered by the Board with its terms of reference that includes proposing recommendations to the Board on the appointment of new Directors, as well as assessing the effectiveness of Board Committees and the Board, as a whole. With reference to the appointment process of new Directors, a general appointment progression can be depicted as follows:

In identifying candidates for appointment of directors, the Nominating Committee seeks recommendations from existing board members, management and major shareholders or independent sources**.**



In regard to the assessment of Directors' performance, an annual self-assessment was internally facilitated along with an assessment of the effectiveness of the Board as a whole. The self-assessment is carried out using questionnaires that takes into account, amongst others, the fit and proper criteria, contribution to affairs and business of the Group, appropriate skills and experience, discussion participation. The assessment of the Board as a whole by the Nominating Committee considers the evaluation criterion, amongst others, strategic planning, composition, size, mix of skills and experience and time commitment.

The summary of activities carried out during the financial year are:

- Reviewed the composition of the Board and Board Committees and recommended to the Board for the necessary changes in composition.
- Assessed the candidate's profile and reviewed his suitability, qualifications and experience for appointment to the Board.
- Reviewed the mix of skill and experience and other qualities of the Board.
- Assessed the effectiveness of the Board as a whole and the Board committees.
- Assessed the contribution of the Directors' due for retirement by rotation.
- Reviewed the term of office of each of the Audit Committee members and performance of the Audit Committee and each of its members.

The Nomination Committee, in accordance with Main Market Listing Requirements and MCCG best practices, reviewed the composition of the Board and recommended that Ng Shiek Nee be re-designated from Independent Non-Executive Director to a Non-Independent Non-Executive Director. In addition, the Committee recommended the appointment of Soon Gim Wooi to fill the vacancy left by Mak Cheow Yeong whom retired from the Board on 5 December 2023.

In evaluating candidates' suitability, the Nominating Committee takes into account various factors, including but not limited to their qualifications, experience, background and adherence to the fit and proper criteria outlined in the Directors' Fit & Proper Policy. The Committee also assesses the potential contribution of candidates to the Group, considering the existing composition of the Board and board committees. In the case of candidates proposed for appointment as independent directors, their independence is given special consideration as per applicable regulatory guidelines.

Directors' Training

The Directors are encouraged to continue to undergo relevant training courses and professional programmes to enhance their skills and knowledge, where relevant. In assessing the training needs of Directors, the Nominating Committee, has determined that appropriate training programmes covering matters on logistics, taxation, corporate governance, risk management and/or statutory/ regulatory compliance, to be recommended for the Directors to enhance their contributions to the Board.

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II. BOARD COMPOSITION (CONT'D)

Directors' Training (cont'd)

The Board members have attended the training programmes below:-

Directors	Training Programme
Lee Chor Min	• Fundamental of Malaysia Taxation on Treatment on Capital Expenditures and Its Relief in Malaysia • Governance, Risk and Controls (GRC)
Lee Hean Huat	Public Works Department (PWD) Construction Contract
Lee Phay Chian	• National Tax Conference • Workshop on Tax Treatment on Interest – Common Issues and Latest Updates • MIA Webinar Series: Reinvestment Allowance and Automation Capital Allowance
Ng Shiek Nee	• BDO Tax Webinar on Budget 2023 • Audit Oversight Board – Conversation with Audit Committee
Soon Gim Wooi	• Mandatory Accreditation Programme (MAP) • MIA Webinar Series: Audit Quality Enhancement Programme for SMPs • MIA Webinar Series: Engagement Quality Reviews and Documentation: ISQM 2, ISA 220 (Revised) & ISA 230 • MIA Webinar Series: Practical Methodologies in Preparing Statement of Cash Flows

III. REMUNERATION

Remuneration Policy

With reference to the Group's remuneration policy, the remuneration of Directors is generally linked to their experience, scope of responsibility and contribution to the Group's overall performance. The remuneration policy established a standardised framework in defining the objective of said policy, identified components of remuneration and summarising the derivation and recommendation procedures of Directors' remuneration.

In summary, the Committee is responsible for recommending to the Board the remuneration packages of Executive Directors. The Board, as a whole, determines the remuneration of Executive and Non-Executive Directors with the Directors concerned abstaining from the decision in respect of their individual remuneration.

Remuneration Committee

The Remuneration Committee comprises exclusively Non-Executive directors, majority of whom are Independent Non-Executive Directors:

Mr. Lee Phay Chian
(Independent Non-Executive Director)
Ms. Ng Shiek Nee
(Non-Independent Non-Executive Director)
Mr. Soon Gim Wooi (Appointed on 5.12.2022)
(Independent Non-Executive Director)

During the financial year, the Remuneration Committee met twice to deliberate and discuss on remuneration related matters of the Executive Directors and key management. The Company pays its Directors annual fee, which is approved annually by shareholders at the Annual General Meeting.

Details of Directors' Remuneration

Details of the remuneration of the Directors financial year ended 31 March 2023 are set out in the Corporate Governance Report.

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

III. REMUNERATION (CONT'D)

Details of top five key Senior Management's Remuneration
To avoid any perceived misallocation of executive remuneration against job responsibilities, the Board exercises its discretion not to disclose information on named basis the top five senior management's remuneration and seeks to retain the confidentiality. The Board is of the view that it will not be in the best interest of the Company to disclose these details given the competitiveness in the market for experienced senior management. However, to provide some disclosure on the level of remuneration paid to the senior management, the Company has opted to disclose their remuneration in total aggregate basis in the Corporate Governance Report.

PRINCIPLE B : EFFECTIVE AUDIT AND RISK MANAGEMENT

I. AUDIT COMMITTEE

The Board is assisted by the Audit Committee to oversee the Group's financial reporting processes and the quality of its financial reporting. The Audit Committee has been accorded with the power to communicate directly with the internal and external auditors towards ensuring compliance with other related regulatory requirements and the accounting standards.

The Audit Committee comprises exclusively of Non-Executive Directors, with the majority being Independent Directors. The Chairman of the Audit Committee is not the Chairman of the Board. In the event of any potential candidate of a former audit partner were to be appointed as a member of the Audit Committee, the cooling off period of at least three (3) years will be observed.

The Terms of Reference of the Audit Committee are available on the Company's website at www.seehup.com.my.

The Board is satisfied that the Audit Committee has effectively discharged its duties in accordance with its Terms of Reference. The diversity in the skills of the audit members which comprise financial, business acumen have enabled them to effectively discharged their roles and responsibilities.

The details of the Audit Committee's composition, attendance and summary of activities are set out under Audit Committee Report in this Annual Report.

External Auditors
The Board has established a transparent relationship with the external auditors through the Audit Committee, which has been accorded with the power to communicate directly with the external auditors towards ensuring compliance with the accounting standards and other related regulatory requirements.

Furthermore, in accordance to a policy maintained by the Audit Committee, the suitability and independence of the external auditors was assessed by the Audit Committee with the consideration of non-audit assignment engagements (if any) during the financial year. The formalised policy defines the assessment framework and tools to be undertaken by the Audit Committee and govern the circumstances which allow for provision of non-audit services by the external auditors.

Similarly, the external auditors had given written assurance that, they are, and have been, independent throughout the conduct of audit engagement in accordance with terms of relevant professional and regulatory requirements.

The Audit committee met with the external auditors twice to discuss the audit plan and audit findings during the year. Overall, the Audit Committee was satisfied with the suitability of external auditors based on the quality of services and sufficiency of resources provided during the course of audit. The Audit Committee was also satisfied in its review of the independence of external auditors with the consideration that there was no non-audit engagement provided by the external auditors during the financial year.

With the outcome of the annual assessment of external auditors, the Board had approved the Audit Committee's recommendation for the shareholders' approval to be sought at the Annual General Meeting on the reappointment of external auditors.

PRINCIPLE B : EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

II. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

The Board acknowledges its responsibility for the Group's system of internal control, which includes the establishment of an appropriate control environment and framework as well as reviewing its adequacy and integrity. Due to the limitations that are inherent in any system of internal control, this system is designed to manage, rather than eliminate, the risk of failure to achieve corporate objectives. Accordingly, it can only provide reasonable but not absolute assurance against material misstatement or loss. In overall, the system of internal control covers financial, organisational, operational and compliance controls.

Additionally, the Board has established and implemented a sound framework of risk management which encompasses a policy that defined the key features of risk management procedures, risk management organisational structure, risk escalation process and a practice of review of framework. With that, the Group has established a Risk Management Committee that oversees and reports all risk management related matters to the Audit Committee and the Board.

The Group outsourced its internal audit function to a professional firm of consultants, BDO Governance Advisory Sdn Bhd ("BDO") that adopts internal audit standards and best practices based on the International Professional Practices Framework (IPPF), endorsed by the Institute of Internal Auditors Malaysia.

BDO is sufficiently resourced to provide the services that meet with the Group's required service level in providing an independent assessment on the adequacy, efficiency and effectiveness of the Group's internal control systems. All personnel deployed by BDO are free from any relationships or conflicts of interest, which could impair their objectivity and independence during their course of work.

The internal audit adopted a risk-based approach and prepared its plan based on the risk profiles of the major business units in the Group in accordance with the Committee of Sponsoring Organizations of the Treadway Commission (COSO) framework. Opportunities for improvement to the system of internal control were identified and presented to the Audit Committee via internal audit reports, whilst Management formulated the relevant action plans to address the issues noted.

The details of the internal control are set out under Statement on Risk Management and Internal Control in this Annual Report.

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

I. COMMUNICATION WITH STAKEHOLDERS

The Board acknowledges the need and importance of ensuring prompt dissemination of information to shareholders, investors and regulatory bodies with an aim to give clear and complete information of the Group's financial performance as well as corporate initiatives and operations within the bounds of practicality and regulatory framework governing release of material and price sensitive information.

The Board recognises the need for shareholders to be kept updated with all material business matters affecting the Group. Shareholders are provided with an overview of the Group's performance and operations through timely release of financial results on yearly and quarterly basis as well as various other announcements. Shareholders may also access information about the Group via the Company's corporate website at www.seehup.com.my.

The Board peruses through and approves all announcements prior to release of the same to Bursa Malaysia. At the same time, the Board will take reasonable steps to ensure that all who invest in the Company's securities enjoy equal access to such information to avoid an individual or selective disclosure.

II. CONDUCT OF GENERAL MEETINGS

The Annual General Meeting ("AGM") provides a platform for Board dialogue and interaction with shareholders where shareholders and investors may seek clarifications on the Group's businesses, performance and prospects. At the AGM, shareholders are encouraged by the Chairman of the meeting to ask questions or seek clarifications on the agenda of the meeting.

In exercising good corporate governance, the Notice for the AGM is circulated at least 28 days prior to the date of meeting.

This statement was approved by the Board of Directors on 29 May 2023.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Introduction

The Board is committed in exercising good corporate governance in overseeing the Group's business operations and thus, seeks to adopt the guidance provided in the publication "Statement on Risk Management and Internal Control: Guidelines for Directors of Public Listed Companies" (the "Guidelines"), which is prepared in accordance with Paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. Accordingly, the Board confirms that there is an ongoing process for identifying, evaluating and managing significant risks faced by the Group, that has been in place for the financial year and that this process is periodically reviewed by the Board and accords with the Guidelines.

Board Responsibility for Risk Management and Internal Control

The Board affirms its overall responsibility in maintaining a sound process of internal control and risk management practices and for reviewing the adequacy and integrity of the system to safeguard shareholders' investments and the Group's assets. The process covers not only financial controls but also operational and compliance controls. In view of the limitation inherent in any process, the Board recognizes that the system is designed to manage, rather than eliminate, the risks of not adhering to the Group's policies and achieving corporate objectives within the risk tolerance established by the Board and the Management. Therefore, the system provides reasonable, but not absolute, assurance against the occurrence of any material misstatement, loss or fraud.

Enterprise Risk Management Framework

The formalisation of the Group's Risk Management Framework which is based on Committee of Sponsoring Organizations of the Treadway Commission ("COSO") Enterprise Risk Management Framework incorporates an on-going process of identifying, controlling, monitoring and reporting materials risks which may have an impact on the achievement of the Group's strategic business objectives. Additionally, the framework underlines the importance of balancing between risk and reward in making corporate decisions and acts as a tool for the Board and Group in anticipating and managing both existing and potential risks.

Risks are considered in the development and administration of the business in order to provide assurance to the Board and relevant stakeholders on the adequacy and effectiveness of risk management. Besides, the Board established a Risk Management Committee, whose responsibilities, amongst others, include overseeing the effective implementation of the framework.

Through the assistance of external advisors, the Board developed and formalised the Risk Management Framework which comprises the following key elements of a risk governance structure:

<u>Risk Management Organisational Structure</u>
Based on the Group's Risk Management Organisational Structure, the following diagram outlines the main parties and their roles and responsibilities:

Board of Directors

- Overseeing the overall risk management and internal control framework.
- Approve risk management framework and organisational structure.
- Develop the risk appetite of the Group.
- Review and deliberate on reports of risk management and internal control.

Audit Committee

- Assist in evaluating the adequacy of the Group's risk management and internal control framework.
- Monitor the discharge of roles and responsibilities of the Risk Management Committee.
- Review the reports from the Risk Management Committee and the Group's Risk Register.

Risk Management Committee

- Administration of risk update, i.e. assessment and consolidation of department risk register prior to updating Group's Risk Register.
- Analyse and advise on action plans for mitigating risks identified.
- Oversees the compliance of Risk Management Framework and its development.

Head of Department(s)

- Primarily responsible for managing risks on a day to day basis.
- Coordinate with Risk Management Committee on implementation of risk management policy and practices.
- Adopt and monitor the execution of mitigation actions where appropriate.
- Conduct preliminary risk review and carry out initial update of risk register.

Enterprise Risk Management Framework (Cont'd)

Risk Management Process
A summary of the risk management procedures undertaken under the structure of the Group's Risk Management Framework can be delineated as such:

i. Risk Identification Process
   - Procedures of identifying all hazards, threats or opportunities which may impact the achievement of the Group's business objectives.
   - Identification of risk process is to be carried out under the responsibility of all level of management team of the Group in relation to existing and proposed activities, systems and procedures.
   - Discussion and review between control or risk owner(s) on new risk identified prior to update of the risk database.

ii. Risk Evaluation Process
   - Process of ranking risk based on a set of prescribed measures which involves the consideration of the following:
     - Likelihood of this risk(s) may occur.
     - Potential impact/consequence of risk(s), should it occur.-
   - Assessment of risk is undertaken by combining estimates of impact and likelihood within the context of existing control environment and measures.
   - Additionally, risk assessment scale shall be accompanied with the utilisation of experience and judgement by the Management.

iii. Risk Treatment Process
   - This phase involves the identification of risk mitigation measures and evaluation of those options in relation to the range of risk identified.
   - Upon the finalisation of said plan, the implementations of mitigation actions are delegated for execution.

iv. Risk Monitoring and Reporting
   - Procedures which include the review of status of action plans and key performance indicators, where applicable in view to provide assurance that risks are being managed as expected.
   - Regular monitoring of the Group's risk profile in pursuance of reflecting the changing circumstances and new exposures.
   - Risk reporting structure that defines the level of risk escalation process and format of reporting for progressive status update and matters which requires immediate actions.

In addition, the formalisation of the abovementioned framework encompasses the following additional key elements:

- The Group Executive Directors in consultation with key management personnel of respective operating companies are tasked with the responsibility to identify and communicate to the Board of Directors the critical risks (both present and potential) the Group faces, their changes and the management action plans to manage the risks;
- The Group Internal Auditors reporting directly to the Audit Committee together with a summary of the key findings to present to the Board for consideration; and
- The entire ERM process will be reviewed by the Risk Management Committee as and when circumstances indicate a need for full review in which significant risks which may inflict the Group are re-evaluated according to their likelihood of occurrence and severity of consequence. Existing controls to mitigate and manage these risks are then re-assessed and strengthened.
- No significant risk has been identified which in the event of its occurrence will result in a critical disruption to operations or materially impact its financial performance on a Group basis.

In summary, the Group's financial and operation performance are influenced by a range of risk factors, from those being monitored and managed presently, to those current assessed as insignificant or beyond the Group's control. Principally, areas for risk identification of the Group may be categorised into general categories such as cost of operation, sales and marketing, customer service, human resource and competitive threat. Henceforth, the aim of the abovementioned risk governance structure is to fully aid the Group in mitigating those exposures.

Internal Audit Function

The Group outsourced its internal audit function to a professional firm of consultants to provide the Board with much of the assurance it requires regarding the adequacy and integrity of the system of internal control.

The internal auditors report to the Audit Committee on internal audit findings and recommend remedial action plans for possible improvement for the audited areas. The highlighted internal audit findings are followed-up by the internal auditors as well to highlight the control weaknesses, if any, are properly addressed by the management.

During the financial year, the internal audit function reviewed the internal controls in the key activities of the Group's businesses on the basis of an annual internal audit plan approved by the Audit Committee. The internal audit adopted a risk-based approach and prepared its plan based on the risk profiles of the major business units in the Group. Opportunities for improvement to the system of internal control were identified and presented to the Audit Committee via internal audit reports, whilst Management formulated the relevant action plans to address the issues noted.

A total of 3 internal audit reviews were conducted by BDO Governance Advisory Sdn. Bhd. for the financial year ended 31 March 2023. The details of the said review can be delineated as follows:-

Name of Auditee	Audited Areas
SH Worldwide Logistics Sdn Bhd	Sales to Receipt
See Hup Consolidated Berhad	Treasury Management
See Hup Consolidated Berhad	Information Technology General Controls

Additionally, BDO supported the Company's risk management efforts by collecting feedback from the management and assist in updating the changes to the existing risk register during the year.

Other Key Risk Management and Internal Control Processes

Apart from risk management and internal audit, the Board has established the following processes throughout the financial year:

- an organisational structure with formally defined lines of responsibility and delegation of authority, with appropriate personnel heading the various business units in the Group, has been established;
- a process of hierarchical reporting has been drawn up, which provides for a documented and auditable trail of accountability. The procedures include the establishment of authority limits, credit control and have in practice a policy of continuous staff training and development, staff performance evaluations and the conduct of due inquiries on serious misconduct. These procedures are relevant across the Group's operations and provide for continuous assurance to be given at increasingly higher levels of Management and, finally, to the Board;
- monthly management accounts of all subsidiaries and associates are presented by senior finance and accounting personnel to key executive directors to review financial performance to date and address areas of financial and operational concerns;
- the Group Managing Director also reports to the Board on significant changes in the business and external environment, which affects the operations of the Group at large. The Executive Directors also provide the Board with quarterly financial information, including pertinent explanations on the performance of the Group;
- where areas for improvement in the system are identified, the Board considers the recommendations made by the Audit Committee and Management; and
- The Management has in place internal policies on the expected code of conduct and ethics which are presently communicated verbally to its employees to facilitate a conducive working environment.

Review of the statement by external auditors

The external auditors, Messrs UHY, have reviewed this `Statement on Risk Management and Internal Control in accordance with paragraph 15.23 of the Main Market Listing Requirements of Bursa Malaysia and the Recommended Practice Guide 5 (Revised) issued by the Malaysian Institute of Accountants and reported that nothing has come to their attention that causes them to believe that the Statement is inconsistent with their understanding of the process the Board has adopted in the review of the adequacy and effectiveness of risk management and internal controls of the Group.

The Board's Opinion

The Board has received assurance from the Group Managing Director and the Finance Manager that the Group's risk management and internal control systems have been operating adequately and effectively, in all material aspects, during the financial year under review and up to date of this statement. Taking this assurance into consideration, the Board is of the view that there were no significant weaknesses in the current system of internal control of the Group that may have material impact on the operations of the Group for the financial year ended 31 March 2023 and there are sound and sufficient controls in place within the Group.

The Board recognizes the importance of strong internal control and risk management processes to protect the Group's interest and that of its stakeholders, particularly on enhancing shareholder value. In this regard, the Board will continuously monitor the effectiveness of these processes and, where necessary, take the necessary improvement actions.

This statement is issued in accordance with a resolution of the Directors dated 29 May 2023.

AUDIT COMMITTEE REPORT

The primary purpose of the Audit Committee is to support and advise the Board by providing an oversight of the financial reporting process, the system of internal controls, the audit procedures, and compliance with laws and regulations by:

- Overseeing the integrity of the financial statements and any formal announcements relating to financial performance;
- Reviewing the adequacy and entirety of internal controls system and risk management framework;
- Assessing the effectiveness of the internal audit function;
- Reviewing the performance and independence of the auditors; and
- Recommending to the Board in relation to the appointment, re-appointment and removal of the external auditor and approve the remuneration and terms of engagement of the auditor.

The Terms of Reference of the Audit Committee are available on the Company's website at www.seehup.com.my.

MEMBERSHIP

Members of the Committee comprise the following:

Name	Designation
Lee Phay Chian	Chairman, *Independent Non- Executive Director*
Soon Gim Wooi	Member, *Independent Non-Executive Director*
Ng Shiek Nee	Member, Non-*Independent Non-Executive Director*

COMPOSITION

The Committee, which is appointed by the Board from amongst its members, shall fulfill the following requirements:

- the Committee must be composed of no fewer than three (3) members, all of whom must be non-executive directors, with the majority being Independent Directors; or
- at least one member of the Committee must be a member of the Malaysian Institute of Accountants (MIA); or
- if the member is not a member of the MIA, the member must have at least 3 years' working experience and:
  - Has passed the examinations specified in Part 1 of the 1st Schedule of the Accountants Act 1967; or
  - Be a member of one of the associations of accountants specified in Part II of the 1st Schedule of the Accountants Act 1967; or
- such other requirements as prescribed or approved by the Bursa Malaysia Securities Berhad.

If a member of the Committee resigns, dies, or for any reason ceases to be a member with the result that the number of members is reduced to below three (3), the Board shall within three (3) months of the event appoint such number of new members as may be required to fill the vacancy.

A former key audit partner of the Company shall observe a cooling-off period of at least three (3) years before being appointed as a member of the Committee.

No alternate Director can be appointed a member of the Committee.

Quorum shall be the majority of members present.

The term of office of the Committee members shall be reviewed by the Board at least once every three (3) years. Additionally, the Board assesses the performance of the Committee and its members through an annual effectiveness assessment. The Board is satisfied that the Committee discharged their roles, functions and duties in accordance with the Committee's Terms of Reference, in support of the Board in ensuring a good governance structure within the Group.

CHAIRMAN OF AUDIT COMMITTEE

The Chairman of the Committee shall be an Independent Non-Executive Director.

In the absence of the Chairman, the members of the Committee shall elect a Chairman from among their number who shall be an Independent Non-Executive Director.

ATTENDANCE AT MEETINGS

The Committee met on four (4) occasions during the financial year. Details of the attendance of the Committee are as follows:

Name of Committee	Attendance
Lee Phay Chian	4/4
Ng Shiek Nee	4/4
Soon Gim Wooi (Appointed on 5 December 2022)	1/1

The agenda, together with working papers, was circulated at least one week before each meeting to members of the Committee.

A representative of the external auditors and the internal audit function are invited at least twice annually to attend a meeting. The external auditors may request a meeting if they consider that one is necessary.

AUTHORITY

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

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

ACTIVITIES

The activities of the Committee during the financial year were as follows:

<u>Financial Reporting</u>

- Reviewed the quarterly unaudited financial results and the audit findings in relation to the annual audited financial statements of the Group and its related notes to the financial statements for the period ended 31 March 2023 and relevant announcements before recommending to the Board for approval.

- Reviewed significant events, material adjustments and materials issues (if any) in quarterly results and obtained sufficient clarification from the Management in view of the major accounting principles and policies that were applied and the reasonableness of judgements and estimations made in the preparation of financial statements and similar disclosures.

- Deliberated and confirmed with the Management that the Group's financial records have been prepared in compliance with applicable Financial Reporting Standards with the consideration of safeguarding the accuracy and integrity of information.

<u>External Audit</u>

- Reviewed and approved the audit plan presented by the external auditors which comprised amongst others, details of the engagement team, audit methodology and materiality, preliminary audit risk assessment, general coverage audit assessment and strategy, fieldwork schedule and scope of audit work for the year.

- Deliberated on the significance of new developments on accounting standards issued by the Malaysian Accounting Standards Board over the Group's financial reporting. The relevant accounting standards were highlighted for reference by the external auditors.

ACTIVITIES (CONT'D)

External Audit (cont'd)

- Considered the external auditors' assessment on the Group's internal control structure in order to ascertain that adequate and effective procedures were established for administration of the Group's financial reporting.

- Carried out an assessment over the performance and independence of the external auditors for the financial year. In summary, the assessment considered the quality of services provided, the adequacy of resources allocated, in terms of professional staff assigned and duration of fieldwork and a consideration over the provision of non-audit services, if any, during the year.

- Conducted two private sessions with the external auditors without the presence of the Executive Directors and Management staff on 28 February 2023 and 30 May 2022 to discuss issues of concern to the auditors.

Internal Audit and Control

- Reviewed the internal audit plans and reports during the financial year on three (3) internal audit visits conducted, with deliberation on the recommendations thereof and the Management's responses on action implementation. Furtherance to which, a discussion with the Management on the actions to improve the system of internal control was carried out in relation to improvement opportunities identified in the said internal audit reports.

- Monitored the implementation of agreed corrective action plans by the Management whilst on any undue delay of execution, justifications were obtained and assessed.

- Assessed the performance and functions of the internal audit services during the financial year through an evaluation on the scope of the internal audits, the internal auditors' understanding of the business operation and environment, resources allocation, quality of services rendered and deliverables features.

- Reviewed the recurrent related party transactions of the Group to ensure that these transactions are in accordance with the mandate obtained.

Other Matters

- Reviewed the Circular to Shareholders on Recurrent Related Party Transactions.

- Reviewed and recommended to the Board, the Audit Committee Report and Statement on Risk Management and Internal for inclusion in the Annual Report.

INTERNAL AUDIT FUNCTION

The Group outsourced the internal audit function to a professional firm of consultants, BDO Governance Advisory Sdn Bhd, to provide the Board with much of the assurance it requires regarding the adequacy and integrity of the system of internal control within the Group. The total cost incurred in respect of the internal audit function for the year was RM28,500.

During the financial year ended 31 March 2023, the internal audit function carried out three (3) cycles of internal audit to test the effectiveness of the internal control system of the Group. For further reference, details of each internal audit visit is summarised within the Statement on Risk Management and Internal Control.

The internal audit function is independent of the activities or operations of the Group. The principal role of the internal audit function is to undertake independent, regular and systematic reviews of the system of internal control to provide reasonable assurance that such system continues to operate satisfactorily and effectively. It is the responsibility of the internal audit function to provide the Audit Committee with independent and objective reports on the state of internal control of the various operating units within the Group.

The internal audit function adopted a risk-based approach in its review of the internal controls in the key activities of the major business units based on a detailed annual internal audit plan approved by the Audit Committee.

ADDITIONAL COMPLIANCE INFORMATION

1. **Status of Utilisation of Proceeds**

   There were no proceeds raised by the Company from any corporate proposals during the financial year.

2. **Audit /Non-Audit fees**

   The amount of audit and non-audit fees payable to the external auditors by the Group and the Company for the financial are as follows:-

	Group (RM)	Company (RM)
Audit Fees	143,500	23,000
Non-Audit Fees	5,000	5,000

3. **Material Contracts**

   There were no contracts entered into by the Company and its subsidiaries involving the interests of the Directors or major shareholders, either still subsisting at the end of the financial year or entered into since the end of the financial year.

4. **Contract relating to Loan**

   There were no material contracts relating to loans entered into by the Company and its subsidiaries involving the interests of the Directors or major shareholders.

5. **Recurrent Related Party Transactions ("RRPT") of a Revenue or Trading Nature for the year ended 31 March 2023**

   5.1 The aggregate value of recurrent related party transactions conducted pursuant to the shareholders' mandate during the financial year ended 31 March 2023 are as follows:-

Related Party with whom the Group is transacting	Company within the Group involved	Amount (RM)	Nature of transactions	Interested Related Party
See Hup Pioneer Logistics (Thailand) Co. Ltd ("SHPL Thailand")	SH Logistics (M) Sdn Bhd	46,550.30 324,533	Provision of transport services in Malaysia to SHPL Thailand Provision of transport services in Thailand by SHPL Thailand	***Interested Director/ Major Shareholder/ Person Connected*** Li Chun Huat Li Chau Ging
Tanjung Marine Sdn Bhd	SH Haulage Sdn Bhd	1,688,074.10	Provision of transportation services to Tanjung Marine Sdn Bhd	***Interested Director/ Major Shareholder*** *Haji Shamsul Ariffin Bin Mohd Nor*
Mazs Marketing (M) Sdn Bhd	See Hup Pioneer Logistics Sdn Bhd ("SHPL")	182,067.51	Provision of transportation services to SHPL	***Interested Director/ Major Shareholder*** Datuk Haji Muhadzir Bin Mohd Isa
Hong Seng Group	SH Moment Builder Sdn Bhd ("SH Moment")	-	Supply and rental of trucks, equipment and machinery by Hong Seng Group	***Interested Director/ Major Shareholder/ Person Connected*** *Dato' Teoh Hai Hin / Hong Seng Housing Sdn Bhd*

5. **Recurrent Related Party Transactions ("RRPT") of a Revenue or Trading Nature for the year ended 31 March 2023 (Cont'd)**

5.1 The aggregate value of recurrent related party transactions conducted pursuant to the shareholders' mandate during the financial year ended 31 March 2023 are as follows:- (Cont'd)

Related Party with whom the Group is transacting	Company within the Group involved	Amount (RM)	Nature of transactions	Interested Related Party
Uni Moment Engineering Builders Sdn Bhd ("Uni Moment")	SH Moment	8,771,961.56	Supply of labour, construction materials, rental of trucks, equipment and machinery to Uni Moment	***Interested Director/ Major Shareholder*** *Lee Kean Leng, Lee Kiang Hwa / Uni Moment*
		3,129,078	Supply of labour, construction materials, rental of trucks, equipment and machinery by Uni Moment	
Prosful Trading Sdn Bhd ("Prosful")	SH Moment	-	Rental of trucks, equipment and machinery to Prosful	***Interested Director/ Major Shareholder*** *Lee Kean Leng / Uni Moment*
		83,200.00	Rental of trucks, equipment and machinery by Prosful	
SH Moment	Hot Colour Furniture Sdn Bhd ("Hot Colour")	68,946.00	Provision of sub-contracting services for renovations and maintenance works to Hot Colour	***Interested Director/ Major Shareholder/ Person Connected*** *Dato' Teoh Hai Hin / Hong Seng Housing Sdn Bhd*

5.2 Amount of Financial Assistance between See Hup Consolidated Berhad and its subsidiaries

The amount of financial assistance effected between the Company and its subsidiary via a centralised treasury management function during the financial year ended 31 March 2023 are as follows :

Recipient -Subsidiary	Provider	Amount (RM)	Interested Related Party
SH Haulage Sdn Bhd	See Hup Consolidated Berhad	-	*Interested Director/Major Shareholder* Haji Shamsul Ariffin Bin Mohd Nor

DIRECTORS' RESPONSIBILITY STATEMENT IN FINANCIAL REPORTING

The Board aims to provide and present a balanced and meaningful assessment of the Group's financial performance and prospects at the end of the financial year, primarily through the annual financial statements, quarterly announcement of results and the Management Discussion and Analysis in the Annual Report. The Board is assisted by the Audit Committee to oversee the Group's financial reporting processes and the quality of its financial reporting.

The Board is responsible for ensuring that the financial statements of the Group give a true and fair view of the state of affairs of the Group and of the Company as at the end of the financial year and of their results and cash flows for the year then ended. In preparing the financial statements, the Directors have ensured that Malaysian Financial Reporting Standards, International Financial Reporting Standards and the provisions of the Companies Act, 2016 have been applied.

In preparing the financial statements, the Directors have selected and applied consistently suitable accounting policies and made reasonable and prudent judgments and estimates.

The Directors also have a general responsibility for taking such steps that are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

FINANCIAL STATEMENTS

The Directors hereby present their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 March 2023.

Principal Activities

The principal activity of the Company is an investment holding. The principal activities of its subsidiary companies are disclosed in Note 8 to the financial statements.

There have been no significant changes in the nature of these activities during the financial year.

Financial Results

	Group RM	Company RM
Loss for the financial year	6,097,332	5,860,439
Attributable to:		
Owners of the parent	1,781,667	5,860,439
Non-controlling interests	4,315,665	-
	6,097,332	5,860,439

Reserves and Provisions

There were no material transfers to or from reserves or provisions during the financial year other than as disclosed in the financial statements.

Dividends

The amounts of dividends paid by the Company since the end of the last financial year were as follows:

	RM
In respect of the financial year ended 31 March 2023,	
- Interim single tier interim dividend of RM0.027 per ordinary share declared and paid on 28 December 2022	2,146,152

The Board of Directors does not recommend any final dividend in respect of the current financial year ended 31 March 2023.

Issue of Shares and Debentures

There was no issuance of shares or debenture during the financial year.

Treasury Shares

During the financial year, the Company repurchased 566,200 ordinary shares of its issued share capital from the open market. The average price paid for the shares repurchased was RM1.03 per share. The total consideration paid for the repurchase, including transaction costs, was RM586,975. The repurchased transactions were financed by internal generated funds. The shares repurchased are being held as treasury shares in accordance with Section 127 of the Companies Act 2016.

As at 31 March 2023, the Company held 939,200 treasury shares out of the total 80,426,301 issued ordinary shares. Further relevant details are disclosed in Note 20 to the financial statements.

Options Granted Over Unissued Shares

No options were granted to any person to take up unissued shares of the Company during the financial year.

Directors

The Directors in office during the financial year and during the period from the end of financial year until the date of this report are:

Lee Chor Min*	
Lee Hean Huat*	
Ng Shiek Nee	
Lee Phay Chian	
Soon Gim Wooi	(Appointed on 5.12.2022)
Datuk Haji Muhadzir Bin Mohd. Isa*	(Retired on 5.12.2022)
Haji Shamsul Ariffin B. Mohd Nor*	(Retired on 5.12.2022)
Mak Cheow Yeong	(Retired on 5.12.2022)

** These Directors are also Directors of certain of the Company's subsidiaries*

The Directors who held office in the subsidiary companies (excluding Directors who are also Directors of the Company) during the financial year and during the period from the end of financial year up to the date of this report:

Azhan Bin Mohamed@Omar	
Dato' Lee Hean Guan	
Dato' Seri Teoh Hai Hin	
Datuk Haji Muhadzir Bin Mohd.Isa	
Haji Shamsul Ariffin B. Mohd Nor	
Lee Hean Teik	
Khoo Teng Lye	
Lai Yew Chong	
Lee Hean Beng	
Lee Hean Seng	
Lee Kean Leng	
Lee Kiang Hwa	
Lee Yee Huei	
Lee Yee Ping	
Leong Lee Shan	
Li Chau Ging	
Li Chun Huat	
Lim Weng Nam	
Prasit Rungnapha	
Shazdura Binti Shamsul Ariffin	
Teh Bee Ling	
Teoh Huan Shim	
Tong Wei Wei	
Wong Yen Fen	
Zulkifli Bin Jaafar	
Surasit Santiwarakom	(Deceased on 15.04.2022)

The information required to be disclosed pursuant to Section 253 of the Companies Act 2016 in Malaysia is deemed incorporated herein by such reference to the financial statements of the respective subsidiary companies and made a part hereof.

Directors' Interests in Shares

The interests and deemed interests in the shares of the Company and of its related corporations (other than wholly-owned subsidiary companies) of those who were Directors at financial year end (including their spouses or children) according to the Register of Directors' Shareholdings are as follows:

	Number of ordinary shares			
	At 1.4.2022	Acquired	Disposed	At 31.3.2023
Interest in the Company				
Direct interest				
Lee Chor Min	1,100,000	-	-	1,100,000
Lee Hean Huat	774,530	580,000	(580,000)	774,530
Ng Shiek Nee	20,000	-	-	20,000
Interest in the Company				
Deemed interest				
Lee Hean Huat				
- Own *	9,543,094	234,000	-	9,777,094
- Others #	2,624,900	-	-	2,624,900

Note:

deemed interest by virtue of shares held by spouse/children.
* deemed interest by virtue of shares held by Hean Brothers Holdings Sdn. Bhd..

None of the other Directors in office at the end of the financial year had any interest in shares in the Company or its related corporations during the financial year.

Directors' Benefits

Since the end of the previous financial year, no Director of the Company has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of remuneration received or due and receivable by Directors as shown in below) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest, other than Director who has significant financial interests in companies which traded with certain companies in the Group in the ordinary course of business as disclosed in Note 37 to the financial statements.

The details of the Directors' remuneration for the financial year ended 31 March 2023 are set out below:

	Group RM	Company RM
Executive Directors		
Exitsting Directors of the Company		
Salaries, wages and other emoluments	951,950	129,450
Fees	124,000	32,000
Social security contributions	7,850	1,060
Defined contributions plans	113,306	13,776
	1,197,106	176,286
Estimated value of benefits-in-kind	23,225	-
	1,220,331	176,286
Existing Directors of the subsidiary companies		
Salaries, wages and other emoluments	3,154,770	-
Fees	280,865	-
Social security contributions	17,013	-
Defined contributions plans	378,374	-
	3,831,022	-
Estimated value of benefits-in-kind	33,200	-
	3,864,222	-
Total Executive Directors' remuneration	5,084,553	176,286
Non Executive Directors		
Exitsting Directors of the Company		
Salaries, wages and other emoluments	40,250	40,250
Fees	26,000	26,000
	66,250	66,250

Neither during nor at the end of the financial year, was the Company a party to any arrangement whose object was 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.

Indemnity and Insurance Costs

There was no indemnity given to or insurance effected for any Directors, officers and auditors of the Company in accordance with Section 289 of the Companies Act 2016 in Malaysia.

Other Statutory Information

(a) Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:

   (i) to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and

   (ii) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the value of current assets as shown in the accounting records of the Group and of the Company have been written down to an amount which the current assets might be expected so to realise.

(b) At the date of this report, the Directors are not aware of any circumstances:

   (i) which would render the amounts written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or

   (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or

   (iii) 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; or

Other Statutory Information (Cont'd)

(b) At the date of this report, the Directors are not aware of any circumstances: (Cont'd)

(iv) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

(c) At the date of this report, there does not exist:

(i) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or

(ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.

(d) In the opinion of the Directors:

(i) no contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group and of the Company to meet its obligations as and when they fall due;

(ii) the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and

(iii) 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 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.

Subsidiary Companies

The details of the subsidiary companies are disclosed in Note 8 to the financial statements.

Auditors

The Auditors, Messrs. UHY, have expressed their willingness to continue in office.

The auditors' remuneration of the Group and of the Company for the financial year ended 31 March 2023 are as follow:

	Group RM	Company RM
Auditors' remuneration		
- Statutory audits	143,500	23,000
- Non-statutory audits	5,000	5,000

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 18 July 2023.

LEE CHOR MIN

LEE HEAN HUAT

PENANG

STATEMENT BY DIRECTORS

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

We, the undersigned, being two of the Directors of the Company, do hereby state that, in the opinion of the Directors, the financial statements set out on pages 73 to 218 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 at 31 March 2023 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 18 July 2023.

LEE CHOR MIN	LEE HEAN HUAT

PENANG

STATUTORY DECLARATION

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

I, LEE CHOR MIN, NRIC No.: 750712-07-5389, being the officer primarily responsible for the financial management of See Hup Consolidated Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the financial statements set out on pages 73 to 218 are correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the)
abovenamed at George Town in the State)
of Penang on 18 July 2023)
)

LEE CHOR MIN

Before me,

Commissioner For Oaths

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of See Hup Consolidated Berhad, which comprise the statements of financial position as at 31 March 2023 of the Group and of the Company, and the statements of profit and 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 a summary of significant accounting policies, as set out on pages 73 to 218.

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 2023, 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 Requirements

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 IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, 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.

Key Audit Matters	How we addressed the key audit matters
Impairment of trade receivables The carrying amount of the Group's trade receivables was amounted to RM24,127,005. During the financial year, the Group assessed the impairment of trade receivables and the assessment of impairment involves significant estimation uncertainty subjective assumptions and the application of significant judgement.	We obtained and evaluated the appropriateness of the Group's policy on management of credit risk and its credit exposures. We assessed the reasonableness of the methods and assumptions used by management in estimating the recoverable amount and impairment loss and tested the accuracy and completeness of the data used by the management. We reviewed the adequacy of the amount of impairment loss and enquired the management regarding the recoverability of a sample of trade receivables that are pass due but not impaired accounts and review of customers' correspondence.

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 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 Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of the 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 has no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and 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 judgment and maintain professional scepticism 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 of 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.

Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit. We also: (Cont'd)

- 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.

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.

UHY
Firm Number: AF 1411
Chartered Accountants

TIO SHIN YOUNG
Approved Number: 03355/02/2024 J
Chartered Accountant

PENANG
18 July 2023

STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2023

		Group		Company	
		2023	2022	2023	2022
	Note	RM	RM	RM	RM
ASSETS					
Non-current assets					
Property, plant and equipment	4	9,416,521	7,596,109	-	-
Right-of-use assets	5	52,719,347	56,524,980	-	-
Investment properties	6	7,338,496	7,370,421	-	-
Goodwill on consolidation	7	704,273	704,273	-	-
Investments in subsidiary companies	8	-	-	35,289,156	30,918,290
Investments in associates	9	12,837,491	9,586,395	9,807,456	8,393,135
Other investments	10	2,039,947	1,068,766	-	-
Amount due from subsidiary companies	11	-	-	13,685,379	48,989,343
Trade receivables	12	-	728,129	-	-
		85,056,075	83,579,073	58,781,991	88,300,768
Current assets					
Inventories	13	2,644,150	1,718,429	-	-
Trade receivables	12	24,127,005	22,334,191	-	-
Other receivables	14	5,084,695	5,717,940	28,796	32,623
Contract assets	15	-	3,813,600	-	-
Amount due from subsidiary companies	11	-	-	29,850,618	7,264,736
Tax recoverable		578,090	438,802	-	-
Deposits, cash and bank balances	16	25,832,815	35,841,986	7,827,925	12,413,235
		58,266,755	69,864,948	37,707,339	19,710,594
Total assets		143,322,830	153,444,021	96,489,330	108,011,362

		Group		Company	
		2023	2022	2023	2022
	Note	RM	RM	RM	RM
EQUITY					
Share capital	17	81,109,469	81,109,469	81,109,469	81,109,469
Fair value reserve	18	(53,200)	(33,200)	-	-
Retained earnings	19	7,598,016	12,159,363	12,243,157	20,249,748
Treasury shares	20	(959,175)	(372,200)	(959,175)	(372,200)
Equity attributable to owners of the parent		87,695,110	92,863,432	92,393,451	100,987,017
Non-controlling interests		944,204	4,631,341	-	-
Total equity		88,639,314	97,494,773	92,393,451	100,987,017
LIABILITIES					
Non-current liabilities					
Loans and borrowings	21	18,356,117	19,556,852	-	121,628
Lease liabilities	22	4,414,177	6,482,384	-	-
Deferred tax liabilities	23	471,466	638,231	-	-
Other payables	24	-	140,483	-	-
		23,241,760	26,817,950	-	121,628
Current liabilities					
Loans and borrowings	21	7,283,800	7,236,856	132,955	1,032,731
Lease liabilities	22	5,204,079	4,910,832	-	-
Trade payables	25	9,822,789	11,688,019	20,370	-
Other payables	24	6,619,592	4,912,654	138,749	115,651
Contract liabilities	15	2,335,283	-	-	-
Amount due to subsidiary companies	11	-	-	3,700,532	5,698,611
Tax payable		176,213	382,937	103,273	55,724
		31,441,756	29,131,298	4,095,879	6,902,717
Total liabilities		54,683,516	55,949,248	4,095,879	7,024,345
Total equity and liabilities		143,322,830	153,444,021	96,489,330	108,011,362

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

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

		Group		Company	
		2023	2022	2023	2022
	Note	RM	RM	RM	RM
Revenue	26	126,190,180	112,459,632	1,307,937	27,198,271
Other operating income		1,294,641	35,606,805	2,048,019	1,368,225
Trading inventories sold		(4,154,730)	(5,503,902)	-	-
Staff costs	27	(24,527,895)	(21,599,785)	(551,298)	(91,000)
Depreciation		(7,980,583)	(8,094,640)	-	-
Net losses on impairment of financial instruments		(9,246,656)	(1,001,865)	(7,038,863)	(668,000)
Other expenses		(88,197,256)	(87,293,098)	(1,150,915)	(4,685,217)
(Loss)/Profit from operations		(6,622,299)	24,573,147	(5,385,120)	23,122,279
Finance costs	28	(1,728,155)	(1,703,929)	(162,988)	(392,937)
Share of results of associates, net of tax		3,144,712	365,290	-	-
(Loss)/Profit before tax	29	(5,205,742)	23,234,508	(5,548,108)	22,729,342
Taxation	30	(891,590)	(841,712)	(312,331)	(199,549)
(Loss)/Profit for the financial year		(6,097,332)	22,392,796	(5,860,439)	22,529,793

		Group		Company	
		2023	2022	2023	2022
	Note	RM	RM	RM	RM
Other comprehensive loss for the financial year, net of tax					
Items that will not be reclassified subsequently to profit or loss					
Net changes in fair value of equity investments designated at fair value through other comprehensive income		(20,000)	(33,200)	-	-
Total comprehensive (loss)/profit for the financial year		(6,117,332)	22,359,596	(5,860,439)	22,529,793
(Loss)/Profit for the financial year attributable to:					
Owners of the parent		(1,781,667)	24,725,316	(5,860,439)	22,529,793
Non-controlling interests		(4,315,665)	(2,332,520)	-	-
		(6,097,332)	22,392,796	(5,860,439)	22,529,793
Total comprehensive (Loss)/Profit for the the financial year attributable to:					
Owners of the parent		(1,801,667)	24,692,116	(5,860,439)	22,529,793
Non-controlling interests		(4,315,665)	(2,332,520)	-	-
		(6,117,332)	22,359,596	(5,860,439)	22,529,793

	Note	Group 2023 RM	Group 2022 RM	Company 2023 RM	Company 2022 RM
(Loss)/Profit per share					
Basic (loss)/profit per share (sen)	32	(2.24)	30.89		
Diluted (loss)/profit per share (sen)	32	(2.24)	30.89		

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

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

		Attributable to owners of the parent						
		Non-distributable			Distributable			
Group	**Note**	**Share Capital RM**	**Treasury Shares RM**	**Fair Value Reserve RM**	**Retained Earnings RM**	**Total RM**	**Non-Controlling Interests RM**	**Total Equity RM**
2023								
At 1 April 2022		81,109,469	(372,200)	(33,200)	12,159,363	92,863,432	4,631,341	97,494,773
Loss for the financial year		-	-	-	(1,781,667)	(1,781,667)	(4,315,665)	(6,097,332)
Other comprehensive loss for the financial year								
Net changes in fair value of equity instruments designed as FVOCI		-	-	(20,000)	-	(20,000)	-	(20,000)
Total comprehensive loss for the financial year		-	-	(20,000)	(1,781,667)	(1,801,667)	(4,315,665)	(6,117,332)

		Attributable to owners of the parent						
		Non-distributable			Distributable			
Group	**Note**	**Share Capital RM**	**Treasury Shares RM**	**Fair Value Reserve RM**	**Retained Earnings RM**	**Total RM**	**Non-Controlling Interests RM**	**Total Equity RM**
2023 (Cont'd)								
Transactions with owners:								
Shares repurchased	20	-	(586,975)	-	-	(586,975)	-	(586,975)
Dividends to owners of the parent	33	-	-	-	(2,146,152)	(2,146,152)	-	(2,146,152)
Changes in ownership interests in subsidiary companies	8(c)	-	-	-	(633,528)	(633,528)	628,528	(5,000)
Total transactions with owners		-	(586,975)	-	(2,779,680)	(3,366,655)	628,528	(2,738,127)
At 31 March 2023		81,109,469	(959,175)	(53,200)	7,598,016	87,695,110	944,204	88,639,314

		Attributable to owners of the parent						
		Non-distributable			Distributable			
Group	Note	Share Capital RM	Treasury Shares RM	Fair Value Reserve RM	Retained Earnings RM	Total RM	Non-Controlling Interests RM	Total Equity RM
2022								
At 1 April 2021		81,109,469	(372,200)	-	(9,627,665)	71,109,604	5,912,491	77,022,095
Profit/(Loss) for the financial year		-	-	-	24,725,316	24,725,316	(2,332,520)	22,392,796
Other comprehensive loss for the financial year								
Net changes in fair value of equity instruments designed as FVOCI		-	-	(33,200)	-	(33,200)	-	(33,200)
Total comprehensive (loss)/ profit for the financial year		-	-	(33,200)	24,725,316	24,692,116	(2,332,520)	22,359,596

		Attributable to owners of the parent						
		Non-distributable			Distributable			
Group	Note	Share Capital RM	Treasury Shares RM	Fair Value Reserve RM	Retained Earnings RM	Total RM	Non-Controlling Interests RM	Total Equity RM
2022 (Cont'd)								
Transactions with owners:								
Additional subscription in subsidiary companies	8(b)	-	-	-	-	-	980,000	980,000
Dividends to owners of the parent	33	-	-	-	(2,881,918)	(2,881,918)	-	(2,881,918)
Changes in ownership interests in subsidiary companies	8(c)	-	-	-	(56,370)	(56,370)	71,370	15,000
Total transactions with owners		-	-	-	(2,938,288)	(2,938,288)	1,051,370	(1,886,918)
At 31 March 2022		81,109,469	(372,200)	(33,200)	12,159,363	92,863,432	4,631,341	97,494,773

	Note	Non-distributable Share Capital RM	Non-distributable Treasury Shares RM	Distributable Retained Earnings RM	Total Equity RM
Company					
2023					
At 1 April 2022		81,109,469	(372,200)	20,249,748	100,987,017
Loss for the financial year, representing total comprehensive loss for the financial year		-	-	(5,860,439)	(5,860,439)
Transaction with owners:					
Dividends to owners of the parent	33	-	-	(2,146,152)	(2,146,152)
Shares repurchased		-	(586,975)	-	(586,975)
At 31 March 2023		81,109,469	(959,175)	12,243,157	92,393,451

		Non-distributable		Distributable	
	Note	Share Capital RM	Treasury Shares RM	Retained Earnings RM	Total Equity RM
Company					
2022					
At 1 April 2021		81,109,469	(372,200)	601,873	81,339,142
Profit for the financial year, representing total comprehensive income for the financial year		-	-	22,529,793	22,529,793
Transaction with owners:					
Dividends to owners of the parent	33	-	-	(2,881,918)	(2,881,918)
At 31 March 2022		81,109,469	(372,200)	20,249,748	100,987,017

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

	Note	Group 2023 RM	Group 2022 RM	Company 2023 RM	Company 2022 RM
Cash flows from operating activities					
(Loss)/Profit before tax		(5,205,742)	23,234,508	(5,548,108)	22,729,342
Adjustments for:					
Bad debts recovered		-	(7,510)	-	-
Bad debts written off		1,890	148,292	-	-
Depreciation of:					
- property, plant and equipment		2,983,454	3,113,172	-	-
- right-of-use assets		4,965,204	4,949,542	-	-
- investment properties		31,925	31,926	-	-
Dividends income		-	-	(1,307,937)	(27,198,271)
Fair value loss on other investments		125,287	122,428	-	-
Finance costs		1,702,780	1,686,400	162,988	392,937
Gain on disposal of:					
- investments in associates		265,111	-	265,111	-
- non-current assets classified as held for sale		-	(32,543,275)	-	-
- other investments		(11,046)	(13,400)	-	-
- property, plant and equipment		(901,376)	(1,508,093)	-	-
Gain on modification of lease terms		(2,047)	(43,964)	-	-
Gain on struck off of an associate company		-	(102,725)	-	(102,725)
Impairment losses on:					
- amount due from associate companies		1,122,109	806,381	-	-
- amount due from subsidiary companies		-	-	7,706,863	668,000
- investments in associates		-	1,040,065	-	672,516
- investments in subsidiary companies		-	-	769,134	3,830,274
- trade receivables		7,779,416	385,955	-	-
- other receivables		804,731	-	-	-
Interest income		(513,866)	(415,717)	(1,514,294)	(1,265,500)
		13,147,830	883,985	533,757	(273,427)

		Group		Company	
		2023	2022	2023	2022
	Note	RM	RM	RM	RM
Cash flows from operating activities (Cont'd)					
Balances brought forward		13,147,830	883,985	533,757	(273,427)
Adjustments for: (Cont'd)					
Property, plant and equipment written off		5	87,481	-	-
Right-of-use assets written off		-	844	-	-
Reversal of impairment losses on amount due from subsidiary companies		-	-	(668,000)	-
Reversal of impairment losses on investments in associates		(303,674)	-	(303,674)	-
Reversal of impairment losses on trade receivables		(459,601)	(190,471)	-	-
Share of results of associates		(1,836,775)	(365,290)	-	-
Unrealised loss on foreign exchange		(26,530)	42,878	-	-
Operating profit/(loss) before working capital changes		10,521,255	459,427	(437,917)	(273,427)
Changes in working capital:					
Contract assets		6,148,883	(2,538,109)	-	-
Inventories		(925,721)	(877,377)	-	-
Payables		(303,469)	(7,373,241)	43,468	(23,199)
Receivables		(9,648,779)	2,002,627	3,827	134,326
Subsidiary companies		-	-	-	1,200,000
Cash generated from/(used in) operations		5,792,169	(8,326,673)	(390,622)	1,037,700
Tax paid		(1,551,072)	(1,371,553)	(264,782)	(178,479)
Tax refunded		146,723	108,499	-	-
Net cash from/(used in) operating activities		4,387,820	(9,589,727)	(655,404)	859,221

		Group		Company	
		2023	2022	2023	2022
	Note	RM	RM	RM	RM
Cash flows from investing activities					
Acquisition of:					
- associates	9	(1,414,321)	-	(1,414,321)	-
- other investments	10	(1,241,018)	(820,909)	-	-
- property, plant and equipment		(2,475,537)	(652,926)	-	-
- right-of-use assets	5(c)	(165,755)	(649,096)	-	-
Changes in ownership interests in subsidiary companies	8	(245,000)	15,000	(5,140,000)	(1,280,000)
Dividend received		-	-	1,307,937	27,198,271
Interest received		513,866	415,717	1,514,294	1,265,500
Placement of fixed deposit pledged with licensed banks		-	(5,960,000)	-	-
Proceeds from disposal of:					
- associates		38,563	-	38,563	-
- non-current assets classified as held for sale	34	-	46,962,465	-	-
- other investments		135,596	104,800	-	-
- property, plant and equipment		1,339,567	1,791,412	-	-
Proceeds from reduction of share capital of a subsidiary company	8	-	-	-	2,495,823
Repayment from/(Advanced to) subsidiary companies		-	-	5,679,219	(14,188,614)
Struck off of an associate company		-	202,725	-	202,725
Subscription of additional shares by non-controlling interest	8	240,000	980,000	-	-
Net cash (used in)/from investing activities		(3,274,039)	42,389,188	1,985,692	15,693,705

	Note	Group 2023 RM	Group 2022 RM	Company 2023 RM	Company 2022 RM
Cash flows from financing activities					
Advances from subsidiary companies	31	-	-	(1,998,079)	3,882,125
Dividends paid	31	(2,146,152)	(2,881,918)	(2,146,152)	(2,881,918)
Interest paid		(1,702,780)	(1,686,400)	(162,988)	(392,937)
Net changes on bankers' acceptance	31	(280,000)	(146,106)	-	-
Net changes on revolving credits	31	993,859	1,213,197	-	-
Net repayment of term loans	31	(2,099,742)	(297,786)	(1,062,105)	(982,633)
Payment of lease liabilities	31	(5,533,254)	(5,372,664)	-	-
Repurchase of treasury shares	20	(586,975)	-	(586,975)	-
Net cash used in financing activities		(11,355,044)	(9,171,677)	(5,956,299)	(375,363)
Net (decrease)/increase in cash and cash equivalents		(10,241,263)	23,627,784	(4,626,011)	16,177,563
Cash and cash equivalents at the beginning of the financial year		29,881,986	6,254,202	12,413,235	(3,764,328)
Cash and cash equivalents at the end of the financial year		19,640,723	29,881,986	7,787,224	12,413,235
Cash and cash equivalents at end of the financial year comprise:					
Cash and bank balances	16	17,653,282	23,327,770	7,827,925	12,413,235
Fixed deposits placed with licensed banks	16	8,179,533	11,042,698	-	-
Short-term fund deposits	16	-	1,471,518	-	-
Total deposit, bank and cash balances		25,832,815	35,841,986	7,827,925	12,413,235
Less: Bank overdrafts	21	(232,092)	-	(40,701)	-
Less: Fixed deposits pledge with licensed banks	16	(5,960,000)	(5,960,000)	-	-
		19,640,723	29,881,986	7,787,224	12,413,235

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

1. Corporate Information

The Company is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad.

The registered office of the Company is located at 170-09-01, Livingston Tower, Jalan Argyll, George Town, 10050 Penang.

The principal place of business of the Company is at No. 1062, Mukim 6, Jalan Perusahaan, Kawasan Perusahaan Perai, 13600 Perai, Penang.

The principal activity of the Company is an investment holding. The principal activities of its subsidiary companies are disclosed in Note 8 to the financial statements. There have been no significant changes in the nature of these activities of the Company and its subsidiary companies during the financial year.

2. Basis of Preparation

(a) Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards ("IFRSs") and the requirements of the Companies Act 2016 in Malaysia.

The financial statements of the Group and of the Company have been prepared under the historical cost convention, unless otherwise indicated in the significant accounting policies below.

2. Basis of Preparation (Cont'd)

(a) Statement of compliance (Cont'd)

Adoption of new and amended standards

During the financial year, the Group and the Company have adopted the following amendments to MFRSs issued by the Malaysian Accounting Standards Board ("MASB") that are mandatory for current financial year:

Amendments to MFRS 3	Reference to the Conceptual Framework
Amendments to MFRS 116	Property, Plant and Equipment - Proceeds before Intended Use
Amendments to MFRS 137	Onerous Contracts - Cost of Fulfilling a Contract
Amendments to MFRSs	Annual Improvements to MFRS Standards 2018 - 2020

The adoption of the amendments to MFRSs did not have any significant impact on the financial statements of the Group and of the Company.

Standards issued but not yet effective

The Group and the Company have not applied the following new and amendments to MFRSs that have been issued by the MASB but are not yet effective for the Group and the Company:

		Effective dates for financial periods beginning on or after
MFRS 17	Insurance Contracts	1 January 2023
Amendments to MFRS 17	Insurance Contracts	1 January 2023
Amendments to MFRS 101 and MFRS Practice Statement 2	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 17	Initial Application of MFRS 17 and MFRS 9 - Comparative Information	1 January 2023
Amendments to MFRS 112	International Tax Reform - Pillar Two Model Rules	1 January 2023
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

2. Basis of Preparation (Cont'd)

(a) Statement of compliance (Cont'd)

Standards issued but not yet effective (Cont'd)

The Group and the Company have not applied the following new and amendments to MFRSs that have been issued by the MASB but are not yet effective for the Group and the Company: (Cont'd)

		Effective dates for financial periods beginning on or after
Amendments to MFRS 107 and MFRS 7	Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further noticed

The Group and the Company intend to adopt the above new and amendments to MFRSs when they become effective.

The initial application of the above-mentioned new and amendments to MFRSs are not expected to have any significant impacts on the financial statements of the Group and of the Company.

(b) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency. All financial information is presented in RM and has been rounded to the nearest RM except when otherwise stated.

(c) Significant accounting judgments, estimates and assumptions

The preparation of the Group's and the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the assets or liabilities affected in the future.

2. Basis of Preparation (Cont'd)

(c) Significant accounting judgments, estimates and assumptions (Cont'd)

Judgements

The following are the judgements made by management in the process of applying the Group's accounting policies that have the most significant effect on the amounts recognised in the financial statements:

Classification between investment properties and property, plant and equipment

The Group has developed certain criteria based on MFRS 140 *Investment Property* in making judgement whether a property qualifies as an investment property. Investment property is a property held to earn rentals or for capital appreciation or both.

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), the Group would 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.

Judgement is made on an individual property basis to determine whether ancillary services are significant that a property does not qualify as investment property.

Satisfaction of performance obligations in relation to contracts with customers

The Group is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time in order to determine the appropriate method for recognising revenue. This assessment was made based on the terms and conditions of the contracts, and the provisions of relevant laws and regulations.

The Group recognises revenue over time in the following circumstances:

(a) the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
(b) the Group does not create an asset with an alternative use to the Group and has an enforceable right to payment for performance completed to date; and
(c) the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.

Where the above criteria are not met, revenue is recognised at a point in time. Where revenue is recognised at a point in time, the Group assesses each contract with customers to determine when the performance obligation of the Group under the contract is satisfied.

2. Basis of Preparation (Cont'd)

(c) Significant accounting judgments, estimates and assumptions (Cont'd)

Judgements (Cont'd)

The following are the judgements made by management in the process of applying the Group's accounting policies that have the most significant effect on the amounts recognised in the financial statements: (Cont'd)

<u>Determining the lease term of contracts with renewal and termination options - Group as lessee</u>

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

The Group includes the renewal period as part of the lease term for leases of land and building with non-cancellable period included as part of the lease term as these are reasonably certain to be exercised because there will be a significant negative effect on operation if a replacement asset is not readily available. Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

2. Basis of Preparation (Cont'd)

(c) Significant accounting judgments, estimates and assumptions (Cont'd)

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period are set out below:

Useful lives/depreciation of property, plant and equipment, investment property and right-of-use ("ROU") asset

The Group regularly reviews the estimated useful lives of property, plant and equipment, ROU assets and investment properties based on factors such as business plan and strategies, expected level of usage and future technological developments. Future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned above. A reduction in the estimated useful lives of property, plant and equipment, ROU assets and investment properties would increase the recorded depreciation and decrease the value of property, plant and equipment, ROU assets and investment properties.

The carrying amounts at the reporting date for property, plant and equipment, ROU assets and investment properties are disclosed in Notes 4, 5 and 6 respectively.

Impairment of goodwill on consolidation

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value-in-use of the cash-generating units to which the goodwill is allocated. Estimating the value-in-use amount requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The key assumptions used to determine the value-in-use is disclosed in Note 7.

2. Basis of Preparation (Cont'd)

(c) Significant accounting judgments, estimates and assumptions (Cont'd)

Key sources of estimation uncertainty (Cont'd)

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period are set out below: (Cont'd)

Impairment of investment in subsidiary companies

The Company reviews its investment in subsidiary companies when there are indicators of impairment. Impairment is measured by comparing the carrying amount of an investment with its recoverable amount. Significant judgement is required in determining the recoverable amount. Estimating the recoverable amount requires the Company to make an estimate of the expected future cash flows from the cash-generating units and also to determine a suitable discount rate in order to calculate the present value of those cash flows.

The carrying amount at the reporting date for investment in subsidiary companies is disclosed in Note 8.

Impairment of investment in associates

The Group and the Company review its investment in associates when there are indicators of impairment. Impairment is measured by comparing the carrying amount of an investment with its recoverable amount. Significant judgement is required in determining the recoverable amount. The Group and the Company evaluate the recoverable amounts based on market performance, economic and political situation of the country in which the associates operate.

The carrying amount at the reporting date for investment in associates is disclosed in Note 9.

Deferred tax assets

Deferred tax assets are recognised for all unused tax losses, unabsorbed capital allowances and other deductible temporary differences to the extent that it is probable that taxable profit will be available against which the unused tax losses, unabsorbed capital allowances and other deductible temporary differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The carrying value of recognised and unrecognised deferred tax assets are disclosed in Note 23.

2. Basis of Preparation (Cont'd)

(c) Significant accounting judgments, estimates and assumptions (Cont'd)

Key sources of estimation uncertainty (Cont'd)

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period are set out below: (Cont'd)

Inventories valuation

Inventories are measured at the lower of cost and net realisable value. The Group estimates the net realisable value of inventories based on an assessment of expected sales prices. Demand levels and pricing competition could change from time to time. If such factors result in an adverse effect on the Group's products, the Group might be required to reduce the value of its inventories. Details of inventories are disclosed in Note 13.

Determination of transaction prices

The Group is required to determine the transaction price in respect of each of its contracts with customers. In making such judgment the Group assesses the impact of any variable consideration in the contract, due to discounts or penalties, the existence of any significant financing component and any non-cash consideration in the contract.

There is no estimation required in determining the transaction price, as revenue from sale of goods and services are based on invoiced values or retail price. Discounts are not considered as they are not only given in rare circumstances.

Revenue from construction contracts

Construction revenue and costs are recognised over the period of the contract in the profit or loss by reference to the progress towards complete satisfaction of that performance obligation.

2. Basis of Preparation (Cont'd)

(c) Significant accounting judgments, estimates and assumptions (Cont'd)

Key sources of estimation uncertainty (Cont'd)

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period are set out below: (Cont'd)

Revenue from construction contracts (Cont'd)

The progress towards complete satisfaction of performance obligation is measured based on the physical proportion of contract work-to-date certified by professional consultants. Significant judgement is required in determining the progress based on the certified work-to-date corroborated by the level of completion of the construction based on actual costs incurred to-date over the estimated total constructions costs. The total estimated construction costs are based on approved budgets, which require assessments and judgements to be made on changes in, for example, work scope, changes in costs and costs to completion. In making the judgements, the Group evaluates based on past experience, the work of specialists and a continuous monitoring mechanism.

The details of construction contracts are disclosed in Note 15.

Provision for expected credit loss of financial assets at amortised cost

The Group uses a provision matrix to calculate expected credit loss for trade receivables.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and expected credit loss is a significant estimate. Information about the expected credit loss is disclosed in Note 12.

2. Basis of Preparation (Cont'd)

(c) Significant accounting judgments, estimates and assumptions (Cont'd)

Key sources of estimation uncertainty (Cont'd)

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period are set out below: (Cont'd)

Discount rate used in leases

Where the interest rate implicit in the lease cannot be readily determined, the Group uses the incremental borrowing rate to measure the lease liabilities. The incremental borrowing rate is the interest rate that the Group would has to pay to borrow over a similar term, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. Therefore, the incremental borrowing rate requires estimation, particularly when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the incremental borrowing rate using observable inputs when available and is required to make certain entity-specific estimates.

Fair value of financial instruments

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. Details of the assumptions used are given in the Note 39(d) regarding financial assets and liabilities. In applying the valuation techniques management makes maximum use of market inputs, and uses estimates and assumptions that are, as far as possible, consistent with observable fata that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the end of the reporting period.

2. Basis of Preparation (Cont'd)

(c) Significant accounting judgments, estimates and assumptions (Cont'd)

Key sources of estimation uncertainty (Cont'd)

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period are set out below: (Cont'd)

Income taxes

Judgment is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business.

The Group and the Company recognise liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. As at 31 March 2023, the Group has tax recoverable and tax payable of RM578,090 and RM176,213 (2022: RM438,802 and RM382,937) and the Company has tax payable of RM103,273 (2022: RM55,724) respectively.

Contingent liabilities

Determination of the treatment of contingent liabilities is based on management's view of the expected outcome of the contingencies after consulting legal counsel for litigation cases and internal and external experts to the Group for matters in the ordinary course of business. Details of contingent liabilities are disclosed in Note 36.

3. Significant Accounting Policies

The Group and the Company apply the significant accounting policies set out below, consistently throughout all periods presented in the financial statements unless otherwise stated.

(a) Basis of consolidation

(i) Subsidiary companies

Subsidiary companies are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiary companies are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary company is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amount of acquiree's identifiable net assets.

Acquisition-related costs are expensed in profit or loss as incurred.

If the business combination is achieved in stages, the acquirer's previously held equity interest in the acquiree is re-measured at its acquisition-date fair value and the resulting gain or loss is recognised in profit or loss.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (which cannot exceed one year from the acquisition date), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date, if known, would have affected the amounts recognised at that date.

3. Significant Accounting Policies (Cont'd)

(a) Basis of consolidation (Cont'd)

(i) Subsidiary companies (Cont'd)

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of MFRS 9 *Financial Instruments* is measured at fair value with the changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

Inter-company transactions, balances and unrealised gains or losses on transactions between Group companies are eliminated. Unrealised losses are eliminated only if there is no indication of impairment. Where necessary, accounting policies of subsidiary companies have been changed to ensure consistency with the policies adopted by the Group.

In the Company's separate financial statements, investments in subsidiary companies are stated at cost less accumulated impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts are recognised in profit or loss. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. See accounting policy Note 3(o) to the financial statements on impairment of non-financial assets.

(ii) Changes in ownership interests in subsidiary companies without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions - that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary company is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(iii) Disposal of subsidiary companies

If the Group loses control of a subsidiary company, the assets and liabilities of the subsidiary company, including any goodwill, and non-controlling interests are derecognised at their carrying value on the date that control is lost. Any remaining investment in the entity is recognised at fair value. The difference between the fair value of consideration received and the amounts derecognised and the remaining fair value of the investment is recognised as a gain or loss on disposal in profit or loss. Any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities.

3. Significant Accounting Policies (Cont'd)

(a) Basis of consolidation (Cont'd)

(iv) Goodwill on consolidation

The excess of the aggregate of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total consideration transferred, non-controlling interest recognised and previously held interest measured at fair value is less than the fair value of the net assets of the subsidiary company acquired (ie. a bargain purchase), the gain is recognised in profit or loss.

Following the initial recognition, goodwill is measured at cost less accumulated impairment losses. Goodwill is not amortised but instead, it is reviewed for impairment annually or more frequent when there is objective evidence that the carrying value may be impaired. See accounting policy Note 3(o) to the financial statements on impairment of non-financial assets.

(b) Investments in associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

On acquisition of an investment in an associate, any excess of the cost of investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill and included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities of the investee over the cost of investment is excluded from the carrying amount of the investment and is instead included as income in the determination of the Group's share of associate's profit or loss for the period in which the investment is acquired.

An associate is equity accounted for from the date on which the investee becomes an associate. Under the equity method, on initial recognition the investment in an associate is recognised at cost and the carrying amount is increased or decreased to recognise the Group's share of profit or loss and other comprehensive income of the associate after the date of acquisition. When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

3. Significant Accounting Policies (Cont'd)

(b) Investments in associates (Cont'd)

Profits or losses resulting from upstream and downstream transactions between the Group and its associate are recognised in the Group's consolidated financial statements only to the extent of unrelated investors' interests in the associate. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the assets transferred.

The financial statements of the associates are prepared as of the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

The requirements of MFRS 136 *Impairment of Assets* are applied to determine whether it is necessary to recognise any additional impairment loss with respect to its net investment in the associate. When necessary, the entire carrying amount of the investment is tested for impairment in accordance with MFRS 136 as a single asset, by comparing its recoverable amount (higher of value-in-use and fair value less costs to sell) with its carrying amount. Any impairment loss is recognised in profit or loss. Reversal of an impairment loss is recognised to the extent that the recoverable amount of the investment subsequently increases.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

In the Company's separate financial statements, investments in associates are stated at cost less accumulated impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts are recognised in profit or loss. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. See accounting policy Note 3(o) to the financial statements on impairment of non-financial assets.

3. Significant Accounting Policies (Cont'd)

(c) Foreign currency translation and balances

Transactions in foreign currency are recorded in the functional currency of the respective Group entities using the exchange rates prevailing at the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting date are included in profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operation. These are initially taken directly to the foreign currency translation reserve within equity until the disposal of the foreign operations, at which time they are recognised in profit or loss. Exchange differences arising on monetary items that form part of the Company's net investment in foreign operation are recognised in profit or loss in the Company's financial statements or the individual financial statements of the foreign operation, as appropriate.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the reporting period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income. Exchange differences arising from such non-monetary items are also recognised in other comprehensive income.

(d) Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. The policy of recognition and measurement of impairment losses is in accordance with Note 3(o) to the financial statements.

(i) Recognition and measurement

Cost includes expenditures that are directly attributable to the acquisition of the assets and any other costs directly attributable to bringing the asset to working condition for its intended use, cost of replacing component parts of the assets, and the present value of the expected cost for the decommissioning of the assets after their use. The cost of self-constructed assets also includes the cost of materials and direct labour. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs. All other repair and maintenance costs are recognised in profit or loss as incurred.

3. Significant Accounting Policies (Cont'd)

(d) Property, Plant and Equipment (Cont'd)

(i) Recognition and measurement (Cont'd)

The cost of property, plant and equipment recognised as a result of a business combination is based on fair value at acquisition date. The fair value of property is the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. The fair value of other items of plant and equipment is based on the quoted market prices for similar items.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss.

Capital work-in-progress consists of motor vehicles and mobile cranes under installation for intended use as production facilities. The amount is stated at cost and includes capitalisation of interest incurred on borrowing related to property, plant and equipment under installation until the property, plant and equipment are ready for their intended use.

(ii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the profit or loss as incurred.

(iii) Depreciation

Depreciation is recognised in the profit or loss on straight line basis to write off the cost of each asset to its residual value over its estimated useful life. Freehold land is not depreciated. Property, plant and equipment under capital work-in-progress are not depreciated until the assets are ready for its intended use.

3. Significant Accounting Policies (Cont'd)

(d) Property, Plant and Equipment (Cont'd)

(iii) Depreciation (Cont'd)

Property, plant and equipment are depreciated based on the estimated annual depreciation rates of the assets as follows:

Freehold buildings	2%
Motor vehicles and mobile cranes	10% - 33.3%
Plant, machinery and containers	10% - 33.3%
Furniture, fittings and office equipment	5% - 33.3%
Renovations	10%

The residual values, useful lives and depreciation method are reviewed at each financial period end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the property, plant and equipment.

(e) Leases

As lessee

The Group recognises a ROU asset and a lease liability at the lease commencement date. The ROU asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or site on which it is located, less any lease incentives received.

The ROU asset is subsequently measured at cost less any accumulated depreciation, accumulated impairment loss and, if applicable, adjusted for any remeasurement of lease liabilities. The policy of recognition and measurement of impairment losses is in accordance with Note 3(o) to the financial statements.

Capital work-in-progress consists of motor vehicles and mobile cranes under installation for intended use as production facilities. The amount is stated at cost and includes capitalisation of interest incurred on borrowing related to ROU assets under installation until the ROU assets are ready for their intended use.

3. Significant Accounting Policies (Cont'd)

(e) Leases (Cont'd)

As lessee (Cont'd)

The ROU asset under cost model is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term. The estimated annual depreciation rates of the ROU assets are determined on the same basis as those of property, plant and equipment as follows:

Leasehold lands	Over the remaining lease period
Leasehold buildings	2%
Motor vehicles and mobile cranes	10% - 33.3%
Plant, machinery and containers	10% - 33.3%
Furniture, fittings and office equipment	5% - 33.3%
Rented land	Over the remaining lease period
Warehouse	Over the remaining lease period
Hostel	Over the remaining lease period
Office	Over the remaining lease period

The ROU assets are subject to impairment.

The lease liability is initially measured at the present value of future lease payments at the commencement date, discounted using the respective Group entities' incremental borrowing rates. Lease payments included in the measurement of the lease liability include fixed payments, any variable lease payments, amount expected to be payable under a residual value guarantee, and exercise price under an extension option that the Group is reasonably certain to exercise.

Variable lease payments that do not depend on an index or a rate and are dependent on a future activity are recognised as expenses in profit or loss in the period in which the event or condition that triggers the payment occurs.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in rate, or if the Group changes its assessment of whether it will exercise an extension or termination option.

Lease payments associated with short term leases and leases of low value assets are recognised on a straight-line basis as an expense in profit or loss. Short term leases are leases with a lease term of 12 months or less and do not contain a purchase option. Low value assets are those assets valued at less than RM20,000 each when purchased new.

3. Significant Accounting Policies (Cont'd)

(e) Leases (Cont'd)

As lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases.

If the lease arrangement contains lease and non-lease components, the Group applies MFRS 15 *Revenue from Contracts with Customers* to allocate the consideration in the contract based on the stand-alone selling price.

The Group recognises assets held under a finance lease in its statement of financial position and presents them as a receivable at an amount equal to the net investment in the lease. The Group uses the interest rate implicit in the lease to measure the net investment in the lease.

Subsequent to initial recognition, the Group regularly reviews the estimated unguaranteed residual value and applies the impairment requirements of MFRS 9, recognising an allowance for expected credit losses on the lease receivables.

Finance lease income is calculated with reference to the gross carrying amount of the lease receivables, except for credit-impaired financial assets for which interest income is calculated with reference to their amortised cost (i.e. after a deduction of the loss allowance).

The Group recognises lease payments under operating leases as income on a straight-line basis over the lease term unless another systematic basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished. The lease payment recognised is included as part of "Other income". Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

3. Significant Accounting Policies (Cont'd)

(f) Investment properties

Investment properties including right-of-use assets held by lessee, are properties held either to earn rental income or for capital appreciation or for both. Investment properties are measured at cost, including transaction costs, less any accumulated depreciation and impairment losses.

The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day servicing of an investment property.

Freehold lands are not depreciated. Freehold buildings under construction are not depreciated. Other investment properties are depreciated on a straight-line basis to write down the cost of each asset to their residual values over their estimated useful lives. The principal annual depreciation rates are:

Freehold buildings	2% - 20%
Commercial properties	2%

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount. See accounting policy Note 3(o) to the financial statements on impairment of non-financial assets.

Investment properties are derecognised upon disposal or when they are permanently withdrawn from use and no future economic benefits are expected from their disposal. Upon disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the profit or loss.

Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

3. Significant Accounting Policies (Cont'd)

(g) Financial assets

Financial assets are recognised in the statements of financial position when, and only when, the Group or the Company becomes a party to the contractual provisions of the financial instrument.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss ("FVTPL"), directly attributable transaction costs.

The Group and the Company determine the classification of their financial assets at initial recognition, and the categories include trade and other receivables, amount due from subsidiary companies, deposits, cash and bank balances and other investments.

(a) Financial assets at amortised cost

The Group and the Company measure financial assets at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

(b) Financial assets at fair value through other comprehensive income ("FVOCI")

Debt instruments

A debt security is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

3. Significant Accounting Policies (Cont'd)

(g) Financial assets (Cont'd)

(b) Financial assets at fair value through other comprehensive income ("FVOCI") (Cont'd)

Equity instruments

On initial recognition of an equity investment that is not held for trading, the Group and the Company may irrevocably elect to present subsequent changes in fair value in OCI on an investment-by-investment basis.

Financial assets categorised as FVOCI are subsequently measured at fair value, with unrealised gains and losses recognised directly in OCI and accumulated under fair value reserve in equity. For debt instruments, when the investment is derecognised or determined to be impaired, the cumulative gain or loss previously recorded in equity is reclassified to the profit or loss. For equity instruments, the gains or losses are never reclassified to profit or loss.

(c) Financial assets at fair value through profit or loss

All financial assets not classified as measured at amortised cost or FVOCI, as described above, are measured at FVTPL. This includes derivative financial assets (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument). On initial recognition, the Group and the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets categorised as FVTPL are subsequently measured at their fair value with gains or losses recognised in the profit or loss.

All financial assets, except for those measured at FVTPL and equity investments measured at FVOCI, are subject to impairment.

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned. All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e., the date that the Group and the Company commit to purchase or sell the asset.

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received for financial instrument is recognised in profit or loss.

3. Significant Accounting Policies (Cont'd)

(h) Financial liabilities

Financial liabilities are recognised when, and only when, the Group and the Company become a party to the contractual provisions of the financial instruments. All financial liabilities are recognised initially at fair value plus, in the case of financial liabilities not at FVTPL, directly attributable transaction costs.

After initial recognition, financial liabilities that are not carried at FVTPL are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

(i) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs when the guaranteed debtor fails to make payment when due.

Financial guarantee contracts are recognised initially as financial liabilities at fair value, net of transaction costs. Subsequently, the liability is measured at the higher of:

- the amount of the loss allowance; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of MFRS 15 *Revenue from Contracts with Customers*.

(j) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statements of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

3. Significant Accounting Policies (Cont'd)

(k) Inventories

Trading inventories, spare parts and consumables inventories are stated at the lower of cost and net realisable value.

Cost of inventories comprise cost of purchase and other costs incurred in bringing it to their present location and condition are determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

(l) Construction contracts

Construction contracts are contract specifically negotiated for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of their design, technology and functions or their ultimate purpose or use.

Cost incurred to fulfil the contracts, comprising cost of direct materials, direct labour, other direct costs, attributable overheads and payments to subcontractors are recognised as an asset and amortised over to profit or loss systematically to reflect the transfer of the contracted service to the customer.

The Group uses the efforts or inputs to the satisfaction of the performance obligations to determine the appropriate amount to recognise in a given period. This is measured by reference to the contract costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract. Costs incurred in the financial year in connection with future activity on a contract are excluded from contract costs in determining the stage of completion. They are presented as inventories, prepayments or other assets, depending on their nature. When the carrying amount of the asset exceeds the remaining amount of consideration that the Group expects to receive in exchange of the contracted asset, an impairment loss is recognised in profit or loss.

The Group presents as an asset the gross amount due from customers for contract work in progress for which costs incurred plus recognised profits (less recognised losses) exceed contract liabilities. Contract liabilities not yet paid by customers and retention monies are included within receivables and contract assets. The Group presents as a liability the gross amount due to customers for contract work for all contracts in progress for which contract liabilities exceed costs exceed costs incurred plus recognised profits (less recognised losses).

3. Significant Accounting Policies (Cont'd)

(m) Contract assets and contract liabilities

Contract asset is the right to consideration for goods or services transferred to the customers. The Group's contract asset is the excess of revenue recognised over the billings to-date and deposits or advances received from customers.

Where there is objective evidence of impairment, the amount of impairment losses is determined by comparing the contract asset's carrying amount and the present value of estimated future cash flows to be generated by the contract asset.

Contract asset is reclassified to trade receivables at the point at which invoices have been billed to customers.

Contract liability is the obligation to transfer goods or services to customers for which the Group has received the consideration or has billed the customers. The Group's contract liability is the excess of the billings to-date over the revenue recognised. Contract liabilities are recognised as revenue when the Group performs its obligation under the contracts.

(n) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, bank balances, demand deposits, bank overdrafts and highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. For the purpose of statements of cash flows, cash and cash equivalents are presented net of bank overdrafts and pledged deposits.

(o) Impairment of assets

(i) Non-financial assets

The carrying amounts of non-financial assets (except for inventories and contract assets) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite useful lives, or that are not yet available for use, the recoverable amount is estimated each period at the same time.

3. Significant Accounting Policies (Cont'd)

(o) Impairment of assets (Cont'd)

(i) Non-financial assets (Cont'd)

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units. Subject to operating segment ceiling test, for the purpose of goodwill impairment testing, cash-generating units to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to a cash-generating unit or a group of cash-generating units that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or cash-generating unit is the greater of its value-in-use and its fair value less costs of disposal. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

An impairment loss is recognised if the carrying amount of an asset or cash-generating unit exceeds its estimated recoverable amount. Impairment loss is recognised in profit or loss, unless the asset is carried at a revalued amount, in which such impairment loss is recognised directly against any revaluation surplus for the asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same asset. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (group of cash-generating units) and then to reduce the carrying amounts of the other assets in the cash-generating unit (group of cash-generating units) on a pro rata basis.

3. Significant Accounting Policies (Cont'd)

(o) Impairment of assets (Cont'd)

(i) Non-financial assets (Cont'd)

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised for asset in prior years. Such reversal is recognised in the profit or loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

(ii) Financial assets

The Group and the Company recognise an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group and the Company expect to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months ("a 12-month ECL"). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default ("a lifetime ECL").

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

3. Significant Accounting Policies (Cont'd)

(p) Share capital

(i) Ordinary shares

An equity instrument is any contract that evidences a residual interest in the assets of the Group and of the Company after deducting all of its liabilities. Ordinary shares are equity instruments. Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity.

Dividend distribution to the Company's shareholders is recognised as a liability in the period they are approved by the Board of Directors except for the final dividend which is subject to approval by the Company's shareholders.

(ii) Treasury shares

When issued share of the Company are repurchased, the amount of the consideration paid, including directly attributable costs, net of any tax effects, is recognised as a deduction from equity as treasury shares until the shares are cancelled, reissued or disposed of. No gain or loss is recognised in profit or loss on the sale, re-issuance or cancellation of the treasury shares.

When treasury shares are distributed as share dividends, the cost of the treasury shares is deducted against the retained earnings of the Company.

When treasury shares are sold or reissued subsequently, the difference between the sales consideration net of directly attributable costs and the carrying amount of the treasury shares is recognised in equity.

(q) Provisions

Provisions are recognised when there is a present legal or constructive obligation as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at each end of the reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Any reimbursement that the Group and the Company can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision. The expense relating to any provision is presented in the statements of profit or loss and other comprehensive income net of any reimbursement.

3. Significant Accounting Policies (Cont'd)

(q) Provisions (Cont'd)

Warranties

Provisions for the expected cost of warranty obligations are recognised at the date of sale of the relevant products, at the directors' best estimate of the expenditure required to settle the Group's obligation.

(r) Employee benefits

(i) Short term employee benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the reporting period in which the associated services are rendered by employees of the Group and of the Company. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences. Short term non-accumulating compensated absences such as sick and medical leave are recognised when the absences occur.

The expected cost of accumulating compensated absences is measured as additional amount expected to be paid as a result of the unused entitlement that has accumulated at the end of the reporting period.

(ii) Defined contribution plans

As required by law, companies in Malaysia contribute to the state pension scheme, the Employee Provident Fund ("EPF"). Such contributions are recognised as an expense in the profit or loss as incurred. Once the contributions have been paid, the Group and the Company have no further payment obligations.

(s) Revenue recognition

(i) Revenue from contracts with customers

Revenue is recognised when the Group satisfied a performance obligation ("PO") by transferring a promised good or services to the customer, which is when the customer obtains control of the good or service. A PO may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied PO.

3. Significant Accounting Policies (Cont'd)

(s) Revenue recognition (Cont'd)

(i) Revenue from contracts with customers (Cont'd)

The Group recognises revenue from the following major sources:

(a) Sale of goods

Revenue is measured at the fair value of consideration received or receivable, net of returns and allowances, trade discount and volume rebates. Revenue from sale of goods is recognised when the transfer of significant risk and rewards of ownership of the goods to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods.

(b) Rendering of services

Revenue from services are recognised in the reporting period in which the services are rendered, which simultaneously received and consumes the benefits provided by the Group, and the Group has a present right to payment for the services.

(c) Revenue from construction contracts

The Group recognises revenue from construction contracts over time when control over the asset has been transferred to the customers. The assets have no alternative use to the Group due to contractual restriction and the Group has an enforceable right to payment for performance completed to-date. Revenue from construction contracts is measured at the transaction price agreed under the construction contracts.

Revenue is recognised over the period of the contract using the output method to measure the progress towards complete satisfaction of the performance obligations under the construction contract, i.e. based on the level of completion of the physical proportion of contract work to-date, certified by professional consultants.

The Group becomes entitled to invoice customers for construction of promised asset based on achieving a series of performance-related milestones (i.e. progress billing). The Group previously has recognised a contract asset for any work performed. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point at which it is invoiced to the customer. If the progress billing exceeds the revenue recognised to-date, the Group recognises a contact liability for the difference. There is not considered to be a significant financing component in contracts with customers as the period between the recognition of revenue and the progress billing is always less than one year.

3. Significant Accounting Policies (Cont'd)

(s) Revenue recognition (Cont'd)

(i) Revenue from contracts with customers (Cont'd)

The Group recognises revenue from the following major sources: (Cont'd)

(c) Revenue from construction contracts (Cont'd)

The Group provides warranties for general repairs of defects existed at the time of sale. These assurance-type warranties are accounted for under MFRS 137 *Provision, Contingent Liabilities and Contingent Assets*, please refer to accounting policy on warranty provisions in Note 3(q) to the financial statements.

(ii) Rental income

Rental income is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

(iii) Dividend income

Dividend income is recognised when the Group's and the Company's right to receive payment is established.

(iv) Interest income

Interest income is recognised on accrual basis using the effective interest method.

(t) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of the assets, which are assets that necessarily take a substantial period of time to get ready for theirs intended use or sale, are capitalised as part of the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred. Borrowing costs consist of interest and other costs that the Group and the Company incurred in connection with the borrowing of funds.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

3. Significant Accounting Policies (Cont'd)

(t) Borrowing costs (Cont'd)

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

(u) Income taxes

Tax expense in profit or loss comprises current and deferred tax. Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination or items recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the financial year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous financial years.

Deferred tax is recognised using the liability method for all temporary differences between the carrying amounts of assets and liabilities in the statements of financial position and their tax bases. Deferred tax is not recognised for the temporary differences arising from the initial recognition of goodwill, the initial recognition of assets and liabilities in a transaction which is not a business combination and that affects neither accounting nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax is based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

3. Significant Accounting Policies (Cont'd)

(v) Segments reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-makers are responsible for allocating resources and assessing performance of the operating segments and make overall strategic decisions. The Group's operating segments are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

(w) Contingencies

Where it is not probable that an inflow or an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the asset or the obligation is disclosed as a contingent asset or contingent liability, unless the probability of inflow or outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent assets or contingent liabilities unless the probability of inflow or outflow of economic benefits is remote.

(x) Non-current assets classified as held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. Such non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Investment properties are not depreciated once classified as held for sale.

4. Property, Plant and Equipment

Group	Freehold land RM	Freehold buildings RM	Motor vehicles and mobile cranes RM	Plant, machinery and containers RM	Furniture, fittings and office equipment RM	Renovations RM	Capital work-in-progress RM	Total RM
2023								
Cost								
At 1 April 2022	1,160,542	804,095	63,670,593	4,616,318	1,673,742	430,213	23,610	72,379,113
Additions	-	12,250	822,998	112,000	135,090	97,690	1,295,509	2,475,537
Disposals	(270,000)	(210,000)	(3,619,241)	(366,920)	(1,929)	-	-	(4,468,090)
Written off	-	-	(21,000)	(3,969)	(7,909)	-	-	(32,878)
Transfer from right-of-use assets	-	-	6,651,262	-	-	-	-	6,651,262
Transfer to right-of-use assets	-	-	(304,348)	-	-	-	-	(304,348)
Reclassification	-	-	8,410	-	-	-	(8,410)	-
At 31 March 2023	890,542	606,345	67,208,674	4,357,429	1,798,994	527,903	1,310,709	76,700,596

4. Property, Plant and Equipment (Cont'd)

Group	Freehold land RM	Freehold buildings RM	Motor vehicles and mobile cranes RM	Plant, machinery and containers RM	Furniture, fittings and office equipment RM	Renovations RM	Capital work-in-progress RM	Total RM
2023								
Accumulated depreciation and impairment losses								
At 1 April 2022								
Accumulated depreciation	-	261,542	58,559,630	3,975,701	1,351,732	412,358	-	64,560,963
Accumulated impairment losses	-	-	68,842	153,199	-	-	-	222,041
	-	261,542	58,628,472	4,128,900	1,351,732	412,358	-	64,783,004
Charge for the financial year	-	53,720	2,573,851	218,362	109,909	27,612	-	2,983,454
Disposals	-	(109,200)	(3,613,758)	(305,013)	(1,928)	-	-	(4,029,899)
Written off	-	-	(20,999)	(3,968)	(7,906)	-	-	(32,873)
Transfer from right-of-use assets	-	-	3,709,445	-	-	-	-	3,709,445
Transfer to right-of-use assets	-	-	(129,056)	-	-	-	-	(129,056)
At 31 March 2023								
Accumulated depreciation	-	206,062	61,079,113	3,885,082	1,451,807	439,970	-	67,062,034
Accumulated impairment losses	-	-	68,842	153,199	-	-	-	222,041
	-	206,062	61,147,955	4,038,281	1,451,807	439,970	-	67,284,075
Carrying amount								
At 31 March 2023	890,542	400,283	6,060,719	319,148	347,187	87,933	1,310,709	9,416,521

4. Property, Plant and Equipment (Cont'd)

Group	Freehold land RM	Freehold buildings RM	Motor vehicles and mobile cranes RM	Plant, machinery and containers RM	Furniture, fittings and office equipment RM	Renovations RM	Capital work-in-progress RM	Total RM
2022								
Cost								
At 1 April 2021	1,160,542	729,987	64,661,231	5,316,351	2,908,340	515,687	1,481,018	76,773,156
Additions	-	14,620	357,314	79,340	68,829	-	132,823	652,926
Disposals	-	-	(7,082,390)	(722,253)	-	-	-	(7,804,643)
Written off	-	(369,548)	(173,072)	(73,120)	(1,469,918)	(85,474)	(13,755)	(2,184,887)
Transfer from right-of-use assets	-	-	6,421,100	-	-	-	-	6,421,100
Transfer to right-of-use assets	-	-	(560,500)	-	-	-	(918,039)	(1,478,539)
Reclassification	-	429,036	46,910	16,000	166,491	-	(658,437)	-
At 31 March 2022	1,160,542	804,095	63,670,593	4,616,318	1,673,742	430,213	23,610	72,379,113

4. Property, Plant and Equipment (Cont'd)

Group 2022	Freehold land RM	Freehold buildings RM	Motor vehicles and mobile cranes RM	Plant, machinery and containers RM	Furniture, fittings and office equipment RM	Renovations RM	Capital work-in-progress RM	Total RM
Accumulated depreciation and impairment losses								
At 1 April 2021								
Accumulated depreciation	-	577,500	60,033,577	4,366,125	2,600,166	442,429	-	68,019,797
Accumulated impairment losses	-	-	68,842	153,199	-	-	-	222,041
	-	577,500	60,102,419	4,519,324	2,600,166	442,429	-	68,241,838
Charge for the financial year	-	52,757	2,664,308	192,109	161,064	42,934	-	3,113,172
Disposals	-	-	(7,011,907)	(509,417)	-	-	-	(7,521,324)
Written off	-	(368,715)	(173,072)	(73,116)	(1,409,498)	(73,005)	-	(2,097,406)
Transfer from right-of-use assets	-	-	3,189,347	-	-	-	-	3,189,347
Transfer to right-of-use assets	-	-	(142,623)	-	-	-	-	(142,623)
At 31 March 2022								
Accumulated depreciation	-	261,542	58,559,630	3,975,701	1,351,732	412,358	-	64,560,963
Accumulated impairment losses	-	-	68,842	153,199	-	-	-	222,041
	-	261,542	58,628,472	4,128,900	1,351,732	412,358	-	64,783,004
Carrying amount								
At 31 March 2022	1,160,542	542,553	5,042,121	487,418	322,010	17,855	23,610	7,596,109

5. Right-of-Use Assets

Group	Leasehold lands RM	Leasehold buildings RM	Motor vehicles and mobile cranes RM	Plant, machinery and containers RM	Furniture, fittings and office equipment RM	Rented land RM	Warehouse RM	Hostel RM	Office RM	Capital work-in-progress RM	Total RM
2023											
Cost											
At 1 April 2022	23,110,213	22,519,163	17,436,446	2,754,300	1,430,880	285,847	232,565	37,595	229,079	1,524,776	69,560,864
Additions	-	-	1,761,426	629,683	137,809	113,889	-	-	1,177,735	166,983	3,987,525
Written off	-	-	-	(140,683)	(126,291)	(113,889)	-	-	-	-	(380,863)
Transfer from property, plant and equipment	-	-	304,348	-	-	-	-	-	-	-	304,348
Modification of lease terms	-	-	(398,273)	-	-	(17,925)	-	(37,595)	(348,247)	-	(802,040)
Transfer to property, plant and equipment	-	-	(6,651,262)	-	-	-	-	-	-	-	(6,651,262)
At 31 March 2023	23,110,213	22,519,163	12,452,685	3,243,300	1,442,398	267,922	232,565	-	1,058,567	1,691,759	66,018,572

5. Right-of-Use Assets (Cont'd)

Group	Leasehold lands RM	Leasehold buildings RM	Motor vehicles and mobile cranes RM	Plant, machinery and containers RM	Furniture, fittings and office equipment RM	Rented land RM	Warehouse RM	Hostel RM	Office RM	Capital work-in-progress RM	Total RM
2023											
Accumulated depreciation											
At 1 April 2022	3,010,082	3,546,287	5,217,994	566,396	311,330	166,948	25,842	11,487	179,518	-	13,035,884
Charge for the financial year	498,771	659,553	2,608,859	516,478	237,605	124,580	77,522	12,010	229,826	-	4,965,204
Written off	-	-	-	(140,683)	(126,291)	(113,889)	-	-	-	-	(380,863)
Transfer from property, plant and equipment	-	-	129,056	-	-	-	-	-	-	-	129,056
Modification of lease terms	-	-	(391,085)	-	-	(9,709)	-	(23,497)	(316,320)	-	(740,611)
Transfer to property, plant and equipment	-	-	(3,709,445)	-	-	-	-	-	-	-	(3,709,445)
At 31 March 2023	3,508,853	4,205,840	3,855,379	942,191	422,644	167,930	103,364	-	93,024	-	13,299,225
Carrying amount											
At 31 March 2023	19,601,360	18,313,323	8,597,306	2,301,109	1,019,754	99,992	129,201	-	965,543	1,691,759	52,719,347

5. Right-of-Use Assets (Cont'd)

Group	Leasehold lands RM	Leasehold buildings RM	Motor vehicles and mobile cranes RM	Plant, machinery and containers RM	Furniture, fittings and office equipment RM	Rented land RM	Warehouse RM	Hostel RM	Office RM	Capital work-in-progress RM	Total RM
2022											
Cost											
At 1 April 2021	23,110,213	19,828,823	17,558,523	513,100	262,301	351,559	58,626	37,595	375,014	2,903,433	64,999,187
Additions	-	196,320	7,288,549	2,241,200	30,980	48,233	505,026	37,594	217,316	1,524,776	12,089,994
Written off	-	(843)	-	-	(136,010)	(113,889)	(58,626)	-	(34,892)	-	(344,260)
Reclassification	-	2,494,863	-	-	408,570	-	-	-	-	(2,903,433)	-
Transfer from property, plant and equipment	-	-	613,500	-	865,039	-	-	-	-	-	1,478,539
Modification of lease terms	-	-	(1,603,026)	-	-	(56)	(272,461)	(37,594)	(328,359)	-	(2,241,496)
Transfer to property, plant and equipment	-	-	(6,421,100)	-	-	-	-	-	-	-	(6,421,100)
At 31 March 2022	23,110,213	22,519,163	17,436,446	2,754,300	1,430,880	285,847	232,565	37,595	229,079	1,524,776	69,560,864

5. Right-of-Use Assets (Cont'd)

Group	Leasehold lands RM	Leasehold buildings RM	Motor vehicles and mobile cranes RM	Plant, machinery and containers RM	Furniture, fittings and office equipment RM	Rented land RM	Warehouse RM	Hostel RM	Office RM	Capital work-in-progress RM	Total RM
2022											
Accumulated depreciation											
At 1 April 2021	2,511,311	2,887,642	6,249,361	253,378	190,790	147,749	58,626	36,550	157,780	-	12,493,187
Charge for the financial year	498,771	658,645	2,888,027	313,018	256,549	133,088	62,702	12,531	126,211	-	4,949,542
Written off	-	-	-	-	(136,009)	(113,889)	(58,626)	-	(34,892)	-	(343,416)
Transfer from property, plant and equipment	-	-	142,623	-	-	-	-	-	-	-	142,623
Modification of lease terms	-	-	(872,670)	-	-	-	(36,860)	(37,594)	(69,581)	-	(1,016,705)
Transfer to property, plant and equipment	-	-	(3,189,347)	-	-	-	-	-	-	-	(3,189,347)
At 31 March 2022	3,010,082	3,546,287	5,217,994	566,396	311,330	166,948	25,842	11,487	179,518	-	13,035,884
Carrying amount											
At 31 March 2022	20,100,131	18,972,876	12,218,452	2,187,904	1,119,550	118,899	206,723	26,108	49,561	1,524,776	56,524,980

5. Right-of-Use Assets (Cont'd)

(a) Assets pledge as securities to financial institutions

The carrying amount of right-of-use assets of the Group pledged as securities for loans and borrowings as disclosed in Note 21 to the financial statements are as follows:

	Group	
	2023	**2022**
	RM	**RM**
Leasehold lands	8,429,952	8,719,807
Leasehold buildings	13,487,923	13,951,691
	21,917,875	22,671,498

(b) Assets acquired under lease arrangement

As at 31 March 2023, the carrying amount of leased motor vehicles and mobile cranes, plant, machinery and containers and furniture, fittings and office equipment of the Group was RM9,987,179 (2022: RM14,393,553).

Leased assets are pledged as securities for the related lease liabilities.

(c) Additional costs for right-of-use assets

The aggregate additional costs for the right-of-use assets of the Group under lease financing and cash payments are as follows:

	Group	
	2023	**2022**
	RM	**RM**
Aggregate costs	3,987,525	12,089,994
Less: Lease financing	(3,821,770)	(11,440,898)
Cash payments	165,755	649,096

(d) Leasehold lands and buildings

The remaining period of the lease term of leasehold lands and leasehold buildings are ranges from 29 to 50 years (2022: 30 to 51 years).

6. Investment Properties

	Group 2023 RM	Group 2022 RM
Cost		
At 1 April/31 March	7,816,387	7,816,387
Accumulated depreciation		
At 1 April	445,966	414,040
Charge for the financial year	31,925	31,926
At 31 March	477,891	445,966
Carrying amount		
At 31 March	7,338,496	7,370,421
Included in the above are:		
At cost		
Freehold lands	6,172,170	6,172,170
Freehold buildings	1,032,357	1,032,357
Commercial properties	611,860	611,860
	7,816,387	7,816,387
Fair value of investment properties	12,094,053	10,994,929

(a) Investment properties under leases

Investment properties comprise a number of freehold lands, freehold buildings and commercial properties that are leased to third parties. Each of the lease contains a cancellable period of 1 year. No contingent rents are charged.

(b) Fair value basis of investment properties

Fair value of investment properties was estimated by Directors based on internal appraisal of market values of comparable properties. The fair values are within Level 3 of the fair value hierarchy.

There were no transfers between levels during current and previous financial year.

6. Investment Properties (Cont'd)

(c) Income and expenses recognised in profit or loss

The following are recognised in profit or loss in respect of investment properties.

	Group	
	2023	**2022**
	RM	**RM**
Rental income	273,124	117,600
Direct operating expenses:		
- income generating investment properties	(10,371)	(65,545)
- non-income generating investment properties	(1,852)	(6,883)

(d) Highest and best use

The Group's investment properties represent a number of commercial properties that are partially tenanted. The highest and best use of these properties is for rental generation as they are located in the vicinity of the commercial area.

(e) Investment properties pledged as securities to licensed banks

Investment properties of the Group amounting to RM681,987 (2022: RM696,575) have been pledged to secure banking facilities granted to the Group as disclosed in Note 21 to the financial statements.

7. Goodwill on Consolidation

	Group	
	2023	**2022**
	RM	**RM**
Cost		
At 1 April/31 March	4,635,428	4,635,428
Accumulated impairment losses		
At 1 April/31 March	3,931,155	3,931,155
Carrying amount		
At 31 March	704,273	704,273

The goodwill is in respect of the Group's acquisition of subsidiary companies and is stated at cost.

The aggregate carrying amounts of goodwill allocated to each unit are as follows:

	2023	**2022**
	RM	**RM**
Construction contracts	108,321	108,321
Others	595,952	595,952
	704,273	704,273

(a) Key sources of estimation uncertainty

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units ("CGU") to which the goodwill is allocated. Estimating the value in use amount requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

For the purpose of impairment testing, goodwill is allocated to the Group's operating divisions which represent the lowest CGU level within the Group at which the goodwill is monitored for internal management purposes.

7. Goodwill on Consolidation (Cont'd)

(b) Impairment testing for cash-generating units containing goodwill

The recoverable amount for these CGUs is determined based on their value in use by discounting future cash flows expected to be generated from the continuing use of these CGUs and were based on the following key assumptions:

(i) Cash flows for 5 years are projected based on the financial estimates made by the Directors.

(ii) Discount rate used for cash flows discounting purposes are the management's estimate of average cost of capital required in the respective CGU. The discount rate applied for cash flow projections is 4.5%.

(iii) The financial estimates are projected based on the historical average earnings before interest, taxation, depreciation and amortisation ("EBITDA") rate of 5%.

With regard to the assessment of value in use and fair value less costs to sell, the management believes that no reasonably possible change in any of the above key assumptions that would cause the recoverable amount of CGU to be materially below it carrying amount.

8. Investments in Subsidiary Companies

	Company	
	2023	**2022**
	RM	**RM**
In Malaysia		
At cost		
Unquoted shares	50,061,826	44,921,826
Less: Accumulated impairment losses	(14,772,670)	(14,003,536)
	35,289,156	30,918,290

8. Investments in Subsidiary Companies (Cont'd)

Movements in the accumulated impairment losses are as follows:

	Company	
	2023 RM	2022 RM
At 1 April	14,003,536	10,173,262
Impairment losses recognised	769,134	3,830,274
At 31 March	14,772,670	14,003,536

Details of the subsidiary companies are as follows:

Name of company	Place of business/ Country of incorporation	Effective interest (%) 2023	Effective interest (%) 2022	Principal activities
See Hup Transport (K.L.) Sdn. Bhd.	Malaysia	100	100	Transportation services
Jentanian Transport And Forwarding Sdn. Bhd. ("JTFSB")	Malaysia	88.7	88.7	Transportation services
Butterworth Transport Company Sendirian Berhad	Malaysia	100	100	Transportation services
See Hup Transport Company Sdn. Berhad	Malaysia	100	100	Transportation services and trading in general merchandise
See Heng Company Sdn. Bhd.	Malaysia	100	100	Hiring of cranes, forklifts, heavy equipment and machinery and trading in general merchandise
Agensi Pekerjaan Talenthub Sdn. Bhd. (formerly known as SH In Express (M) Sdn. Bhd.)*	Malaysia	100	100	Dormant

8. Investments in Subsidiary Companies (Cont'd)

Details of the subsidiary companies are as follows: (Cont'd)

Name of company	Place of business/ Country of incorporation	Effective interest (%) 2023	2022	Principal activities
Limsa Ekuiti Sdn. Bhd.	Malaysia	100	100	Investment holding
See Hup Pioneer Logistics Sdn. Bhd. ("SHPL")	Malaysia	89.6	56.5	Provision of warehousing and forwarding services and investment holding
SH Logistics (M) Sdn. Bhd. ("SHL")	Malaysia	52.3	50.1	Transportation services
SH Global Freight Sdn. Bhd. ("SHGF")	Malaysia	90	83	Freight forwarding and transport services provider
Bentara Dermaga Sdn. Bhd. ("BDSB")*	Malaysia	80.3	80.3	Dormant
Agriplex (M) Sdn. Bhd. ("AGSB")	Malaysia	70	70	Forwarding services and transport services provider
Mahajaya View Sdn. Bhd.	Malaysia	100	100	Investment holding
Hot Colour Furniture Sdn. Bhd. ("HCF")	Malaysia	51	51	Letting out of building, plant and machineries and transportation agent
SH Moment Builder Sdn. Bhd. ("SHMB")	Malaysia	54.3	51	Construction and subgrade works

8. Investments in Subsidiary Companies (Cont'd)

Details of the subsidiary companies are as follows: (Cont'd)

Name of company	Place of business/ Country of incorporation	Effective interest (%) 2023	2022	Principal activities
Held through Limsa Ekuiti Sdn. Bhd.				
SH Worldwide Logistics Sdn. Bhd. ("SHWL")	Malaysia	81.3	86.5	Freight forwarding and transport services provider
SH Supply Chain Sdn. Bhd. ("SHSC")	Malaysia	79.8	79.8	Freight forwarding and transport services provider
Held through See Hup Pioneer Logistics Sdn. Bhd.				
SH Haulage Sdn. Bhd. ("SHH")	Malaysia	62.7	39.6	Provision of container haulage services

* Subsidiary companies are not audited by UHY.

8. Investments in Subsidiary Companies (Cont'd)

(a) Material partly-owned subsidiary companies

Set out below are the Group's subsidiary companies that have material non-controlling interests:

Name of Company	Proportion of ownership interests and voting rights held by non-controlling interests		(Loss)/Profit allocated to non-controlling interests		Accumulated non-controlling interests	
	2023	2022	2023	2022	2023	2022
	%	%	RM	RM	RM	RM
JTFSB	11.3%	11.3%	(51,584)	(17,288)	91,169	142,753
SHPL	10.5%	43.5%	(85,918)	(551,923)	372,380	79,276
SHL	47.7%	49.9%	(684,773)	(643,547)	188,221	904,231
SHGF	10.0%	17.0%	133,912	154,832	659,122	958,066
BDSB	19.7%	19.7%	17,235	(3,786)	1,524	(15,711)
AGSB	30.0%	30.0%	149,989	(156,810)	(2,591,545)	(2,741,534)
SHH	37.3%	60.4%	21,317	35,557	172,444	7,978
SHWL	18.8%	13.5%	160,829	87,605	636,309	343,373
SHSC	20.2%	20.2%	8,702	4,166	141,556	132,854
HCF	49.0%	49.0%	(188,218)	(241,822)	5,496,565	5,684,793
SHMB	45.7%	49.0%	(3,797,156)	(999,504)	(4,223,541)	(864,738)
Total			(4,315,665)	(2,332,520)	944,204	4,631,341

8. Investments in Subsidiary Companies (Cont'd)

(a) Material partly-owned subsidiary companies (Cont'd)

Summarised financial information for each subsidiary company that has non-controlling interests that are material to the Group is set out below. The summarised financial information below represents amounts before inter-company eliminations.

(i) Summarised statements of financial position

	JTFSB RM	SHPL RM	SHL RM	SHGF RM	BDSB RM	AGSB RM
2023						
Non-current assets	2,912,244	7,686,442	53,305	2,223,506	-	1,599,484
Current assets	1,722,785	2,151,619	898,430	7,982,680	14,353	5,317,650
Non-current liabilities	(1,050,531)	(2,137,364)	(18,594)	-	-	(11,836,288)
Current liabilities	(2,777,697)	(4,019,133)	(524,939)	(3,614,950)	(1,263)	(3,714,136)
Net assets/(liabilities)	806,801	3,681,564	408,202	6,591,236	13,090	(8,633,290)

	SHH RM	SHWL RM	SHSC RM	HCF RM	SHMB RM	Total RM
2023						
Non-current assets	1,043,836	367,398	314,445	26,479,300	3,674,576	46,354,536
Current assets	2,322,052	5,375,810	1,020,593	4,208,579	12,572,817	43,587,368
Non-current liabilities	(1,270,543)	(124,550)	(97,452)	(18,059,947)	(1,821,117)	(36,416,386)
Current liabilities	(1,353,917)	(2,225,006)	(537,611)	(1,410,430)	(7,640,129)	(27,819,211)
Net assets	741,428	3,393,652	699,975	11,217,502	6,786,147	25,706,307

8. Investments in Subsidiary Companies (Cont'd)

(a) Material partly-owned subsidiary companies (Cont'd)

Summarised financial information for each subsidiary company that has non-controlling interests that are material to the Group is set out below. The summarised financial information below represents amounts before inter-company eliminations. (Cont'd)

(i) Summarised statements of financial position (Cont'd)

	JTFSB RM	SHPL RM	SHL RM	SHGF RM	BDSB RM	AGSB RM
2022						
Non-current assets	2,100,740	4,795,123	802,132	1,246,154	-	1,270,732
Current assets	1,925,090	2,735,986	1,399,742	7,534,812	5,519	3,538,349
Non-current liabilities	(600,402)	(769,687)	(5,465)	(17,896)	-	-
Current liabilities	(2,162,130)	(6,579,179)	(384,298)	(3,127,398)	(85,353)	(13,947,529)
Net assets/(liabilities)	1,263,298	182,243	1,812,111	5,635,672	(79,834)	(9,138,448)

	SHH RM	SHWL RM	SHSC RM	HCF RM	SHMB RM	Total RM
2022						
Non-current assets	1,397,695	162,913	571,075	27,196,953	3,729,517	43,273,034
Current assets	2,166,324	7,026,319	980,968	6,165,447	14,561,548	48,040,104
Non-current liabilities	(309,356)	(13,882)	(310,711)	(19,089,127)	(1,473,395)	(22,589,921)
Current liabilities	(2,737,742)	(4,639,454)	(584,396)	(2,671,657)	(18,582,416)	(55,501,552)
Net assets/(liabilities)	516,921	2,535,896	656,936	11,601,616	(1,764,746)	13,221,665

8. Investments in Subsidiary Companies (Cont'd)

(a) Material partly-owned subsidiary companies (Cont'd)

Summarised financial information for each subsidiary company that has non-controlling interests that are material to the Group is set out below. The summarised financial information below represents amounts before inter-company eliminations. (Cont'd)

(ii) Summarised statements of profit or loss and other comprehensive income

	JTFSB RM	SHPL RM	SHL RM	SHGF RM	BDSB RM	AGSB RM
2023						
Revenue	6,863,689	11,493,672	3,099,157	25,755,951	-	15,421,530
(Loss)/Profit for the financial year	(456,497)	(1,028,620)	(1,417,188)	955,562	87,574	499,958
Total comprehensive (loss)/income	(456,497)	(1,028,620)	(1,417,188)	955,562	87,574	499,958

	SHH RM	SHWL RM	SHSC RM	HCF RM	SHMB RM	Total RM
2023						
Revenue	7,468,894	22,341,849	2,993,990	1,618,623	14,107,323	111,164,678
Profit/(Loss) for the financial year	141,247	857,757	43,039	(384,114)	(8,169,057)	(8,870,339)
Total comprehensive income/(loss)	141,247	857,757	43,039	(384,114)	(8,169,057)	(8,870,339)

8. Investments in Subsidiary Companies (Cont'd)

(a) Material partly-owned subsidiary companies (Cont'd)

Summarised financial information for each subsidiary company that has non-controlling interests that are material to the Group is set out below. The summarised financial information below represents amounts before inter-company eliminations. (Cont'd)

(ii) Summarised statements of profit or loss and other comprehensive income (Cont'd)

	JTFSB RM	SHPL RM	SHL RM	SHGF RM	BDSB RM	AGSB RM
2022						
Revenue	6,125,565	11,468,370	2,866,455	24,545,880	-	7,771,544
(Loss)/Profit for the financial year	(152,986)	(1,268,789)	(1,289,688)	910,768	(19,235)	(522,771)
Total comprehensive (loss)/income	(152,986)	(1,268,789)	(1,289,688)	910,768	(19,235)	(522,771)

	SHH RM	SHWL RM	SHSC RM	HCF RM	SHMB RM	Total RM
2022						
Revenue	6,785,105	26,657,109	2,812,633	1,458,000	13,623,763	104,114,424
Profit/(Loss) for the financial year	58,821	766,370	20,622	(493,502)	(2,039,785)	(4,030,175)
Total comprehensive income/(loss)	58,821	766,370	20,622	(493,502)	(2,039,785)	(4,030,175)

8. Investments in Subsidiary Companies (Cont'd)

(a) Material partly-owned subsidiary companies (Cont'd)

Summarised financial information for each subsidiary company that has non-controlling interests that are material to the Group is set out below. The summarised financial information below represents amounts before inter-company eliminations. (Cont'd)

(iii) Summarised statements of cash flows

	JTFSB RM	SHPL RM	SHL RM	SHGF RM	BDSB RM	AGSB RM
2023						
Net cash from/(used in) operating activities	1,014,925	1,166,669	(263,148)	746,413	84,468	1,559,426
Net cash (used in)/from investing activities	(200,173)	(55,400)	85,172	(1,040,390)	(75,741)	(755,994)
Net cash used in financing activities	(916,117)	(1,148,544)	(7,100)	(101,726)	-	(606,419)
Net (decrease)/increase in cash and cash equivalents	(101,365)	(37,275)	(185,076)	(395,703)	8,727	197,013

	SHH RM	SHWL RM	SHSC RM	HCF RM	SHMB RM	Total RM
2023						
Net cash from/(used in) operating activities	949,791	760,467	123,172	(231,539)	(1,838,659)	4,071,985
Net cash (used in)/from investing activities	(180,142)	5,775	-	1,897,817	(6,046,492)	(6,365,568)
Net cash (used in)/from financing activities	(620,006)	(280,775)	(238,967)	(1,720,016)	2,013,390	(3,626,280)
Net increase/(decrease) in cash and cash equivalents	149,643	485,467	(115,795)	(53,738)	(5,871,761)	(5,919,863)

8. Investments in Subsidiary Companies (Cont'd)

(a) Material partly-owned subsidiary companies (Cont'd)

Summarised financial information for each subsidiary company that has non-controlling interests that are material to the Group is set out below. The summarised financial information below represents amounts before inter-company eliminations. (Cont'd)

(iii) Summarised statements of cash flows (Cont'd)

	JTFSB RM	SHPL RM	SHL RM	SHGF RM	BDSB RM	AGSB RM
2022						
Net cash from/(used in) operating activities	1,480,981	(34,253)	378,050	(643,496)	(17,980)	193,733
Net cash (used in)/from investing activities	(770,693)	9,834	477,536	339,762	-	(124,943)
Net cash (used in)/from financing activities	(541,526)	(323,766)	(328,423)	(89,688)	12,023	(243,656)
Net increase/(decrease) in cash and cash equivalents	168,762	(348,185)	527,163	(393,422)	(5,957)	(174,866)

	SHH RM	SHWL RM	SHSC RM	HCF RM	SHMB RM	Total RM
2022						
Net cash from/(used in) operating activities	680,226	852,475	536,679	1,668,427	(6,225,110)	(1,130,268)
Net cash from/(used in) investing activities	131,781	9,006	670,000	(5,780,167)	(6,715,756)	(11,753,640)
Net cash (used in)/from financing activities	(1,029,389)	(256,233)	(936,658)	1,488,304	13,389,871	11,140,859
Net (decrease)/increase in cash and cash equivalents	(217,382)	605,248	270,021	(2,623,436)	449,005	(1,743,049)

8. Investments in Subsidiary Companies (Cont'd)

(b) Additional investments in subsidiary companies

In the previous financial year

(i) SH Moment Builder Sdn. Bhd.

On 28 May 2021, SH Moment Builder Sdn. Bhd. a subsidiary company of the Group had increased its paid-up capital from 2,000,000 to 4,000,000 ordinary shares. The Company had subscribed for an additional of 1,020,000 new ordinary shares in SH Moment Builder Sdn. Bhd., for a total consideration of RM1,020,000.

Subsequent to the completion of the above additional subscriptions, the shareholding of the Company in SH Moment Builder Sdn. Bhd. remained at 51%.

(ii) Mahajaya View Sdn. Bhd.

On 21 September 2021, Mahajaya View Sdn. Bhd. a subsidiary company of the Group had increased its paid-up capital from 2,500,000 to 2,760,000 ordinary shares. The Company had subscribed for an additional of 260,000 new ordinary shares in Mahajaya View Sdn. Bhd., for a total consideration of RM260,000.

Subsequent to the completion of the above additional subscriptions, the shareholding of the Company in Mahajaya View Sdn. Bhd. remained at 100%.

(c) Changes in ownership interests in subsidiary companies without change of control

During the financial year

(i) See Hup Pioneer Logistics Sdn. Bhd.

On 1 June 2022, the Company subscribed additional 4,360,000 ordinary shares out of 4,410,000 new ordinary shares in See Hup Pioneer Logistics Sdn. Bhd., for RM4,360,000 in cash, increasing its ownership from 56.50% to 85.65% and SH Haulage Sdn. Bhd. the subsidiary Company held through by See Hup Pioneer Logistics Sdn. Bhd. was effected and increasing its ownership from 39.55% to 59.96%. The Group recognised increase in non-controlling interest of RM515,106 and decrease in retained earnings of RM465,106.

8. Investments in Subsidiary Companies (Cont'd)

(c) Changes in ownership interests in subsidiary companies without change of control (Cont'd)

During the financial year (Cont'd)

(i) See Hup Pioneer Logistics Sdn. Bhd. (Cont'd)

On 28 July 2022, the Company acquired 3.90% equity interest in See Hup Pioneer Logistics Sdn. Bhd. for RM125,000 in cash, increasing its ownership from 85.65% to 89.55%. The carrying amount of See Hup Pioneer Logistics Sdn. Bhd.'s net assets in the Group's financial statements on the date of acquisition was RM4,617,555. The Group recognised decrease in non-controlling interest of RM180,085 and increase in retained earnings of RM55,085. On the same day, SH Haulage Sdn. Bhd. the subsidiary Company held through by See Hup Pioneer Logistics Sdn. Bhd. was effected and increasing its ownership from 59.96% to 62.69%. The Group recognised decrease in non-controlling interest of RM18,410 and increase in retained earnings of RM18,410.

(ii) SH Global Freight Sdn. Bhd.

On 28 July 2022, the Company acquired 7% equity interest in SH Global Freight Sdn. Bhd. for RM140,000 in cash, increasing its ownership from 83% to 90%. The carrying amount of SH Global Freight Sdn. Bhd.'s net assets in the Group's financial statements on the date of acquisition was RM6,183,607. The Group recognised decrease in non-controlling interest of RM432,852 and increase in retained earnings of RM292,852.

(iii) SH Logistics (M) Sdn. Bhd.

On 28 July 2022, the Company acquired 2.24% equity interest in SH Logistics (M) Sdn. Bhd. for RM5,000 in cash, increasing its ownership from 50.10% to 52.34%. The carrying amount of SH Logistics (M) Sdn. Bhd.'s net assets in the Group's financial statements on the date of acquisition was RM1,394,494. The Group recognised decrease in non-controlling interest of RM31,237 and increase in retained earnings of RM26,237.

8. Investments in Subsidiary Companies (Cont'd)

(c) Changes in ownership interests in subsidiary companies without change of control (Cont'd)

During the financial year (Cont'd)

(iv) SH Worldwide Logistics Sdn. Bhd.

On 22 November 2022, Limsa Ekuiti Sdn. Bhd., a wholly-owned subsidiary company of the Group disposed 5.21% equity interest in SH Worldwide Logistics Sdn. Bhd. for RM25,000 in cash, decreasing its ownership from 86.46% to 81.25%. The carrying amount of SH Worldwide Logistics Sdn. Bhd.'s net assets in the Group's financial statements on the date of disposal was RM3,060,283. The Group recognised increase in non-controlling interest of RM159,441 and decrease in retained earnings of RM134,441.

(v) SH Moment Builder Sdn. Bhd.

On 14 February 2023, the Company subscribed additional 510,000 ordinary shares out of 700,000 new ordinary shares in SH Moment Builder Sdn. Bhd., for RM510,000 in cash, increasing its ownership from 51% to 54.3%. The Group recognised increase in non-controlling interest of RM616,565 and decrease in retained earnings of RM426,565.

In the previous financial year

On 16 November 2021, Limsa Ekuiti Sdn. Bhd., a wholly-owned subsidiary company of the Group disposed 3.12% equity interest in SH Worldwide Logistics Sdn. Bhd. for RM15,000 in cash, decreasing its ownership from 89.58% to 86.46%. The carrying amount of SH Worldwide Logistics Sdn. Bhd.'s net assets in the Group's financial statements on the date of disposal was RM2,287,503. The Group recognised increase in non-controlling interest of RM71,370 and decrease in retained earnings of RM56,370.

(d) Reduction of investments in subsidiary companies

In the previous financial year

On 12 October 2021, Limsa Ekuiti Sdn. Bhd., a subsidiary company of the Group had reduced its paid-up capital from 2,995,823 to 500,000 ordinary shares. The reduction be effected by repaying to the Group of RM2,495,823.

Subsequent to the completion of the above capital reduction exercise, the shareholding of the Company in Limsa Ekuiti Sdn. Bhd. remained at 100%.

8. Investments in Subsidiary Companies (Cont'd)

(e) Impairment losses for investments in subsidiary companies

During the financial year

(i) SH Moment Builder Sdn. Bhd.

During the financial year, SH Moment Builder Sdn. Bhd., the 54.26% owned subsidiary company in the construction contracts segment was facing the recoverable amount lower than the carrying amount.

The recoverable amount of the Company's investment in SH Moment Builder Sdn. Bhd. estimated based on the carrying amount of the net assets was RM Nil. Therefore, an impairment loss amounting to RM510,000 was recognised during the financial year. As a result, the Company's investment in SH Moment Builder Sdn. Bhd. is amounted of RM Nil as at 31 March 2023.

The impairment loss was recognised in other expenses in the statements of profit or loss and other comprehensive income.

(ii) Jentanian Transport and Forwarding Sdn. Bhd.,

During the financial year, Jentanian Transport and Forwarding Sdn. Bhd., the 88.7% owned subsidiary company in the transport and logistics segment was facing the recoverable amount lower than the carrying amount.

The recoverable amount of the Company's investment in Jentanian Transport and Forwarding Sdn. Bhd., estimated based on the carrying amount of the net assets was RM715,633. Therefore, an impairment loss amounting to RM259,134 was recognised during the financial year. As a result, the Company's investment in Jentanian Transport and Forwarding Sdn. Bhd., is amounted of RM715,633 as at 31 March 2023.

The impairment loss was recognised in other expenses in the statements of profit or loss and other comprehensive income.

8. Investments in Subsidiary Companies (Cont'd)

(e) Impairment losses for investments in subsidiary companies (Cont'd)

In the previous financial year

(i) SH In Express (M) Sdn. Bhd.

During the financial year, SH In Express (M) Sdn. Bhd., the 100% owned subsidiary company in the transportation and logistics services segment was facing the recoverable amount lower than the carrying amount.

The recoverable amount of the Company's investment in SH In Express (M) Sdn. Bhd. estimated based on the carrying amount of the net assets was RM295,850. Therefore, an impairment loss amounting to RM17,163 was recognised during the financial year. As a result, the Company's investment in SH In Express (M) Sdn. Bhd. is amounted of RM295,850 as at 31 March 2022.

The impairment loss was recognised in other expenses in the statements of profit or loss and other comprehensive income.

(ii) Butterworth Transport Company Sendirian Berhad

During the financial year, Butterworth Transport Company Sendirian Berhad, the 100% owned subsidiary company in the transportation and logistics services segment was facing the recoverable amount lower than the carrying amount.

The recoverable amount of the Company's investment in Butterworth Transport Company Sendirian Berhad estimated based on the carrying amount of the net assets was RM Nil. Therefore, an impairment loss amounting to RM113,688 was recognised during the financial year. As a result, the Company's investment in Butterworth Transport Company Sendirian Berhad is amounted of RM Nil as at 31 March 2022.

The impairment loss was recognised in other expenses in the statements of profit or loss and other comprehensive income.

8. Investments in Subsidiary Companies (Cont'd)

(e) Impairment losses for investments in subsidiary companies (Cont'd)

In the previous financial year (Cont'd)

(iii) SH Logistics (M) Sdn. Bhd.

During the financial year, SH Logistics (M) Sdn. Bhd., the 50.1% owned subsidiary company in the transportation and logistics services segment was facing the recoverable amount lower than the carrying amount.

The recoverable amount of the Company's investment in SH Logistics (M) Sdn. Bhd. estimated based on the carrying amount of the net assets was RM900,742. Therefore, an impairment loss amounting to RM1,576,163 was recognised during the financial year. As a result, the Company's investment in SH Logistics (M) Sdn. Bhd. is amounted of RM900,742 as at 31 March 2022.

The impairment loss was recognised in other expenses in the statements of profit or loss and other comprehensive income.

(iv) SH Haulage Sdn. Bhd.

During the financial year, SH Haulage Sdn. Bhd., the 39.6% owned subsidiary company in the transportation and logistics services segment was facing the recoverable amount lower than the carrying amount.

The recoverable amount of the Company's investment in SH Haulage Sdn. Bhd. estimated based on the carrying amount of the net assets was RM Nil. Therefore, an impairment loss amounting to RM83,260 was recognised during the financial year. As a result, the Company's investment in SH Haulage Sdn. Bhd. is amounted of RM Nil as at 31 March 2022.

The impairment loss was recognised in other expenses in the statements of profit or loss and other comprehensive income.

8. Investments in Subsidiary Companies (Cont'd)

(e) Impairment losses for investments in subsidiary companies (Cont'd)

In the previous financial year (Cont'd)

(v) SH Moment Builder Sdn. Bhd.

During the financial year, SH Moment Builder Sdn. Bhd., the 51% owned subsidiary company in the construction contracts segment was facing the recoverable amount lower than the carrying amount.

The recoverable amount of the Company's investment in SH Moment Builder Sdn. Bhd. estimated based on the carrying amount of the net assets was RM Nil. Therefore, an impairment loss amounting to RM2,040,000 was recognised during the financial year. As a result, the Company's investment in SH Moment Builder Sdn. Bhd. is amounted of RM Nil as at 31 March 2022.

The impairment loss was recognised in other expenses in the statements of profit or loss and other comprehensive income.

9. Investments in Associates

	Group		Company	
	2023 RM	**2022 RM**	**2023 RM**	**2022 RM**
At cost				
Unquoted shares in Malaysia	10,842,701	9,732,054	10,242,701	9,132,054
Unquoted shares outside Malaysia	1,075,866	1,075,866	-	-
	11,918,567	10,807,920	10,242,701	9,132,054
Share of post-acquisition reserves	1,721,718	(115,057)	-	-
	13,640,285	10,692,863	10,242,701	9,132,054
Less: Accumulated impairment losses	(802,794)	(1,106,468)	(435,245)	(738,919)
Balance at the end of financial year	12,837,491	9,586,395	9,807,456	8,393,135

9. Investments in Associates (Cont'd)

Movements in the allowance for impairment losses are as follows:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
At 1 April	(1,106,468)	(66,403)	(738,919)	(66,403)
Impairment losses recognised	-	(1,040,065)	-	(672,516)
Impairment losses reversed	303,674	-	303,674	-
At 31 March	(802,794)	(1,106,468)	(435,245)	(738,919)

Details of the associates are as follows:

Name of company	Place of business/ Country of incorporation	Effective interest (%) 2023	Effective interest (%) 2022	Principal activities
Perkapalan Maritime Sdn. Bhd. ("PMSB") @	Malaysia	49	49	Freight forwarding agent services
Tanjung Marine Sdn. Bhd. ("TMSB") @	Malaysia	49	49	Freight forwarding agent services
Kimsar Sdn. Bhd. ("KSB") @ ^	Malaysia	47.7	47.7	Property development and investment holding
Kim Ma Supertiles Sdn. Bhd. ("KMS") @ ^	Malaysia	28.4	7.7	Investment holding
Mazs Marketing (M) Sdn. Bhd. ("MMSB") @	Malaysia	-	42.8	Bonded truck services and bonded warehousing
Maruzen SH Logistics Sdn. Bhd. ("MSHL") ** ^	Malaysia	35.2	35.2	Freight forwarding and transport services provider

9. Investments in Associates (Cont'd)

Details of the associates are as follows: (Cont'd)

Name of company	Place of business/ Country of incorporation	Effective interest (%) 2023	2022	Principal activities
Held through SH Logistics (M) Sdn. Bhd.				
See Hup Pioneer Logistics (Thailand) Co. Ltd. ("SHPLT") ** ^	Thailand	22.8	22.8	Transportation services
Held through SH Global Freight Sdn. Bhd.				
Maruzen SH Logistics Sdn. Bhd. ("MSHL") ** ^	Malaysia	3.98	3.98	Freight forwarding and transport services provider
Held through Kimsar Sdn. Bhd.				
Iping United Development Sdn. Bhd. ("IPING") @ ^	Malaysia	47.7	47.7	Investment holding
Northen Malaya Reality Sdn. Bhd. ("NMR") @ ^	Malaysia	47.7	47.7	Investment holding
Held through IPING				
Kim Ma Supertiles Sdn. Bhd. ("KMS") @ ^	Malaysia	-	19.8	Investment holding

@ Financial year end 31 March.
** Financial year end 31 December.
^ Associates not audited by UHY.

For the purpose of applying the equity method for associates with financial year end of 31 December, the last management financial statements up to 31 March of the associates have been used.

9. Investments in Associates (Cont'd)

Summarised financial information of the Group's associates are set out below. The summarised financial information represents the amounts in the financial statements of the associates and not the Group's share of those amounts.

(a) Summarised statements of financial position

	SHPLT RM	PMSB RM	TMSB RM	MSHL RM	KSB RM	KMS RM	MMSB RM	Total RM
2023								
Current assets	4,140,123	622,865	3,401,480	14,884,943	530,376	504,109	-	24,083,896
Non-current assets	737,194	25,212	133,637	2,933,767	6,339,723	2,366,093	-	12,535,626
Current liabilities	(4,991,367)	(200,755)	(2,323,906)	(3,034,987)	(175,010)	(739,654)	-	(11,465,679)
Non-current liabilities	-	(8,168)	-	-	-	-	-	(8,168)
Net (liabilities)/assets	(114,050)	439,154	1,211,211	14,783,723	6,695,089	2,130,548	-	25,145,675
Interests in associates	22.8%	49%	49%	39.2%	47.7%	28.4%	-	
Group's share of net (liabilities)/assets	(25,998)	215,185	593,493	5,842,527	3,194,227	605,502	-	10,424,936
Reserves	(293,009)	(208,831)	-	333,446	2,654,256	230,512	-	2,716,374
Goodwill/ (Negative goodwill)	319,007	(6,354)	(20,755)	-	(595,717)	-	-	(303,819)
Carrying amount of Group's interests in associates	-	-	572,738	6,175,973	5,252,766	836,014	-	12,837,491

9. Investments in Associates (Cont'd)

Summarised financial information of the Group's associates are set out below. The summarised financial information represents the amounts in the financial statements of the associates and not the Group's share of those amounts. (Cont'd)

(a) Summarised statements of financial position (Cont'd)

	SHPLT RM	PMSB RM	TMSB RM	MSHL RM	KSB RM	KMS RM	MMSB RM	Total RM
2022								
Current assets	1,663,514	562,590	3,170,756	13,678,722	453,000	488,123	813,937	20,830,642
Non-current assets	670,325	145,463	250,700	5,324,398	6,336,721	2,425,921	856,146	16,009,674
Current liabilities	(3,417,898)	(214,459)	(1,813,896)	(5,264,072)	(174,250)	(238,866)	(1,016,709)	(12,140,150)
Non-current liabilities	-	-	(24,607)	-	-	-	(421,832)	(446,439)
Net (liabilities)/assets	(1,084,059)	493,594	1,582,953	13,739,048	6,615,471	2,675,178	231,542	24,253,727
Interests in associates	22.8%	49%	49%	39.2%	47.7%	27.5%	42.8%	
Group's share of net (liabilities)/assets	(247,117)	241,861	775,647	5,383,509	3,156,241	736,209	99,100	10,145,450
Reserves	(71,890)	(235,507)	2,107	14,439	-	134,715	(99,100)	(255,236)
Goodwill/ (Negative goodwill)	319,007	(6,354)	(20,755)	-	(595,717)	-	-	(303,819)
Carrying amount of Group's interests in associates	-	-	756,999	5,397,948	2,560,524	870,924	-	9,586,395

9. Investments in Associates (Cont'd)

Summarised financial information of the Group's associates are set out below. The summarised financial information represents the amounts in the financial statements of the associates and not the Group's share of those amounts. (Cont'd)

(b) Summarised statements of profit or loss and other comprehensive income

	SHPLT RM	PMSB RM	TMSB RM	MSHL RM	KSB RM	KMS RM	MMSB RM	Total RM
2023								
(Loss)/Profit for the financial year, representing total comprehensive (loss)/income for the financial year	(347,261)	(34,856)	(371,741)	1,804,132	5,563,369	(78,029)	-	6,535,614
Included in the total comprehensive income:								
Revenue	6,289,280	1,043,610	6,606,793	16,981,573	-	-	-	30,921,256

9. Investments in Associates (Cont'd)

Summarised financial information of the Group's associates are set out below. The summarised financial information represents the amounts in the financial statements of the associates and not the Group's share of those amounts. (Cont'd)

(b) Summarised statements of profit or loss and other comprehensive income (Cont'd)

	SHPLT RM	PMSB RM	TMSB RM	MSHL RM	KSB RM	KMS RM	MMSB RM	Total RM
2022								
(Loss)/Profit for the financial year, representing total comprehensive (loss)/income for the financial year	(245,101)	(137,943)	(234,720)	1,481,596	(19,056)	134,820	(104,015)	875,581
Included in the total comprehensive income:								
Revenue	6,492,238	678,912	8,169,359	3,327,886	-	45,000	2,567,670	21,281,065

9. Investments in Associates (Cont'd)

(c) Additional investments of associates

During the financial year

On 7 October 2022, the Company acquired 1,885,762 ordinary shares in Kim Ma Supertiles Sdn. Bhd. ("Kim Ma") for a cash consideration of RM1,414,321, increase its equity interest from 7.65% to 28.42%.

(d) Disposal of associates

During the financial year

On 1 December 2022, the Company disposed 428,475 ordinary shares equivalent to 42.85% equity interest in Mazs Marketing (M) Sdn. Bhd. ("MMSB") for a total consideration of RM38,563.

(e) Changes in ownership interest

In previous financial year

On 12 April 2021, SH Freight Services Sdn. Bhd. had de-registered in Malaysia.

10. Other Investments

	Unquoted Shares in Malaysia RM	Quoted Shares in Malaysia RM	Quoted Shares outside Malaysia RM	Total RM
Group				
2023				
Non-current				
Financial assets measured at fair value through other comprehensive income				
At 1 April	20,000	-	-	20,000
Fair value adjustment	(20,000)	-	-	(20,000)
At 31 March	-	-	-	-
Financial assets measured at fair value through profit or loss				
At 1 April	-	334,669	714,097	1,048,766
Additions	-	1,238,002	3,016	1,241,018
Disposals	-	(124,550)	-	(124,550)
Fair value adjustment	-	(13,423)	(111,864)	(125,287)
At 31 March	-	1,434,698	605,249	2,039,947
	-	1,434,698	605,249	2,039,947
2022				
Non-current				
Financial assets measured at fair value through other comprehensive income				
At 1 April	53,200	-	-	53,200
Fair value adjustment	(33,200)	-	-	(33,200)
At 31 March	20,000	-	-	20,000
Financial assets measured at fair value through profit or loss				
At 1 April	-	441,685	-	441,685
Additions	-	-	820,909	820,909
Disposals	-	(91,400)	-	(91,400)
Fair value adjustment	-	(15,616)	(106,812)	(122,428)
At 31 March	-	334,669	714,097	1,048,766
	20,000	334,669	714,097	1,068,766

11. Amount Due from/(to) Subsidiary Companies

	Company	
	2023	**2022**
	RM	**RM**
Amount due from subsidiary companies		
Non-current		
Non-trade related		
Interest bearing	20,858,735	48,671,471
Non-interest bearing	-	485,872
Less: Accumulated impairment losses	(7,173,356)	(168,000)
	13,685,379	48,989,343
Current		
Non-trade related		
Interest bearing	27,780,228	-
Non-interest bearing	2,603,897	7,764,736
Less: Accumulated impairment losses	(533,507)	(500,000)
	29,850,618	7,264,736
	43,535,997	56,254,079
Amount due to subsidiary companies		
Current		
Non-trade related		
Interest bearing	(3,684,000)	(5,679,000)
Non-interest bearing	(16,532)	(19,611)
	(3,700,532)	(5,698,611)

Amount due from/(to) subsidiary companies with interest bearing are unsecured, bear interest at/ranged from 3% (2022: 3%) per annum and repayable on demand, except for the non-current portion which are not expected to be received within the next 12 months.

Amount due from/(to) subsidiary companies with non-interest bearing are unsecured and repayable on demand, except for the non-current portion which are not expected to be received within the next 12 months.

11. Amount Due from/(to) Subsidiary Companies (Cont'd)

Movements in the allowance for impairment losses of amount due from subsidiary companies are as follows:

	Company	
	2023	2022
	RM	RM
At 1 April	668,000	-
Impairment losses recognised	7,706,863	668,000
Impairment losses reversed	(668,000)	-
At 31 March	7,706,863	668,000

12. Trade Receivables

	Group	
	2023	2022
	RM	RM
Non-current		
Amount due from associates	728,129	728,129
Less: Accumulated impairment losses	(728,129)	-
	-	728,129
Current		
Trade receivables	25,970,159	23,219,795
Amount due from associates	2,168,238	1,745,270
Amount due from a shareholder of a subsidiary company	6,123,573	79,397
Companies in which certain Directors have substantial financial interests	3,254,705	2,965,604
	37,516,675	28,010,066
Less: Accumulated impairment losses	(13,389,670)	(5,675,875)
	24,127,005	22,334,191
Total trade receivables	24,127,005	23,062,320

Trade receivables are non-interest bearing and are generally on 7 to 120 days (2022: 7 to 120 days) term. Other credit terms are assessed and approved on a case-by-case basis. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

12. Trade Receivables (Cont'd)

Amount due from associates are unsecured, non-interest bearing and are generally on 30 to 60 days (2022: 30 to 60 days) term, except for the non-current portion which are not expected to be received within the next 12 months. Other credit terms are assessed and approved on a case-by-case basis. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Amount due from a shareholder of a subsidiary company is unsecured, non-interest bearing and is generally on 30 days (2022: 30 days). Other credit terms are assessed and approved on a case-by-case basis. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Companies in which certain Directors have substantial financial interests are unsecured, non-interest bearing and are generally on 14 days (2022: 14 days). Other credit terms are assessed and approved on a case-by-case basis. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Movements in the allowance for impairment losses of trade receivables are as follows:

	Group	
	2023	**2022**
	RM	**RM**
At 1 April	5,675,875	4,804,806
Impairment losses recognised	8,901,525	1,192,336
Amount written off	-	(130,796)
Impairment losses reversed	(459,601)	(190,471)
At 31 March	14,117,799	5,675,875

The loss allowance account in respect of trade receivables is used to record loss allowance. Unless the Group is satisfied that recovery of the amount is possible, the amount considered irrecoverable is written off against the receivable directly.

Reversal of impairment losses on trade receivables was mainly due to collection from receivables previously provided for doubtful debts.

12. Trade Receivables (Cont'd)

The aged analysis of trade receivables as at the end of the reporting period:

Group	Gross amount RM	Loss allowance RM	Net amount RM
2023			
Neither past due nor impaired	11,303,453	(76,862)	11,226,591
Past due but not impaired:			
Less than 30 days	6,841,345	(75,092)	6,766,253
31 to 60 days	2,516,387	(58,852)	2,457,535
61 to 90 days	1,422,871	(114,518)	1,308,353
More than 90 days	2,636,374	(268,101)	2,368,273
	13,416,977	(516,563)	12,900,414
	24,720,430	(593,425)	24,127,005
Individual impaired	13,524,374	(13,524,374)	-
	38,244,804	(14,117,799)	24,127,005
2022			
Neither past due nor impaired	12,688,550	(60,640)	12,627,910
Past due but not impaired:			
Less than 30 days	5,487,203	(50,648)	5,436,555
31 to 60 days	2,899,175	(84,109)	2,815,066
61 to 90 days	787,454	(118,261)	669,193
More than 90 days	1,582,330	(68,734)	1,513,596
	10,756,162	(321,752)	10,434,410
	23,444,712	(382,392)	23,062,320
Individual impaired	5,293,483	(5,293,483)	-
	28,738,195	(5,675,875)	23,062,320

Trade receivables that are neither past due nor impaired are creditworthy receivables with good payment records with the Group.

The Group has applied a provision matrix approach in calculating loss allowance for trade receivables at an amount equal to lifetime expected credit loss ("ECL"). The Group estimated the loss allowance on trade receivables by applying an ECL rate at each reporting period. The ECL rate is computed based on estimated irrecoverable amounts determined by reference to past default experience of the Group and an analysis of general economic conditions of the industry and an assessment of both the current as well as the forecast direction of economic conditions at the reporting date.

As at 31 March 2023, trade receivables of RM12,900,414 (2022: RM10,434,410) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default.

12. Trade Receivables (Cont'd)

The trade receivables of the Group that are individually assessed to be impaired amounting to RM13,524,374 (2022: RM5,293,483), relate to customers that are in financial difficulties, and have defaulted on payments and/or have disputed on billings. These balances are expected to be recovered through the debts recovery process.

13. Inventories

	Group	
	2023 RM	2022 RM
Trading inventories	2,582,465	1,657,405
Spare parts and consumables	61,685	61,024
	2,644,150	1,718,429
Recognised in profit or loss:		
Inventories recognised as cost of sales	4,154,730	5,503,902

14. Other Receivables

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Amount due from associates	821,107	203,573	16,376	22,283
Less: Accumulated impairment losses	(804,731)	-	-	-
	16,376	203,573	16,376	22,283
Companies in which certain have Directors substantial financial interests	171,050	161,500	-	-
Other receivables	746,276	476,699	-	1,600
Prepayments	3,405,451	3,877,649	7,920	4,240
Deposits	745,542	998,519	4,500	4,500
	5,068,319	5,514,367	12,420	10,340
	5,084,695	5,717,940	28,796	32,623

14. Other Receivables (Cont'd)

Amount due from associates and companies in which certain Directors have substantial financial interests are unsecured, non-interest bearing and repayable on demand.

Movements in the allowance for impairment losses of other receivables are as follows:

	Group	
	2023 RM	2022 RM
At 1 April	-	-
Impairment losses recognised	804,731	-
At 31 March	804,731	-

The loss allowance account in respect of other receivables is used to record loss allowance. Unless the Group is satisfied that recovery of the amount is possible, the amount considered irrecoverable is written off against the receivable directly.

15. Contract (Liabilities)/Assets

		Group	
	Note	2023 RM	2022 RM
Current			
Contract (liabilities)/assets			
Construction contracts	(a)	(4,292,813)	1,976,999
Labour and handling services	(b)	1,957,530	1,836,601
		(2,335,283)	3,813,600

(a) Construction contracts

	Group	
	2023 RM	2022 RM
Contract costs incurred to date	23,102,721	8,109,220
Attributable (loss)/profits	(2,906,648)	1,222,829
	20,196,073	9,332,049
Less: Progress billings	(24,488,886)	(7,355,050)
	(4,292,813)	1,976,999
Presented as:		
Contract (liabilities)/assets	(4,292,813)	1,976,999

15. Contract (Liabilities)/Assets (Cont'd)

(a) Construction contracts (Cont'd)

The contract assets represent the unbilled amount for work completed as at the reporting date. This amount will be transferred to trade receivables when right to bill becomes unconditional.

The contract liabilities primarily relate to the advance consideration received from customer for construction contract, which revenue is recognised over time during the property development and constructions activities.

Revenue expected to be recognise in the future relating to performance obligations that are unsatisfied is RM12,531,074 (2022: RM188,394,311). The Group expects to recognise this revenue as the construction contracts activities are completed, which is expected to occur over the next 5 to 6 months (2022: 17 to 18 months).

(b) Labour and handling services

The contract assets primarily relate to the Group's rights to consideration for work performed but not yet billed at the reporting date for its labour and handling services. The contract assets will be transferred to trade receivables when the rights become unconditional.

16. Deposits, Cash and Bank Balances

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Cash and bank balances	17,653,282	23,327,770	7,827,925	12,413,235
Fixed deposits placed with licensed banks	8,179,533	11,042,698	-	-
Short-term fund deposits	-	1,471,518	-	-
Total deposit, bank and cash balances	25,832,815	35,841,986	7,827,925	12,413,235
Less: Fixed deposits pledge with licensed banks	(5,960,000)	(5,960,000)	-	-
Less: Bank overdrafts (Note 21)	(232,092)	-	(40,701)	-
	19,640,723	29,881,986	7,787,224	12,413,235

16. Deposits, Cash and Bank Balances (Cont'd)

The effective interest rates and maturities of the fixed deposits and short-term fund deposits of the Group as at the end of the reporting period range from 1.60% to 4.17% (2022: 1.60% to 3.43%) per annum and 1 to 12 months (2022: 1 to 12 months) respectively.

The fixed deposits placed with licensed banks of the Group amounting RM5,960,000 (2022: RM5,960,000) is pledged as securities for loans and bank borrowings granted to the Group as disclosed in Note 21 to the financial statements.

17. Share Capital

	Group and Company			
	Number of shares		Amount	
	2023 Units	2022 Units	2023 RM	2022 RM
Ordinary shares issued and fully paid with no par value				
At 1 April/31 March	80,426,301	80,426,301	81,109,469	81,109,469

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at general meetings of the Company. All ordinary shares rank equally with regards to the Company's residual assets. In respect of the Company's treasury shares that are held by the Group, all rights are suspended until those shares are reissued.

18. Fair value reserve

Fair value reserve represents the cumulative net change in the fair value of investment in securities measured at FVOCI until they are derecognised or impaired.

19. Retained Earnings

The entire retained earnings of the Company are available for distribution as single-tier dividends.

20. Treasury Shares

	Group and Company			
	Number of shares		Amount	
	2023 Units	2022 Units	2023 RM	2022 RM
At 1 April	373,000	373,000	372,200	372,200
Purchase of own shares	566,200	-	586,975	-
At 1 April/31 March	939,200	373,000	959,175	372,200

During the financial year, the Company repurchased 566,200 of its issued share capital from the open market at an average price of RM1.03 including transaction costs. The purchase transactions were financed by internally generated funds. The shares repurchased are held as treasury shares.

21. Loans and Borrowings

		Group		Company	
	Note	2023 RM	2022 RM	2023 RM	2022 RM
Secured					
Term loans	(a)	19,548,743	21,648,485	92,254	1,154,359
Unsecured					
Bank overdrafts	(b)	232,092	-	40,701	-
Revolving credits	(b)	5,859,082	4,865,223	-	-
Bankers' acceptance	(b)	-	280,000	-	-
		6,091,174	5,145,223	40,701	-
		25,639,917	26,793,708	132,955	1,154,359
Non-current					
Term loans	(a)	18,356,117	19,556,852	-	121,628
Current					
Term loans	(a)	1,192,626	2,091,633	92,254	1,032,731
Bankers' acceptance	(b)	-	280,000	-	-
Bank overdrafts	(b)	232,092	-	40,701	-
Revolving credits	(b)	5,859,082	4,865,223	-	-
		7,283,800	7,236,856	132,955	1,032,731
		25,639,917	26,793,708	132,955	1,154,359

21. Loans and Borrowings (Cont'd)

(a) The term loans are secured by the followings:

(i) First party legal charge over the leasehold lands and buildings, right-of-use assets and investment properties of the subsidiary companies as disclosed in Notes 5 and 6 respectively to the financial statements;

(ii) Facilities agreements as principal instrument;

(iii) Pledged of certain fixed deposits placed with licensed banks of the Group as disclosed in Note 16 to the financial statements;

(iv) Corporate guarantee by the Company and its subsidiary company; and

(v) Corporate guarantee by related party of the Group.

(b) The bankers' acceptance, bank overdrafts and revolving credits are covered by the corporate guarantee of the Company and its subsidiary companies.

The average effective interest rates per annum are as follows:

	Group		Company	
	2023 %	2022 %	2023 %	2022 %
Term loans	4.12 - 5.95	3.12 - 5.45	5.95	5.45
Bankers' acceptance	-	2.09 - 2.21	-	-
Bank overdrafts	7.45	-	-	-
Revolving credits	3.44 - 4.04	3.97 - 4.04	-	-

22. Lease Liabilities

	Group	
	2023 RM	2022 RM
At 1 April	11,393,216	6,593,737
Additions	3,821,770	11,440,898
Interest expense recognised in profit or loss	635,214	466,906
Modification of lease terms	(63,476)	(1,268,755)
Payments	(6,168,468)	(5,839,570)
At 31 March	9,618,256	11,393,216

22. Lease Liabilities (Cont'd)

	Group 2023 RM	Group 2022 RM
Presented as:		
Non-current	4,414,177	6,482,384
Current	5,204,079	4,910,832
	9,618,256	11,393,216

The maturity analysis of lease liabilities of the Group at the end of the reporting period:

	Group 2023 RM	Group 2022 RM
Minimum lease payments		
Within one year	5,591,950	5,434,843
Later than one year and not later than two years	3,780,885	4,226,771
Later than two years and not later than five years	799,352	2,571,936
	10,172,187	12,233,550
Less: Future finance charges	(553,931)	(840,334)
Present value of minimum lease payments	9,618,256	11,393,216
Present value of minimum lease payments:		
Within one year	5,204,079	4,910,832
Later than one year and not later than two years	3,652,515	3,968,190
Later than two years and not later than five years	761,662	2,514,194
	9,618,256	11,393,216

The Group has lease contracts for various items of lands, buildings, plant and machineries, motor vehicles, equipment, warehouse, hostel and office. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

The average effective interest rates per annum for lease liabilities range from 2.63% to 6.60% (2022: 2.08% to 6.24%).

23. Deferred Tax Liabilities

	Group 2023 RM	Group 2022 RM
At 1 April	638,231	873,065
Recognised in profit or loss	(244,300)	(145,708)
Under/(Over) provision in prior years	77,535	(89,126)
At 31 March	471,466	638,231

The net deferred tax assets and liabilities shown on the statements of financial position after appropriate offsetting are as follows:

	Group 2023 RM	Group 2022 RM
Deferred tax assets	(2,851,517)	(1,190,473)
Deferred tax liabilities	3,322,983	1,828,704
	471,466	638,231

The components and movements of deferred tax assets and liabilities are as follows:

	Unabsorbed capital allowances RM	Unutilised tax losses RM	Others RM	Total RM
Group				
Deferred tax assets				
At 1 April 2022	(116,536)	(1,035,959)	(37,978)	(1,190,473)
Recognised in profit or loss	(1,793,733)	(173,152)	1,333	(1,965,552)
Over provision in prior years	152,768	147,247	4,493	304,508
At 31 March 2023	(1,757,501)	(1,061,864)	(32,152)	(2,851,517)
At 1 April 2021	(867,654)	(368,595)	(64,885)	(1,301,134)
Recognised in profit or loss	63,058	2,367	1,405	66,830
Over/(Under) provision in prior years	688,060	(669,731)	25,502	43,831
At 31 March 2022	(116,536)	(1,035,959)	(37,978)	(1,190,473)

23. Deferred Tax Liabilities (Cont'd)

The components and movements of deferred tax assets and liabilities are as follows: (Cont'd)

	Accelerated capital allowances RM
Group	
Deferred tax liabilities	
At 1 April 2022	1,828,704
Recognised in profit or loss	1,721,252
Over provision in prior years	(226,973)
At 31 March 2023	3,322,983
At 1 April 2021	2,174,199
Recognised in profit or loss	(212,538)
Over provision in prior years	(132,957)
At 31 March 2022	1,828,704

Deferred tax assets have not been recognised in respect of the following items:

	Group	
	2023 RM	2022 RM
Unabsorbed capital allowances	681,900	2,308,459
Unutilised tax losses	4,454,489	4,376,190
Others	4,826,950	435,950
	9,963,339	7,120,599

Deferred tax assets have not been recognised in respect of these items as they may not have sufficient taxable profits to be used to offset or they have arisen in subsidiary companies that have a recent history of losses.

24. Other Payables

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
Non-current				
Other payables	-	49,833	-	-
Shareholders of a subsidiary company	-	90,650	-	-
	-	140,483	-	-
Current				
Other payables	833,856	545,366	15,522	15,391
Amount due to associates	59,956	45,441	-	-
Shareholders of a subsidiary company	-	190,000	-	-
Deposits	290,476	253,055	-	-
Accruals	5,435,304	3,878,792	123,227	100,260
	6,619,592	4,912,654	138,749	115,651
	6,619,592	5,053,137	138,749	115,651

Amount due to associates and shareholders of a subsidiary company are unsecured, non-interest bearing and repayable on demand, except for the non-current portion which are not expected to be received within the next 12 months.

25. Trade Payables

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
Current				
Trade payables	9,246,400	10,146,087	20,370	-
Amount due to associates	367,498	735,795	-	-
Amount due to a shareholder of a subsidiary company	76,221	692,466	-	-
Amount due to related parties	132,670	113,671	-	-
	9,822,789	11,688,019	20,370	-

Credit terms of trade payables of the Group and the Company ranged from 7 to 90 days (2022: 7 to 90 days), depending on the term of the contracts. Other credit terms are assessed and approved on a case by case basis.

25. Trade Payables (Cont'd)

Amount due to associates of the Group are unsecured, non-interest bearing and are generally on 30 to 60 days (2022: 30 to 60 days) terms, depending on the term of the contracts. Other credit terms are assessed and approved on a case by case basis.

Amount due to a shareholder of a subsidiary company and related parties are unsecured, non-interest bearing and are generally on 30 days (2022: 30 days) terms, depending on the term of the contracts. Other credit terms are assessed and approved on a case by case basis.

26. Revenue

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Revenue from contracts with customers:				
Sale of goods	112,998	504,990	-	-
Rendering of services	113,813,182	101,181,783	-	-
Construction contracts	10,864,025	9,332,049	-	-
	124,790,205	111,018,822	-	-
Revenue from other sources:				
Dividends income	-	-	1,307,937	27,198,271
Rental of properties	34,600	109,200	-	-
Rental income from warehousing services	1,365,375	1,331,610	-	-
	1,399,975	1,440,810	1,307,937	27,198,271
	126,190,180	112,459,632	1,307,937	27,198,271
Timing of revenue recognition:				
At a point in time	113,926,180	101,686,773	-	-
Over time	10,864,025	9,332,049	-	-
Total revenue from contracts with customers	124,790,205	111,018,822	-	-

26. Revenue (Cont'd)

Breakdown of the Group's revenue from contracts with customers:

	Transportation and logistics services RM	Trading RM	Construction contracts RM	Total RM
2023				
Major goods and services:				
Sale of goods	-	112,998	-	112,998
Rendering of services	113,813,182	-	-	113,813,182
Construction contracts	-	-	10,864,025	10,864,025
Total revenue from contracts with customers	113,813,182	112,998	10,864,025	124,790,205
2022				
Major goods and services:				
Sale of goods	-	504,990	-	504,990
Rendering of services	101,181,783	-	-	101,181,783
Construction contracts	-	-	9,332,049	9,332,049
Total revenue from contracts with customers	101,181,783	504,990	9,332,049	111,018,822

	Transportation and logistics services RM	Trading RM	Construction contracts RM	Others RM	Total RM
Group					
Georgraphical market:					
2023					
Malaysia	113,813,182	112,998	10,864,025	1,399,975	126,190,180
2022					
Malaysia	101,181,783	504,990	9,332,049	1,440,810	112,459,632

27. Staff Costs

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
Salaries, wages and other emoluments	21,374,619	18,700,628	443,171	33,000
Fees	430,865	399,760	58,000	58,000
Social security contributions	285,894	252,175	3,840	-
Defined contributions plans	2,436,517	2,247,222	46,287	-
	24,527,895	21,599,785	551,298	91,000

Included in staff costs is aggregate amount of remuneration received and receivable by the Executive Directors of the Company and of its subsidiary companies during the financial year as below:

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
Executive Directors				
Exitsting Directors of the Company				
Salaries, wages and other emoluments	951,950	980,104	129,450	-
Fees	124,000	114,000	32,000	32,000
Social security contributions	7,850	6,212	1,060	-
Defined contributions plans	113,306	111,434	13,776	-
	1,197,106	1,211,750	176,286	32,000
Estimated value of benefits-in-kind	23,225	116,114	-	-
	1,220,331	1,327,864	176,286	32,000

27. Staff Costs (Cont'd)

Included in staff costs is aggregate amount of remuneration received and receivable by the Executive Directors of the Company and of its subsidiary companies during the financial year as below: (Cont'd)

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
Executive Directors (Cont'd)				
Existing Directors of the subsidiary companies				
Salaries, wages and other emoluments	3,154,770	3,659,450	-	-
Fees	280,865	259,760	-	-
Social security contributions	17,013	19,775	-	-
Defined contributions plans	378,374	443,178	-	-
	3,831,022	4,382,163	-	-
Estimated value of benefits-in-kind	33,200	66,396	-	-
	3,864,222	4,448,559	-	-
Total Executive Directors' remuneration	5,084,553	5,776,423	176,286	32,000

28. Finance Costs

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Commitment fee	25,375	17,529	-	-
Interest expenses of financial liabilities not at fair value through profit or loss:				
- Amount owing to related companies	-	-	125,510	208,715
- Bankers' acceptance	1,276	7,633	-	-
- Bank overdrafts	2,850	123,640	2,761	96,756
- Lease liabilities	635,214	466,906	-	-
- Term loans	784,168	731,329	34,717	87,466
- Revolving credits	248,902	126,672	-	-
- Others	30,370	230,220	-	-
	1,702,780	1,686,400	162,988	392,937
	1,728,155	1,703,929	162,988	392,937

29. (Loss)/Profit Before Tax

(Loss)/Profit before tax is determined after charging/(crediting) amongst other, the following items:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Auditors' remuneration				
- Statutory audits	143,500	131,500	23,000	20,000
- Non-audit services	5,000	5,000	5,000	5,000
Bad debts recovered	-	(7,510)	-	-
Bad debts written off	1,890	148,292	-	-

29. (Loss)/Profit Before Tax (Cont'd)

(Loss)/Profit before tax is determined after charging/(crediting) amongst other, the following items: (Cont'd)

	Group		Company	
	2023	**2022**	**2023**	**2022**
	RM	**RM**	**RM**	**RM**
Depreciation of:				
- investment properties	31,925	31,926	-	-
- property, plant and equipment	2,983,454	3,113,172	-	-
- right-of-use assets	4,965,204	4,949,542	-	-
Fair value loss on other investments	125,287	122,428	-	-
(Gain)/Loss on disposal of:				
- investments in associates	265,111	-	265,111	-
- non-current assets classified as held for sale	-	(32,543,275)	-	-
- other investments	(11,046)	(13,400)	-	-
- property, plant and equipment	(901,376)	(1,508,093)	-	-
Gain on modification of lease terms	(2,047)	(43,964)	-	-
Gain on struck off of an associate company	-	(102,725)	-	(102,725)
Impairment losses on:				
- amount due from associate companies	1,122,109	806,381	-	-
- amount due from subsidiary companies	-	-	7,706,863	668,000
- investments in associates	-	1,040,065	-	672,516
- investments in subsidiary companies	-	-	769,134	3,830,274
- trade receivables	7,779,416	385,955	-	-
- other receivables	804,731	-	-	-

29. (Loss)/Profit Before Tax (Cont'd)

(Loss)/Profit before tax is determined after charging/(crediting) amongst other, the following items: (Cont'd)

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Interest income	(952,668)	(415,717)	(1,514,294)	(1,265,500)
Lease expenses relating to short-term leases:				
- office	500	17,250	-	-
- equipment	9,174	9,234	-	-
- warehouse	132,719	57,063	-	-
Loss/(Gain) on foreign exchange:				
- realised	94,275	(23,058)	-	-
- unrealised	(26,530)	42,878	-	-
Non-executive Directors' remunerations				
- fees	26,000	26,000	26,000	26,000
- other emoluments	40,250	36,000	40,250	33,000
Property, plant and equipment written off	5	87,481	-	-
Rental income	(391,924)	(138,570)	-	-
Reversal of impairment losses on amount due from subsidiary companies	-	-	(668,000)	-
Reversal of impairment losses on investment in associate	(303,674)	-	(303,674)	-
Reversal of impairment losses on trade receivables	(459,601)	(190,471)	-	-
Right-of-use assets written off	-	844	-	-

30. Taxation

	Group 2023 RM	Group 2022 RM	Company 2023 RM	Company 2022 RM
Tax expenses reconigsed in profit or loss				
Current tax				
- Current year	1,231,292	1,180,051	338,000	244,000
- Over provision in prior years	(172,937)	(103,505)	(25,669)	(44,451)
	1,058,355	1,076,546	312,331	199,549
Deferred tax				
- Origination and reversal of temporary differences	(244,300)	(145,708)	-	-
- Under/(Over) provision in in prior years	77,535	(89,126)	-	-
	(166,765)	(234,834)	-	-
	891,590	841,712	312,331	199,549

Malaysian income tax is calculated at the statutory tax rate of 24% (2022: 24%) of the estimated assessable profits for the financial year.

30. Taxation (Cont'd)

A reconciliation of income tax expenses applicable to (loss)/profit before tax at the statutory tax rate to income tax expenses at the effective income tax rate of the Group and of the Company are as follows:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
(Loss)/Profit before tax	(5,205,742)	23,234,508	(5,548,108)	22,729,342
At Malaysian statutory tax rate of 24% (2022: 24%)	(1,249,378)	5,576,282	(1,331,546)	5,455,042
Expenses not deductible for tax purposes	3,479,787	2,051,982	2,027,203	1,316,543
Income not subject to tax	(4,086,157)	(8,138,908)	(357,657)	(6,527,585)
Deferred tax assets not recognised	2,842,740	1,544,987	-	-
	986,992	1,034,343	338,000	244,000
Over provision of income tax expenses in prior years	(172,937)	(103,505)	(25,669)	(44,451)
Under/(Over) provision of deferred tax in prior years	77,535	(89,126)	-	-
	891,590	841,712	312,331	199,549

Pursuant to Section 8 of the Finance Act 2021 (Act 833), the amendments to Section 44(5F) of Income Tax Act 1967, the time limit of the carried forward unutilised tax losses has been extended to maximum of 10 consecutive years of assessment. This amendment is deemed to have effect from the year of assessment 2019 and subsequent years of assessment.

Any unutilised business losses brought forward from year of assessment 2018 can be carried forward for another 10 consecutive years of assessment (i.e. from year of assessments 2019 to 2028).

30. Taxation (Cont'd)

The Group has unabsorbed capital allowances and unutilised tax losses carried forward, available to off-set against future taxable profits as follows:

	Group	
	2023	2022
	RM	RM
Unabsorbed capital allowances	10,164,169	9,467,613
Unutilised tax losses, expiring on:		
- year assessment 2028	3,840,510	4,120,051
- year assessment 2029	11,492,368	11,492,368
- year assessment 2030	3,579,405	3,579,405
- year assessment 2031	2,259,501	2,259,501
- year assessment 2032	485,768	485,768
- year assessment 2033	1,327,253	-
	33,148,974	31,404,706

31. Reconciliation of Liabilities Arising from Financing Activities

The table below shows the details changes in the liabilities of the Group and of the Company arising from financing activities, including both cash and non-cash changes:

			Non-cash changes			
	At 1.4.2022 RM	Financing cash flows (i) RM	New lease (Note 22) RM	Modification of lease terms (Note 22) RM	Other changes (ii) RM	At 31.3.2023 RM
Group						
Dividends paid	-	(2,146,154)	-	-	2,146,154	-
Term loans (Note 21)	21,648,485	(2,099,742)	-	-	-	19,548,743
Lease liabilities (Note 22)	11,393,216	(5,533,254)	3,821,770	(63,476)	-	9,618,256
Revolving credits (Note 21)	4,865,223	993,859	-	-	-	5,859,082
Bankers' acceptance (Note 21)	280,000	(280,000)	-	-	-	-

31. Reconciliation of Liabilities Arising from Financing Activities (Cont'd)

The table below shows the details changes in the liabilities of the Group and of the Company arising from financing activities, including both cash and non-cash changes: (Cont'd)

			Non-cash changes			
	At 1.4.2021 RM	Financing cash flows (i) RM	New lease (Note 22) RM	Modification of lease terms (Note 22) RM	Other changes (ii) RM	At 31.3.2022 RM
Group						
Dividends paid	-	(2,881,918)	-	-	2,881,918	-
Term loans (Note 21)	21,946,271	(297,786)	-	-	-	21,648,485
Lease liabilities (Note 22)	6,593,737	(5,372,664)	11,440,898	(1,268,755)	-	11,393,216
Revolving credits (Note 21)	3,652,026	1,213,197	-	-	-	4,865,223
Bankers' acceptance (Note 21)	426,106	(146,106)	-	-	-	280,000

31. Reconciliation of Liabilities Arising from Financing Activities (Cont'd)

The table below shows the details changes in the liabilities of the Group and of the Company arising from financing activities, including both cash and non-cash changes: (Cont'd)

	At 1.4.2022 RM	Financing cash flows (i) RM	Non-cash changes Other changes (ii) RM	At 31.3.2023 RM
Company				
Dividends paid	-	2,146,152	(2,146,152)	-
Term loans (Note 21)	1,154,359	(1,062,105)	-	92,254
Amount due to subsidiary companies (Note 11)	5,698,611	(1,998,079)	-	3,700,532

	At 1.4.2021 RM	Financing cash flows (i) RM	Non-cash changes Other changes (ii) RM	At 31.3.2022 RM
Company				
Dividends paid	-	(2,881,918)	2,881,918	-
Term loans (Note 21)	2,136,992	(982,633)	-	1,154,359
Amount due to subsidiary companies (Note 11)	1,816,486	3,882,125	-	5,698,611

(i) The cash flows from dividends payable, loans and borrowings, lease liabilities and amount due to subsidiary companies make up the net amount of proceeds from or repayments or payment of borrowings in the statements of cash flows.

(ii) Other changes of the Group and of the Company include dividends payable to the owners of the Company.

32. (Loss)/Profit Per Share

(a) Basis (loss)/profit per share

The basic (loss)/profit per share are calculated based on the consolidated (loss)/profit for the financial year attributable to owners of the parent and the weighted average number of ordinary shares in issue during the financial year as follows:

	Group	
	2023	**2022**
	RM	**RM**
(Loss)/Profit attributable to owners of the parent	(1,781,667)	24,725,316
Weighted average number of ordinary shares in issue		
Issued ordinary shares at 1 April	80,426,301	80,426,301
Effect on treasury shares held	(939,200)	(373,000)
Weighted average number of ordinary shares as at 31 March	79,487,101	80,053,301
Basic (loss)/profit per ordinary share (in sen)	(2.24)	30.89

(b) Diluted (loss)/profit per share

The Group has no dilution in their loss per ordinary share as there are no dilutive potential ordinary shares. There have been no other transactions involving ordinary shares or potential ordinary shares since the end of the financial year and before the authorisation of these financial statements.

33. Dividends

	Group and Company	
	2023	2022
	RM	RM
Dividends recognised as distribution to ordinary shareholders of the Company:		
In respect of the financial year ended 31 March 2022,		
- First interim single tier dividend of RM0.018 per ordinary share declared on 9 September 2021 and paid on 6 October 2021	-	1,440,959
- Second interim single tier dividend of RM0.018 per ordinary share declared on 9 December 2021 and paid on 19 January 2022	-	1,440,959
In respect of the financial year ended 31 March 2023,		
- Interim single tier interim dividend of RM0.027 per ordinary share declared and paid on 28 December 2022	2,146,152	-
	2,146,152	2,881,918

The Board of Directors does not recommend any final dividend in respect of the current financial year.

34. Non-Current Assets Classified as Held for Sale

In the previous financial year, the Group disposed non-current assets classified as held for sale of RM14,419,190 for a cash consideration of RM46,962,465, which had resulted a gain of RM32,543,275.

35. Commitments

	Group 2023 RM	Group 2022 RM
Capital expenditure		
Approved and contracted for:		
- property, plant and equipment	1,119,530	876,630
Approved but not contracted for:		
- property, plant and equipment	672,090	672,090

36. Contingencies

	Company 2023 RM	Company 2022 RM
Unsecured		
Corporate guarantees given to financial institutions for banking facilities granted to certain subsidiary companies	14,267,865	20,497,127

The Company has also undertaken to provide continuing financial support to certain subsidiary companies to enable them to meet their financial obligations as and when they fall due.

37. Related Party Disclosures

(a) Identifying related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group or the Company has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control. Related parties may be individuals or other entities.

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel comprise the Directors and management personnel of the Group, having authority and responsibility for planning, directing and controlling the activities of the Group entities directly or indirectly.

37. Related Party Disclosures (Cont'd)

(b) Significant related party transactions

Related party transactions have been entered into in the normal course of business under normal trade. In addition to the related party balances disclosed elsewhere in the financial statements, the significant related party transactions of the Group and of the Company are as follows:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
(i) Transaction with subsidiary companies				
- Interest receivable	-	-	1,345,819	1,251,537
- Interest payable	-	-	125,510	208,715
- Dividends income received/ receivable	-	-	1,307,937	27,198,271
- Management fee payable	-	-	30,000	27,000
(ii) Transactions with associates				
- Transportation and forwarding charges payable	3,672,297	4,391,821	-	-
- Transportation and forwarding charges receivable	8,102,389	5,821,318	-	-
- Ocean freight charges receivable	7,583	229	-	-
- Hiring of motor vehicles and mobile cranes receivable	212,431	212,324	-	-
- Hiring of motor vehicles and mobile cranes payable	11,592	8,016	-	-
- Rental receivable	347,427	133,266	-	-
- Rental payable	67,741	58,069	-	-

37. Related Party Disclosures (Cont'd)

(b) Significant related party transactions (Cont'd)

Related party transactions have been entered into in the normal course of business under normal trade. In addition to the related party balances disclosed elsewhere in the financial statements, the significant related party transactions of the Group and of the Company are as follows: (Cont'd)

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
(ii) Transactions with associates (Cont'd)				
- Interest receivable	9,959	3,546	-	-
- Interest payable	-	4,821	-	-
- Management fee receivable	174,000	228,130	-	-
- Management fee payable	39,900	42,100	-	-
- Warehouse income receivable	9,044	10,160	-	-
- Warehouse expenses payable	25,047	15,916	-	-
(iii) Transactions with companies in which certain Directors of the Company have substantial financial interests				
- Hiring of heavy vehicles receivable payable	-	57,154	-	-
- Warehouse and crane charges receivable	88,450	170,200	-	-
- Construction contracts payable	2,155,387	3,626,455	-	-
- Labour and handling services receivable	1,799,115	3,526,911	-	-
- Labour and handling services payable	93,481	642,288	-	-

37. Related Party Disclosures (Cont'd)

(b) Significant related party transactions (Cont'd)

Related party transactions have been entered into in the normal course of business under normal trade. In addition to the related party balances disclosed elsewhere in the financial statements, the significant related party transactions of the Group and of the Company are as follows: (Cont'd)

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
(iv) Transactions with shareholders of certain subsidiary companies				
- Transportation and forwarding charges receivable	34,680	61,469	-	-
- Transportation and forwarding charges payable	676,043	787,948	-	-
- Hiring of heavy vehicles receivable	8,700	1,940	-	-

(c) Compensation of key management personnel

The remuneration of key management personnel is same as the Directors' remuneration as disclosed in Notes 27 and 29.

38. Segment Information

For management purposes, the Group is organised into business units based on their products and services, and has four reportable segments as follows:

Transportation and logistics services	General cargo transporter, freight forwarding agent, hiring of cranes, forklifts, heavy equipment and machinery, servicing and maintenance of heavy vehicles and forklifts and provision of bonded warehouse and bonded trucks services, container haulage and bulk cargo handling services.
Trading	General merchandise.
Construction contracts	Construction contracts services and other support activities.
Others	Investment holding and letting of property and subcontracting of pre-casting works.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements.

Transactions between segments are carried out on agreed terms between both parties. The effects of such inter-segment transactions are eliminated on consolidation. The measurement basis and classification are consistent with those adopted in the previous financial year.

Information about segment liabilities are neither included in the internal management reports nor provided regularly to the management. Hence, no disclosure is made on segment liabilities.

38. Segment Information (Cont'd)

	Transportation and logistics services RM	Trading RM	Construction contracts RM	Others RM	Total segments RM	Adjustments and eliminations RM	Consolidated RM
2023							
Revenue							
External revenue	110,178,026	1,869,631	14,105,323	37,200	126,190,180	-	126,190,180
Inter-segment sales	11,948,649	617,163	2,000	2,926,560	15,494,372	(15,494,372)	-
Total revenue	122,126,675	2,486,794	14,107,323	2,963,760	141,684,552	(15,494,372)	126,190,180
Results							
Interest income	468,123	3,906	117,534	1,660,113	2,249,676	(3,202,344)	(952,668)
Finance costs	2,365,079	398,340	752,154	912,440	4,428,013	(2,725,233)	1,702,780
Dividends income	-	-	-	1,307,937	1,307,937	(1,307,937)	-
Depreciation	7,514,175	1,229,370	1,407,450	990,902	11,141,897	(3,161,314)	7,980,583
Other non-cash items	12,455,398	1,775,592	8,019,714	7,850,270	30,100,974	(21,706,699)	8,394,275
Share of results of associates	-	-	-	-	-	3,144,712	3,144,712
Segment (loss)/profit	(3,376,020)	(724,080)	(8,169,056)	(6,145,003)	(18,414,159)	13,208,417	(5,205,742)
Taxation	(566,915)	(1,000)	-	(323,675)	(891,590)	-	(891,590)
Segment assets	87,207,811	6,199,490	16,247,393	134,750,304	244,404,998	(101,082,168)	143,322,830
Included in the measurement of segment assets are:							
Capital expenditure	13,894,178	601,000	1,432,924	166,983	16,095,085	(9,632,023)	6,463,062
Investments in associates	600,000	-	-	9,807,456	10,407,456	2,430,035	12,837,491

38. Segment Information (Cont'd)

	Transportation and logistics services RM	Trading RM	Construction contracts RM	Others RM	Total segments RM	Adjustments and eliminations RM	Consolidated RM
2022							
Revenue							
External revenue	97,516,193	1,259,416	13,574,823	109,200	112,459,632	-	112,459,632
Inter-segment sales	8,290,423	1,067,242	48,940	28,656,271	38,062,876	(38,062,876)	-
Total revenue	105,806,616	2,326,658	13,623,763	28,765,471	150,522,508	(38,062,876)	112,459,632
Results							
Interest income	602,294	1,333	89,919	1,615,507	2,309,053	(1,893,336)	415,717
Finance costs	(1,867,773)	(246,818)	(707,644)	(1,041,601)	(3,863,836)	2,177,436	(1,686,400)
Dividends income	-	-	-	27,198,271	27,198,271	(27,198,271)	-
Depreciation	(8,114,478)	(686,471)	(1,000,517)	(989,109)	(10,790,575)	2,695,935	(8,094,640)
Other non-cash items	(1,546,386)	795,663	(284,528)	27,367,624	26,332,373	5,442,741	31,775,114
Share of results of associates	-	-	-	-	-	365,290	365,290
Segment (loss)/profit	(4,015,577)	165,525	(2,039,785)	49,851,678	43,961,841	(20,727,333)	23,234,508
Taxation	(694,163)	-	-	(147,549)	(841,712)	-	(841,712)
Segment assets	91,197,333	9,285,069	18,291,065	149,737,967	268,511,434	(115,067,413)	153,444,021
Included in the measurement of segment assets are:							
Capital expenditure	5,502,387	5,177,000	3,508,538	1,752,067	15,939,992	(3,197,072)	12,742,920
Investments in associates	600,000	-	-	8,393,135	8,993,135	593,260	9,586,395

38. Segmental Information (Cont'd)

Adjustments and eliminations

Capital expenditure consists of additions of property, plant and equipment, right-of-use assets and investment properties.

Inter-segment revenues and balances are eliminated on consolidation.

Other material non-cash items consists of the following items as presented in the respective notes to the financial statements:

	Group	
	2023 RM	2022 RM
Bad debts recovered	-	(7,510)
Bad debts written off	1,890	148,292
Fair value loss on other investments	125,287	122,428
(Gain)/Loss on disposal of:		
- investments in associates	265,111	-
- other investments	(11,046)	(13,400)
- non-current assets classified as held for sale	-	(32,543,275)
- property, plant and equipment	(901,376)	(1,508,093)
Gain on modification of lease terms	(2,047)	(43,964)
Gain on struck off of an associate company	-	(102,725)
Impairment losses on:		
- amount due from associate companies	1,122,109	806,381
- investments in associates	-	1,040,065
- other receivables	804,731	-
- trade receivables	7,779,416	385,955
Property, plant and equipment written off	5	87,481
Right-of-use assets written off	-	844
Reversal of impairment losses on investment in associates	(303,674)	-
Reversal of impairment losses on trade receivables	(459,601)	(190,471)
Unrealised loss on foreign exchange	(26,530)	42,878
	8,394,275	(31,775,114)

38. Segmental Information (Cont'd)

The following items are added to segment assets to arrive at total assets reported in the statements of financial position:

	2023 RM	2022 RM
Tax recoverable	578,090	438,802

Geographic information

No disclosure on geographical segment information as the Group operates predominantly in Malaysia.

Major customer

No disclosure on major customer information as no customer represents equal or more than ten percent of the Group's revenue.

39. Financial Instruments

(a) Classification of financial instruments

Financial assets and financial liabilities are measured on an ongoing basis either at fair value or at amortised cost. The principal accounting policies in Note 3 describe how the classes of financial instruments are measured, and how income and expense, including fair value gains and losses, are recognised.

39. Financial Instruments (Cont'd)

(a) Classification of financial instruments (Cont'd)

The following table analyses the financial assets and liabilities in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis:

	At amortised cost RM	AT FVTOCI RM	AT FVTPL RM	Total RM
Group				
2023				
Financial assets				
Other investments	-	-	2,039,947	2,039,947
Trade receivables	24,127,005	-	-	24,127,005
Other receivables (excluding prepayments)	1,679,244	-	-	1,679,244
Deposits, cash and bank balances	25,832,815	-	-	25,832,815
	51,639,064	-	2,039,947	53,679,011
Financial liabilities				
Loans and borrowings	25,639,917	-	-	25,639,917
Lease liabilities	9,618,256	-	-	9,618,256
Trade payables	9,822,789	-	-	9,822,789
Other payables	6,619,592	-	-	6,619,592
	51,700,554	-	-	51,700,554

39. Financial Instruments (Cont'd)

(a) Classification of financial instruments (Cont'd)

The following table analyses the financial assets and liabilities in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis: (Cont'd)

	At amortised cost RM	AT FVTOCI RM	AT FVTPL RM	Total RM
Group (Cont'd)				
2022				
Financial assets				
Other investments	-	20,000	1,048,766	1,068,766
Trade receivables	23,062,320	-	-	23,062,320
Other receivables (excluding prepayments)	1,840,291	-	-	1,840,291
Deposits, cash and bank balances	35,841,986	-	-	35,841,986
	60,744,597	20,000	1,048,766	61,813,363
Financial liabilities				
Loans and borrowings	26,793,708	-	-	26,793,708
Lease liabilities	11,393,216	-	-	11,393,216
Trade payables	11,688,019	-	-	11,688,019
Other payables	5,053,137	-	-	5,053,137
	54,928,080	-	-	54,928,080

39. Financial Instruments (Cont'd)

(a) Classification of financial instruments (Cont'd)

The following table analyses the financial assets and liabilities in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis: (Cont'd)

	At amortised cost RM
Company	
2023	
Financial assets	
Other receivables (excluding prepayments)	20,876
Amount due from subsidiary companies	43,535,997
Deposits, cash and bank balances	7,827,925
	51,384,798
Financial liabilities	
Loans and borrowings	132,955
Other payables	138,749
Trade payables	20,370
Amount due to subsidiary companies	3,700,532
	3,992,606
2022	
Financial assets	
Other receivables	28,383
Amount due from subsidiary companies	56,254,079
Deposits, cash and bank balances	12,413,235
	68,695,697
Financial liabilities	
Loans and borrowings	1,154,359
Other payables	115,651
Amount due to subsidiary companies	5,698,611
	6,968,621

39. Financial Instruments (Cont'd)

(b) Net gains and losses arising from financial instruments

	Group		Company	
	2023 RM	2022 RM	2022 RM	2021 RM
Financial assets at amortised cost				
Impairment losses on:				
- amount due from associate companies	(1,122,109)	(806,381)	-	-
- amount due from subsidiary companies	-	-	(7,706,863)	(668,000)
- trade receivables	(7,779,416)	(385,955)	-	-
- other receivables	(804,732)	-	-	-
Reversal of impairment losses on:				
- amount due from subsidiary companies	-	-	668,000	-
- trade receivables	459,601	190,471	-	-
	(9,246,656)	(1,001,865)	(7,038,863)	(668,000)

39. Financial Instruments (Cont'd)

(c) Financial risk management objectives and policies

The Group's financial risk management policy is to ensure that adequate financial resources are available for the development of the Group's operations whilst managing its credit, liquidity, foreign currency and interest rate risks. The Group operates within clearly defined guidelines that are approved by the Board and the Group's policy is not to engage in speculative transactions.

The following sections provide details regarding the Group's exposure to the abovementioned financial risks and the objectives, policies and processes for the management of these risks.

(i) Credit risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from its receivables from customers and deposits with banks and financial institutions. The Company's exposure to credit risk arises principally from loans and advances to subsidiary companies and financial guarantees given to banks for banking facilities granted to certain subsidiary companies. There are no significant changes as compared to previous financial year.

The Group has adopted a policy of only dealing with creditworthy counterparties. Management has a credit policy in place to control credit risk by dealing with creditworthy counterparties and deposit with banks and financial institutions with good credit rating. The exposure to credit risk is monitored on an ongoing basis and action will be taken for long outstanding debts.

The Company provides unsecured loans and advances to subsidiary companies. It also provides unsecured financial guarantees to banks for banking facilities granted to certain subsidiary companies. The Company monitors on an ongoing basis the results of the subsidiary companies and repayments made by the subsidiary companies.

At each reporting date, the Group and the Company assess whether any if the receivables are credit impaired.

The gross carrying amounts of credit impaired trade receivables and contract assets are written off (either partial or full) when there is no realistic prospect of recovery. This is generally the case when the Group or the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Nevertheless, trade receivables that are written off could still be subject to enforcement activities.

39. Financial Instruments (Cont'd)

(c) Financial risk management objectives and policies (Cont'd)

(i) Credit risk (Cont'd)

The carrying amounts of the financial assets recorded on the statements of financial position at the end of the financial year represent the Group's and the Company's maximum exposure to credit risk except for financial guarantees provided to banks for banking facilities granted to certain subsidiary companies.

The Company's maximum exposure in this respect is RM14,267,865 (2022: RM20,497,127), representing the outstanding banking facilities to the subsidiary companies at the end of the reporting period. There was no indication that any subsidiary companies would default on repayment as at the end of the reporting period.

There are no significant changes as compared to previous financial year.

The Group has no significant concentration of credit risk as its exposure spread over a large number of customers. The Company has no significant concentration of credits risk except for loans and advances to its subsidiary companies where risks of default have been assessed to be low.

(ii) Liquidity risk

Liquidity risk refers to the risk that the Group or the Company will encounter difficulty in meeting its financial obligations as they fall due. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

The Group's and the Company's funding requirements and liquidity risk are managed with the objective of meeting business obligations on a timely basis. The Group and the Company finance its liquidity through internally generated cash flows and minimises liquidity risk by keeping committed credit lines available.

39. Financial Instruments (Cont'd)

(c) Financial risk management objectives and policies (Cont'd)

(ii) Liquidity risks (Cont'd)

The following table analyses the remaining contractual maturity for financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay.

Group	On demand or within 1 year RM	1 to 2 years RM	2 to 5 years RM	After 5 years RM	Total contractual cash flows RM	Total carrying amount RM
2023						
Non-derivative financial liabilities						
Term loans	2,010,720	1,882,744	5,632,824	16,241,897	25,768,185	19,548,743
Bank overdrafts	232,092	-	-	-	232,092	232,092
Revolving credits	5,859,082	-	-	-	5,859,082	5,859,082
Lease liabilities	5,591,950	3,780,885	799,352	-	10,172,187	9,618,256
Trade payables	9,822,789	-	-	-	9,822,789	9,822,789
Other payables	6,619,592	-	-	-	6,619,592	6,619,592
	30,136,225	5,663,629	6,432,176	16,241,897	58,473,927	51,700,554

39. Financial Instruments (Cont'd)

(c) Financial risk management objectives and policies (Cont'd)

(ii) Liquidity risks (Cont'd)

The following table analyses the remaining contractual maturity for financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay. (Cont'd)

Group (Cont'd)	On demand or within 1 year RM	1 to 2 years RM	2 to 5 years RM	After 5 years RM	Total contractual cash flows RM	Total carrying amount RM
2022						
Non-derivative financial liabilities						
Term loans	2,958,083	2,007,745	5,640,838	18,078,238	28,684,904	21,648,485
Bankers' acceptance	280,000	-	-	-	280,000	280,000
Revolving credits	4,865,223	-	-	-	4,865,223	4,865,223
Lease liabilities	5,434,843	4,226,771	2,571,936	-	12,233,550	11,393,216
Trade payables	11,688,019	-	-	-	11,688,019	11,688,019
Other payables	4,912,654	30,000	130,000	-	5,072,654	5,053,137
	30,138,822	6,264,516	8,342,774	18,078,238	62,824,350	54,928,080

39. Financial Instruments (Cont'd)

(c) Financial risk management objectives and policies (Cont'd)

(ii) Liquidity risks (Cont'd)

The following table analyses the remaining contractual maturity for financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay. (Cont'd)

Company	On demand or within 1 year RM	1 to 2 years RM	2 to 5 years RM	After 5 years RM	Total contractual cash flows RM	Total carrying amount RM
2023						
Non-derivative financial liabilities						
Term loans	125,408	-	-	-	125,408	92,254
Bank overdrafts	40,701	-	-	-	40,701	40,701
Trade payables	20,370	-	-	-	20,370	20,370
Other payables	138,749	-	-	-	138,749	138,749
Amount due to subsidiary companies	3,700,532	-	-	-	3,700,532	3,700,532
Financial guarantee liabilities *	14,334,629	-	-	-	14,334,629	-
	18,360,389	-	-	-	18,360,389	3,992,606

39. Financial Instruments (Cont'd)

(c) Financial risk management objectives and policies (Cont'd)

(ii) Liquidity risks (Cont'd)

The following table analyses the remaining contractual maturity for financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay. (Cont'd)

Company (Cont'd)	**On demand or within 1 year RM**	**1 to 2 years RM**	**2 to 5 years RM**	**After 5 years RM**	**Total contractual cash flows RM**	**Total carrying amount RM**
2022						
Non-derivative financial liabilities						
Term loans	1,070,100	122,330	-	-	1,192,430	1,154,359
Other payables	115,651	-	-	-	115,651	115,651
Amount due to subsidiary companies	5,698,611	-	-	-	5,698,611	5,698,611
Financial guarantee liabilities *	21,379,971	-	-	-	21,379,971	-
	28,264,333	122,330	-	-	28,386,663	6,968,621

* Based on the maximum amount that can be called for under the financial guarantee contract.

39. Financial Instruments (Cont'd)

(c) Financial risk management objectives and policies (Cont'd)

(ii) Liquidity risks (Cont'd)

The Company provides unsecured financial guarantees to banks in respect of banking facilities granted to certain subsidiary companies and monitors on an ongoing basis the performance of the subsidiary companies. At end of the financial year, there was no indication that the subsidiary companies would default on repayment.

The maximum amount of the financial guarantees issued to the banks for the subsidiary companies' loans and borrowings is limited to the amount utilised by the subsidiary companies, amounting to RM14,267,865 (2022: RM20,497,127). At the end of the financial year, there was no indication that the subsidiary companies would default on repayment.

Financial guarantee has not been recognised since the fair value on initial recognition was deemed not material and the probability of the subsidiary companies defaulting on their credit facilities is remote.

(iii) Market risk

(a) Foreign currency risk

The Group is exposed to foreign currency risk on transactions that are denominated in currencies other than the respective functional currencies of Group entities. The currencies giving rise to this risk are primarily United States Dollar ("USD"), Thai Baht ("THB"), Euro ("EURO"), Hong Kong Dollar ("HKD") and Great British Pound ("GBP").

The Group has not entered into any derivative instruments for hedging or trading purposes. Where possible, the Group will apply natural hedging by selling and purchasing in the same currency. However, the exposure to foreign currency risk is monitored from time to time by management.

39. Financial Instruments (Cont'd)

(c) Financial risk management objectives and policies (Cont'd)

(iii) Market risk (Cont'd)

(a) Foreign currency risk (Cont'd)

The carrying amounts of the Group's foreign currency denominated financial assets and financial liabilities at the end of the reporting period are as follows:

			Denominated in		
	USD	**THB**	**EUR**	**GBP**	**Total**
	RM	**RM**	**RM**	**RM**	**RM**
Group					
2023					
Trade receivables	474,086	164,848	-	-	638,934
Cash and bank balances	651,656	116,428	-	-	768,084
Trade payables	(166,857)	(437,445)	(8,358)	(7,046)	(619,706)
	958,885	(156,169)	(8,358)	(7,046)	787,312

39. Financial Instruments (Cont'd)

(c) Financial risk management objectives and policies (Cont'd)

(iii) Market risk (Cont'd)

(a) Foreign currency risk (Cont'd)

The carrying amounts of the Group's foreign currency denominated financial assets and financial liabilities at the end of the reporting period are as follows: (Cont'd)

			Denominated in			
	USD	**THB**	**EUR**	**HKD**	**GBP**	**Total**
	RM	**RM**	**RM**	**RM**	**RM**	**RM**
Group						
2022						
Trade receivables	1,280,578	66,121	-	-	-	1,346,699
Cash and bank balances	474,674	64,581	-	-	-	539,255
Trade payables	(568,391)	(200,410)	(18,376)	(242)	(17,913)	(805,332)
	1,186,861	(69,708)	(18,376)	(242)	(17,913)	1,080,622

39. Financial Instruments (Cont'd)

(c) Financial risk management objectives and policies (Cont'd)

(iii) Market risk (Cont'd)

(a) Foreign currency risk (Cont'd)

Foreign currency sensitivity analysis

Foreign currency risk arises from Group entities which have a RM functional currency. The exposure to currency risk of the Group entities which do not have a RM functional currency is not material and hence, sensitivity analysis is not presented.

The following table demonstrates the sensitivity of the Group's (loss)/profit before tax to a reasonably possible change in the USD, THB, EUR, HKD and GBP exchange rates against RM, with all other variables held constant.

Group	**Change in currency rate RM**	**2023 Effect on loss before tax RM**	**2022 Effect on profit before tax RM**
USD	Strengthened 5%	47,944	59,343
	Weakened 5%	(47,944)	(59,343)
THB	Strengthened 5%	(7,808)	(3,485)
	Weakened 5%	7,808	3,485
EUR	Strengthened 5%	(418)	(919)
	Weakened 5%	418	919
HKD	Strengthened 5%	-	(12)
	Weakened 5%	-	12
GBP	Strengthened 5%	(352)	(896)
	Weakened 5%	352	896

39. Financial Instruments (Cont'd)

(c) Financial risk management objectives and policies (Cont'd)

(iii) Market risk (Cont'd)

(b) Interest rate risk

The Group's and the Company's fixed rate deposits placed with licensed banks and financial institutions and borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group's and the Company's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates.

The Group manages the interest rate risk of its deposits with licensed financial institutions by placing them at the most competitive interest rates obtainable, which yield better returns than cash at bank and maintaining a prudent mix of short and long-term deposits.

The Group and the Company manage its interest rate risk exposure from interest bearing borrowings by obtaining financing with the most favourable interest rates in the market. The Group and the Company constantly monitor its interest rate risk by reviewing its debts portfolio to ensure favourable rates are obtained. The Group and the Company do not utilise interest swap contracts or other derivative instruments for trading or speculative purposes.

The interest rate profile of the Group's and of the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

	2023	**2022**
	RM	**RM**
Group		
Fixed rate instruments		
Financial assets	8,179,533	11,042,698
Financial liabilities	(9,618,256)	(11,393,216)
	(1,438,723)	(350,518)
Floating rate instruments		
Financial assets	-	1,471,518
Financial liabilities	(25,639,917)	(26,793,708)
	(25,639,917)	(25,322,190)

39. Financial Instruments (Cont'd)

(c) Financial risk management objectives and policies (Cont'd)

(iii) Market risk (Cont'd)

(b) Interest rate risk (Cont'd)

The interest rate profile of the Group's and of the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was: (Cont'd)

	2023 RM	2022 RM
Company		
Fixed rate instruments		
Financial assets	48,638,963	48,671,471
Financial liabilities	(3,684,000)	(5,679,000)
	44,954,963	42,992,471
Floating rate instruments		
Financial liabilities	(132,955)	(1,154,359)

Interest rate risk sensitivity analysis

Fair value sensitivity analysis for fixed rate instruments

The Group and the Company do not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

39. Financial Instruments (Cont'd)

(c) Financial risk management objectives and policies (Cont'd)

(iii) Market risk (Cont'd)

(b) Interest rate risk (Cont'd)

Interest rate risk sensitivity analysis (Cont'd)

Cash flow sensitivity analysis for floating rate instruments

A change in 1% interest rate at the end of the reporting period would have increased/(decreased) the Group' and the Company's (loss)/profit before tax by RM256,399 and RM1,330 (2022: RM253,222 and RM11,544) respectively, arising mainly as a result of higher/lower interest expense on floating rate loans and borrowings. This analysis assumes that all other variables remain constant. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

(d) Fair values of financial instruments

The carrying amounts of short-term receivables and payables, cash and cash equivalents and short-term borrowings approximate their fair value due to the relatively short-term nature of these financial instruments and insignificant impact of discounting.

The carrying amounts of the long term borrowings at the reporting date reasonably approximate their fair values.

It was not practicable to estimate the fair value of investment in unquoted equity due to the lack of comparable quoted prices in an active market and the fair value cannot be reliably measured.

39. Financial Instruments (Cont'd)

(d) Fair values of financial instruments (Cont'd)

The table below analyses financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the statements of financial position.

	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Total fair value	Carrying amount
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total		
Group	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
2023										
Financial Assets										
Other investments	2,039,947	-	-	2,039,947	-	-	-	-	2,039,947	2,039,947
2022										
Financial Assets										
Other investments	1,048,766	-	-	1,048,766	-	-	20,000	20,000	1,068,766	1,068,766

39. Financial Instruments (Cont'd)

(d) Fair values of financial instruments (Cont'd)

(i) Policy on transfer between levels

The fair value of an asset to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer.

There were no transfers between levels during current and previous financial years.

(ii) Level 1 fair value

Level 1 fair value is derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

(iii) Level 2 fair value

Level 2 fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

<u>Non-derivative financial instruments</u>

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the end of the reporting period.

Fair value of borrowings from banks and lease liabilities are Level 2 because they are estimated by discounting the future contractual cash flows at the current market rate available for similar borrowings.

(iv) Level 3 fair value

Level 3 fair values for the financial assets and liabilities are estimated using unobservable inputs.

39. Financial Instruments (Cont'd)

(d) Fair values of financial instruments (Cont'd)

(iv) Level 3 fair value (Cont'd)

The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as key unobservable inputs used in the valuation method.

<u>Financial instruments not carried at fair value</u>

Type	Valuation technique and key inputs	Significant unobservable inputs
Loans to subsidiary companies	Discounted cash flows using a rate based on the estimated by the Directors on internal appraisal	Interest rate (3%)

40. Capital Management

The Group's and the Company's objective when managing capital are to safeguard the Group's and the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group and the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

40. Capital Management (Cont'd)

The Group and the Company monitor capital using a gearing ratio. The Group's and the Company's policy is to maintain a prudent level of gearing ratio that complies with debt covenants and regulatory requirements. The gearing ratios at the end of the reporting period are as follows:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Loans and borrowings (Note 21)	25,639,917	26,793,708	132,955	1,154,359
Lease liabilities (Note 22)	9,618,256	11,393,216	-	-
Less: Deposits, cash and bank balances (Note 16)	(25,832,815)	(35,841,986)	(7,827,925)	(12,413,235)
Net debts	9,425,358	2,344,938	(7,694,970)	(11,258,876)
Total equity	88,639,314	97,494,773	92,393,451	100,987,017
Gearing ratio (times)	0.106	0.024	(0.083)	(0.111)

There were no changes in the Group's and the Company's approach to capital management during the financial year.

41. Comparative Information

Certain comparatives were restated to conform with current financial year's presentation. There was no significant impact to the financial performance in relation to the financial year ended 31 March 2022.

42. Date of Authorisation for Issue

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 18 July 2023.

LIST OF PROPERTIES OWNED BY THE GROUP

Location	Date of * Acquisition/ Valuation	Description	Approximate Land Area	Approximate Tenure	Approximate Age of Building	Net Book Value at 31.3.2023 RM'000
Lot 12768, held under Hakmilik No. 1552, Mukim 14, Province Wellesley Central, Penang	1 April 2011	Vehicle depot and workshop	4.5070 acres	Freehold	-	6,000
A unit of condominium known as Parcel No. J2/19/D, located at Jalan SS2/72, Jasmine Tower Condominium, Petaling Jaya, 47300 Selangor	19 July 1996	Condominium (rented out)	99 sq m	Freehold	27 years	119
HS(D) 369/1996 Plot 487(C) , Lot PT 591, MK Padang Cina Daerah Kulim, Kedah	*8 September 2000	Vacant bungalow lot	6,273 sq ft	Freehold	-	172
Lot 201 & 207 Kawasan Perindustrian Bukit Kayu Hitam, Mukim of Laka Temin, District of Kubang Pasu, Kedah Darul Aman	*30 January 2001	Industrial land with warehouse	311,353.2 sq ft	Leasehold (60 years expiring on 29/1/2061)	21 years	3,464
2 unit of 4 storey shop offices known as Parcel Nos. 5363A-2 & 5363B-2, H.S.(D) 11251 PT 8554, MK Serendah, Daerah Ulu Selangor, Negeri Selangor Ehsan.	* 24 April 2002	Shop/Office (vacant)	3,520 sq ft	Freehold	21 years	71
2 units of shop offices known as Parcel Nos: 29-01, 30-01 at Taman Juara Jaya, Balakong.	*6 June 2002	Shop/Office (vacant)	3,086 sq ft	Freehold	21 years	154
Parcel No 31-03(FR), Type B3/ Office, Storey No: G, Building No 3, Taman Juara Jaya, Balakong (Merchant Square)	*27 September 2004	Office (vacant)	739 sq ft	Freehold	18 years	49
Parcel No 39-01, Type B2/Office Storey No: G, Building No 4, Taman Juara Jaya, Balakong (Merchant Square)	*27 September 2004	Office (rented out)	1,543 sq ft	Freehold	18 years	93
Lot No 157, Mukim 1, Daerah Seberang Perai Tengah, Pulau Pinang	1 April 2011	Vacant Land	3,189.4237 meter^3	Freehold	-	1,020

Location	Date of * Acquisition/ Valuation	Description	Approximate		Approximate Age of Building	Net Book Value at 31.3.2023 RM'000
			Land Area	Tenure		
No HS(D) 60047, Mukim 01, PT 4447, Seberang Perai Tengah, Pulau Pinang	*25 July 2012	Vacant Land (Depot)	1.5391 Hektar	Leasehold	-	3,046
No HS(D) 60051, Mukim 01, PT 4445, Seberang Perai Tengah, Pulau Pinang	*16 July 2015	Vacant Land (Depot)	0.9813 Hektar	Leasehold	-	4,329
No HS(M) 23835, No PT 30311A, Mukim Klang, Revolusi Hijau Batu 5, Johan Setia, Klang, Selangor Darul Ehsan	*14 July 2016	Vacant Land (Depot)	0.4047 Hektar	Leasehold	-	1,230
No HS(M) 24406, No PT 30310A, Mukim Klang, Revolusi Hijau Batu 5, Johan Setia, Klang, Selangor Darul Ehsan	*14 July 2016	Vacant Land (Depot)	0.4047 Hektar	Leasehold	-	1,230
Lot 3136, Mukim 6, Daerah Seberang Perai Tengah, Pulau Pinang	*11 April 2018	Office / Warehouse	2.602 Hektar	Leasehold	27 years	24,436
A unit of condominium known as Artis 3, Unit No B-28-08, Jalan Jelutong, Seksyen 1, Bandar Jelutong, Daerah Timur Laut, 11600 Pulau Pinang	*22 March 2017	Condominium (rented out)	119 square meter	Freehold	4 years	682

ANALYSIS OF SHAREHOLDINGS

AS AT 30 JUNE 2023

Issued Share	:	79,487,101*
Class of Shares	:	Ordinary Shares
Voting Rights	:	One vote for every ordinary share held

DISTRIBUTION SCHEDULE OF SHAREHOLDINGS

SIZE OF HOLDINGS	NO. OF HOLDERS	%	NO. OF SHARES	%
1 - 99	26	2.9714	659	0.0008
100 - 1,000	182	20.8000	119,354	0.1501
1,001 - 10,000	481	54.9714	1,883,404	2.3694
10,001 - 100,000	136	15.5429	4,115,760	5.1778
100,001 to less than 5% of issued shares	46	5.2571	35,922,809	45.1932
5% and above of issued shares	4	0.4571	37,445,115	47.1084
	875	**100.00**	**79,487,101**	**100.00**

* The issued shares as per Record of Depositors as at 30 June 2023 exclude 939,200 shares held as treasury shares.

THIRTY (30) LARGEST SECURITIES ACCOUNT HOLDERS ACCORDING TO THE RECORD OF DEPOSITORS

NO	NAME	SHAREHOLDINGS	% OF ISSUED SHARES
1	LHG HOLDINGS SDN.BHD.	12,744,935	16.0340
2	PROGEREX SDN. BHD.	11,952,000	15.0364
3	HEAN BROTHERS HOLDINGS SDN. BHD.	7,252,380	9.1240
4	OOI CHIENG SIM	5,495,800	6.9141
5	LEE CHOR MIN	3,100,000	3.9000
6	A1 CAPITAL SDN BHD	3,000,000	3.7742
7	RENEE SAW JIA YUN	2,800,000	3.5226
8	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SI THO YOKE MENG	2,564,300	3.2261
9	HEAN BROTHERS HOLDINGS SDN. BHD.	2,524,714	3.1763
10	DATO' LEE HEAN GUAN	2,508,078	3.1553

THIRTY (30) LARGEST SECURITIES ACCOUNT HOLDERS ACCORDING TO THE RECORD OF DEPOSITORS (CONT'D)

NO	NAME	SHAREHOLDINGS	% OF ISSUED SHARES
11	SKYLITECH RESOURCES SDN. BHD.	2,382,100	2.9968
12	KHALID H.A.ZAINY MOTWAKIL	1,951,100	2.4546
13	RANI WONGTOMO	1,921,681	2.4176
14	YEAP YI FONG	1,396,600	1.7570
15	LHH HOLDINGS SDN. BHD.	1,308,900	1.6467
16	LEE YEE HUEI	740,631	0.9318
17	LEE YAP TAI	701,000	0.8819
18	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LOW AH LIAN	550,750	0.6929
19	LEE YEE PING	508,000	0.6391
20	CHEAH AH KIAT	500,000	0.6290
21	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SURINDER SINGH A/L WASSAN SINGH	470,000	0.5913
22	LEE HEAN HUAT	454,530	0.5718
23	LEE HEAN TEIK	452,890	0.5698
24	LEE HEAN SENG	438,405	0.5515
25	LEE HEAN BENG	405,000	0.5095
26	HLIB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR HARBANS KAUR A/P SAUDAGAR SINGH	399,750	0.5029
27	KONG JIT CHONG	322,000	0.4051
28	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEE HEAN HUAT	320,000	0.4026
29	POON FOOK SOO @ POON FOOK SAN	312,000	0.3925
30	LEE SEOH LEI	308,000	0.3875

SUBSTANTIAL SHAREHOLDERS

		Direct		*Indirect*	
	Name	**No. of Shares**	***% of Issued Share***	**No. of Shares**	***% of Issued Share***
1.	Hean Brothers Holdings Sdn Bhd	9,777,094	12.30	-	-
2.	Dato' Lee Hean Guan	2,508,078	3.16	22,522,029 [(a)]	28.33
3.	Lee Hean Huat	774,530	0.97	9,777,094 [(b)]	12.30
4.	Lee Hean Beng	405,000	0.51	9,777,094 [(b)]	12.30
5.	Lee Hean Teik	452,890	0.57	9,777,094 [(b)]	12.30
6.	Lee Hean Seng	438,405	0.55	9,777,094 [(b)]	12.30
7.	LHG Holdings Sdn Bhd	12,744,935	16.03	-	-
8.	Datin Chan Kooi Cheng	100,000	0.13	12,744,935 [(c)]	16.03
9.	Progerex Sdn Bhd	11,952,000	15.04	-	-
10.	Ooi Chieng Sim	5,495,800	6.91	-	-

(a) Held through Hean Brothers Holdings Sdn Bhd and LHG Holdings Sdn Bhd
(b) Held through Hean Brothers Holdings Sdn Bhd
(c) Held through LHG Holdings Sdn Bhd

DIRECTORS' INTERESTS IN THE COMPANY AND ITS RELATED CORPORATIONS

The Company	*Direct*		*Indirect*	
Name	**No. of Shares**	***% of Issued Share***	**No. of Shares**	***% of Issued Share***
Lee Chor Min	3,100,000	3.90	-	-
Lee Hean Huat	774,530	0.97	12,401,994[(a)]	15.60
Ng Shiek Nee	20,000	0.03	-	-

(a) Deemed interest by virtue of his shareholdings in Hean Brothers Holdings Sdn Bhd pursuant to Section 8 of the Companies Act, 2016 and shares held in the name of spouse and children pursuant to Section 59(11)(c) of the Companies Act, 2016.

Save as disclosed above, none of the other Directors of the Company had any interest in the shares of the Company or its related corporations as at 30 June 2023.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty-seventh ("27th") Annual General Meeting ("**AGM**") of the shareholders of SEE HUP CONSOLIDATED BERHAD ("**SeeHup**" or "**the Company**") will be held at The Conference Room, No 1062, Mukim 6, Jalan Perusahaan, Kawasan Perusahaan Perai, 13600 Perai, Pulau Pinang on Tuesday, 19 September 2023 at 9:45 am for the following purposes:-

As Ordinary Business

1.	To receive the Audited Financial Statements for the financial year ended 31 March 2023 and the Reports of Directors and Auditors thereon.	
2.	Mr. Lee Hean Huat will retire from office pursuant to Clause 107 of the Company's Constitution at the conclusion of the 27th AGM.	[Refer Explanatory Note 1]
3.	To re-elect Mr. Soon Gim Wooi, the Director who retires in accordance with Clause 114 of the Company's Constitution.	Ordinary Resolution 1
4.	To approve the following payments to Directors of the Company:	
	(a) Directors' fees of RM61,000.00 (2022: RM58,000.00) for the period commencing one day after this AGM through to the next AGM of the Company in 2024.	Ordinary Resolution 2
	(b) Directors' benefits payable under Section 230 of the Companies Act 2016 of up to an aggregate amount of RM38,000.00 for the period commencing one day after this AGM through to the next AGM of the Company in 2024.	Ordinary Resolution 3
5.	"THAT Crowe Malaysia PLT be and are hereby appointed as auditors of the Company in place of the retiring auditors, UHY, and to hold office until the conclusion of the next Annual General Meeting of the Company AND THAT the Directors be authorised to fix their remuneration."	Ordinary Resolution 4

As Special Business

To consider and if thought fit, to pass the following Ordinary Resolutions with or without modification:-

6. **AUTHORITY TO ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016** — Ordinary Resolution 5

"THAT pursuant to Sections 75 and 76 of the Companies Act 2016 (as may be amended, modified or re-enacted from time to time) ("the Act"), provisions of the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and the approvals from the relevant regulatory authorities, the Directors of the Company be and are hereby authorised to issue and allot from time to time such number of ordinary shares of the Company upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, PROVIDED ALWAYS THAT the aggregate number of ordinary shares to be issued pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued share capital (excluding treasury shares) of the Company for the time being.

6. THAT the Directors are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Bursa Securities AND THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting ("AGM") of the Company or the expiration of the period within which the next AGM is required by law to be held or revoked/varied by resolution passed by the shareholders in general meeting, whichever is the earlier.

   THAT pursuant to Section 85(1) of the Act to be read together with Clause 65 of the Constitution of the Company, the shareholders of the Company do hereby waive their pre-emptive rights over (a) all new shares in the Company, and (b) any offers, agreements, rights, options or other convertible securities of whatever kind in respect of any new shares in the Company. Subsequent to the passing of this resolution, if this paragraph is or is found to be in any way void, invalid or unenforceable, then this paragraph shall be ineffective to the extent of such voidness, invalidity or unenforceability and the remaining provisions of this resolution shall remain in full force and effect.

   AND THAT, the new shares to be issued shall, upon allotment and issuance, rank equally in all respects with the existing shares of the Company, save and except that they shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution that which may be declared, made or paid before the date of allotment of such new shares."

7. **PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE AND THE PROVISION OF FINANCIAL ASSISTANCE BETWEEN THE COMPANY AND ITS SUBSIDIARIES VIA THE CENTRALISED TREASURY MANAGEMENT SYSTEM ("Proposed Shareholders' Mandate")** Ordinary Resolution 6

   "THAT, for purposes of paragraph 10.09 of Chapter 10 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be given for the Company and its subsidiaries to enter into any of the category of recurrent related party transactions of a revenue or trading nature and the provision of financial assistance between related parties as set forth in Section 2.5 of the Circular to Shareholders dated 31 July 2023 provided that such transactions are necessary for the day-to-day operations and they are carried out in the ordinary course of business on normal commercial terms not more favourable to the related parties than those generally available to the public and not to the detriment of minority shareholders and that disclosure will be made in the annual report of the aggregate value of transactions conducted during the financial year.

   AND THAT the Directors be and are hereby empowered to do all such acts and things (including executing all such documents as may be required) as they may consider to be expedient or necessary to give full effect to the shareholders' mandate with full powers to assent to any condition, modification, revaluation, variation and/or amendment as may be imposed by the relevant authorities.

   FURTHER THAT such mandate shall commence upon passing of this ordinary resolution and shall expire at the conclusion of the next Annual General Meeting of the Company following the passing of this ordinary resolution or the expiration of the period within which the next Annual General Meeting of the Company after the date it is required to be held pursuant to Section 340(2) of the Companies Act 2016 (as may be amended, modified or re-enacted from time to time) ("the Act") (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act; or revoked or varied by resolutions passed by the shareholders of the Company in a general meeting; whichever is the earlier."

8. **PROPOSED RENEWAL OF AUTHORITY TO BUY-BACK ITS OWN SHARES BY THE COMPANY ("Proposed Share Buy-Back")** Ordinary Resolution 7

"THAT, subject always to the Companies Act 2016 (as may be amended, modified or re-enacted from time to time) ("Act"), rules, regulations and orders made pursuant to the Act, provisions of the Company's Constitution and the requirements of the Bursa Malaysia Securities Berhad ("Bursa Securities") and any other relevant authorities, the Directors of the Company be hereby unconditionally and generally authorised to make purchases of ordinary shares in the Company's issued share capital through the Bursa Securities at any time and upon such terms and conditions and for such purposes as the Directors may, in their discretion deem fit, subject to the following:

(i) the maximum number of ordinary shares which may be purchased and/or held by the Company shall be ten per centum (10%) of the total number of issued shares of the Company for the time being ("SeeHup Shares");

(ii) the maximum fund to be allocated by the Company for the purpose of purchasing the SeeHup Shares shall not exceed the retained profits of RM12,243,157 of the Company, based on the latest Audited Financial Statements as at 31 March 2023;

(iii) the authority conferred by this Resolution will be effective immediately upon the passing of this Resolution and will continue to be in force until:

(a) the conclusion of the next Annual General Meeting ("AGM") of the Company, unless by ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions;

(b) the expiration of the period within which the next AGM is required by law to be held (unless earlier revoked or varied by ordinary resolution of the shareholders of the Company in general meeting) but not so as to prejudice the completion of purchase(s) by the Company made before the aforesaid expiry date and, in any event, in accordance with the Listing Requirements of the Bursa Securities or any other relevant authorities;

(iv) upon completion of the purchase(s) of the SeeHup Shares by the Company, the Directors of the Company be hereby authorised to deal with the SeeHup Shares in the following manner:

(a) to cancel the SeeHup Shares so purchased; or

(b) to retain the SeeHup Shares so purchased as treasury shares for distribution as dividend to the shareholders and/or resell on the market of Bursa Securities and/or for cancellation subsequently; or

(c) to retain part of the SeeHup Shares so purchased as treasury shares and cancel the remainder; or

(d) in such other manner as the Bursa Securities and such other relevant authorities may allow from time to time.

AND THAT the Directors of the Company be and are hereby authorised to take all such actions and steps as are necessary or expedient to implement or to effect the purchase of SeeHup Shares."

9. **RETENTION OF MR. LEE PHAY CHIAN AS INDEPENDENT DIRECTOR** Ordinary Resolution 8

"THAT Mr Lee Phay Chian, who has served for a cumulative term of more than nine (9) years, be and is hereby retained as Independent Non-Executive Director of the Company and to hold office until the conclusion of the next Annual General Meeting"

10. To transact any other business of which due notice shall have been given.

BY ORDER OF THE BOARD

Tai Yit Chan (MAICSA 7009143) (SSM PC 202008001023)
Ong Tze-En (MAICSA 7026537) (SSM PC 202008003397)
Lau Yoke Leng (MAICSA 7034778) (SSM PC 202008003368)
Joint Company Secretaries

Penang, 31 July 2023

Notes:

1. **Appointment of Proxy**

(a) A Member may appoint up to two (2) proxies to attend on the same occasion. A proxy may but need not be a Member of the Company. A proxy must be of full age. If a Member appoints more than one (1) proxy, the appointments shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy.

(b) Where a Member of the Company is an authorised nominee as defined under the Securities Industry (Central Depository) Act, 1991 ("SICDA"), it may appoint up to two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.

(c) Where a Member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

An exempt authorised nominee refers to an authorised nominee defined under the SICDA which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.

(d) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, the Form of Proxy must be executed under the corporation's seal or under the hand of an officer or attorney duly authorised.

(e) To be valid, the Form of Proxy duly completed must be deposited at the Company's Registered Office at 170-09-01, Livingston Tower, Jalan Argyll, 10050 George Town, Pulau Pinang at least forty-eight (48) hours before the time appointed for holding the meeting or any adjournments thereof.

(f) In respect of deposited securities, only a Depositor whose name appears on the Record of Depositors on 12 September 2023 (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his behalf.

Explanatory Notes:

1. Mr. Lee Hean Huat will retire in accordance with Clause 107 of the Company's Constitution. He has expressed his intention not to seek for re-appointment and will retire at the conclusion of the 27th AGM.

2. The Ordinary Resolutions 1 is to re-elect Soon Gim Wooi, who was appointed on 5 December 2022, retires pursuant to Clause 114 of the Company's Constitution. With the recommendation from Nominating Committee, the Board supports the re-election of Mr. Soon as his extensive working experience in accounting, audit and taxation-related field, as well as his involvement in various corporate exercises has been deemed valuable in providing a more nuanced perspective on industry-related issues.

3. The Ordinary Resolutions 2 and 3, are to seek shareholders' approval on the Directors' fee and benefits payable to the Directors which have been reviewed by the Remuneration Committee and the Board of Directors of the Company, which recognizes that the Directors' fee and benefits payable is in the best interest of the Company and in accordance with the remuneration framework of the Group. The benefits comprise of annual and meetings allowances. This approval shall continue to be in force until the conclusion of the next AGM of the Company in 2024.

4. Ordinary Resolution 4 is to seek approval from the shareholders for appointment of Crowe Malaysia PLT as Auditors in place of the retiring Auditors, UHY. Crowe Malaysia PLT has been nominated as new Auditors of the Company by a substantial shareholder. Upon the recommendation of the Audit Committee, the Board has at its meeting held on 18 July 2023 recommended the appointment of Crowe Malaysia PLT as Auditors of the Company in place of the retiring Auditors, UHY, for the financial year ending 31 March 2024 until the conclusion of the next AGM. Crowe Malaysia PLT has accordingly given their consent to act as Auditors of the Company and their appointment is subject to the approval of the shareholders at the 27th AGM.

5. The proposed Ordinary Resolution 5 is for the purpose of granting a renewed general mandate ("General Mandate") and empowering the Directors of the Company, pursuant to Sections 75 and 76 of the Companies Act 2016 to issue and allot new shares in the Company from time to time provided that the aggregate number of shares issued pursuant to the General Mandate does not exceed 10% of the total number of issued shares (excluding treasury shares) of the Company for the time being. The General Mandate, unless revoked or varied by the Company in general meeting, will expire at the next AGM of the Company.

   The General Mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for purpose of funding future investment project(s), working capital and/or acquisitions.

   The waiver of pre-emptive rights pursuant to Section 85 of the Act and to read together with Clause 65 of the Company's Constitution will exclude the shareholders' pre-emptive rights over all new shares in the Company, and any offers, agreements, rights, options or other convertible securities of whatever kind in the Company and allow the Directors of the Company to issue new shares of the Company which rank equally to existing issued shares of the Company, to any person without having to offer the new shares to all existing shareholders of the Company prior to issuance of new shares in the Company under the General Mandate.

   As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the Twenty-sixth AGM held on 12 September 2022 and which will lapse at the conclusion of the Twenty-seventh AGM.

6. The proposed Ordinary Resolution 6 if passed, will approve the shareholders' mandate on recurrent related party transactions and the provision of financial assistance and allow the Company and its subsidiaries to enter into recurrent related party transactions in accordance with Chapter 10 and Practice Note No. 12 of the Main Market Listing Requirements of Bursa Securities. This approval shall continue to be in force until the conclusion of the next AGM or the expiration of the period within which the next AGM is required by the law to be held or revoked/varied by resolution passed by the shareholders in general meeting whichever is the earlier. Further information on the Proposed Shareholders' Mandate is set out in Part A of the Circular to Shareholders dated 31 July 2023.

Explanatory Notes: (Cont'd)

7. The proposed Ordinary Resolution 7 if passed, will give the Directors the flexibility to purchase its own shares, if and when circumstances permit, with a view to enhance the earnings per share of the Group and net assets per share of the Company. The Proposed Renewal of Share Buy-Back, if exercised, is expected to potentially benefit the Company and its shareholders as stated in the Circular to shareholders. Further information on the Proposed Share Buy-Back is set out in Part B of the Circular to Shareholders dated 31 July 2023.

8. The proposed Ordinary Resolution 8, will retain Mr. Lee Phay Chian as Independent Non-Executive Director ("INED") of the Company. The Board of Directors had, vide the Nominating Committee, reviewed and assessed his performance and recommended him to continue acting as INED on the following basis:-

    (a) He fulfilled the independence guidelines as set out in the Chapter 1 and Practice Note 13 of the Main Market Listing Requirements; and

    (b) He has demonstrated their integrity and diligence towards his responsibility and his extended tenure has not impaired his independent judgement and objective participation in Board deliberations.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

(Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

No individual is standing for election as a Director at the forthcoming 27th AGM of the Company.

This page is intentionally left blank.

See Hup Consolidated Berhad
(Registration No. 199601018726 (391077-V))

FORM OF PROXY
TWENTY-SEVENTH ANNUAL GENERAL MEETING

CDS Account No.			No. of Shares Held	

I*/We* ____
(Full name in Block Letters and NRIC / Company No.)

of ______________________________ and ______________________________
(Address) (Tel. No.)

being a member*/ members* of See Hup Consolidated Berhad hereby appoint

Full Name (in Block Letters)	NRIC/Passport No.	No. of Shares	% of Shareholding
Address:			
Email Address:			
Telephone No.:			

* and/or (*delete if not applicable)

Full Name (in Block Letters)	NRIC/Passport No.	No. of Shares	% of Shareholding
Address:			
Email Address:			
Telephone No.:			

or failing him, the CHAIRMAN OF THE MEETING as my*/our* proxy, to vote for me*/us* and on my*/our* behalf at the TWENTY-SEVENTH ANNUAL GENERAL MEETING of the Company to be held at The Conference Room, No 1062, Mukim 6, Jalan Perusahaan, Kawasan Perusahaan Perai, 13600 Perai, Pulau Pinang on Tuesday, 19 September 2023 at 9.45 a.m. and at any adjournment thereof.

	Ordinary Resolutions							
	1	**2**	**3**	**4**	**5**	**6**	**7**	**8**
FOR								
AGAINST								

(Please indicate with "X" in the appropriate space how you wish your vote to be cast. If no specific direction as to voting is given, the proxy will vote or abstain at his discretion)

Signed this ________ day of __________________ 2023

____
Signature of Shareholder

____
Common Seal to be affixed here if Shareholder is a Corporation

Notes:

(a) A Member may appoint up to two (2) proxies to attend on the same occasion. A proxy may but need not be a Member of the Company. A proxy must be of full age. If a Member appoints more than one (1) proxy, the appointments shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy.

(b) Where a Member of the Company is an authorised nominee as defined under the Securities Industry (Central Depository) Act, 1991 ("SICDA"), it may appoint up to two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.

(c) Where a Member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

An exempt authorised nominee refers to an authorised nominee defined under the SICDA which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.

(d) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, the Form of Proxy must be executed under the corporation's seal or under the hand of an officer or attorney duly authorised.

(e) To be valid, the Form of Proxy duly completed must be deposited at the Company's Registered Office at 170-09-01, Livingston Tower, Jalan Argyll, 10050 George Town, Pulau Pinang at least forty-eight (48) hours before the time appointed for holding the meeting or any adjournments thereof.

(f) In respect of deposited securities, only a Depositor whose name appears on the Record of Depositors on 12 September 2023 (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his behalf.

Personal Data Privacy

By submitting the duly executed Form of Proxy, the member and his/her proxy consent to the Company and/or its agents/service providers to collect, use and disclose the personal data therein in accordance with the Personal Data Protection Act 2010, for the purpose of the Twenty-seventh Annual General Meeting of the Company and any adjournment thereof.

Fold this flap for sealing

Then fold here

Affix Stamp

The Joint Company Secretaries
SEE HUP CONSOLIDATED BERHAD
(Registration No. 199601018726 (391077-V))

170-09-01 Livingston Tower, Jalan Argyll,
10050 George Town, Pulau Pinang, Malaysia

1st fold here

See Hup Consolidated Berhad
(Registration No. 199601018726 (391077-V))

No 1062, Mukim 6, Jalan Perusahaan,
Kawasan Perusahaan Perai,
13600 Perai, Pulau Pinang.

www.seehup.com.my