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OUR
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GENERATIONS

ANNUAL REPORT

2023

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NOTICE OF EIGHTEENTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Eighteenth Annual General Meeting (“**18th AGM**”) of the Company will be held on a fully virtual basis conducted entirely through live streaming and remote voting using the remote participation and voting facilities at www.swsb.com.my provided by ShareWorks Sdn Bhd (Domain Registration No. with MYNIC – D1A403841) on Friday, 28 July 2023 at 11.00 a.m. for the transaction of the following businesses:

1. To receive the Audited Financial Statements of the Company for the financial year ended 31 January 2023 together with the Reports of the Directors and Auditors thereon. **(Please refer to Explanatory Note 1)**
2. To approve the payment of Directors’ Fees and other benefits of up to RM800,000/- payable to the Non-Executive Directors for the period commencing from the conclusion of the 18th AGM of the Company until the conclusion of the next AGM of the Company. **(Ordinary Resolution 1)**
3. To re-elect Ms. Loh Shy Ming, the Director who retires in accordance with Clause 123 of the Company’s Constitution and being eligible, has offered herself for re-election. **(Ordinary Resolution 2)**
4. To re-elect Mr. Loh Boon Ginn, the Director who retires in accordance with Clause 106 of the Company’s Constitution and being eligible, has offered herself for re-election. **(Ordinary Resolution 3)**
5. To re-elect Ms. Kuay Jeneve, the Director who retires in accordance with Clause 106 of the Company’s Constitution and being eligible, has offered herself for re-election. **(Ordinary Resolution 4)**
6. To re-elect Ms. Kuay Jen Nie, the Director who retires in accordance with Clause 106 of the Company’s Constitution and being eligible, has offered herself for re-election. **(Ordinary Resolution 5)**
7. To re-elect Mr. Chee Jun Ann, the Director who retires in accordance with Clause 106 of the Company’s Constitution and being eligible, has offered himself for re-election. **(Ordinary Resolution 6)**
8. To re-elect Ms. Josipinna Binti Pudun, the Director who retires in accordance with Clause 106 of the Company’s Constitution and being eligible, has offered herself for re-election. **(Ordinary Resolution 7)**
9. To re-elect Mr. Loo Tze Ming, the Director who retires in accordance with Clause 106 of the Company’s Constitution and being eligible, has offered himself for re- election. **(Ordinary Resolution 8)**
10. To re-elect Ms. Chan Wei Xi, the Director who retires in accordance with Clause 106 of the Company’s Constitution and being eligible, has offered herself for re-election **(Ordinary Resolution 9)**
11. To re-elect Mr. Soo Ting Hooi, the Director who retires in accordance with Clause 106 of the Company’s Constitution and being eligible, has offered himself for re-election **(Ordinary Resolution 10)**
12. To re-elect Dato’ Bijaya Indera Dato’ Paduka Haji Syed Unan Mashri Bin Syed Abdullah the Director who retires in accordance with Clause 106 of the Company’s Constitution and being eligible, has offered himself for re-election. **(Ordinary Resolution 11)**
13. To re-elect Mr. Chu Wooi Siong the Director who retires in accordance with Clause 106 of the Company’s Constitution and being eligible, has offered himself for re-election. **(Ordinary Resolution 12)**
14. To re-appoint Messrs. ChengCo PLT as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration. **(Ordinary Resolution 13)**

NOTICE OF EIGHTEENTH ANNUAL GENERAL MEETING

cont'd

15. **Special Business:**

(Ordinary Resolution 14)

To consider and, if thought fit, with or without modification, to pass the following resolutions:

Authority to Allot Shares Pursuant to Sections 75 and 76 of the Companies Act 2016

“THAT approval be and is hereby given to waive the statutory pre-emptive rights to be offered new shares ranking equally to the existing issued shares of the Company pursuant to Section 85 of the Companies Act, 2016 (“the Act”) read together with Clause 58 of the Company’s Constitution.

THAT pursuant to Sections 75 and 76 of the Act and subject to the approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered to issue shares in the capital of the Company from time to time and upon such terms and conditions and for such purposes as the Directors, may in their absolute discretion deem fit, provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company or such higher percentage as Bursa Malaysia Securities Berhad (“Bursa Securities”) allowed for the time being and that the Directors be and are hereby also empowered to obtain approval from Bursa Securities for the listing and quotation of the additional shares so issued and that such authority shall continue to be in force until the conclusion of the next AGM of the Company.”

16. To transact any other business of the Company for which due notice shall have been given.

BY ORDER OF THE BOARD,

TAN TONG LANG
(MAICSA 7045482/SSM PC No. 202208000250)
Kuala Lumpur

Date: 31 May 2023

Notes:

Information for Shareholders/Proxies

- The AGM of the Company will be held as a fully virtual basis conducted entirely virtual through live streaming and online remote participation Facilities via the online meeting platform at www.swsb.com.my provided by ShareWorks Sdn. Bhd. (Domain registration number with MYNIC: D1A403841). Please read carefully and follow the procedures provided in the Administrative Notes in order to register, participate and vote remotely via the RPV facilities.*
- In respect of deposited securities, only members whose names appear in the Record of Depositors on 21 July 2023 shall be eligible to attend, speak and vote at the AGM.*
- A member shall not be entitled to appoint more than two (2) proxies to attend and vote at the same general meeting. Where a member appoints two (2) proxies, the appointments shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.*
- A proxy may but need not be a member of the Company and a member may appoint any person to be his proxy. There shall be no restriction as to the qualification of the proxy and a proxy appointed to attend and vote at a general meeting shall have the same rights as the member to speak at the meeting.*

NOTICE OF EIGHTEENTH ANNUAL GENERAL MEETING

cont'd

5. *The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or, if such appointer is a corporation, under its common seal or under the hand of an officer or attorney duly authorised. The Directors may but shall not be bound to require evidence of the authority of any such attorney or officer.*
6. *Where a member is an authorised nominee as defined under the Securities Industry (Central Depository) Act, 1991, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds to which shares in the Company standing to the credit of the said account.*
7. *Where a member is an exempt authorised nominee which holds deposited securities 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.*
8. *The instrument appointing a proxy and the power of attorney or other authority, if any under which it is signed or notarially certified copy of that power or authority shall be deposited at the Share Registrar of the Company, ShareWorks Sdn. Bhd. at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan not less than 48 hours before the time appointed for holding the Meeting or any adjournment thereof.*
9. *Pursuant to Rule 8.31A of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, the resolution set out in this Notice of AGM will be put to vote by way of poll.*

Explanatory Notes to Ordinary Business:-

1. Audited Financial Statements for the financial year ended 31 January 2023

This Agenda item is meant for discussion only, as the provision of Section 340(1)(a) of the Companies Act 2016 does not require a formal approval for the Audited Financial Statements from the shareholders. Therefore, this Agenda item is not put forward for voting.

Explanatory Notes to Special Business:

Authority to Issue Shares pursuant to the Companies Act 2016

1. *The Company wishes to renew the mandate on the authority to issue shares pursuant to the Companies Act 2016 at the 18th AGM of the Company (hereinafter referred to as the "**General Mandate**").*

The Proposed Ordinary Resolution 14 is to enable the Directors of the Company to issue and allot shares at any time to such persons in their absolute discretion without convening a general meeting provided that the aggregate number of the shares issued does not exceed 10% of the total number of issued shares of the Company for the time being.

The purpose to seek the General Mandate is to enable the Directors of the Company to issue and allot shares at any time to such persons in their absolute discretion without convening a general meeting as it would be both time and cost-consuming to organise a general meeting. This authority unless revoked or varied by the Company in general meeting, will expire at the next Annual General Meeting. The proceeds raised from 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.

As at the date of this Notice, no new shares were issued by the Company pursuant to the General Mandate granted to the Directors at the 17th AGM held on 31 December 2021.

ADMINISTRATIVE GUIDE FOR ANNUAL GENERAL MEETING

Day and Date	:	Friday, 28 July 2023
Time	:	11 a.m. or at any adjournment thereof
Online Meeting Platform accessible at	:	AGM will be held on a fully virtual and entirely via remote participation and electronic voting via an online meeting platform at www.swsb.com.my provided by ShareWorks Sdn. Bhd. in Malaysia (Domain registration number with MYNIC: D1A403841)

VIRTUAL MEETING

The Annual General Meeting (“AGM”) will be held via virtual basis through live streaming and online remote voting using the Remote Participation and Voting (“RPV”) Facilities.

Please note that it is your responsibility to ensure the stability of your internet connectivity throughout the AGM as the quality of the live webcast and online remote voting are dependent on your internet bandwidth and stability of your internet connection.

All Shareholders of the Company, whether Individual Shareholders, Corporate Shareholders, Proxy Holders, Authorised Nominees or Exempt Authorised Nominees who wish to attend the AGM will have to register to attend remotely by using the RPV Facilities, the details of which is set out below.

RPV Facilities

1. The AGM will be conducted on a virtual basis through live streaming and online RPV. Should you wish to attend the AGM, you are required to register yourself using the RPV Facilities in accordance with the instructions as set out under paragraph 3 below.

With the RPV Facilities, you may exercise your rights as a Shareholder to participate including to post questions (in the form of real-time submission of typed texts) to the Board and vote remotely at the AGM.

2. **Individual Members** are strongly encouraged to take advantage of the RPV Facilities to participate and vote remotely at the AGM. Please refer to the details as set out under the RPV Facilities for information. If an Individual Shareholder is unable to participate in the online AGM, he/she is encouraged to appoint the Chairperson of the meeting as his/her proxy and indicate the voting instructions in the Form of Proxy in accordance with the notes and instructions printed therein.

Corporate Shareholders (through Corporate Representatives or appointed proxies) are also strongly advised to participate and vote remotely at the AGM using the RPV Facilities. Corporate Members who wish to participate and vote remotely at the AGM must contact the poll administrator, ShareWorks with the details set out below for assistance and will be required to provide the following documents to the Company no later than Wednesday, 26 July 2023 at 11.00 a.m.:

- a. Certificate of appointment of its Corporate Representative or Form of Proxy under the seal of the corporation;
- b. Copy of the Corporate Representative’s or proxy’s identity card (MyKad) (front and back)/ Passport; and
- c. Corporate Representative’s or proxy’s email address and mobile phone number.

If a Corporate Member (through Corporate Representative(s) or appointed proxy(ies)) is unable to attend the AGM, the Corporate Member is encouraged to appoint the Chairperson of the meeting as its proxy and indicate the voting instructions in the Form of Proxy in accordance with the notes and instructions printed therein.

ADMINISTRATIVE GUIDE FOR ANNUAL GENERAL MEETING

cont'd

In respect of Nominee Company Members, the beneficiaries of the shares under a Nominee Company's CDS account are also strongly advised to participate and vote remotely at the AGM using the RPV Facilities. Nominee Company Members who wish to participate and vote remotely at the AGM can request its Nominee Company to appoint him/her as a proxy to participate and vote remotely at the AGM. Nominee Company must contact the poll administrator, ShareWorks with the details set out below for assistance and will be required to provide the following documents to the Company no less than Wednesday, 26 July 2023 at 11.00 a.m.:

- a. Form of Proxy under the seal of the Nominee Company;
- b. Copy of the proxy's identity card (MyKad) (front and back)/Passport; and
- c. Proxy's email address and mobile phone number.

If a Nominee Company Member is unable to attend the AGM, he/she is encouraged to request its Nominee Company to appoint the Chairperson of the meeting as its proxy and indicate the voting instructions in the Form of Proxy in accordance with the notes and instructions printed therein.

3. The procedures for the RPV Facilities in respect of the live streaming and online remote participation and voting at the AGM are as follows:

Procedures		Action
BEFORE THE AGM		
(i)	Register as a user	<ul style="list-style-type: none"> • If you have already registered an account at the website, you are not required to register again. • Access website www.swsb.com.my • Click "Login" and click "Register" to sign up as a user. The registration will be open from 11.00 a.m. on 1 June 2023 and close at 11.00 a.m. on 27 July 2023. • Complete the registration process and upload softcopy of MyKAD (front and back) or Passport for foreign shareholders. • Read and agree to the terms & condition and thereafter submit your request. • Upon submission, kindly login to the valid email address and verify your user ID within one (1) hour. • Upon verification of the user ID, ShareWorks will send an email notification to approve you as a user. • After verification of your registration against the General Meeting Record of Depositors of the Company as at 21 July 2023, the system will send you an email to notify you if your registration is approved or rejected after 22 July 2023. • If your registration is rejected, you can contact ShareWorks or the Company for clarifications or to appeal.

ADMINISTRATIVE GUIDE FOR ANNUAL GENERAL MEETING

cont'd

ON THE AGM DAY		
(ii)	Login to www.swsb.com.my	<ul style="list-style-type: none"> Login with your user ID and password for remote participation at the AGM at any time from 10.30 a.m. i.e. 30 minutes before the commencement of the AGM on 28 July 2023 at 11.00 a.m.
(iii)	Participate through Live Streaming	<ul style="list-style-type: none"> Select the “Virtual Meeting” from main menu. Click the “Join Meeting” located next to the event. You are required to provide your full name as per CDS records and your user registered email address. Kindly click the video link and insert the password given to you in your email notification in order to join the live video streaming. If you have any question for the Chairperson/ Board, you may use the Q&A platform to transmit your question. The Chairperson/Board will try to respond to all questions submitted by remote participants during the AGM. If time is a constraint, the responses will be emailed to you at the earliest possible time after the meeting ended. Take note that the quality of the live streaming is dependent on the bandwidth and stability of the internet connection at the location of the remote participants.
(iv)	Online remote voting	<ul style="list-style-type: none"> Select “Voting” located next to the “Join Meeting” and indicate your votes for the resolutions that are tabled for voting. Voting session will commence once the Chairperson of the Meeting declare that the voting platform is activated and will announce the completion of the voting session of the AGM. Cast your vote on the resolution as appeared on the screen and submit your votes. Once submitted, your votes will be final and cannot be changed.
(v)	End of RPV Facilities	<ul style="list-style-type: none"> The RPV Facilities will end and the Messaging window will be disabled the moment the Chairperson of the Meeting announces the closure of the AGM.

RECORD OF DEPOSITORS (“ROD”)

For the purpose of determining a member who shall be entitled to attend the AGM, the Company shall request Bursa Malaysia Depository Sdn Bhd to issue a Record of Depositors as at 21 July 2023. Only a depositor whose name appears on the Record of Depositors as at 21 July 2023 shall be entitled to attend the said meeting or appoint proxies to attend and/or vote on his/her behalf. We strongly encourage our shareholders and holders of proxy for those shareholders to participate in the virtual AGM and vote remotely at this AGM.

Proxy

If a member is unable to attend the AGM, he/she may appoint a proxy or the Chairperson of the meeting as his/her proxy and indicate the voting instructions in the Form of Proxy in accordance with the notes and instructions printed therein.

Please note that if an individual member has submitted his/her Form of Proxy prior to the AGM and subsequently decides to personally participate in the AGM via the RPV Facilities, the individual member shall proceed to contact ShareWorks or the Company with the details set out below to revoke the appointment of his/her proxy no later than Wednesday, 26 July 2023 at 11.00 a.m.

Poll Voting

The voting at the AGM will be conducted by poll in accordance with Rule 8.31A of the Ace Market Listing Requirements of Bursa Malaysia Securities Berhad. The Company has appointed ShareWorks as Poll Administrator to conduct the poll by way of electronic means and SharePolls Sdn Bhd as Scrutineers to verify the poll results.

The Scrutineers will verify and announce the poll results followed by the Chairperson declaration whether the resolution is duly passed.

ADMINISTRATIVE GUIDE FOR ANNUAL GENERAL MEETING

cont'd

Pre-Meeting submission of question to the Board

To administer the proceedings of the AGM in orderly manner, shareholders may before the AGM, submit questions to the Board to ir@shareworks.com.my **no later than 26 July 2023 at 11.00 a.m.** The Board will endeavour to address the questions received at the AGM.

No Recording or Photography

Strictly NO recording or photography of the proceedings of the AGM is allowed.

No Door Gifts or e-Vouchers

There will be NO DISTRIBUTION of door gifts or e-vouchers.

Digital Copies of AGM Documents

We further inform that the following items are now available at <https://www.scestatebuilder.com.my/> and Bursa Malaysia Berhad's website at www.bursamalaysia.com:

1. Notice of the AGM
2. Form of Proxy
3. Administrative Guide
4. Annual Report 2023
5. Corporate Governance Report

Enquiry

If you have any enquiry prior to the virtual meeting, please contact **Mr. Kou** and **Mr. Wai Kien** during office hours from 9.00 a.m. to 5.00 p.m. on Mondays to Fridays:

ShareWorks Sdn. Bhd.

No. 2-1, Jalan Sri Hartamas 8
Sri Hartamas
50480 Kuala Lumpur
Wilayah Persekutuan (KL)
Telephone Number : 03-6201 1120
Email : ir@shareworks.com.my

CORPORATE INFORMATION

COMPANY SECRETARIES

TAN TONG LANG
(MAICSA 7045482/ SSM PC NO. 202208000250)

AUDITORS

MESSRS CHENGCO PLT (LLP0017004-LCA & AF 0886)

Chartered Accountants
8-2, 10-1 & 10-2, Jalan 2/114
Kuchai Business Centre
Off Jalan Klang Lama
58200 Kuala Lumpur
Tel No.: 03 – 7984 8988
Fax No.: 03 – 7984 4402

PRINCIPAL BANKERS

CIMB Bank Berhad
AmBank (M) Berhad
Bank of China (Malaysia) Berhad

REGISTERED OFFICE

B-21-1, Level 21, Tower B
Northpoint Mid Valley City
No. 1, Medan Syed Putra Utara
59200 Kuala Lumpur W.P. Kuala Lumpur
Tel No. : 03 – 9770 2200
Fax No. : 03 – 9770 2239

PRINCIPAL PLACE OF BUSINESS

D-08-06, Block D, Level 8
Capital 4, Oasis Square
No. 2, Jalan PJU 1A/7A
Ara Damansara
47301 Petaling Jaya
Selangor Darul Ehsan
Tel. No. : 03 – 7610 4388
Fax. No. : 03 – 7610 4399

CORPORATE WEBSITE

www.scestatebuilder.com.my

STOCK EXCHANGE LISTING

ACE Market of Bursa Malaysia Securities Berhad
Stock Name : SCBUILD
Sector : Construction
Stock Code : 0109

BOARD OF DIRECTORS AND BOARD COMMITTEES

BOARD OF DIRECTORS

Loh Boon Ginn, Ahli Mahkota Kedah
Chairman and Managing Director/Chief Executive Officer

Kuay Jeaneve
Executive Deputy Chairperson

Loh Shy Tyug
Non-Independent Executive Director

Loh Shy Ming
Non-Independent Non-Executive Director

Chee Jun Ann
Non-Independent Executive Director

Kuay Jen Nie
Non-Independent Executive Director

**YBhg. Dato' Bijaya Indera Dato' Paduka Haji
Syed Unan Mashri Bin Syed Abdullah**
Independent Non-Executive Director

Josipinna Binti Pudun
Independent Non-Executive Director

Loo Tze Ming
Independent Non-Executive Director

Soo Ting Hooi
Independent Non-Executive Director

Chan Wei Xi
Independent Non-Executive Director

Chu Wooi Siong
*Independent Non-Executive Director
(Appointed w.e.f. 17.03.2023)*

AUDIT COMMITTEE

Chairperson
Josipinna Binti Pudun

Members
Chan Wei Xi
Loo Tze Ming
Soo Ting Hooi
Chu Wooi Siong
(Appointed w.e.f 17.03.2023)

RISK MANAGEMENT COMMITTEE

Chairperson
Chan Wei Xi

Members
Josipinna Binti Pudun
Loo Tze Ming
Soo Ting Hooi

REMUNERATION COMMITTEE

Chairman
Loo Tze Ming

Members
Chan Wei Xi
Josipinna Binti Pudun
Soo Ting Hooi

NOMINATION COMMITTEE

Chairman
Soo Ting Hooi

Members
Josipinna Binti Pudun
Chan Wei Xi
Loo Tze Ming

GROUP CORPORATE STRUCTURE

(As at 24 May 2023)



SC Estate Builder Berhad
(Registration No. 200401017162 (655665-T))
("SCBUILD/0109")

Principal activity
Investment holding



ABBREVIATIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Annual Report:-

Abbreviations	Description
ACE LR or Listing Requirements	ACE Market Listing Requirements of Bursa Securities
Act	Companies Act 2016
AGM	Annual General Meeting
Bursa Securities	Bursa Malaysia Securities Berhad
FYE	Financial year ended or financial year ending, as the case may be
FYE 2021	Financial year ended 31 July 2021
FYE 2023	Financial year ended 31 January 2023
INED	Independent Non-Executive Director
LPD	Latest practicable date: 24 May 2023
MFRS	Malaysian Financial Reporting Standards
NINED	Non-Independent Non-Executive Director
MCCG	Malaysian Code on Corporate Governance
SCBUILD/0109 or the Company	SC Estate Builder Berhad
SCBUILD/0109 Group or the Group	SCBUILD/0109 and its subsidiaries
TOR	Terms of Reference

PROFILES OF THE BOARD OF DIRECTORS

As at 24 May 2023

LOH BOON GINN*

Chairman and Managing Director/
Chief Executive Officer

Malaysian, Aged 32, Male

Date of appointment as Director:

31 December 2021

Length of service:

1 years 5 months

Board Committee(s) served on:

Nil

Other Directorship in Public Companies and Listed Issuer:

Mr. Loh Boon Ginn does not hold directorship in any other public listed companies and sits on the Board of several private limited companies.

Academic/Professional Qualification(s):

Degree Holder of Entrepreneurship from Curtin University, Western Australia

Working Experience and Occupation:

Mr. Loh Boon Ginn has vast experience in various business investment activities and construction business activities.

Family relationship with any Director and/or major shareholder of the Company:

1. A substantial shareholder of the Company whereby he is deemed interested by virtue of his shareholdings in Takzim Empayar Sdn. Bhd., a substantial shareholder of the Company pursuant to Section 8 of the Companies Act 2016.
2. A spouse of Ms. Kuay Jeaneve, the Executive Deputy Chairperson of the Company.
3. A brother to Ms. Loh Shy Tyug, the Executive Director of the Company and Ms. Loh Shy Ming, the Non-Independent Non-Executive Director of the Company.
4. Brother-in-law to Ms. Kuay Jen Nie and Mr. Chee Jun Ann, the Executive Directors of the Company.

Board meetings attended in the financial year:

7/7

PROFILES OF THE BOARD OF DIRECTORS

As at 24 May 2023
cont'd

KUAY JEANEVE*

Executive Deputy Chairperson

Malaysian, Aged 30, Female

Date of appointment as Director:

31 December 2021

Length of service:

1 years 5 months

Board Committee(s) served on:

Nil

Other Directorship in Public Companies and Listed Issuer:

Ms. Kuay Jeaneve does not hold directorship in any other public listed companies.

Academic/Professional Qualification(s):

Degree Holder of Mass Communication (Honors) (Public Relations) from Taylor's University Lakeside Campus

Working Experience and Occupation:

Ms. Kuay Jeaneve is a founder and managing director of Anjung Meriah Sdn. Bhd., 100% Bumiputera a CIDB G7 construction company and Registered Photovoltaic Service Provider with SEDA Malaysia that delivers total solutions and services in the field of Construction and Renewable Energy Sector including design and build affordable houses, infrastructure work, project management, Solar Power On The Roof, Solar Power Plant and related industries.

Family relationship with any Director and/or major shareholder of the Company:

1. A spouse of Mr. Loh Boon Ginn, the Chairman and Managing Director/ Chief Executive Director of the Company and substantial shareholder of the Company.
2. A sister to Ms. Kuay Jen Nie and sister-in-law to Mr. Chee Jun Ann, the Executive Directors of the Company.
3. A sister-in-law to Ms. Loh Shy Ming, Non-Independent Non-Executive and Loh Shy Tyug, the Non-Independent Executive Director of the Company.

Board meetings attended in the financial year:

7/7

PROFILES OF THE BOARD OF DIRECTORS

As at 24 May 2023
cont'd

LOH SHY TYUG

Non-Independent Executive Director

Malaysian, Aged 41, Female

Date of appointment as Director:

Appointed as the Non-Independent Non-Executive Director on 15 September 2016. She thereafter redesignated as an Non-Independent Executive Director on 23 December 2021.

Length of service:

6 years 7 months

Board Committee(s) served on:

Nil

Other Directorship in Public Companies and Listed Issuer:

Ms. Loh Shy Tyug does not hold any other directorship in other public listed companies, but she sits on the Board of several private limited companies.

Academic/Professional Qualification(s):

Bachelor of Science in Chemical Engineering, Iowa State University

Master of Science in Chemical and Biological Engineering, Colorado State University

Working Experience and Occupation:

Ms. Loh Shy Tyug started her career with Republic Polytechnic, Singapore as Project Engineer. She is a certified trainer under Human Resource Development Fund Malaysia. She is currently Chief Executive of a private higher education institution offering tertiary educational programs.

Family relationship with any Director and/or major shareholder of the Company:

1. A sister to Mr. Loh Boon Ginn, the Chairman and Managing Director of the Company and substantial shareholder of the Company and Ms. Loh Shy Ming, the Non-Independent Non-Executive Director of the Company.
2. A sister-in-law to Ms. Kuay Jeaneve, the Executive Deputy Chairperson of the Company.

Board meetings attended in the financial year:

8/8

PROFILES OF THE BOARD OF DIRECTORS

As at 24 May 2023
cont'd

LOH SHY MING*

Non-Independent Non-Executive

Malaysian, Aged 34, Female

Date of appointment as Director:

Appointed as the Non-Independent Non-Executive Director on 1 March 2016.

Length of service:

7 years 2 months

Board Committee(s) served on:

Nil

Other Directorship in Public Companies and Listed Issuer:

Ms. Loh Shy Ming does not hold any other directorship in other public listed companies, but she sits on the Board of several private limited companies.

Academic/Professional Qualification(s):

Degree holder in Bachelor of Finance from University of Wollongong, Northfields Ave, Australia

Working Experience and Occupation:

Ms. Loh Shy Ming is currently handling marketing & financial work for F&B industry. In this Industry, she has also been involved in decision-making level management since 2019. She was holding position as Chief Financial Officer in investment holdings company and involved in various business operations & decision-making level management.

Family relationship with any Director and/or major shareholder of the Company:

1. A sister to Mr. Loh Boon Ginn, the Chairman and Managing Director of the Company and substantial shareholder of the Company and Ms. Loh Shy Tyug, the Executive Director of the Company.
2. A sister-in-law to Ms. Kuay Jeaneve, the Executive Deputy Chairperson of the Company.

Board meetings attended in the financial year:

8/8

PROFILES OF THE BOARD OF DIRECTORS

As at 24 May 2023
cont'd

CHEE JUN ANN*

Non-Independent Executive Director

Malaysian, Aged 34, Male

Date of appointment as Director:

31 December 2021

Length of service:

1 years 5 months

Board Committee(s) served on:

Nil

Other Directorship in Public Companies and Listed Issuer:

Mr. Chee Jun Ann does not hold directorship in any other public listed companies.

Academic/Professional Qualification(s):

Diploma in Business Management from Kinabalu Commercial College.

Working Experience and Occupation:

Mr. Chee Jun Ann is the co-founder of Puromi, EMJK Global and Aloha Party Planner as well as the Business Development Director of Syarikat Perniagaan Kia Seng. He is also has working experience as Sales Manager in Hong Leong Assurance Berhad and Unit Manager in Hong Leong Asset Management.

Family relationship with any Director and/or major shareholder of the Company:

1. A spouse of Ms. Kuay Jen Nie, the Executive Director of the Company.
2. A brother-in-law to Ms. Kuay Jeanvee, the Executive Deputy Chairperson and Mr. Loh Boon Ginn, the Chairman and Managing Director of the Company and substantial shareholder of the Company.

Board meetings attended in the financial year:

7/7

PROFILES OF THE BOARD OF DIRECTORS

As at 24 May 2023
cont'd

KUAY JEN NIE*

Non-Independent Executive Director

Malaysian, Aged 33, Female

Date of appointment as Director:

31 December 2021

Length of service:

1 years 5 months

Board Committee(s) served on:

Nil

Other Directorship in Public Companies and Listed Issuer:

Ms. Kuay Jen Nie does not hold directorship in any other public listed companies.

Academic/Professional Qualification(s):

Diploma in Accounting from Association of Chartered Certified Accountants.

Working Experience and Occupation:

Ms. Kuay Jen Nie is the founder of Puromi, EMJK Global and Aloha Party Planner as well as the Business Development Director of Pemborong Ai Zhen 88.

She also has working experience as an audit and tax assistant in an audit firm.

Family relationship with any Director and/or major shareholder of the Company:

1. A spouse of Mr. Chee Jun Ann, the Executive Director of the Company.
2. A sister to Ms. Kuay Jeaneve, the Executive Deputy Chairperson.
3. A sister-in-law to Mr. Loh Boon Ginn, the Chairman and Managing Director of the Company and substantial shareholder of the Company.

Board meetings attended in the financial year:

7/7

PROFILES OF THE BOARD OF DIRECTORS

As at 24 May 2023
cont'd

DATO' BIJAYA INDERA DATO' PADUKA HAJI SYED UNAN MASHRI BIN SYED ABDULLAH*

Independent Non-Executive Director

Malaysian, Aged 72, Male

Date of appointment as Director:

4 January 2022

Length of service:

1 years 4 months

Board Committee(s) served on:

Nil

Other Directorship in Public Companies and Listed Issuer:

YBhg. Dato Bijaya Indera Dato' Paduka Haji Syed Unan Mashri does not hold any other directorship in other public listed companies, and he is a trustee of Yayasan Sultanah Bahiyah.

Academic/Professional Qualification(s):

Degree holder in Bachelor (Hons) of Literature from University Malaya

Working Experience and Occupation:

YBhg. Dato Bijaya Indera Dato' Paduka Haji Syed Unan Mashri was a State Secretary of Kedah, Pegawai Kewangan Negeri Kedah Darul Aman, and a Pengelola Bijaya DiRaja/Ketua Setiausaha Sulit Kebawah Duli Yang Maha Mulia Tuanku Sultan Kedah. He is currently Ketua Istiadat Istana Kedah since 2009.

Apart from that, YBhg Dato Bijaya Indera Dato' Paduka Haji Syed Unan Mashri is currently holding the position in the following organisations and societies: -

1. Member of Lembaga Zakat Negeri Kedah
2. Member of Jawatankuasa Darjah & Bintang Kebesaran Negeri Kedah
3. Deputy President of Jemaah Dato-Dato Negeri Kedah
4. President of Persatuan Speak Takraw Kedah
5. President of Persatuan Bekas Pelajar-Pelajar Maktab Sultan Abdul Hamid (SAHOCA)
6. Vice President of Royal Kedah Club
7. Acting Chairman in Yayasan University Islam Sultan Abdul Halim / (UniSHAMS)

Family relationship with any Director and/or major shareholder of the Company:

N/A

Board meetings attended in the financial year:

2/4

PROFILES OF THE BOARD OF DIRECTORS

As at 24 May 2023
cont'd

JOSIPINNA BINTI PUDUN*

Independent Non-Executive Director

Malaysian, Aged 43, Female

Date of appointment as Director:

31 December 2021.

Length of service:

1 years 5 months

Board Committee(s) served on:

Chairperson of the Audit Committee, Member of Nomination Committee, Remuneration Committee and Risk Management Committee.

Other Directorship in Public Companies and Listed Issuer:

Ms. Josipinna Binti Pudun does not hold any other directorship in other public listed companies

Academic/Professional Qualification(s):

Degree holder in Bachelor of Computer Science from University Putra Malaysia

Working Experience and Occupation:

Ms. Josipinna Binti Pudun has over 16 years of experience in Software development industry. She possesses hands-on experience and proven track record in leadership, software development engineering and project management in various multinational corporations as well as local SMEs.

Family relationship with any Director and/or major shareholder of the Company:

N/A

Board meetings attended in the financial year:

7/7

PROFILES OF THE BOARD OF DIRECTORS

As at 24 May 2023
cont'd

LOO TZE MING*

Independent Non-Executive Director

Malaysian, Aged 38, Male

Date of appointment as Director:

31 December 2021

Length of service:

1 years 5 months

Board Committee(s) served on:

Chairman of Remuneration Committee, Member of the Audit Committee, Nomination Committee, and Risk Management Committee.

Other Directorship in Public Companies and Listed Issuer:

Mr. Loo Tze Ming does not hold any other directorship in other public listed companies

Academic/Professional Qualification(s):

Degree holder in Engineering (Hons) Electronics majoring in Computer Project Management from Multimedia University

Working Experience and Occupation:

Mr. Loo Tze Ming has over 11 years of experience in Design of Data Centers related industries and Solar Energy generation and green initiative projects

Family relationship with any Director and/or major shareholder of the Company:

N/A

Board meetings attended in the financial year:

7/7

PROFILES OF THE BOARD OF DIRECTORS

As at 24 May 2023
cont'd

SOO TING HOOI*

Independent Non-Executive Director

Malaysian, Aged 31, Male

Date of appointment as Director:

31 December 2021

Length of service:

1 years 5 months

Board Committee(s) served on:

Chairman of Nomination Committee, Member of the Audit Committee, Remuneration Committee and Risk Management Committee.

Other Directorship in Public Companies and Listed Issuer:

Mr. Soo Ting Hooi does not hold any other directorship in other public listed companies

Academic/Professional Qualification(s):

Degree holder in Bachelor of Science (Hons) in Information Technology from Leeds Beckett University

Working Experience and Occupation:

Mr. Soo Ting Hooi is a Sales Director of Wei Sheng Hardware Sdn. Bhd. and Business Analyst of Air Liquide.

Family relationship with any Director and/or major shareholder of the Company:

N/A

Board meetings attended in the financial year:

7/7

PROFILES OF THE BOARD OF DIRECTORS

As at 24 May 2023
cont'd

CHAN WEI XI*

Independent Non-Executive Director

Malaysian, Aged 29, Female

Date of appointment as Director:

31 December 2021

Length of service:

1 years 5 months

Board Committee(s) served on:

Chairperson of Risk Management Committee, Member of the Audit Committee, Nomination Committee and Remuneration Committee.

Other Directorship in Public Companies and Listed Issuer:

Ms. Chan Wei Xi does not hold any other directorship in other public listed companies

Academic/Professional Qualification(s):

Degree holder in Bachelor (Hons) of Public Relations & Communication from Leeds Beckett University

Working Experience and Occupation:

Ms. Chan Wei Xi is a Director of Mum Mum Snacks Retail Sdn. Bhd.

Family relationship with any Director and/or major shareholder of the Company:

N/A

Board meetings attended in the financial year:

7/7

PROFILES OF THE BOARD OF DIRECTORS

As at 24 May 2023

cont'd

CHU WOUI SIONG*

Independent Non-Executive Director

Malaysian, Aged 33, Male

Date of appointment as Director:

17 March 2023

Length of service:

2 months 1 week

Board Committee(s) served on:

Member of the Audit Committee

Other Directorship in Public Companies and Listed Issuer:

Mr. Chu Wooi Siong does not hold any other directorship in other public listed companies.

Academic/Professional Qualification(s):

Mr. Chu Wooi Siong is an approved Company Auditor and Licensed Tax Agent. He is also a Member of Malaysian Institute of Accountants (MIA), Fellow Member of Association of Chartered Certified Accountants, Member of Chartered Tax Institute of Malaysia, ASEAN Professional Accountants, of Insolvency Practitioner of Malaysia and Malaysian Institute of Estate Planner.

Working Experience and Occupation:

Mr. Chu Wooi Siong is the Founder and Managing Partner for JC & Associates, Founder and Managing Director for Fidele Consulting Sdn Bhd and also a Partner for P.L. Ong & Co.

Family relationship with any Director and/or major shareholder of the Company:

N/A

Board meetings attended in the financial year:

N/A

Conflict of interest

None of the Directors has any conflict of interest with the Company.

Conviction of offence

None of the Directors has been convicted of any offence within the past five (5) years other than traffic offences.

* Directors who are standing for re-election.

PROFILES OF KEY MANAGEMENT TEAM

As at 24 May 2023

LOH BOON GINN

*Ahli Mahkota Kedah
Chairman and Managing Director/ Chief Executive Officer
Malaysian. Aged 32, Male*

Profile of Mr Loh Boon Ginn as per disclosed in Profile of Board of Directors

KUAY JEANEVE

*Executive Deputy Chairperson
Malaysian. Aged 30, Female*

Profile of Ms Kuay Jeaneve as per disclosed in Profile of Board of Directors

SUSTAINABILITY STATEMENT

The Group recognises the importance of sustainability as an element for long term business growth as well as creating long term value for the shareholders, environment and society.

The Group has identified the following areas for its sustainability practices commitment:

<p>Workplace</p> <ul style="list-style-type: none"> ✓ Workplace diversity ✓ Healthy and safe working environment 	<p>Community</p> <ul style="list-style-type: none"> ✓ Contribution to the needy
<p>Environment</p> <ul style="list-style-type: none"> ✓ Environmental-friendly materials ✓ Proper waste management ✓ Reuse and recycle of equipment/materials 	<p>Marketplace</p> <ul style="list-style-type: none"> ✓ Corporate disclosure practices ✓ Corporate governance ✓ Dedicated sections at corporate website

(1) WORKPLACE

With a constantly growing workforce and ever-evolving construction and construction related sectors, it is imperative that the Group continues to invest in its employees.

(a) Workplace Diversity

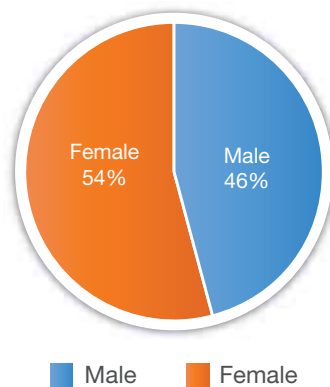
The Group embraces diversity at workplace and we do not allow room for any form of discrimination practice against people of different gender, age, ethnicity, nationality or marital status.

By employing a diverse workforce, the Group is able to have a better understanding of today’s dynamic market demographics. It has also enable the Group to tap into a pool of people from diverse backgrounds who can provide unique market insights or generate creative solutions, thereby increasing the Group’s competitiveness in today’s globalised and challenging economy.

Gender diversity

As at LPD, the Group had achieved a ratio of 6:7 in the workforce of the Group in terms of male/female, accomplished the government’s initiatives to achieve 30% women participation in the workplace.

Workforce By Gender



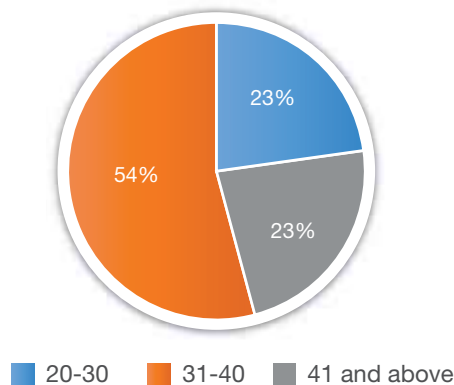
SUSTAINABILITY STATEMENT

cont'd

Age diversity

As at LPD, 23% of our workforce belong to the age group of between 20 to 30, 54% belong to the age group of 31 to 40 and 23% belong to the age group of 41 and above. The Group's age demographics pattern showed a young age group of the workforce.

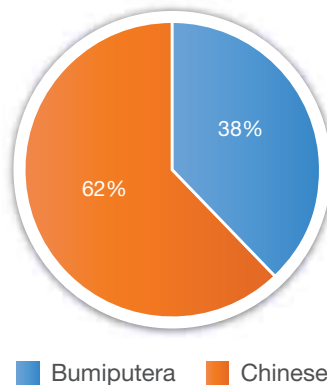
Workforce By Age



Ethnicity diversity

As at LPD, employees of Bumiputera and Chinese ethnicity constituted 38% and 62% respectively of the Group workforce. The Group is endeavour to achieve well balance hiring of staff during the recruitment process.

Workforce By Ethnicity



(b) Healthy and Safe working environment

The Group continuously strive to provide a healthy and safe working environment for our employees. Regular workplace inspection is one of the main duties of the management to ensure work places are uncluttered, neat, tidy and safe. Fire and safety drills, as well as risk awareness briefing are held regularly to ensure that employees are well prepared in the event of an emergency.

SUSTAINABILITY STATEMENT

cont'd

(2) ENVIRONMENT

The Group believes it has a moral and social responsibility in reducing the carbon footprint, contributing towards a greener environment.

The Group is continuously looking for new ways to incorporate sustainability practices into all its processes, including construction and building works processes or sourcing of construction and building materials processes.

As a sustainable practice, the Group continuously promote awareness and commitment to its customers on the following initiatives:-

- Promote the use of environmental-friendly materials sourced from sustainable resources;
- Proper construction waste management with storage, collection and re-use of recyclables and construction formworks and waste;
- Introducing sustainable products that can help curtail power consumption and minimising the taxing impact on the environment; and

(3) COMMUNITY

Being a socially responsible corporate citizen, the Group is active in its contributions to community welfare. To achieve its corporate social objectives, the Group supports the needy in the communities in which its businesses operate and its employees live and work.

(4) MARKETPLACE

As a listed entity as well as an employer, the Group has an obligation to its shareholders and statutory obligations to the relevant authorities.

(a) Corporate Disclosure Practices

The Group recognises the importance of timely and thorough dissemination of accurate and useful information relating to our operations to stakeholders. In this regard, we strictly adhere to the disclosure requirements of Bursa Securities and the Malaysian Accounting Standards Board. In fact, this Annual Report contains comprehensive information pertaining to the Group, while various disclosures on financial results provide stakeholders with the latest financial information on the Group.

(b) Dedicated sections in corporate website

Apart from the mandatory public announcements through Bursa Securities, the Group's website at www.scestatebuilder.com.my provides the public with convenient and timely access to business updates, and financial and non-financial information. Furthermore, stakeholders are able to direct queries to the Group via this website.

The Company has two (2) dedicated sections/notices to ensure more effective dissemination of information:-

- "Corporate Events" section; and
- "Investor Relations" section.

CONCLUSION

The Group recognises the important of sustainability and its increasing impact to the business. The Group is committed to understanding and implementing sustainable practices and to exploring the benefits to the business whilst attempting to achieve the right balance between the needs of the wider community, the requirements of shareholders and stakeholders and economic success.

CHAIRMAN AND MANAGING DIRECTOR/ CHIEF EXECUTIVE OFFICER'S STATEMENT



To Our Shareholders and Investors of SCBUILD/0109

BUY SCBUILD/0109 AT BURSA MALAYSIA

OUR FUTURE AND OUR FUTURE GENERATIONS AT SCBUILD/0109

**INVEST SCBUILD/0109 FOR LONG TERM
IN MALAYSIA, ASEAN MEMBER COUNTRIES IN ASIA**

LOH BOON GINN

*Ahli Mahkota Kedah
Chairman and Managing Director/Chief Executive Officer of SCBUILD/0109*

**> SCBUILD/0109 COMMITTED TO BUILD
ENVIRONMENTAL • SOCIAL • GOVERNANCE ESG INITIATIVE PROJECTS**

> SCBUILD/0109 BEGIN MOVING FORWARD YEAR 2020 TO 2023

> SCBUILD/0109 COMMITTED TO ACHIEVE NET ZERO CARBON EMISSION YEAR 2050

> SCBUILD/0109 SHAREHOLDERS UNITED • BEYOND YEAR 2100



Dear Shareholders,

On behalf of Our Board of Directors (“**OUR BOD**”) of SC Estate Builder Berhad (“**SCBUILD/0109**”), I am pleased to present to you the Annual Report and Audited Financial Statements of the Company and its subsidiaries (“**SCBUILD/0109 GROUP**”) for the financial year ended 31 January 2023 (“**FYE 2023**”). In line with **BUY SCBUILD/0109 AT BURSA MALAYSIA, OUR FUTURE AND OUR FUTURE GENERATIONS AT SCBUILD/0109, INVEST SCBUILD/0109 FOR LONG TERM IN MALAYSIA, ASEAN MEMBER COUNTRIES IN ASIA > SCBUILD/0109 COMMITTED TO BUILD ENVIRONMENTAL • SOCIAL • GOVERNANCE ESG INITIATIVES PROJECTS > SCBUILD/0109 BEGIN MOVING FORWARD YEAR 2020 TO 2030 > SCBUILD/0109 COMMITTED TO ACHIEVE NET ZERO CARBON EMISSION YEAR 2050 > SCBUILD/0109 SHAREHOLDERS UNITED • BEYOND YEAR 2100.**



CHAIRMAN AND MANAGING DIRECTOR'S/ CHIEF EXECUTIVE OFFICER'S STATEMENT

cont'd

SCBUILD/0109 SHARIAH COMPLIANT COMPANY

SCBUILD/0109 is a Shariah Compliant Company Listed on ACE Market of Bursa Malaysia Securities Berhad since 29 November 2005. SCBUILD/0109 Group's core business is Construction and its related industries including Renewable Energy On Solar Power Plants, Solar Power On The Roofs, Affordable Houses, Infrastructure Works and Its Related Businesses.

SCBUILD/0109 is looking to diversify its businesses by venturing into Electric Vehicles (EV) Chargers and Its Related Industries And Businesses.

On 7 December 2016, Seri Paduka Baginda Yang Di-Pertuan Agong XIV Diatas Perkenan Menyaksikan Penjenamaan Baru Syarikat Flonic Hi-Tec Berhad Kepada SC Estate Builder Berhad SCBUILD/0109 Company Listed on ACE Market at Bursa Malaysia in Malaysia Didalam Majlis Santapan Amal "An Evening With The Royal Patron 2016 And Celebrating Yayasan Sultanah Bahiyah 20th Anniversary" Anjuran Yayasan Sultanah Bahiyah.

SCBUILD/0109 CHAIRMAN AND MANAGING DIRECTOR / CHIEF EXECUTIVE OFFICER

I, Loh Boon Ginn, age 32, Ahli Mahkota Kedah, born in 1991 in the State of Kedah Darul Aman, Malaysia. I am a high school graduate from Maharishi School in Iowa, United States of America in 2009 and major in Bachelor of Entrepreneurship from Curtin University, Western Australia in 2015. The title of Ahli Mahkota Kedah was conferred by Almarhum Sultan Abdul Halim Mu'adzam Shah Ibni Almarhum Sultan Badlishah Sultan Negeri Kedah Darul Aman in 2017.

On 1st March 2016, I was appointed as the Managing Director / Chief Executive Officer of SCBUILD/0109 at the age of 25 and subsequently on 30 April 2020, at the age of 29, I was appointed as Chairman of SCBUILD/0109.

On 18 May 2023, as The Chairman and Managing Director / Chief Executive Officer of SCBUILD/0109, I had acquired additional 130,000,000 units of the SCBUILD/0109 shares as per announcement on Bursa Malaysia on 19 May 2023. Currently, I had total of Direct/Indirect Interest (Units) of 252,593,648 (23.517%) shares.

SCBUILD/0109 BOARD OF DIRECTORS (BOD)

Our Board of Directors, majority age 20s-30s, is formed by a mixture of talented professionals consisting of 6 females and 6 males. Our Board accomplished 50% woman members exceeded the government's target of 30% woman composition in the Board of Director of Public Listed Company. SCBUILD/0109 recognises young talent can contribute in bringing fresh perspective, new skills and lots of creative energy to SCBUILD/0109.

SCBUILD/0109 SHAREHOLDERS UNITED • BEYOND YEAR 2100

SCBUILD/0109 is pleased to announce that the Company had resolved all issues with our shareholders for the benefits of all our shareholders. It is indeed a positive development that allows SCBUILD/0109 to move forward and focus on its mission.

SCBUILD/0109 urge all our shareholders to empower The Board of Directors of SCBUILD/0109 to implement SCBUILD/0109 2020 – 2030 YEAR MOVING FORWARD BUSINESSES PLANS as stated in this Chairman and Managing Director / Chief Executive Officer's Statement.

BUY SCBUILD/0109 AT BURSA MALAYSIA, OUR FUTURE AND OUR FUTURE GENERATIONS AT SCBUILD/0109, INVEST SCBUILD/0109 FOR LONG TERM IN MALAYSIA, ASEAN MEMBER COUNTRIES IN ASIA > SCBUILD/0109 COMMITTED TO BUILD ENVIRONMENTAL • SOCIAL • GOVERNANCE ESG INITIATIVES PROJECTS > SCBUILD/0109 BEGIN MOVING FORWARD YEAR 2020 TO 2030 > SCBUILD/0109 COMMITTED TO ACHIEVE NET ZERO CARBON EMISSION YEAR 2050 > SCBUILD/0109 SHAREHOLDERS UNITED • BEYOND YEAR 2100.

CHAIRMAN AND MANAGING DIRECTOR'S/ CHIEF EXECUTIVE OFFICER'S STATEMENT

cont'd

SCBUILD/0109 COMMITTED TO BUILD ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) INITIATIVE PROJECTS AND SCBUILD/0109 COMMITTED TO ACHIEVE NET ZERO CARBON EMISSION YEAR 2050

SCBUILD/0109 is committed to the principles of ESG. The Company recognize that environmental, social, and governance issues are crucial in sustaining our business and making a positive impact on society and the environment.

SCBUILD/0109 is committed in reducing the carbon footprint and achieve Net Zero Carbon Emission by year 2050 by investing into Renewable Energy on Solar Power Plants, Solar Power on The Roofs, EV Chargers and its Related Industries.

In line with SCBUILD/0109 ESG initiative, SCBUILD/0109 Targets To Build 2,000 Megawatt (MW) To 3,000 Megawatt (MW) Of Solar Power Plants For Multiple Effect Solutions On Climate Change In Malaysia, ASEAN Members Countries In Asia.

Further, SCBUILD/0109 Targets To Build 2,000 Units To 3,000 Units Of Affordable Houses With Solar Power On The Roofs, 2 Meters Social Distance Walkway And Bicycle Lane With Internet Connectivity For Multiple Effect Solutions On Climate Change And Coronavirus Pandemic To Create Safety, Healthy, Wealthy For The Peoples And Planet.

SCBUILD/0109 COMPANY LISTED ON BURSA MALAYSIA IN MALAYSIA, ASEAN MEMBER COUNTRIES IN ASIA COMMITTED TO IMPLEMENT MITIGATION AND ADAPTATION OPTIONS ACROSS SYSTEMS (C.3, C.3.1 TO C.3.8) UNDER UNITED NATION (UN) - INTERGOVERNMENTAL PANEL CLIMATE CHANGE 2023 (IPCC) SYNTHESIS REPORT (AR6) SUMMARY FOR POLICYMAKERS ENCLOSED

C. Responses in the Near Term

Urgency of Near-Term Integrated Climate Action

C.1 Climate change is a threat to human well-being and planetary health (*very high confidence*). There is a rapidly closing window of opportunity to secure a liveable and sustainable future for all (*very high confidence*). Climate resilient development integrates adaptation and mitigation to advance sustainable development for all and is enabled by increased international cooperation including improved access to adequate financial resources, particularly for vulnerable regions, sectors and groups, and inclusive governance and coordinated policies (*high confidence*). The choices and actions implemented in this decade will have impacts now and for thousands of years (*high confidence*). {3.1, 3.3, 4.1, 4.2, 4.3, 4.4, 4.7, 4.8, 4.9, Figure 3.1, Figure 3.3, Figure 4.2} (Figure SPM.1; Figure SPM.6)

C.1.1 Evidence of observed adverse impacts and related losses and damages, projected risks, levels and trends in vulnerability and adaptation limits, demonstrate that worldwide climate resilient development action is more urgent than previously assessed in AR5. Climate resilient development integrates adaptation and GHG mitigation to advance sustainable development for all. Climate resilient development pathways have been constrained by past development, emissions and climate change and are progressively constrained by every increment of warming, in particular beyond 1.5°C. (*very high confidence*) {3.4; 3.4.2; 4.1}

C.1.2 Government actions at sub-national, national and international levels, with civil society and the private sector, play a crucial role in enabling and accelerating shifts in development pathways towards sustainability and climate resilient development (*very high confidence*). Climate resilient development is enabled when governments, civil society and the private sector make inclusive development choices that prioritize risk reduction, equity and justice, and when decision-making processes, finance and actions are integrated across governance levels, sectors, and timeframes (*very high confidence*). Enabling conditions are differentiated by national, regional and local circumstances and geographies, according to capabilities, and include: political commitment and follow-through, coordinated policies, social and international cooperation, ecosystem stewardship, inclusive governance, knowledge diversity, technological innovation, monitoring and evaluation, and improved access to adequate financial resources, especially for vulnerable regions, sectors and communities (*high confidence*). {3.4; 4.2, 4.4, 4.5, 4.7, 4.8} (Figure SPM.6)

CHAIRMAN AND MANAGING DIRECTOR'S/ CHIEF EXECUTIVE OFFICER'S STATEMENT

cont'd

C. Responses in the Near Term *cont'd*

Urgency of Near-Term Integrated Climate Action *cont'd*

C.1.3 Continued emissions will further affect all major climate system components, and many changes will be irreversible on centennial to millennial time scales and become larger with increasing global warming. Without urgent, effective, and equitable mitigation and adaptation actions, climate change increasingly threatens ecosystems, biodiversity, and the livelihoods, health and wellbeing of current and future generations. (*high confidence*) {3.1.3; 3.3.3; 3.4.1, Figure 3.4; 4.1, 4.2, 4.3, 4.4} (Figure SPM.1, Figure SPM.6).

[START FIGURE SPM.6 HERE]

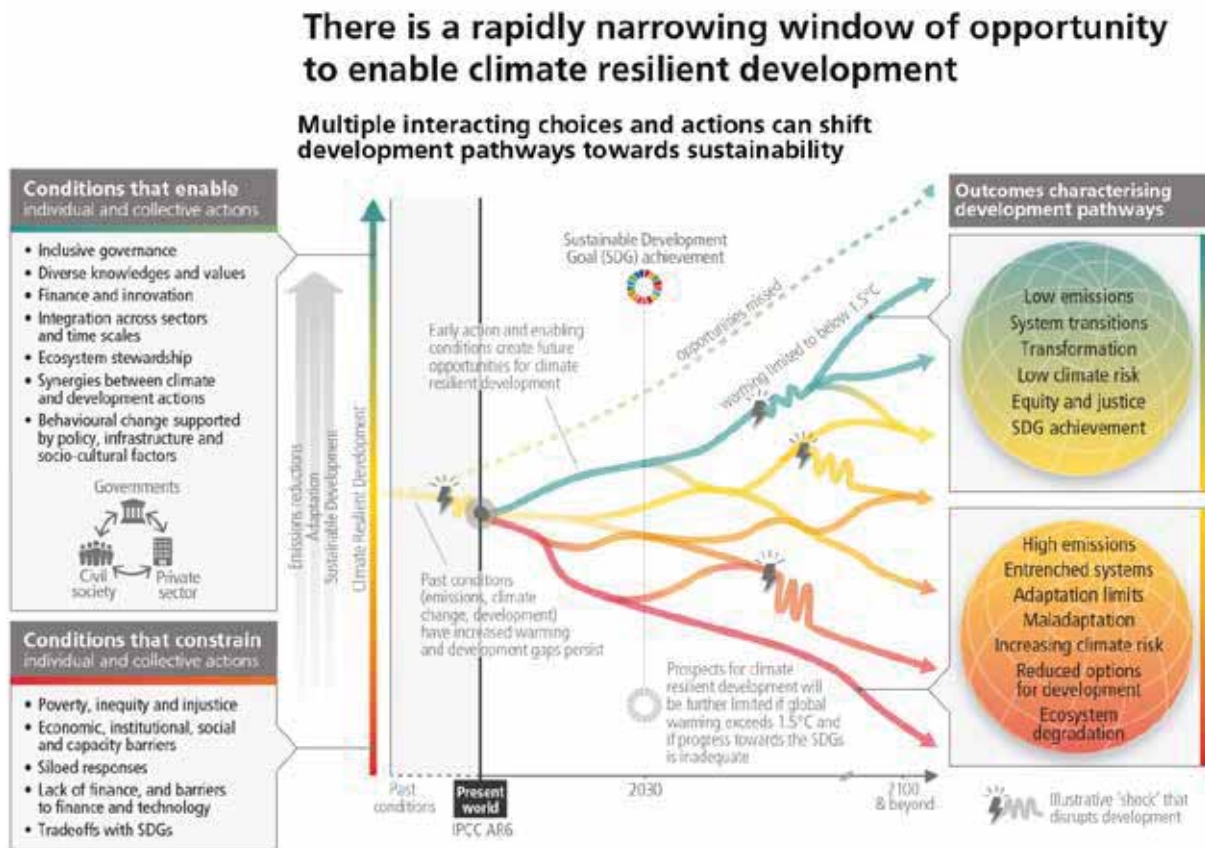


Figure SPM.6: The illustrative development pathways (red to green) and associated outcomes (right panel) show that there is a rapidly narrowing window of opportunity to secure a liveable and sustainable future for all. Climate resilient development is the process of implementing greenhouse gas mitigation and adaptation measures to support sustainable development. Diverging pathways illustrate that interacting choices and actions made by diverse government, private sector and civil society actors can advance climate resilient development, shift pathways towards sustainability, and enable lower emissions and adaptation. Diverse knowledge and values include cultural values, Indigenous Knowledge, local knowledge, and scientific knowledge. Climatic and non-climatic events, such as droughts, floods or pandemics, pose more severe shocks to pathways with lower climate resilient development (red to yellow) than to pathways with higher climate resilient development (green). There are limits to adaptation and adaptive capacity for some human and natural systems at global warming of 1.5°C, and with every increment of warming, losses and damages will increase. The development pathways taken by countries at all stages of economic development impact GHG emissions and mitigation challenges and opportunities, which vary across countries and regions. Pathways and opportunities for action are shaped by previous actions (or inactions and opportunities missed; dashed pathway) and enabling and constraining conditions (left panel), and take place in the context of climate risks, adaptation limits and development gaps. The longer emissions reductions are delayed, the fewer effective adaptation options. {Figure 4.2; 3.1; 3.2; 3.4; 4.2; 4.4; 4.5; 4.6; 4.9}

[END FIGURE SPM.6 HERE]

CHAIRMAN AND MANAGING DIRECTOR'S/ CHIEF EXECUTIVE OFFICER'S STATEMENT

cont'd

C. Responses in the Near Term *cont'd*

The Benefits of Near-Term Action

- C.2 Deep, rapid and sustained mitigation and accelerated implementation of adaptation actions in this decade would reduce projected losses and damages for humans and ecosystems (*very high confidence*), and deliver many co-benefits, especially for air quality and health (*high confidence*). Delayed mitigation and adaptation action would lock-in high-emissions infrastructure, raise risks of stranded assets and cost-escalation, reduce feasibility, and increase losses and damages (*high confidence*). Near-term actions involve high up-front investments and potentially disruptive changes that can be lessened by a range of enabling policies (*high confidence*). {2.1, 2.2, 3.1, 3.2, 3.3, 3.4, 4.1, 4.2, 4.3, 4.4, 4.5, 4.6, 4.7, 4.8}**
- C.2.1** Deep, rapid, and sustained mitigation and accelerated implementation of adaptation actions in this decade would reduce future losses and damages related to climate change for humans and ecosystems (*very high confidence*). As adaptation options often have long implementation times, accelerated implementation of adaptation in this decade is important to close adaptation gaps (*high confidence*). Comprehensive, effective, and innovative responses integrating adaptation and mitigation can harness synergies and reduce trade-offs between adaptation and mitigation (*high confidence*). {4.1, 4.2, 4.3}.
- C.2.2** Delayed mitigation action will further increase global warming and losses and damages will rise and additional human and natural systems will reach adaptation limits (*high confidence*). Challenges from delayed adaptation and mitigation actions include the risk of cost escalation, lock-in of infrastructure, stranded assets, and reduced feasibility and effectiveness of adaptation and mitigation options (*high confidence*). Without rapid, deep and sustained mitigation and accelerated adaptation actions, losses and damages will continue to increase, including projected adverse impacts in Africa, LDCs, SIDS, Central and South America⁴⁹, Asia and the Arctic, and will disproportionately affect the most vulnerable populations (*high confidence*). {2.1.2; 3.1.2, 3.2, 3.3.1, 3.3.3; 4.1, 4.2, 4.3} (Figure SPM.3, Figure SPM.4)
- C.2.3** Accelerated climate action can also provide co-benefits (see also C.4). Many mitigation actions would have benefits for health through lower air pollution, active mobility (e.g., walking, cycling), and shifts to sustainable healthy diets. Strong, rapid and sustained reductions in methane emissions can limit near-term warming and improve air quality by reducing global surface ozone. (*high confidence*) Adaptation can generate multiple additional benefits such as improving agricultural productivity, innovation, health and wellbeing, food security, livelihood, and biodiversity conservation (*very high confidence*). {4.2, 4.5.4, 4.5.5, 4.6}
- C.2.4** Cost-benefit analysis remains limited in its ability to represent all avoided damages from climate change (*high confidence*). The economic benefits for human health from air quality improvement arising from mitigation action can be of the same order of magnitude as mitigation costs, and potentially even larger (*medium confidence*). Even without accounting for all the benefits of avoiding potential damages the global economic and social benefit of limiting global warming to 2°C exceeds the cost of mitigation in most of the assessed literature (*medium confidence*).⁵⁰ More rapid climate change mitigation, with emissions peaking earlier, increases co-benefits and reduces feasibility risks and costs in the long-term, but requires higher up-front investments (*high confidence*). {3.4.1, 4.2}
- C.2.5** Ambitious mitigation pathways imply large and sometimes disruptive changes in existing economic structures, with significant distributional consequences within and between countries. To accelerate climate action, the adverse consequences of these changes can be moderated by fiscal, financial, institutional and regulatory reforms and by integrating climate actions with macroeconomic policies through (i) economy-wide packages, consistent with national circumstances, supporting sustainable low-emission growth paths; (ii) climate resilient safety nets and social protection; and (iii) improved access to finance for low-emissions infrastructure and technologies, especially in developing countries. (*high confidence*) {4.2, 4.4, 4.7, 4.8.1}

⁴⁹ The southern part of Mexico is included in the climactic subregion South Central America (SCA) for WGI. Mexico is assessed as part of North America for WGII. The climate change literature for the SCA region occasionally includes Mexico, and in those cases WGII assessment makes reference to Latin America. Mexico is considered part of Latin America and the Caribbean for WGIII.

⁵⁰ The evidence is too limited to make a similar robust conclusion for limiting warming to 1.5°C. Limiting global warming to 1.5°C instead of 2°C would increase the costs of mitigation, but also increase the benefits in terms of reduced impacts and related risks, and reduced adaptation needs (*high confidence*).

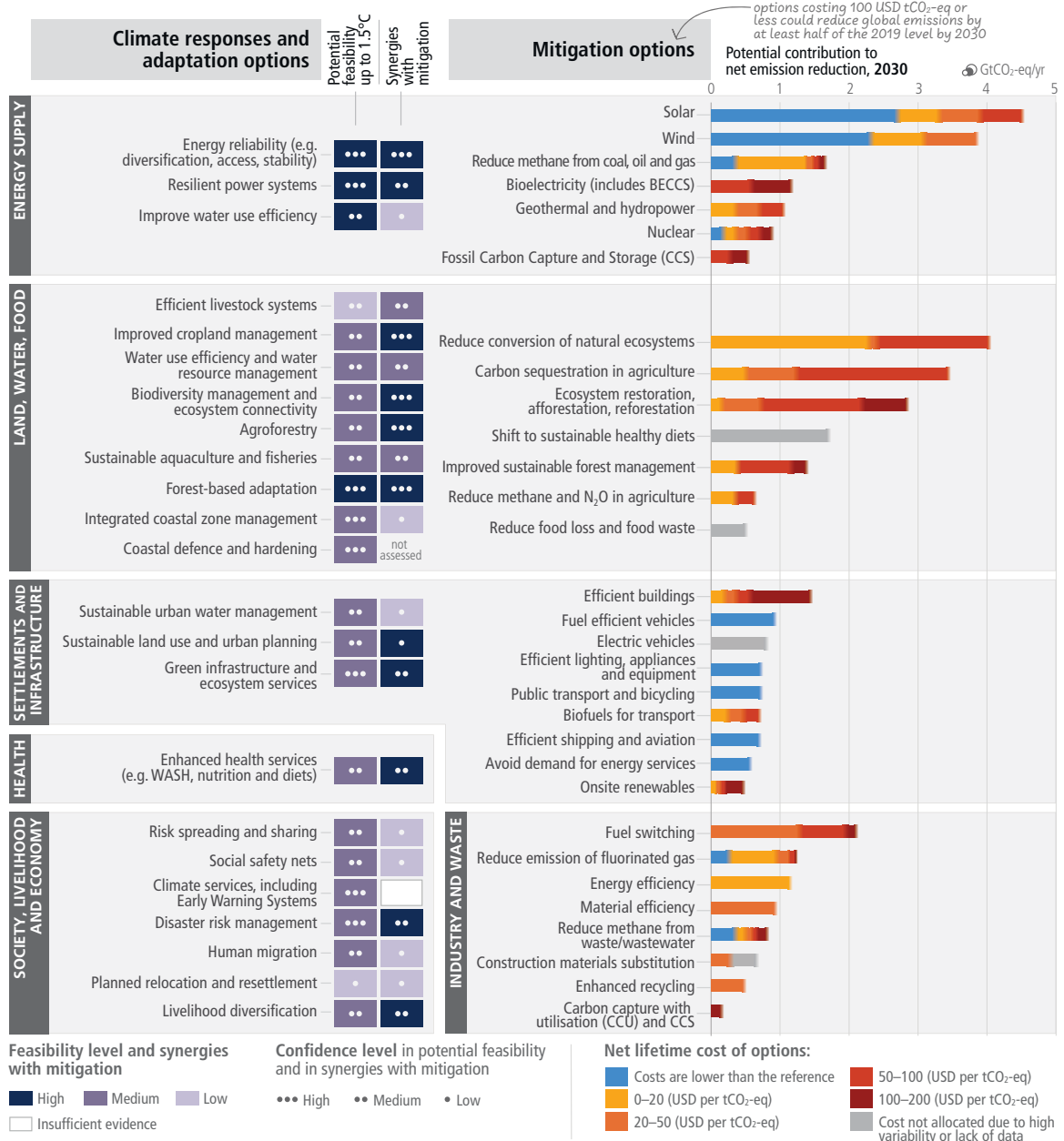
CHAIRMAN AND MANAGING DIRECTOR'S/ CHIEF EXECUTIVE OFFICER'S STATEMENT

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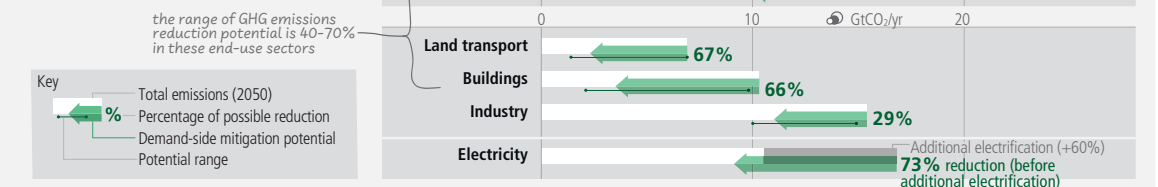
[START FIGURE SPM.7 HERE]

There are multiple opportunities for scaling up climate action

a) Feasibility of climate responses and adaptation, and potential of mitigation options in the near-term



b) Potential of demand-side mitigation options by 2050



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Figure SPM.7: Multiple Opportunities for scaling up climate action. Panel (a) presents selected mitigation and adaptation options across different systems. The left hand side of panel a shows climate responses and adaptation options assessed for their multidimensional feasibility at global scale, in the near term and up to 1.5°C global warming. As literature above 1.5°C is limited, feasibility at higher levels of warming may change, which is currently not possible to assess robustly. The term response is used here in addition to adaptation because some responses, such as migration, relocation and resettlement may or may not be considered to be adaptation. Forest based adaptation includes sustainable forest management, forest conservation and restoration, reforestation and afforestation. WASH refers to water, sanitation and hygiene. Six feasibility dimensions (economic, technological, institutional, social, environmental and geophysical) were used to calculate the potential feasibility of climate responses and adaptation options, along with their synergies with mitigation. For potential feasibility and feasibility dimensions, the figure shows high, medium, or low feasibility. Synergies with mitigation are identified as high, medium, and low.

The right hand side of Panel a provides an overview of selected mitigation options and their estimated costs and potentials in 2030. Costs are net lifetime discounted monetary costs of avoided GHG emissions calculated relative to a reference technology. Relative potentials and costs will vary by place, context and time and in the longer term compared to 2030. The potential (horizontal axis) is the net GHG emission reduction (sum of reduced emissions and/or enhanced sinks) broken down into cost categories (coloured bar segments) relative to an emission baseline consisting of current policy (around 2019) reference scenarios from the AR6 scenarios database. The potentials are assessed independently for each option and are not additive. Health system mitigation options are included mostly in settlement and infrastructure (e.g., efficient healthcare buildings) and cannot be identified separately. Fuel switching in industry refers to switching to electricity, hydrogen, bioenergy and natural gas. Gradual colour transitions indicate uncertain breakdown into cost categories due to uncertainty or heavy context dependency. The uncertainty in the total potential is typically 25–50%.

Panel (b) displays the indicative potential of demand-side mitigation options for 2050. Potentials are estimated based on approximately 500 bottom-up studies representing all global regions. The baseline (white bar) is provided by the sectoral mean GHG emissions in 2050 of the two scenarios (IEA-STEPS and IP_ModAct) consistent with policies announced by national governments until 2020. The green arrow represents the demand-side emissions reductions potentials. The range in potential is shown by a line connecting dots displaying the highest and the lowest potentials reported in the literature. Food shows demand-side potential of socio-cultural factors and infrastructure use, and changes in land-use patterns enabled by change in food demand. Demand-side measures and new ways of end-use service provision can reduce global GHG emissions in end-use sectors (buildings, land transport, food) by 40–70% by 2050 compared to baseline scenarios, while some regions and socioeconomic groups require additional energy and resources. The last row shows how demand-side mitigation options in other sectors can influence overall electricity demand. The dark grey bar shows the projected increase in electricity demand above the 2050 baseline due to increasing electrification in the other sectors. Based on a bottom-up assessment, this projected increase in electricity demand can be avoided through demand-side mitigation options in the domains of infrastructure use and socio-cultural factors that influence electricity usage in industry, land transport, and buildings (green arrow). {Figure 4.4}

[END FIGURE SPM.7 HERE]

C. Responses in the Near Term *cont'd*

Mitigation and Adaptation Options across Systems

C.3 Rapid and far-reaching transitions across all sectors and systems are necessary to achieve deep and sustained emissions reductions and secure a liveable and sustainable future for all. These system transitions involve a significant upscaling of a wide portfolio of mitigation and adaptation options. Feasible, effective, and low-cost options for mitigation and adaptation are already available, with differences across systems and regions. (high confidence) {4.1, 4.5, 4.6} (Figure SPM.7)

C.3.1 The systemic change required to achieve rapid and deep emissions reductions and transformative adaptation to climate change is unprecedented in terms of scale, but not necessarily in terms of speed (medium confidence). Systems transitions include: deployment of low- or zero-emission technologies; reducing and changing demand through infrastructure design and access, socio-cultural and behavioural changes, and increased technological efficiency and adoption; social protection, climate services or other services; and protecting and restoring ecosystems (*high confidence*). Feasible, effective, and low-cost options for mitigation and adaptation are already available (*high confidence*). The availability, feasibility and potential of mitigation and adaptation options in the near-term differs across systems and regions (*very high confidence*). {4.1, 4.5.1–4.5.6} (Figure SPM.7)

CHAIRMAN AND MANAGING DIRECTOR'S/ CHIEF EXECUTIVE OFFICER'S STATEMENT

cont'd

C. Responses in the Near Term *cont'd*

Energy Systems

C.3.2 Net zero CO₂ energy systems entail: a substantial reduction in overall fossil fuel use, minimal use of unabated fossil fuels⁵¹, and use of carbon capture and storage in the remaining fossil fuel systems; electricity systems that emit no net CO₂; widespread electrification; alternative energy carriers in applications less amenable to electrification; energy conservation and efficiency; and greater integration across the energy system (*high confidence*). Large contributions to emissions reductions with costs less than USD 20 tCO₂-eq-1 come from solar and wind energy, energy efficiency improvements, and methane emissions reductions (coal mining, oil and gas, waste) (*medium confidence*). There are feasible adaptation options that support infrastructure resilience, reliable power systems and efficient water use for existing and new energy generation systems (*very high confidence*). Energy generation diversification (e.g., via wind, solar, small scale hydropower) and demand side management (e.g., storage and energy efficiency improvements) can increase energy reliability and reduce vulnerabilities to climate change (*high confidence*). Climate responsive energy markets, updated design standards on energy assets according to current and projected climate change, smart-grid technologies, robust transmission systems and improved capacity to respond to supply deficits have high feasibility in the medium- to long-term, with mitigation co-benefits (*very high confidence*). {4.5.1} (Figure SPM.7)

Industry and Transport

C.3.3 Reducing industry GHG emissions entails coordinated action throughout value chains to promote all mitigation options, including demand management, energy and materials efficiency, circular material flows, as well as abatement technologies and transformational changes in production processes (*high confidence*). In transport, sustainable biofuels, low-emissions hydrogen, and derivatives (including ammonia and synthetic fuels) can support mitigation of CO₂ emissions from shipping, aviation, and heavy-duty land transport but require production process improvements and cost reductions (*medium confidence*). Sustainable biofuels can offer additional mitigation benefits in land-based transport in the short and medium term (*medium confidence*). Electric vehicles powered by low-GHG emissions electricity have large potential to reduce land-based transport GHG emissions, on a life cycle basis (*high confidence*). Advances in battery technologies could facilitate the electrification of heavy-duty trucks and complement conventional electric rail systems (*medium confidence*). The environmental footprint of battery production and growing concerns about critical minerals can be addressed by material and supply diversification strategies, energy and material efficiency improvements, and circular material flows (*medium confidence*). 4.5.2, 4.5.3} (Figure SPM.7)

51 In this context, 'unabated fossil fuels' refers to fossil fuels produced and used without interventions that substantially reduce the amount of GHG emitted throughout the life cycle; for example, capturing 90% or more CO₂ from power plants, or 50–80% of fugitive methane emissions from energy supply.

Cities, Settlements and Infrastructure

C.3.4 Urban systems are critical for achieving deep emissions reductions and advancing climate resilient development (*high confidence*). Key adaptation and mitigation elements in cities include considering climate change impacts and risks (e.g. through climate services) in the design and planning of settlements and infrastructure; land use planning to achieve compact urban form, co-location of jobs and housing; supporting public transport and active mobility (e.g., walking and cycling); the efficient design, construction, retrofit, and use of buildings; reducing and changing energy and material consumption; sufficiency⁵²; material substitution; and electrification in combination with low emissions sources (*high confidence*). Urban transitions that offer benefits for mitigation, adaptation, human health and well-being, ecosystem services, and vulnerability reduction for low-income communities are fostered by inclusive long-term planning that takes an integrated approach to physical, natural and social infrastructure (*high confidence*). Green/natural and blue infrastructure supports carbon uptake and storage and either singly or when combined with grey infrastructure can reduce energy use and risk from extreme events such as heatwaves, flooding, heavy precipitation and droughts, while generating co-benefits for health, well-being and livelihoods (*medium confidence*). {4.5.3}

CHAIRMAN AND MANAGING DIRECTOR'S/ CHIEF EXECUTIVE OFFICER'S STATEMENT

cont'd

C. Responses in the Near Term *cont'd*

Land, Ocean, Food, and Water

C.3.5 Many agriculture, forestry, and other land use (AFOLU) options provide adaptation and mitigation benefits that could be upscaled in the near-term across most regions. Conservation, improved management, and restoration of forests and other ecosystems offer the largest share of economic mitigation potential, with reduced deforestation in tropical regions having the highest total mitigation potential. Ecosystem restoration, reforestation, and afforestation can lead to trade-offs due to competing demands on land. Minimizing trade-offs requires integrated approaches to meet multiple objectives including food security. Demand-side measures (shifting to sustainable healthy diets⁵³ and reducing food loss/waste) and sustainable agricultural intensification can reduce ecosystem conversion, and methane and nitrous oxide emissions, and free up land for reforestation and ecosystem restoration. Sustainably sourced agricultural and forest products, including long-lived wood products, can be used instead of more GHG-intensive products in other sectors. Effective adaptation options include cultivar improvements, agroforestry, community-based adaptation, farm and landscape diversification, and urban agriculture. These AFOLU response options require integration of biophysical, socioeconomic and other enabling factors. Some options, such as conservation of high-carbon ecosystems (e.g., peatlands, wetlands, rangelands, mangroves and forests), deliver immediate benefits, while others, such as restoration of high-carbon ecosystems, take decades to deliver measurable results. {4.5.4} (Figure SPM.7)

C.3.6 Maintaining the resilience of biodiversity and ecosystem services at a global scale depends on effective and equitable conservation of approximately 30% to 50% of Earth's land, freshwater and ocean areas, including currently near-natural ecosystems (*high confidence*). Conservation, protection and restoration of terrestrial, freshwater, coastal and ocean ecosystems, together with targeted management to adapt to unavoidable impacts of climate change reduces the vulnerability of biodiversity and ecosystem services to climate change (*high confidence*), reduces coastal erosion and flooding (*high confidence*), and could increase carbon uptake and storage if global warming is limited (*medium confidence*). Rebuilding overexploited or depleted fisheries reduces negative climate change impacts on fisheries (*medium confidence*) and supports food security, biodiversity, human health and well-being (*high confidence*). Land restoration contributes to climate change mitigation and adaptation with synergies via enhanced ecosystem services and with economically positive returns and co-benefits for poverty reduction and improved livelihoods (*high confidence*). Cooperation, and inclusive decision making, with Indigenous Peoples and local communities, as well as recognition of inherent rights of Indigenous Peoples, is integral to successful adaptation and mitigation across forests and other ecosystems (*high confidence*). {4.5.4, 4.6} (Figure SPM.7)

52 A set of measures and daily practices that avoid demand for energy, materials, land, and water while delivering human well-being for all within planetary boundaries {4.5.3}

53 'Sustainable healthy diets' promote all dimensions of individuals' health and well-being; have low environmental pressure and impact; are accessible, affordable, safe and equitable; and are culturally acceptable, as described in FAO and WHO. The related concept of 'balanced diets' refers to diets that feature plant-based foods, such as those based on coarse grains, legumes, fruits and vegetables, nuts and seeds, and animal-sourced food produced in resilient, sustainable and low-GHG emission systems, as described in SRCCL.

Health and Nutrition

C.3.7 Human health will benefit from integrated mitigation and adaptation options that mainstream health into food, infrastructure, social protection, and water policies (*very high confidence*). Effective adaptation options exist to help protect human health and wellbeing, including: strengthening public health programs related to climate-sensitive diseases, increasing health systems resilience, improving ecosystem health, improving access to potable water, reducing exposure of water and sanitation systems to flooding, improving surveillance and early warning systems, vaccine development (*very high confidence*), improving access to mental healthcare, and Heat Health Action Plans that include early warning and response systems (*high confidence*). Adaptation strategies which reduce food loss and waste or support balanced, sustainable healthy diets contribute to nutrition, health, biodiversity and other environmental benefits (*high confidence*). {4.5.5} (Figure SPM.7)

CHAIRMAN AND MANAGING DIRECTOR'S/ CHIEF EXECUTIVE OFFICER'S STATEMENT

cont'd

C. Responses in the Near Term *cont'd*

Society, Livelihoods, and Economies

C.3.8 Policy mixes that include weather and health insurance, social protection and adaptive social safety nets, contingent finance and reserve funds, and universal access to early warning systems combined with effective contingency plans, can reduce vulnerability and exposure of human systems. Disaster risk management, early warning systems, climate services and risk spreading and sharing approaches have broad applicability across sectors. Increasing education including capacity building, climate literacy, and information provided through climate services and community approaches can facilitate heightened risk perception and accelerate behavioural changes and planning. (*high confidence*) {4.5.6}

Synergies and Trade-Offs with Sustainable Development

C.4 Accelerated and equitable action in mitigating and adapting to climate change impacts is critical to sustainable development. Mitigation and adaptation actions have more synergies than trade-offs with Sustainable Development Goals. Synergies and trade-offs depend on context and scale of implementation. (*high confidence*) {3.4, 4.2, 4.4, 4.5, 4.6, 4.9, Figure 4.5}

C.4.1 Mitigation efforts embedded within the wider development context can increase the pace, depth and breadth of emission reductions (*medium confidence*). Countries at all stages of economic development seek to improve the well-being of people, and their development priorities reflect different starting points and contexts. Different contexts include but are not limited to social, economic, environmental, cultural, political circumstances, resource endowment, capabilities, international environment, and prior development (*high confidence*). In regions with high dependency on fossil fuels for, among other things, revenue and employment generation, mitigating risk for sustainable development requires policies that promote economic and energy sector diversification and considerations of just transitions principles, processes and practices (*high confidence*). Eradicating extreme poverty, energy poverty, and providing decent living standards in low-emitting countries / regions in the context of achieving sustainable development objectives, in the near term, can be achieved without significant global emissions growth (*high confidence*). {4.4, 4.6, Annex I: Glossary}

C.4.2 Many mitigation and adaptation actions have multiple synergies with Sustainable Development Goals (SDGs) and sustainable development generally, but some actions can also have trade-offs. Potential synergies with SDGs exceed potential trade-offs; synergies and trade-offs depend on the pace and magnitude of change and the development context including inequalities with consideration of climate justice. Trade-offs can be evaluated and minimised by giving emphasis to capacity building, finance, governance, technology transfer, investments, development, context specific gender-based and other social equity considerations with meaningful participation of Indigenous Peoples, local communities and vulnerable populations. (*high confidence*) {3.4.1, 4.6, Figure 4.5, 4.9}

C.4.3 Implementing both mitigation and adaptation actions together and taking trade-offs into account supports co-benefits and synergies for human health and well-being. For example, improved access to clean energy sources and technologies generate health benefits especially for women and children; electrification combined with low-GHG energy and shifts to active mobility and public transport can enhance air quality, health, employment, and can elicit energy security and deliver equity. (*high confidence*) {4.2, 4.5.3, 4.5.5, 4.6, 4.9}

Equity and Inclusion

C.5 Prioritising equity, climate justice, social justice, inclusion and just transition processes can enable adaptation and ambitious mitigation actions and climate resilient development. Adaptation outcomes are enhanced by increased support to regions and people with the highest vulnerability to climatic hazards. Integrating climate adaptation into social protection programs improves resilience. Many options are available for reducing emission-intensive consumption, including through behavioural and lifestyle changes, with co-benefits for societal well-being. (*high confidence*) {4.4, 4.5}

CHAIRMAN AND MANAGING DIRECTOR'S/ CHIEF EXECUTIVE OFFICER'S STATEMENT

cont'd

C. Responses in the Near Term *cont'd*

Equity and Inclusion *cont'd*

- C.5.1** Equity remains a central element in the UN climate regime, notwithstanding shifts in differentiation between states over time and challenges in assessing fair shares. Ambitious mitigation pathways imply large and sometimes disruptive changes in economic structure, with significant distributional consequences, within and between countries. Distributional consequences within and between countries include shifting of income and employment during the transition from high- to low-emissions activities. *(high confidence)* {4.4}
- C.5.2** Adaptation and mitigation actions, that prioritise equity, social justice, climate justice, rights-based approaches, and inclusivity, lead to more sustainable outcomes, reduce trade-offs, support transformative change and advance climate resilient development. Redistributive policies across sectors and regions that shield the poor and vulnerable, social safety nets, equity, inclusion and just transitions, at all scales can enable deeper societal ambitions and resolve trade-offs with sustainable development goals. Attention to equity and broad and meaningful participation of all relevant actors in decision making at all scales can build social trust which builds on equitable sharing of benefits and burdens of mitigation that deepen and widen support for transformative changes. *(high confidence)* {4.4}
- C.5.3** Regions and people (3.3 to 3.6 billion in number) with considerable development constraints have high vulnerability to climatic hazards (see A.2.2). Adaptation outcomes for the most vulnerable within and across countries and regions are enhanced through approaches focusing on equity, inclusivity and rights-based approaches. Vulnerability is exacerbated by inequity and marginalisation linked to e.g., gender, ethnicity, low incomes, informal settlements, disability, age, and historical and ongoing patterns of inequity such as colonialism, especially for many Indigenous Peoples and local communities. Integrating climate adaptation into social protection programs, including cash transfers and public works programs, is highly feasible and increases resilience to climate change, especially when supported by basic services and infrastructure. The greatest gains in well-being in urban areas can be achieved by prioritising access to finance to reduce climate risk for low-income and marginalised communities including people living in informal settlements. *(high confidence)*. {4.4, 4.5.3, 4.5.5, 4.5.6}
- C.5.4** The design of regulatory instruments and economic instruments and consumption-based approaches, can advance equity. Individuals with high socio-economic status contribute disproportionately to emissions and have the highest potential for emissions reductions. Many options are available for reducing emission-intensive consumption while improving societal well-being. Socio-cultural options, behaviour and lifestyle changes supported by policies, infrastructure, and technology can help end-users shift to low-emissions-intensive consumption, with multiple co-benefits. A substantial share of the population in low-emitting countries lack access to modern energy services. Technology development, transfer, capacity building and financing can support developing countries/ regions leapfrogging or transitioning to low-emissions transport systems thereby providing multiple co-benefits. Climate resilient development is advanced when actors work in equitable, just and inclusive ways to reconcile divergent interests, values and worldviews, toward equitable and just outcomes. *(high confidence)* {2.1, 4.4}

Governance and Policies

C.6 **Effective climate action is enabled by political commitment, well-aligned multilevel governance, institutional frameworks, laws, policies and strategies and enhanced access to finance and technology. Clear goals, coordination across multiple policy domains, and inclusive governance processes facilitate effective climate action. Regulatory and economic instruments can support deep emissions reductions and climate resilience if scaled up and applied widely. Climate resilient development benefits from drawing on diverse knowledge. *(high confidence)* {2.2, 4.4, 4.5, 4.7}**

- C.6.1** Effective climate governance enables mitigation and adaptation. Effective governance provides overall direction on setting targets and priorities and mainstreaming climate action across policy domains and levels, based on national circumstances and in the context of international cooperation. It enhances monitoring and evaluation and regulatory certainty, prioritising inclusive, transparent and equitable decision-making, and improves access to finance and technology (see C.7). *(high confidence)* {2.2.2, 4.7}

CHAIRMAN AND MANAGING DIRECTOR'S/ CHIEF EXECUTIVE OFFICER'S STATEMENT

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C. Responses in the Near Term *cont'd*

Governance and Policies *cont'd*

- C.6.2** Effective local, municipal, national and subnational institutions build consensus for climate action among diverse interests, enable coordination and inform strategy setting but require adequate institutional capacity. Policy support is influenced by actors in civil society, including businesses, youth, women, labour, media, Indigenous Peoples, and local communities. Effectiveness is enhanced by political commitment and partnerships between different groups in society. (*high confidence*) {2.2; 4.7}
- C.6.3** Effective multilevel governance for mitigation, adaptation, risk management, and climate resilient development is enabled by inclusive decision processes that prioritise equity and justice in planning and implementation, allocation of appropriate resources, institutional review, and monitoring and evaluation. Vulnerabilities and climate risks are often reduced through carefully designed and implemented laws, policies, participatory processes, and interventions that address context specific inequities such as those based on gender, ethnicity, disability, age, location and income. (*high confidence*) {4.4, 4.7}
- C.6.4** Regulatory and economic instruments could support deep emissions reductions if scaled up and applied more widely (*high confidence*). Scaling up and enhancing the use of regulatory instruments can improve mitigation outcomes in sectoral applications, consistent with national circumstances (*high confidence*). Where implemented, carbon pricing instruments have incentivized low-cost emissions reduction measures but have been less effective, on their own and at prevailing prices during the assessment period, to promote higher-cost measures necessary for further reductions (*medium confidence*). Equity and distributional impacts of such carbon pricing instruments, e.g., carbon taxes and emissions trading, can be addressed by using revenue to support low-income households, among other approaches. Removing fossil fuel subsidies would reduce emissions⁵⁴ and yield benefits such as improved public revenue, macroeconomic and sustainability performance; subsidy removal can have adverse distributional impacts, especially on the most economically vulnerable groups which, in some cases can be mitigated by measures such as redistributing revenue saved, all of which depend on national circumstances (*high confidence*). Economy-wide policy packages, such as public spending commitments, pricing reforms, can meet short-term economic goals while reducing emissions and shifting development pathways towards sustainability (*medium confidence*). Effective policy packages would be comprehensive, consistent, balanced across objectives, and tailored to national circumstances (*high confidence*). {2.2.2, 4.7}
- C.6.5** Drawing on diverse knowledges and cultural values, meaningful participation and inclusive engagement processes—including Indigenous Knowledge, local knowledge, and scientific knowledge—facilitates climate resilient development, builds capacity and allows locally appropriate and socially acceptable solutions. (*high confidence*) {4.4, 4.5.6, 4.7}

⁵⁴ Fossil fuel subsidy removal is projected by various studies to reduce global CO₂ emission by 1-4%, and GHG emissions by up to 10% by 2030, varying across regions (*medium confidence*).

Finance, Technology and International Cooperation

C.7 Finance, technology and international cooperation are critical enablers for accelerated climate action. If climate goals are to be achieved, both adaptation and mitigation financing would need to increase many-fold. There is sufficient global capital to close the global investment gaps but there are barriers to redirect capital to climate action. Enhancing technology innovation systems is key to accelerate the widespread adoption of technologies and practices. Enhancing international cooperation is possible through multiple channels. (*high confidence*) {2.3, 4.8}

- C.7.1** Improved availability of and access to finance⁵⁵ would enable accelerated climate action (*very high confidence*). Addressing needs and gaps and broadening equitable access to domestic and international finance, when combined with other supportive actions, can act as a catalyst for accelerating adaptation and mitigation, and enabling climate resilient development (*high confidence*). If climate goals are to be achieved, and to address rising risks and accelerate investments in emissions reductions, both adaptation and mitigation finance would need to increase many-fold (*high confidence*). {4.8.1}

CHAIRMAN AND MANAGING DIRECTOR'S/ CHIEF EXECUTIVE OFFICER'S STATEMENT

cont'd

C. Responses in the Near Term *cont'd*

Finance, Technology and International Cooperation *cont'd*

C.7.2 Increased access to finance can build capacity and address soft limits to adaptation and avert rising risks, especially for developing countries, vulnerable groups, regions and sectors (*high confidence*). Public finance is an important enabler of adaptation and mitigation, and can also leverage private finance (*high confidence*). Average annual modelled mitigation investment requirements for 2020 to 2030 in scenarios that limit warming to 2°C or 1.5°C are a factor of three to six greater than current levels⁵⁶, and total mitigation investments (public, private, domestic and international) would need to increase across all sectors and regions (*medium confidence*). Even if extensive global mitigation efforts are implemented, there will be a need for financial, technical, and human resources for adaptation (*high confidence*). {4.3, 4.8.1}

C.7.3 There is sufficient global capital and liquidity to close global investment gaps, given the size of the global financial system, but there are barriers to redirect capital to climate action both within and outside the global financial sector and in the context of economic vulnerabilities and indebtedness facing developing countries. Reducing financing barriers for scaling up financial flows would require clear signalling and support by governments, including a stronger alignment of public finances in order to lower real and perceived regulatory, cost and market barriers and risks and improving the risk-return profile of investments. At the same time, depending on national contexts, financial actors, including investors, financial intermediaries, central banks and financial regulators can shift the systemic underpricing of climate-related risks, and reduce sectoral and regional mismatches between available capital and investment needs. (*high confidence*) {4.8.1}

C.7.4 Tracked financial flows fall short of the levels needed for adaptation and to achieve mitigation goals across all sectors and regions. These gaps create many opportunities and the challenge of closing gaps is largest in developing countries. Accelerated financial support for developing countries from developed countries and other sources is a critical enabler to enhance adaptation and mitigation actions and address inequities in access to finance, including its costs, terms and conditions, and economic vulnerability to climate change for developing countries. Scaled-up public grants for mitigation and adaptation funding for vulnerable regions, especially in Sub-Saharan Africa, would be cost-effective and have high social returns in terms of access to basic energy. Options for scaling up mitigation in developing countries include: increased levels of public finance and publicly mobilised private finance flows from developed to developing countries in the context of the USD 100 billion-a-year goal; increased use of public guarantees to reduce risks and leverage private flows at lower cost; local capital markets development; and building greater trust in international cooperation processes. A coordinated effort to make the post-pandemic recovery sustainable over the longer-term can accelerate climate action, including in developing regions and countries facing high debt costs, debt distress and macroeconomic uncertainty. (*high confidence*) {4.8.1}

⁵⁵ Finance originates from diverse sources: public or private, local, national or international, bilateral or multilateral, and alternative sources. It can take the form of grants, technical assistance, loans (concessional and non-concessional), bonds, equity, risk insurance and financial guarantees (of different types).

⁵⁶ These estimates rely on scenario assumptions.

C.7.5 Enhancing technology innovation systems can provide opportunities to lower emissions growth, create social and environmental co-benefits, and achieve other SDGs. Policy packages tailored to national contexts and technological characteristics have been effective in supporting low-emission innovation and technology diffusion. Public policies can support training and R&D, complemented by both regulatory and market-based instruments that create incentives and market opportunities. Technological innovation can have trade-offs such as new and greater environmental impacts, social inequalities, overdependence on foreign knowledge and providers, distributional impacts and rebound effects⁵⁷, requiring appropriate governance and policies to enhance potential and reduce trade-offs. Innovation and adoption of low-emission technologies lags in most developing countries, particularly least developed ones, due in part to weaker enabling conditions, including limited finance, technology development and transfer, and capacity building. (*high confidence*) {4.8.3}

CHAIRMAN AND MANAGING DIRECTOR'S/ CHIEF EXECUTIVE OFFICER'S STATEMENT

cont'd

C. Responses in the Near Term *cont'd*

Finance, Technology and International Cooperation *cont'd*

C.7.6 International cooperation is a critical enabler for achieving ambitious climate change mitigation, adaptation, and climate resilient development (*high confidence*). Climate resilient development is enabled by increased international cooperation including mobilising and enhancing access to finance, particularly for developing countries, vulnerable regions, sectors and groups and aligning finance flows for climate action to be consistent with ambition levels and funding needs (*high confidence*). Enhancing international cooperation on finance, technology and capacity building can enable greater ambition and can act as a catalyst for accelerating mitigation and adaptation and shifting development pathways towards sustainability (*high confidence*). This includes support to NDCs and accelerating technology development and deployment (*high confidence*). Transnational partnerships can stimulate policy development, technology diffusion, adaptation and mitigation, though uncertainties remain over their costs, feasibility and effectiveness (*medium confidence*). International environmental and sectoral agreements, institutions and initiatives are helping, and in some cases may help, to stimulate low GHG emissions investments and reduce emissions (*medium confidence*). {2.2.2, 4.8.2}

57 Leading to lower net emission reductions or even emission increases.

SCBUILD/0109 CORE BUSINESS

SCBUILD/0109 Group's main focus on its core businesses are Construction and its related industries including Renewable Energy On Solar Power Plants, Solar Power On The Roofs, Affordable Houses, Infrastructure Works and Its Related Businesses.

SCBUILD/0109 is looking to diversify its businesses by venturing into Electric Vehicles (EV) Chargers And Its Related Industries And Businesses.

Presently, SCBUILD/0109 Group has an outstanding order book of approximately RM3.5 million. SCBUILD/0109 BEGIN MOVING FORWARD YEAR 2020 TO 2030 will continue to look for more Construction and related activities including Investment on Renewable Energy On Solar Power Plants, Solar Power On The Roofs, Affordable Houses, Infrastructure Works And Its Related Businesses to strengthen the financial performance of SCBUILD/0109 Group.

SCBUILD/0109 PROSPECT

The Group is focusing its efforts to increase its construction contract and will continue to secure more contract as well as to improve the future performance of the Group. In addition, the Group is exploring other business opportunities including acquisition of company that is in the business of construction and its related industry, venturing into the business of Renewable Energy (RE) in solar power generation that would contribute positively to the Group.

Besides, the Group will also be strengthening its manpower with relevant expertise in construction industry to tender construction jobs and to submit proposals to government for affordable housing projects and other construction related projects.

Despite the prevailing challenges faced by the Group in the construction industry, the Group is optimistic in the outlook for the Group in the coming years.

SCBUILD/0109 Prospect in line with BUY SCBUILD/0109 AT BURSA MALAYSIA, OUR FUTURE AND OUR FUTURE GENERATIONS AT SCBUILD/0109, INVEST SCBUILD/0109 FOR LONG TERM IN MALAYSIA, ASEAN MEMBER COUNTRIES IN ASIA > SCBUILD/0109 COMMITTED TO BUILD ENVIRONMENTAL • SOCIAL • GOVERNANCE ESG INITIATIVES PROJECTS > SCBUILD/0109 BEGIN MOVING FORWARD YEAR 2020 TO 2030 > SCBUILD/0109 COMMITTED TO ACHIEVE NET ZERO CARBON EMISSION YEAR 2050 > SCBUILD/0109 SHAREHOLDERS UNITED • BEYOND YEAR 2100.

CHAIRMAN AND MANAGING DIRECTOR'S/ CHIEF EXECUTIVE OFFICER'S STATEMENT

cont'd

SCBUILD/0109 PROSPECT *cont'd*

On 15 December 2020, the Company had written to Employees Provident Fund (EPF) inviting EPF to subscribe to the Company's private placement announced on 2 October 2020. Despite EPF did not subscribe to the private placement, The Management of EPF noted the initiative of SCBUILD/0109 in taking responsibility for the challenge of Environment, Social and Governance (ESG) via their letter dated 28 December 2020.

"Pengurusan KWSP mengambil maklum inisiatif syarikat SC Estate Builder Berhad (SCEBB) dalam usaha memikul tanggungjawab bersama memenuhi tuntutan cabaran 'Environment, Sosial and Governance' atau ESG pada masa ini."

SCBUILD/0109 proposes Multiple Effect Solutions for 2020 Year Global Crisis on Climate Change and Coronavirus Pandemic Across The World to Create Safety, Healthy, Wealthy for The Peoples and Planet.

SCBUILD/0109 is a Shariah Compliant Company Listed On ACE Market Of Bursa Malaysia since 29 November 2005. SCBUILD/0109 Group's Core Business is Construction and its related industries including Renewable Energy (RE) On Solar Power Plants, Solar Power On The Roofs, Affordable Houses, Infrastructure Works And Its Related Businesses.

SCBUILD/0109 is looking to diversify its businesses by venturing into Electric Vehicles (EV) Chargers And Its Related Industries And Businesses.

SCBUILD/0109 strives to Secure more contracts from The Government and Private Sector on its Core Business Construction and its related Industries including Investment on Renewable Energy (RE) on Solar Power Plants, Solar Power On The Roof, Affordable Houses, Infrastructures works, EV Chargers And Its Related Industries And Businesses to replenish SCBUILD/0109's order book as well as to continue improve performance of the Group.

SCBUILD/0109 Believes Renewable Energy (RE) on Solar Power Plants, Solar Power On The Roofs, Affordable Houses, Infrastructures Works, EV Chargers And Its Related Industries And Businesses will contribute positively to the Group.

SCBUILD/0109 is optimistic in the Outlook for the Group in the coming years with the expansion into Renewable Energy (RE) on Solar Power Plants, Solar Power On The Roofs, Affordable Houses, Infrastructures works and Its Related Business under Environment, Social and Governance (ESG) initiative projects that Solutions On Climate Change On Global Warning And Flooding.

SC Estate IBS Sdn. Bhd., a wholly-owned subsidiary of the Company had received a letter of award dated 15 January 2021 from Merchant Esteem Sdn. Bhd. for the proposed Prototyping Solar Power On The Roofs on one unit of terrace/shop houses and proposed financing, building and completion of 28 units single storey terrace/shop houses at town of Alor Setar, state of Kedah Darul Aman, Malaysia.

On 27 January 2021, SC Estate Energy Sdn. Bhd., a subsidiary of SCBUILD/0109 had obtained Approval From Sustainable Energy Development Authority (SEDA) to be listed under the Registered Solar PV Investor Directory.

SCBUILD/0109 is Confident that the Group has made some achievement in Year 2021 as above and can achieve better performance in the future in line with SCBUILD/0109 2020 – 2030 Year Moving Forward Businesses Plans as follows:

SCBUILD/0109 2020 – 2030 YEAR MOVING FORWARD BUSINESSES PLANS

LEVEL

TARGETS PROPOSED

0. SCBUILD/0109 2020 – 2030 YEAR Committed To Net-Zero Carbon Emission By 2050 Proposes Multiple Effect Solutions On Climate Change And Target To Build 2,000 Megawatt (MW) to 3,000 Megawatt (MW) Of Solar Power Plants And Solar Power On The Roofs In Malaysia, ASEAN Members Countries And In Asia.
1. SCBUILD/0109 2020 – 2030 YEAR Fundraising Of RM2Billion To RM3Billion To Finance Construction And Related Industries Including Renewable Energy On Solar Power Plants, Solar Power On The Roofs, Affordable Houses, Infrastructure Works, EV Chargers And Its Related Industries And Businesses.. Lease Or Purchase Of Lands, Working Capitals, General Expenses, Operating Costs, Acquisition Of Construction And Related Businesses, Shares Buy Back And Etc.

CHAIRMAN AND MANAGING DIRECTOR'S/ CHIEF EXECUTIVE OFFICER'S STATEMENT

cont'd

SCBUILD/0109 2020 – 2030 YEAR MOVING FORWARD BUSINESSES PLANS *cont'd*

2. SCBUILD/0109 2020 – 2030 YEAR Merger And Acquisition (M & A) With Construction And Related Industries Including Renewable Energy On Solar Power Plants, Solar Power On The Roofs, Affordable Houses, Infrastructure Works, EV Chargers And Its Related Industries And Businesses.
3. SCBUILD/0109 2020 – 2030 YEAR Target To Build 2,000 Megawatt (MW) To 3,000 Megawatt (MW) Of Solar Power Plants For Multiple Effect Solutions On Climate Change In Malaysia, ASEAN Members Countries And In Asia.
4. SCBUILD/0109 2020 – 2030 YEAR Target To Build 2,000 Units To 3,000 Units Of Affordable Houses With Solar Power On The Roofs, 2 Meters Social Distance Walkway And Bicycle Lane With Internet Connectivity For Multiple Effect Solutions On Climate Change And Coronavirus Pandemic To Create Safety, Healthy, Wealthy For The Peoples And Planet.
5. SCBUILD/0109 2020 – 2030 YEAR Committed To Government Of Malaysia Shared Prosperity Vision 2030, Proposals That Submitted By SCBUILD/0109 To Government of Malaysia For The Proposed Infrastructure Works That Awarded From Malaysia Government To SCBUILD/0109 Will Be Allocated 40% Of The Works To Bumiputera Usahawan And Young Entrepreneurs At The Age Of 20s-30s.
6. SCBUILD/0109 2020 – 2030 YEAR To Build Shareholders And Investors Relationship Also Related Promotions In Malaysia, ASEAN Members Countries And In Asia As Well As America, Europe And United Kingdom (UK) To Invest In OUR FUTURE AND OUR FUTURE GENERATIONS @ SCBUILD/0109 Stocks And Funding For Multiple Effect Solutions On Climate Change And Coronavirus Pandemic Across The World To Create Safety, Healthy And Wealthy For The Peoples And Planet.
7. SCBUILD/0109 2020 – 2030 YEAR To Use Advance Technologies, Smart Phones, Computers, Internet, Artificial Intelligence (AI), Automations, Robotics, Future Technologies And Etc. For Multiple Effect Solutions On Businesses, Climate Change And Coronavirus Pandemic Across The World To Create Safety, Healthy And Wealthy For The Peoples And Planet.
8. SCBUILD/0109 2020 – 2030 YEAR To Apply SCBUILD/0109 TOOLS OF 3S (Simple, Strong And Solid) Simple Business, Strong Organization And Solid Assets And 3M (Multiple, Maximum And Minimum) Multiple Income, Maximum Profit And Minimum Cost For All SCBUILD/0109 Businesses.
9. SCBUILD/0109 2020 – 2030 YEAR To Welcome Younger Generation Age Of 20s- 30s To Invest In SCBUILD/0109 Stocks And Also Proposals From SCBUILD/0109 Shareholders and Investors That Can Make Businesses Profitable And Increase In Share Price In line With OUR FUTURE AND OUR FUTURE GENERATIONS @ SCBUILD/0109 > INVEST FOR LONG TERM > MOVING FORWARD 2020-2030 > UNITED • BEYOND 2100.

SCBUILD/0109 CORPORATE DEVELOPMENT

To be Announce in Year 2023 to 2024.

DIVIDEND

The Board of Directors do not recommend a dividend for the FYE 2023.

CHAIRMAN AND MANAGING DIRECTOR'S/ CHIEF EXECUTIVE OFFICER'S STATEMENT

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APPRECIATION & ACKNOWLEDGEMENT

On behalf of the Board, I would like to take the opportunity to welcome the newly joined Directors, namely Dato' Bijaya Indera Dato' Paduka Haji Syed Unan Mashri Bin Syed Abdullah and Mr. Chu Wooi Siong to the Board of Directors.

I wish to express my sincere gratitude to my fellow Directors, and Management team for their trust and support in the past year and continue to empower me as Chairman, Managing Director and Chief Executive Officer to lead SCBUILD/0109 and in line with BUY SCBUILD/0109 AT BURSA MALAYSIA, OUR FUTURE AND OUR FUTURE GENERATIONS AT SCBUILD/0109, INVEST SCBUILD/0109 FOR LONG TERM IN MALAYSIA, ASEAN MEMBER COUNTRIES IN ASIA > SCBUILD/0109 COMMITTED TO BUILD ENVIRONMENTAL • SOCIAL • GOVERNANCE ESG INITIATIVES PROJECTS > SCBUILD/0109 BEGIN MOVING FORWARD YEAR 2020 TO 2030 > SCBUILD/0109 COMMITTED TO ACHIEVE NET ZERO CARBON EMISSION YEAR 2050 > SCBUILD/0109 SHAREHOLDERS UNITED • BEYOND YEAR 2100.

Further, I would like to extend my sincere appreciation to our customers, suppliers, business associates, the financiers, the government agencies and regulatory authorities for their continued support to SCBUILD/0109.

I would also like to express my sincere appreciation to our esteemed shareholders for your continued support, confidence and trust in me and to lead SCBUILD/0109. I will continue to work hard to provide better shareholder value to each and every one of you.

Lastly, I wish to express my deepest gratitude to the SCBUILD/0109's management team and our staff for their unwavering support and commitments.

LOH BOON GINN

AHLI MAHKOTA KEDAH

CHAIRMAN AND MANAGING DIRECTOR / CHIEF EXECUTIVE OFFICER OF SCBUILD/0109

MANAGEMENT DISCUSSION AND ANALYSIS

SCBUILD/0109 FINANCIAL PERFORMANCE

On 22 August 2022, the Board of Directors announced that SCBUILD/0109's FYE had changed from 31 January to 31 July and the new financial period commences from 1 August 2021 to 31 January 2023, covering a period of 18 months. Thereafter, the financial year of SCBUILD/0109 shall revert to 12 months ending 31 January, for each subsequent year.

For the FYE 2023, SCBUILD/0109 Group involved in Construction and its related industries including Renewable Energy On Solar Power Plants, Solar Power On The Roofs, Affordable Houses, Infrastructure Works And Related Businesses.

For the FYE 2023, the SCBUILD/0109 Group recorded revenue of RM2.474 million which represents a decrease of RM0.877 million or approximately 26% as compared to the revenue of RM3.351 million for the FYE 31 July 2021. The decrease in revenue was mainly attributable to the slow progress in SCBUILD/0109 Group's construction works progress. Despite the decrease in construction revenue, the Group managed to increase its revenue from building materials segment.

SCBUILD/0109 Group recorded a loss before tax of RM3.51 million for the FYE 2023 as compared to the restated loss before tax of RM1.733 million for the FYE 31 July 2021. The loss before tax recorded during the FYE 2023 was mainly attributable to the following:-

- i. Lower gross profit of RM0.234 million in line with the lower revenue recorded for the financial year under review, which represents a decrease of RM0.243 million as compared to the gross profit of RM0.477 million for the FYE 31 July 2021; and
- ii. The Group incurred operating expenses of RM3.831 million during the financial year from 01 August 2021 to 31 January 2023 compared to FYE 31 July 2021 the Group incurred operating expenses of RM2.245 million.

SCBUILD/0109 Group incurred loss after tax of RM3.986 million for the FYE 2023 as a result of loss before tax from continuing operations of RM3.51 million and income tax expense of RM0.476 million.

SCBUILD/0109 CORE BUSINESS

SCBUILD/0109 Group's main focus on its core businesses are Construction and its related industries including Renewable Energy On Solar Power Plants, Solar Power On The Roofs, Affordable Houses, Infrastructure Works and Its Related Businesses.

SCBUILD/0109 is looking to diversify its businesses by venturing into Electric Vehicles (EV) Chargers And Its Related Industries And Businesses.

Presently, SCBUILD/0109 Group has an outstanding order book of approximately RM3.5 million. SCBUILD/0109 BEGIN MOVING FORWARD YEAR 2020 TO 2030 will continue to look for more Construction and related activities including Investment on Renewable Energy On Solar Power Plants, Solar Power On The Roofs, Affordable Houses, Infrastructure Works And Its Related Businesses to strengthen the financial performance of SCBUILD/0109 Group.

SC Estate IBS Sdn. Bhd., a wholly-owned subsidiary of the Company had received a letter of award dated 15 January 2021 from Merchant Esteem Sdn. Bhd. for the proposed Prototyping Solar Power On The Roofs on one unit of terrace/shop houses and proposed financing, building and completion of 28 units single storey terrace/shop houses at town of Alor Setar, state of Kedah Darul Aman, Malaysia.

On 27 January 2021, SC Estate Energy Sdn. Bhd., a subsidiary of SCBUILD/0109 had obtained approval from Sustainable Energy Development Authority (SEDA) to be listed under the Registered Solar PV Investor Directory.

MANAGEMENT DISCUSSION AND ANALYSIS

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On 5 October 2021, SCBUILD/0109 entered into a Memorandum of Understanding (MOU) with the following Kedah Royalty in relation to the proposed acquisition by the Company of a piece of land to build 100 Megawatt (MW) Solar Power Plant or Environment, Social and Governance (ESG) initiative projects:-

- Yang Teramat Mulia Dato' Seri Diraja Tan Sri Tunku Puteri Intan Safinaz Binti Almarhum Sultan Abdul Halim Mu'adzam Shah;
- Yang Teramat Mulia Tunku Sakinah Binti Sultan Badlishah; and
- Yang Maha Mulia Che Puan Besar Hajah Haminah Binti Haji Hamidun.

SCBUILD/0109 PROSPECT

The Group is focusing its efforts to increase its construction contract and will continue to secure more contract as well as to improve the future performance of the Group. In addition, the Group is exploring other business opportunities including acquisition of company that is in the business of construction and its related industry, venturing into the business of Renewable Energy (RE) in solar power generation that would contribute positively to the Group.

Besides, the Group will also be strengthening its manpower with relevant expertise in construction industry to tender construction jobs and to submit proposals to government for affordable housing projects and other construction related projects.

Despite the prevailing challenges faced by the Group in the construction industry, the Group is optimistic in the outlook for the Group in the coming years.

SCBUILD/0109 Prospect in line with BUY SCBUILD/0109 AT BURSA MALAYSIA, OUR FUTURE AND OUR FUTURE GENERATIONS AT SCBUILD/0109, INVEST SCBUILD/0109 FOR LONG TERM IN MALAYSIA, ASEAN MEMBER COUNTRIES IN ASIA > SCBUILD/0109 COMMITTED TO BUILD ENVIRONMENTAL ● SOCIAL ● GOVERNANCE ESG INITIATIVES PROJECTS > SCBUILD/0109 BEGIN MOVING FORWARD YEAR 2020 TO 2030 > SCBUILD/0109 COMMITTED TO ACHIEVE NET ZERO CARBON EMISSION YEAR 2050 > SCBUILD/0109 SHAREHOLDERS UNITED ● BEYOND YEAR 2100.

SCBUILD/0109 Group has initiated an expansion plan in 2020 Year venture into Renewable Energy Sector in particular on Solar Power Plants and Solar Power On The Roofs. This expansion plan not only allows the SCBUILD/0109 Group to penetrate broader spectrum of revenue but also enables SCBUILD/0109 Group to contribute to the Government's Policy to achieve 31% Renewable Energy target by 2025 and 40% by 2035.

With the expected increase of energy demand, more fossil fuels will be consumed to generate electricity. These fossil fuels will increase the generation of CO₂ and contribute negatively to Climate Change and counterproductive to the countries effort in reducing Green House Gas emissions target set in the Paris Agreement where Malaysia has committed to reduce Greenhouse Gas (GHG) emissions by 45% by 2030 in relation to our 2005 GDP.

SCBUILD/0109 in line with SCBUILD/0109 2020-2030 Year Moving Forward Businesses Plan seeks to achieve profitability with its strategies for its business expansion plan and strives to continuously working towards the improvement in the financial performance of SCBUILD/0109 Group.

Management of SCBUILD/0109

CORPORATE GOVERNANCE

OVERVIEW STATEMENT

The Board is pleased to present this Corporate Governance (“CG”) Overview Statement (“Statement”) to provide the investors with an overview of the CG practices adopted by the Company in achieving the intended outcomes as set out in the MCCG with reference to the three (3) key principles under the stewardship of the Board as follows:-

- a) Principle A: Board leadership and effectiveness;
- b) Principle B: Effective audit and risk management; and
- c) Principle C: Integrity in corporate reporting and meaningful relationship with stakeholders.

This Statement also serves as a compliance with Rule 15.25(1) of the ACE LR and should be read together with the CG Report of the Company for FYE 2023.

The CG Report 2023 is available for viewing on the Company’s corporate website at www.scestatebuilder.com.my.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I. BOARD RESPONSIBILITIES

Intended Outcome 1.0

Every company is headed by a board, which assumes responsibility for the company’s leadership and is collectively responsible for meeting the objectives and goals of the company.

1. Duties and responsibilities of the Board

The Board is responsible for the leadership, oversight and the long-term success of the Group.

Certain responsibilities of the Board are delegated to other Board Committees namely, the Audit Committee (“AC”), Nomination Committee (“NC”), Remuneration Committee (“RC”) and Risk Management Committee (“RMC”) to assist the Board in the deliberation of key issues and/or decision making within their TOR.

The Board keeps itself abreast of the key issues and/or decisions made through the reports made by Chairman of each Committee and Board Committee Minutes of the applicable period.

It is the general policy of the Company that all major decisions be considered by the Board as a whole.

To ensure the effective discharge of its function and duties, the primary responsibilities of the Board include (but are not limited to) the following:-

- a) Promote good governance culture;
- b) Review of Management’s proposals and business/strategic plans;
- c) Oversee of business operations and performance tracking;
- d) Review framework for internal controls and risk management;
- e) Identification of principal risks and implementation of appropriate internal control and mitigation measures;
- f) Succession planning and continuing development;
- g) Procedures for effective communication with stakeholders; and
- h) Ensure integrity of financial and non-financial reporting.

2. Key responsibilities of the Chairman

Mr. Loh Boon Ginn is the Chairman of the Board and Managing Director/Chief Executive Officer, and his key responsibilities as a Chairman, include but not limited to the following:-

- a) Demonstrates leadership for the Board in discharging its duties and responsibilities effectively.
- b) Ensures that the Notice of the Board Meeting is issued at least seven (7) days prior to the Meeting, unless consent by all Directors on the shorter notice.
- c) Leads the conduct of the Board Meetings and initiates discussion within the Board. Stimulates participation and sharing of views and ideas from different perspectives by the Directors and ensures all views will be taken into consideration during the decision-making process by the Board.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

I. BOARD RESPONSIBILITIES *cont'd*

2. Key responsibilities of the Chairman *cont'd*

- d) Acts as the intermediary between the Board and the Management by coordinating smooth communication flow between both parties.
- e) Chairs the general meetings of the Company and commits to answering the queries from the shareholders.
- f) Communicates the views from the stakeholders to the Board as a whole, for consideration or improvement, if any.
- g) Leads the Board to ensure compliance with all relevant laws and regulations, and to the best of their effort, promote and implement good governance practices within the organisation.

3. Separation of the position of the Chairman and Managing Director

The Board is mindful of the dual role of Chairman and Managing Director (“MD”) held by Mr. Loh Boon Ginn and is of the view that there are sufficient experienced and independent- minded Directors on the Board to provide sufficient check and balance. This allows for effective oversight of the Management as well as to support objective and independent deliberation, review and decision making.

The Board noted the combination of the positions of the Chairman and the MD is essential for the commercial environment that the Group is currently operating. Such combination of roles renders creditability and confidence to third party(ies) on the authority of the Chairman and MD for successful conclusion of commercial deals/transactions.

4. Company Secretary

The Board is supported by a suitably qualified and competent Company Secretary who is responsible for ensuring that the Company’s Constitution, procedures and policies and regulations are complied with.

The Board has unrestricted access to the advice and services of the Company Secretaries in relation to Board policies and procedures, compliance of applicable rules and regulations by the Group and corporate governance related practices. The Company Secretary have and will continue to constantly keep himself abreast on matters concerning company law, the capital market, corporate governance, and other pertinent matters, and with changes in the regulatory environment, through continuous training and industry updates.

The Board is satisfied with the performance and support rendered by the Company Secretaries to the Board in discharging its functions.

5. Timely circulation of meeting materials

The Board fixes the forthcoming year annual meeting schedule by the end of every year and upon confirmation by the Board, it will be disseminated to the Management.

The Notice of the scheduled Board Meeting is served to the Directors at least seven (7) days prior to the Board Meeting, unless consent by all the Directors on shorter notice and waiver of notice.

A comprehensive meeting papers comprising background, matters arising, research, analysis, findings/ updates, results, presentations, recommendations and any other relevant information are prepared and circulated to the Directors in both hardcopy and electronic form via e-mail, prior to the Board Meeting, to enable the Board to make considerations, deliberations and decisions.

Intended Outcome 2.0

There is demarcation of responsibilities between the board, board committees and management.

There is clarity in the authority of the board, its committees and individual directors.

CORPORATE GOVERNANCE

OVERVIEW STATEMENT

cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

I. BOARD RESPONSIBILITIES *cont'd*

6. Board Charter

In compliance with Practice 2.1 of the MCGG, the Board has a Board Charter outlining the authority, responsibilities, membership, and operation of the Board, adopting principles of good corporate governance and practice, in accordance with applicable laws in Malaysia. The Board Charter entails, inter alia, the following main items:-

- a) Role of Board;
- b) Relationship with Management;
- c) Responsibilities of the Board;
- d) Matters reserved for the Board; and
- e) Structure of the Board

The Board Charter is applicable to all Directors of the Company and, amongst other things, provides that all Directors must avoid conflicts of interest between their private financial activities and their part in the conduct of Company's business.

The Board Committees in performing their responsibilities delegated by the Board would be guided by the TOR of each of the Committees as approved by the Board.

The Board Charter is to be regularly reviewed by the Board as and when required in order to ensure the Board remains consistent with the Board's objectives and responsibilities and any new regulations that may have an impact on the discharge of the Board's responsibilities, more important, aligning with the Company's business strategy.

The Board Charter is available for viewing under the "Investor Relation" section of the Company's corporate website at www.scestatebuilder.com.my.

Intended Outcome 3.0

The Board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

The board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.

7. Code of Ethics and Conduct

In compliance with Practice 3.1 of the MCGG, the Board has established a Code of Ethics and Conduct ("the Code") which sets forth the ethical and professional standards to maintain the highest level of integrity and ethical conduct of the Board, Management and employees of the Group and to provide guidance to ensure that upholding the ethical conduct in the Board and/or employees' daily work.

The Code of Ethics and Conduct sets out the general principles and standards of business conduct and ethical behaviour for the Directors and employees of the Group in the performance and exercise of their responsibilities or when representing the Group and includes the expectation of professionalism and trustworthiness from the Directors and employees of the Group.

Handling of Reported Allegation(s)

The AC is responsible for the interpretation and supervision of the enforcement of the Code. The action to be taken by the Group in response to a report of concern under the Code will depend on the nature of the concern. The AC upon receiving the information on each report of concern shall ensure that follow-up actions be taken accordingly.

The Code is available for viewing under the "Investor Relations" section of the Company's corporate website at www.scestatebuilder.com.my

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

I. BOARD RESPONSIBILITIES *cont'd*

8. Whistleblowing Policy

The Board has adopted a Whistleblowing Policy which allows an employee/officer or stakeholder to report or disclose through established channels, the concerns about any violations of the Code, unethical behaviour, and wrong doings he may observe in the Group.

The AC has been tasked with the review of whistleblowing reports either made through the Company following established communication and feedback channels or through any other means.

The Whistleblowing Policy is available for viewing under the “Investor Relations” section of the Company’s corporate website at www.scestatebuilder.com.my.

9. Anti-Bribery and Corruption Policy

The Board had on 30 May 2020 adopted an Anti-Bribery and Corruption Policy which provides principles, guidelines and requirements on how to deal with corrupt and bribery practices that may arise in the course of daily business and operation activities within the Group.

The aforesaid Anti-Bribery and Corruption Policy is available at the Company’s corporate website at www.scestatebuilder.com.my.

II. BOARD COMPOSITION

Intended Outcome 4.0

Board decisions are made objectively in the best interests of the company considering diverse perspectives and insights.

10. Size and composition of the Board

The Board is comprised of twelve (12) members, including six (6) INEDs, one (1) NINED, four (4) executive directors, and one (1) Chairman of the Board and Managing Director.

The current Board structure ensures that no individual or group of individuals dominates the Board’s decision-making process. The composition of the Board provides an effective blend of entrepreneurship, business and professional expertise in general management, finance, corporate affairs, legal and technical areas of the industry in which the Group operates. The individuality and vast experience of the Directors in arriving at collective decisions at Board level will ensure impartiality.

11. Tenure of Independent Directors

The NC assessed the independence of the INEDs and monitors their tenure annually.

None of the Independent Directors has exceeded the tenure of a cumulative term of nine (9) years in the Company as at the LPD. At present, the Group does not have a formal policy to limit the tenure of independent directors to nine (9) years. However, the Board is mindful of the recommendation in the MCCG to ensure effectiveness of Independent Directors.

CORPORATE GOVERNANCE

OVERVIEW STATEMENT

cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

II. BOARD COMPOSITION *cont'd*

12. Procedures for appointment of Directors and Senior Management

It is the responsibility of the NC to identify and evaluate potential candidates for Director positions and provide recommendations to the Board for their appointment.

To guarantee that the Board has the necessary expertise and composition to achieve its objectives, the NC has established a protocol for Director appointments, which includes the following:

Stage 1 Review of the potential candidate based on the following criteria	Stage 2 Board Gaps Review	Stage 3 Recommendation to the Board
<ul style="list-style-type: none"> • Qualifications; • Skills And Competence; • Functional Knowledge; • Experience; • Character; • Gender Diversity; • Integrity and professionalism; and • Time commitment. 	<ul style="list-style-type: none"> • The Overall Composition of the Board; • Combination of Skills of Existing Directors; and • Any regulatory requirements and/or best practices available 	<ul style="list-style-type: none"> • Recommendation to be submitted to the Board for consideration and approval.

Identification of candidates for the appointment of Directors is facilitated through recommendations from the Directors, Management or external parties including the Company's contacts in related industries, finance, legal and accounting professions.

On the last 17th AGM, the following Directors were not re-elected by the Shareholders by way of Poll vote. Subsequently, they were re-appointed to the Board by the remaining Directors via Special Board meeting:

Name	Directorate	Date of ceased as a director	Date of reappointment
Loh Boon Ginn	Managing Director and Chairman/Chief Executive Officer	31 December 2021	31 December 2021
Kuay Jeaneve	Executive Deputy Chairperson	31 December 2021	31 December 2021
Chee Jun Ann	Executive Director	31 December 2021	31 December 2021
Kuay Jen Nie	Executive Director	31 December 2021	31 December 2021
Josipinna Binti Pudun	INED	31 December 2021	31 December 2021
Loo Tze Ming	INED	31 December 2021	31 December 2021
Chan Wei Xi	INED	31 December 2021	31 December 2021
Soo Ting Hooi	INED	31 December 2021	31 December 2021

Thereafter, YBhg. Dato' Bijaya Indera Dato' Paduka Haji Syed Unan Mashri and Mr. Chu Wooi Siong were appointed as INED of the Company on 4 January 2022 and 17 March 2023 respectively. The NC had also run through the same protocol as provided to evaluate the suitability for their appointment, prior to making recommendation to the Board for consideration.

There were no new key senior management personnel being appointed to the Company and Group during FYE 2023.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

II. BOARD COMPOSITION *cont'd*

13. Boardroom Diversity

An appointment to the Board is a long-term commitment to the Company as a truly diversified Board can enhance its effectiveness and capacity with diversity of thoughts and perspectives. The Board ensures that there is no discrimination on the basis of, but not limited to, ethnicity, race, age, gender, nationality, political affiliation, religious affiliation, sexual orientation, marital status, education, physical ability or geographic region, during the recruitment of new Board members.

As at the date of this Annual Report, the diversity in the race/ethnicity of the existing Directors and Senior Management are as follows:-

	Ethnicity			Age Group				Gender	
	Malay	Chinese	Bumiputera	21-30	31-40	41-50	61-70	Male	Female
Directors	1	8	3	2	7	2	1	6	6
Senior Management*	-	1	1	-	1	-	-	1	1

Note:

* Chairman and Managing Director and Deputy Executive Chairperson

Despite the Board not having any formalised Board Diversity Policy or Gender Diversity Policy, the Board has indicated its commitment to boardroom diversity by the appointments with age and gender diversity.

14. Board Committees

The Board has delegated certain responsibilities to the Board Committees to assist in discharging its fiduciary duties. All the Board Committees operate within clearly defined TOR:

i. Nomination Committee

Name	Designation	Directorate
Soo Ting Hooi	Chairman	INED
Chan Wei Xi	Member	INED
Loo Tze Ming	Member	INED
Josipinna Binti Pudun	Member	INED

The NC is governed by its TOR of NC which outlines its remit, duties and responsibilities and the same is available for viewing under the "Investor Relation" section of the Company's corporate website at www.scestatebuilder.com.my.

a) Summary of Works

The following works were undertaken by the NC during FYE 2023:-

- 1) Reviewed and confirmed the Minutes of the NC meetings;
- 2) Examined the composition of the Board;
- 3) Reviewed the required mix of skills, experience and other qualities of the Board;
- 4) Evaluated the contribution and performance of each individual Director;
- 5) Conducted evaluation to assess the effectiveness of the Board as a whole and the Board Committees;
- 6) Reviewed the term of office of the AC and assessed its effectiveness as a whole;
- 7) Reviewed the training programmes attended by the Directors in FYE 2023 and identified the training needs of the Directors for FYE 2023;

CORPORATE GOVERNANCE

OVERVIEW STATEMENT

cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

II. BOARD COMPOSITION *cont'd*

14. Board Committees *cont'd*

i. Nomination Committee *cont'd*

a) Summary of Works *cont'd*

The following works were undertaken by the NC during FYE 2023:- *cont'd*

- 8) Reviewed the independence of the INEDs and assessed their ability to bring independent and objective judgement to Board deliberations and proposals.
- 9) Assessed the suitability for the re-election of the Directors who will be retiring at the forthcoming AGM of the Company and recommended the same to the Board for approval;
- 10) Reviewed the meeting attendance of the Board and Board Committees in FYE 2023;
- 11) Evaluated the suitability of the candidate for appointment to the Board and recommended his appointment as Director to the Board for consideration; and
- 12) Reviewed the length of service of each Independent Non-Executive Director pursuant to Practice 4.2 of the Code and to assess the independence of the INEDs.

b) Time Commitment by Directors

The NC has been tasked to review the meeting attendance of the Board and Board Committees.

The meeting attendance of the Board during FYE 2023 is as follows:

Name	No. of Board of Directors' Meetings Attended/Held	Percentage (%)
Loh Boon Ginn	7/7	100
Loh Shy Tyug	8/8	100
Loh Shy Ming	8/8	100
Kuay Jeaneve	7/7	100
Chee Jun Ann	7/7	100
Kuay Jen Nie	7/7	100
Loo Tze Ming	7/7	100
Soo Ting Hooi	7/7	100
Chan Wei Xi	7/7	100
Josipinna Binti Pudun	7/7	100
Dato' Bijaya Indera Dato' Paduka Haji Syed Unan Mashri (appointed w.e.f 4 January 2022)	2/4	50
Chu Wooi Siong (appointed on 17 March 2023)	N/A	N/A

The attendance of AC Meetings held during FYE 2023 is stated in the AC Report in this Annual Report.

The NC meets at least once in each financial year and additional meetings may be arranged at any time when necessary.

Upon review, the NC noted the Directors, to the best of their ability, have devoted sufficient time and effort to attend Board and/or Board Committee Meetings for the FYE 2023.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

II. BOARD COMPOSITION *cont'd*

14. Board Committees *cont'd*

i. Nomination Committee *cont'd*

c) Continuing Education and Training of Directors

In order for the Group to remain competitive, the Board ensures that the Directors continuously enhance their skills and expand their knowledge to meet the challenges of the Board.

The Board has cultivated the following best practices:-

- All newly appointed Directors are required to attend the Mandatory Accreditation Programme (“MAP”) as prescribed by the Listing Requirements within the stipulated timeframe;
- All Directors are encouraged to attend talks, training programmes and seminars;
- to update their knowledge on the latest regulatory and business environment;
- The Directors may be requested to attend additional training courses according to their individual needs as a Director or member of Board Committees on which they serve; and
- The Directors are briefed by the Company Secretaries on the letters issued by Bursa Securities at every Board Meeting.

All members of the Board have attended the MAP prescribed by Bursa Securities except for the newly appointed, Mr. Chu Wooi Siong who will be attending the MAP on 5-6 July 2023.

Based on the needs identified by the NC for the Directors for FYE 2023, the Directors had participated in the following training programmes:-

Director	Date	Training program
Chu Wooi Siong	21.12.2022	MIA Webinar Series: Withholding Taxes and Other Related Tax Issues
	16.12.2022	MIA Webinar Series: Preparation and Presentation of Consolidated Financial Statements
	22.12.2021	MIA Webinar Series: Budget 2022 – Key Tax Proposals
	14.12.2021	Webinar Series: 2022 Budget Seminar
	9.12.2021	MIA Webinar Series: ISA 500 & 501 Audit Evidence and Specific Considerations for Selected Items
	2.12.2021	MIA Webinar Series: Practical MPERS for Inventories, Investment Property, PPE and Intangible Assets other than Goodwill
Loh Shy Ming	5.4.2022 - 7.4.2022	M9 Business Franchise

2023 Training Needs

The NC has encouraged the Directors to attend more than one (1) continuing education programme in year 2023, whereby it should be in relation to the Listing Requirements, Companies Act 2016 or corporate governance related topics.

CORPORATE GOVERNANCE

OVERVIEW STATEMENT

cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

II. BOARD COMPOSITION *cont'd*

14. Board Committees *cont'd*

ii. Remuneration Committee

The membership of the RC and summary of the works carried out by the RC to discharge their duties during FYE 2023 are stated in Principle A, Section II Paragraph (17) of this Statement.

iii. Audit Committee

The membership, a summary of the activities of the AC and Internal Audit Function and Activities in respect of the FYE 2023 are stated in the AC Report of this Annual Report.

iv. Risk Management Committee

The membership of the RMC and their principal duties and responsibilities are stated in the Statement on Risk Management and Internal Control of this Annual Report.

Intended Outcome 5.0

Stakeholders are able to form an opinion on the overall effectiveness of the board and individual directors.

15. Annual Assessment on Effectiveness of Board and Individual Directors

In compliance with Practice 5.1 of the MCCG, the Board has delegated to the NC to carry out annual assessment on effectiveness of the Board, its committees, and each individual Director.

In FYE 2023, the Board, through the NC, has conducted the following annual assessments to determine the effectiveness of the Board, its Committees and each individual Director in respect of the FYE 2023:-

- i. Directors' self and peer's performance evaluation
- ii. Evaluation on the effectiveness of the Board and Committees

16. Annual Assessment on Independence of Directors

The Board, through the NC, carried out an annual assessment of the independence of the INEDs based on the definition in Rule 1.01 of the Listing Requirements and whether the INEDs are able to provide objective and independent views on various issues dealt with at Board and Board Committee level during FYE 2023.

The NC has received assurance from the INED, Mr. Chu Wooi Siong and YBhg. Dato' Bijaya Indera Dato' Paduka Haji Syed Unan Mashri Bin Syed Abdullah, the Letters of Declaration, confirming their independence and have undertaken to inform the Company immediately should there be any change which could interfere with the exercise of their independent judgement or ability to act in the best interest of the Company.

The Board is satisfied with the level of independence demonstrated by Mr. Chu Wooi Siong and YBhg. Dato' Bijaya Indera Dato' Paduka Haji Syed Unan Mashri Bin Syed Abdullah and their ability to act in the best interest of the Company which is to provide objective and independent views on various issues dealt with at the Board and Board Committee level. The current composition of Independent Directors fairly reflects the interest of minority shareholders in the Company through the Board representation.

Intended Outcome 6.0

The level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

Remuneration policies and decisions are made through a transparent and independent process.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

II. BOARD COMPOSITION *cont'd*

17. Remuneration Committee

The members of the RC comprises all of INED and the composition of the RC is set out as follow:-

Name	Designation	Directorate
Loo Tze Ming	Chairman	INED
Josipinna Binti Pudun	Member	INED
Chan Wei Xi	Member	INED
Soo Ting Hooi	Member	INED

The RC is governed by its TOR of RC which outlines its remit, duties and responsibilities and the same is available for viewing under the “Investor Relations” section of the Company’s corporate website at www.scestatebuilder.com.my.

a) Summary of Works

The following works were undertaken by the RC during the financial year under review:-

- Reviewed and confirmed the Minutes of the RC Meetings;
- Deliberated on the remuneration packages of the Managing Director for FYE 2023 and recommended the same to the Board for approval;
- Reviewed the Directors’ fees payable to the Directors of the Company and the Group for the FYE 2023 and recommended the same to the Board for approval;
- Reviewed the benefits payable to the Directors of the Company for the period from the day after the Seventeenth Annual General Meeting of the Company in year 2021 until the next Annual General Meeting of the Company and recommended the estimated quantum to the Board for approval.

18. Directors’ Remuneration Policy

In compliance with Practice 6.1 of the MCCG, the Board has adopted a Directors’ Remuneration Policy which sets out the criteria to be used in recommending a remuneration package that commensurate with the responsibilities of Executive Directors and Senior Management.

A copy of the updated Directors’ Remuneration Policy is available for viewing under the “Investor Relation” section of the Company’s corporate website at www.scestatebuilder.com.my.

It is the existing practice of the Company that all the Directors to abstain from deliberation and voting on fixing their own remuneration package or Directors’ fees.

Intended Outcome 7.0

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company’s performance.

CORPORATE GOVERNANCE

OVERVIEW STATEMENT

cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

II. BOARD COMPOSITION *cont'd*

19. Remuneration of Directors

For the FYE 2023, the aggregate of remuneration received and receivable by the Executive Directors and Non-Executive Directors of the Company and the Group categorised into appropriate components are as follows:-

Received from the Company

	Salaries RM	Fees RM	Benefits- in-kind RM	Others RM	Total RM
Executive Directors					
Loh Boon Ginn	584,345	-	-	412,490	996,835
Kuay Jeaneve	97,555	-	-	36,280	133,835
Chee Jun Ann	-	-	-	6,000	6,000
Kuay Jen Nie	-	-	-	6,000	6,000
Loh Shy Tyug	-	-	-	6,000	6,000
Non-Executive Directors					
Loh Shy Ming	-	-	-	6,000	6,000
Josipinna Binti Pudun	-	-	-	6,000	6,000
Loo Tze Ming	-	-	-	6,000	6,000
Soo Ting Hooi	-	-	-	6,000	6,000
Chan Wei Xi	-	-	-	6,000	6,000
Dato' Bijaya Indera Dato' Paduka Haji Syed Unan Mashri	-	-	-	-	-
Chu Wooi Siong	-	-	-	-	-
Loh Boon Zheng (resigned w.e.f. 21.12.2021)	-	-	-	6,000	6,000
Total	681,900	-	-	502,770	1,184,670

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

II. BOARD COMPOSITION *cont'd*

19. Remuneration of Directors *cont'd*

For the FYE 2023, the aggregate of remuneration received and receivable by the Executive Directors and Non-Executive Directors of the Company and the Group categorised into appropriate components are as follows *cont'd:-*

Received on Group Basis

	Salaries RM	Fees RM	Benefits- in-kind RM	Others RM	Total RM
Executive Directors					
Loh Boon Ginn	847,800	-	-	412,952	1,260,752
Kuay Jeaneve	170,100	-	-	36,280	206,380
Chee Jun Ann	-	-	-	6,000	6,000
Kuay Jen Nie	-	-	-	6,000	6,000
Loh Shy Tyug	-	-	-	6,000	6,000
Non-Executive Directors					
Loh Shy Ming	-	-	-	6,000	6,000
Josipinna Binti Pudun	-	-	-	6,000	6,000
Loo Tze Ming	-	-	-	6,000	6,000
Soo Ting Hooi	-	-	-	6,000	6,000
Chan Wei Xi	-	-	-	6,000	6,000
Dato' Bijaya Indera Dato' Paduka Haji Syed Unan Mashri	-	-	-	-	-
Chu Wooi Siong	-	-	-	-	-
Loh Boon Zheng (resigned w.e.f. 21.12.2021)	-	-	-	6,000	6,000
Total	1,017,900	-	-	503,232	1,521,132

CORPORATE GOVERNANCE

OVERVIEW STATEMENT

cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

II. BOARD COMPOSITION *cont'd*

20. Remuneration of Top Five (5) Senior Management

During FYE 2023, the Senior Management only consists of two (2) management personnel including the Chairman and Managing Director of the Company (of which his detailed remuneration has been disclosed as above and under Practice 7.1 of the CG Report).

The range of the remuneration of the top one Senior Management, by band of RM50,000/- is as follows:-

Range of Remuneration	No. of Senior Management
RM200,001 – RM250,000	1
RM1,250,001 – RM1,300,000	1

Whilst for the remaining senior management, the Board is of that view that such disclosure by named basis would have adverse effect on the Company's talent retention in the competitive industry. All senior management are remunerated based on their scope of duty and responsibilities, the Group's and individual performance and other criteria as guided by the Directors' Remuneration Policy.

The RC is of the view that the level of remuneration package of the top two (2) senior management in respect of FYE 2023 is fair and reasonable to retain and reward the talents.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

I. AUDIT COMMITTEE

Intended Outcome 9.0

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

21. Separation of the positions of the chair of the AC and Board

In compliance with Practice 9.1 of the MCCG, the AC is chaired by Ms. Josipinna Binti Pudun, and the Chairman and Managing Director of the Board is Mr. Loh Boon Ginn.

22. No appointment of former key audit partners as member

In compliance with Practice 9.2 of the MCCG, the AC has instituted a policy by way of inclusion in the TOR of the AC that requires a former key audit partner to observe a cooling-off period of at least three (3) years before being appointed as a member of the AC. The TOR of the AC has been updated accordingly in order for the AC to formalise such a policy.

For FYE 2023, there were no Board members who were former key audit partners of the Group.

As a matter of practice, the AC has recommended to the NC not to consider any former key audit partner as a potential candidate for Board directorship/AC member to affirm the AC's stand on such policy.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT *cont'd*

I. AUDIT COMMITTEE *cont'd*

23. Assessment on external auditors

The AC had formalised policies and procedures to assess the suitability, objectivity and independence of external auditors annually. The outcome of the assessment would form a basis for the AC in making a recommendation to the Board on the re-appointment of the external auditors for the ensuing year at the AGM.

The AC noted that for the FYE 2023, Messrs. ChengCo PLT had confirmed in writing that the engagement quality control reviewer and members of the engagement team in the course of their audits were and had been independent for the purpose of the audit in accordance with the terms of relevant professional and regulatory requirements.

24. Skillsets of AC

The AC conducts self and peer evaluation annually to assess the performance and skillsets of the individual AC members and their peers.

During FYE 2023, the AC members had completed the assessment on an individual basis and the results were compiled by the company secretaries and tabled for the AC's review.

Based on the results of the assessment, the AC members are financially literate and understand the Group's business. The AC as a whole, has the necessary skills and knowledge to discharge their duties.

II. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

Intended Outcome 10.0

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

25. Risk Management and Internal Control Framework

In compliance with Practice 10.1 of the MCCG, the Board has established a framework for risk management and internal control. Further details on the features of the risk management and internal control framework, and the adequacy and effectiveness of this framework have been disclosed in the Statement of Risk Management and Internal Control of this Annual Report.

During FYE 2023, the risk management and internal control functions were assumed and overseen by the RMC and the AC respectively.

Risk Management

The Risk Officer is responsible for implementing processes in identifying, evaluating, monitoring and reporting risks and internal controls which arise from daily business activities of the Group. The risk profile covering risk assessment, classification and risk ranking followed by action plans taken to mitigate the risks identified are then presented to the RMC for review on a quarterly basis. The Risk Officer together with the management ensure timely resolution of outstanding issues and implementation of action plans that are to be carried out and completed within the reasonable timeframe to mitigate the risks level.

CORPORATE GOVERNANCE

OVERVIEW STATEMENT

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PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT *cont'd*

II. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK *cont'd*

25. Risk Management and Internal Control Framework *cont'd*

Risk Management Committee

In adopting the Step-Up Practice 10.3 of the MCCG, the composition of RMC comprises a majority of Independent Directors, to oversee the company's risk management framework and policies.

The memberships of the RMC are stated in the Statement on Risk Management and Internal Control of this Annual Report.

Internal Controls

The internal controls are tested for effectiveness and efficiency in two (2) cycles per financial year by an independent outsourced internal audit function following risk-based approaches. The report of the internal audit is tabled for the AC's review and deliberations, and the audit findings will then be communicated to the Board.

For FYE 2023, the Board opined that the risk management and internal controls of the Group were effective and adequate.

26. Key Features of Risk Management and Internal Control Framework

The Statement on Risk Management and Internal Control as set out in this Annual Report provides an overview of the state and features of the risk management framework and internal control processes within the Group.

Intended Outcome 11.0

Companies have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

27. Internal Audit Function

The Group's internal audit has been outsourced to an independent service provider i.e. Vaersa Advisory Sdn. Bhd. ("Vaersa") to carry out the internal audit function. The outsourced internal auditors report directly to the AC and provide the Board with a reasonable assurance of adequacy of the scope, functions and resources of the internal audit function.

The internal audit function is independent and performs audit assignments with impartiality, proficiency and due professional care.

The internal audit review of the Group's operations encompasses an independent assessment of the Company's compliance with its internal controls and recommendations are made for further improvement.

During FYE 2023, the AC reviewed and assessed the adequacy of the scope, functions, competency and resources of the outsourced internal auditors and that they have the necessary authority to carry out their work.

Further details of the Internal Audit Function have been disclosed under the AC Report of this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

I. COMMUNICATION WITH STAKEHOLDERS

Intended Outcome 12.0

There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other's objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

28. Continuous Communication between the Company and Stakeholders

The Board has developed internal corporate disclosure practices to ensure effective communications to the investing public of which only the designated authorised spokesmen will disseminate information regarding the business, operations and financial performance of the Group to the stakeholders, to ensure the consistency and accuracy of the information.

The Board has designated a limited number of spokespersons who are responsible for communication with investment community, regulators and media.

Primary Spokesmen:-

- (i) Chairman of the Board and Managing Director/Cheif Executive Office; or failing which,
- (ii) Executive Deputy Chairperson.

II. CONDUCT OF GENERAL MEETINGS

Intended Outcome 13.0

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

29. Engagement of the Board with the Shareholders

The AGM is used as the main forum of dialogue for shareholders to raise any issues pertaining to the Company. As a good corporate governance practice, the Notice of the Eighteenth AGM is issued at least 28 days prior to the meeting.

All the members of the Board and Chairmen of the Board Committees will be present at the AGM to address the shareholders' enquiry and concerns.

The explanatory notes to the Notice of AGM also provide detailed explanation for better understanding on each resolution proposed to enable shareholders to make informed and proper decisions in exercising their voting rights.

In line with Rule 8.31A of the ACE LR on the requirement for poll voting for any resolution set out in the notice of general meetings, at the Seventeenth AGM held last year, poll voting was used to facilitate the voting process for resolutions tabled. An independent scrutineer was also appointed to scrutinise the polling process.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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KEY FOCUS AREAS AND FUTURE PRIORITIES

Looking ahead to FYE 2023 and 2024, the Board and its respective Board Committees will:-

- Focus on major strategic issues to ensure sustainability and growth;
- Continue to review the balance, experience and skills of the Board; and
- Monitor and strengthen the risk management framework and internal control.

CONCLUSION

The Board is satisfied that the Company complies substantially with the practices of the MCGG during FYE 2023 and up to LPD.

This CG Overview Statement and the CG Report are made in accordance with the resolution passed by the Directors on 25 May 2023.

ADDITIONAL COMPLIANCE INFORMATION

The information set out below are disclosed in compliance with the Ace Market Listing Requirements (“**Listing Requirements**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”).

1. RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

During the financial year under review, the Group has not entered into any recurrent related party transactions of a revenue or trading nature

2. AUDIT AND NON-AUDIT SERVICES

For the FYE 2023, the external auditors have rendered certain audit and non-audit services to the Group, a breakdown of which is listed as below for information:-

	Company (RM)	Group (RM)
Audit service rendered	65,000	115,000
Statutory audit in respect of the FYE 2023		
Non-audit services rendered	5,000	5,000
Review of the Statement on Risk management and Internal Control for Annual Report 2023		
Total	70,000	120,000

3. MATERIAL CONTRACTS

There was no material contract entered into by the Company and/or its subsidiaries involving the interest of Directors and/or major shareholders, either still subsisting at the end of the financial year or entered into since the end of the previous financial year.

AUDIT COMMITTEE REPORT

The Board presents the Audit Committee Report to provide insights on the discharge of the Audit Committee's functions during the FYE 2023, in compliance with Rule 15.15(1) of the ACE LR as well as the MCCG.

The Company and its subsidiaries have changed their Financial Year End from 31 July 2022 to 31 January 2023 and the accounts of the Group be made up from 1 August 2021 to 31 January 2023 covering 18 months.

COMPOSITION

The Audit Committee comprises five (5) members, whom are all INEDs and complied with the requirements of Paragraph 15.09(1)(a) and (b) of the ACE LR. The INEDs satisfied the test of independence under the ACE LR and also met the requirements of the MCCG. In accordance with Rule 15.09(2) of the ACE LR, no alternate Director is appointed as a member of the Audit Committee.

The current composition of the Audit Committee is as follows:

Name	Designation	Directorship
Josipinna Binti Pudun	Chairperson	INED
Chan Wei Xi	Member	INED
Soo Ting Hooi	Member	INED
Loo Tze Ming	Member	INED
Chu Wooi Siong (Appointed w.e.f 17.03.2023)	Member	INED

The Chairperson of the Audit Committee, Ms. Josipinna Binti Pudun is an INED. In this respect, the Company complies with Rule 15.10 of the ACE LR. Furthermore, in compliance with Practice 8.1 of the MCCG, the Chairperson of the Audit Committee is not the Chairman of the Board.

The newly appointed member, Mr. Chu Wooi Siong is the member of the Malaysian Institute of Accountants (MIA). In this respect, the Company complies with Rule 15.09(1)(c) of the ACE LR.

Assessment on the Term of Office and Performance of the Audit Committee

The Nomination Committee reviewed the term of office and performance of the Audit Committee to determine whether its members have carried out their duties in accordance with the TOR of Audit Committee for the FYE 2023.

Upon review, the Nomination Committee was satisfied with the overall performance of the Audit Committee and its individual members for FYE 2023. The Nomination Committee had reported its satisfaction to the Board of Directors for notation.

Formal assessment on the External Auditors

In compliance with Practice 9.3 of the MCCG, the Audit Committee has established policies and procedures to assess the suitability, objectivity and independence of the external auditors on annual basis, prior to making their recommendation to the Board of Directors whether to seek shareholders' approval at the forthcoming AGM for the re-appointment of external auditors for the ensuing year.

AUDIT COMMITTEE REPORT

cont'd

MEETINGS AND ATTENDANCES

The Audit Committee meets at least four (4) times annually. During the FYE 2023, the Audit Committee held a total of seven (7) meetings and the details of attendance of the members during the financial year were as follows: -

Name	No. of AC Meetings Attended/Held	Percentage (%)
Josipinna Binti Pudun	7/7	100
Chan Wei Xi	7/7	100
Soo Ting Hooi	7/7	100
Loo Tze Ming	7/7	100
Chu Wooi Siong (Appointed w.e.f 17.03.2023)	N/A	N/A

The Audit Committee also sought information on the communication flow between the external auditors and the Management which is necessary to allow unrestricted access to information for the external auditors to effectively perform their duties. For FYE 2023, the External Auditors confirmed to the Audit Committee that there were neither restrictive nor non-co-operative behavior exhibited by the Management during the course of their audit.

Notices of the Audit Committee Meetings were sent to the Audit Committee members in advance. Upon that, the Company Secretaries will then compile the relevant meeting papers for dissemination to the Audit Committee by email prior to the meeting date to enable the Audit Committee Members to peruse and provide their feedbacks/comments at the meeting.

All deliberations during the Audit Committee Meetings were duly minuted. Minutes of the Audit Committee Meetings were tabled for confirmation at every succeeding Audit Committee Meeting.

The Chairperson of the Audit Committee or in his/her absence, the Chairperson presented the Audit Committee's recommendations together with the respective rationale to the Board for approval of the annual audited financial statements and the unaudited quarterly financial results. As and when necessary, the Chairperson of the Audit Committee or in his/her absence, the Chairperson would convey to the Board, matters of significant concerns raised by the internal or external auditors. At every Audit Committee quarterly meeting, the Committee also reviewed the significant matters highlighted including financial reporting issues, significant judgements made by Management, significant and unusual events or transactions at the Audit Committee quarterly meetings.

TERMS OF REFERENCE

The TOR of the Audit Committee was last reviewed by the Audit Committee and adopted by the Board of Directors is in line with the ACE LR and MCCG.

A copy of the latest TOR of the Audit Committee is available for viewing under "Investors Relations" section of the Company's website at www.scestatebuilder.com.my.

AUDIT COMMITTEE REPORT

SUMMARY OF WORKS

During the financial year under review, the activities of the Audit Committee included the following: -

1. Overview of Financial Performance and Reporting

- Reviewed the unaudited quarterly financial results for the quarters ended 31 July 2021, 31 October 2021, 31 January 2022, 30 April 2022, 31 July 2022, 31 October 2022, and 31 January 2023 and recommended the same to the Board of Directors for approval.
- Reviewed the annual budget of the Group for FYE 2023 and deliberated on the assumptions made in preparing the annual budget and recommended the same to the Board of Directors for approval and adoption.
- Reviewed the financial performance and financial highlights of the Group on quarterly basis.
- Reviewed the identified significant matters pursuant to Rule 15.12(1)(g)(ii) of the ACE LR which took effect on 1 July 2016.
- Reviewed the draft audited financial statements for the FYE 2023 and recommended the same to the Board of Directors for approval.
- Reviewed the Group's compliance with the accounting standards and relevant regulatory requirements.
- Reviewed the budget variance report of the Group.

2. Oversight of External Auditors

- Reviewed the effectiveness, suitability and independence of the external auditors vide a formalised "Assessment on External Auditors" and upon reviewed and being satisfied with the results of the said assessment, the same has been recommended to the Board of Directors for approval.
- Discussed and reviewed with the external auditors, the applicability and the impact of the new accounting standards and new financial reporting regime issued by the Malaysian Accounting Standards Board, and the scope of work and audit plan for the FYE 2023, including any significant issues and concerns arising from the audit.
- Reviewed the audit and non-audit fees payable to the external auditors for the FYE 2023 to ensure the level of non-audit services rendered by the external auditors would not impair their independence, prior to tabling to the Board of Directors for approval.
- Received updates on the Malaysian Financial Reporting Standards by the external auditors.

3. Oversight of Internal Audit Function

- Reviewed the Internal Audit Reports for FYE 2023 and assessed the internal auditors' findings and Management's responses and made the necessary recommendations to the Board of Directors for approval.
- Reviewed the progress updates on the follow-up review of the previous Internal Audit Reports.
- Reviewed the adequacy and performance of the internal audit function and its comprehensive coverage of the Group's activities for the FYE 2023.
- Reviewed and assessed the adequacy of the scope, functions, competency, and resources of the outsourced internal auditors for the FYE 2023 and that they have the necessary authority to carry out their work.

4. Oversight of Internal Control Matters

- Reviewed and confirmed the minutes of the Audit Committee Meetings.
- Reviewed the disclosures in Corporate Governance Overview Statement, Audit Committee Report and Statement on Risk Management and Internal Control to be included in the Annual Report 2023.

5. Review of Related Party Transactions

- Reviewed the related party transactions and conflict of interest situation that arise within the Group on quarterly basis, including any transaction, procedure or course of conduct that raises questions on Management's integrity.

The Board is satisfied that the Audit Committee has carried out their responsibilities and duties in accordance with the Audit Committee's TOR.

AUDIT COMMITTEE REPORT

cont'd

INTERNAL AUDIT FUNCTION

1) Appointment

The Group has appointed an outsourced internal audit service provider, Vaersa Advisory Sdn. Bhd. (“**Vaersa**”) to carry out the internal audit function. The outsourced internal auditors report directly to the Audit Committee, providing the Board with a reasonable assurance of adequacy of the scope, functions and resources of the internal audit function. The purpose of the internal audit function is to provide the Board, through the Audit Committee, assurance of the effectiveness of the system of internal control in the Group.

The purpose of the internal audit function is to provide the Board, through the Audit Committee, reasonable assurance of the effectiveness of the system of internal control in the Group.

The internal audit function is independent and performs audit assignments with impartiality, proficiency and due professional care.

For the FYE 2023, Vaersa’s engagement team personnel have affirmed to the Audit Committee that in relation to the Company/Group, they were free from any relationships or conflicts of interest, which could impair their objectivity and independency.

2) Summary of Works of the Internal Audit for FYE 2023

During the FYE 2023, the summary of works undertaken by the internal auditors comprised the following:-

- Reviewed compliance with policies, procedures and standards, relevant external rules and regulations;
- Assessed the adequacy and effectiveness of the Group’s system of internal control and recommended appropriate actions to be taken where necessary;
- The internal audit function met the objective of highlighting to the Audit Committee the audit findings which required follow-up actions by the Management, any outstanding audit issues which required corrective actions to be taken to ensure an adequate and effective internal control system within the Group, as well as any weaknesses in the Group’s internal control system;
- Ensured that those weaknesses were appropriately addressed and that recommendations from the internal audit reports and corrective actions on reported weaknesses were taken appropriately within the required timeframe by the Management; and
- Presentation of audit findings and corrective actions to be taken by Management in the quarterly Audit Committee Meetings.

For the FYE 2023, the following areas of the Group had been successfully audited by the internal auditors in accordance with the risk-based audit plan adopted:-

Audited Entity	Audit Area/Function	Tabling of Internal Audit Report
SCBUILD/0109	Malaysian Code of Corporate Governance 2021 (MCCG 2021) Review	30 June 2022

3) Internal Audit Function Review

On a yearly basis, the AC would conduct an internal audit review in order to assess the adequacy and performance of the internal audit function and its comprehensive coverage of the Group’s activities. Upon review, the Audit Committee was satisfied with the performance and conduct of Vaersa.

4) Total Costs incurred for FYE 2023

The total cost incurred for the outsourced internal audit function of the Group for the FYE 2023 is amounted to RM16,000/- (FYE 2021: RM11,000/-).

This Audit Committee Report is approved by the Board of Directors on 25 May 2023.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors (“**the Board**”) is pleased to present the Statement on Risk Management and Internal Control (“**SORMIC**”) which is made pursuant to Rule 15.26(b) of the ACE LR and in accordance with Part II of Principle B, Intended Outcome 10.0, Practices 10.1 and 10.2 and Guidance 10.1 and 10.2 relating to risk management and internal controls framework provided in the MCCG as well as the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers.

The following statements outline the scope and nature of internal control system of the Group during the FYE 2023.

RESPONSIBILITY OF THE BOARD

The Board acknowledges its overall responsibility for safeguarding the shareholders’ investment and assets of the Group by implementing and maintaining a sound and effective risk management framework and internal control system.

The Board endeavours to fulfil its objectives vide an effective and efficient governance, risk management, financial, organisational, operational and compliance control. It is committed to provide a system that gives reasonable, though not absolute assurance against the occurrence of any material misstatements or losses, infringement against the laws or regulations or fraud.

For the FYE 2023, the Board having assessed and reviewed the effectiveness, integrity and adequacy of the risk management framework and the internal control system of the Group, had implemented several improvements to the risk management framework and the internal control system of the Group.

KEY FEATURES OF THE GROUP’S RISK MANAGEMENT FRAMEWORK

The key features of the risk management framework of the Group established to facilitate proper conduct of the Group’s businesses are outlined as follows:-

A. CONTROL STRUCTURE

Risk Management Committee (“RMC”)

The Board has adopted the Step-Up Practice 10.3 of the MCCG, of which the Board establishes an RMC, which comprises a majority of Independent Directors, to oversee the Company’s risk management framework and policies.

The composition of the RMC is as follows:-

Name	No. of RC Meetings Attended/Held	Percentage (%)
Chan Wei Xi	6/6	100
Josipinna Binti Pudun	6/6	100
Soo Ting Hooi	6/6	100
Loo Tze Ming	6/6	100

The principal objective of the formation of the RMC is to assist the Board in reviewing and recommending the risk management policies and strategies for the Company. In addition, the RMC shall assist the Board to fulfil its corporate governance, risk management, and statutory responsibilities in order to manage the overall risk exposure.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

cont'd

KEY FEATURES OF THE GROUP'S RISK MANAGEMENT FRAMEWORK *cont'd*

B. RISK MANAGEMENT FRAMEWORK

During the financial year under review, the risk officer was responsible to oversee and conduct updates on the ERM review on the following areas:-

1. Principal risks; and
2. Risk management and mitigation procedures established on the business operation of the Group.

The Board believes that risk management is essential for continued profitability and enhancement of shareholders' value. The Board acknowledges the importance of the risk management system in identifying the principal risks exposed by the Group and ways of managing them at an acceptable level and that subsequently contribute to achieving the corporate goals of the Group.

KEY FEATURES OF THE INTERNAL CONTROL SYSTEM

The Group's internal control system consists of the following key processes:-

A. AUTHORITY AND RESPONSIBILITY

Certain responsibilities are delegated to the following Board Committees through clearly defined TOR which are reviewed periodically and/or when the need arises:-

- Audit Committee;
- Nomination Committee;
- Remuneration Committee; and
- Risk Management Committee.

B. INTERNAL AUDIT

Qualified and Independent Internal Auditors

The Group's internal audit has been outsourced to an independent service provider i.e. Vaersa Advisory Sdn. Bhd. ("Vaersa") to carry out the internal audit function. Prior to their appointment, the Audit Committee has considered the following criteria:-

- Length of establishment;
- Core specialty area;
- Industry reputation;
- International affiliation;
- Qualification and experience of engagement partner and team; and
- Existing client base.

Risk-Based Internal Audits

For the FYE 2023, Vaersa has prepared a risk-based internal audit plan based on their review of the financial report of the Group and taking into consideration the impact of the different areas of the Group based on materiality of the numbers reported.

Through Vaersa, the effectiveness and efficiency of the Group's risk management and internal control system were examined and evaluated in an independent capacity. Vaersa has assessed the Group's compliance with policies and procedures as well as relevant laws and regulations. Vaersa then provided reports on issues relating to internal controls and the associated risks together with recommendations for appropriate actions to the Audit Committee.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

cont'd

KEY FEATURES OF THE INTERNAL CONTROL SYSTEM *cont'd*

B. INTERNAL AUDIT *cont'd*

Summary of Works Undertaken by the Internal Auditors

For the FYE 2023, Vaersa had:-

- Carried out their activities in accordance with the with the scope of work and/or audit plan for FYE 2023.
- Performed corporate governance review based on MCCG 2021 and presented the findings on the discrepancies noted from corporate governance review as compared to MCCG 2021 to the Audit Committee and recommended corrective actions for the managements.

Adequacy of Scope, Functions, Competency and Resources of the Outsourced Internal Audit Functions

In the first quarter of FYE 2023, the Audit Committee had vide its assessment, assessed the adequacy of scope, functions, competency and resources of the outsourced internal audit function and that it has the necessary authority to carry out its work and the internal audit programme, processes, the results of the internal audit programme, processes or investigation undertaken and whether or not appropriate action is taken on the recommendations of the internal audit function for the financial year under review.

Based on the collated results of the above said assessment, the Audit Committee was of the view that the internal audit has added value to the Group by providing further assurance relating to risk management and fraud control and assessed the internal auditors' performance as "Adequate".

The internal audit report was presented to the Audit Committee who in turn reports to the Board on its activities, significant audit results or findings and the necessary recommendations or actions needed to be taken by the management to rectify highlighted issues. The cost incurred by the Group for the internal audit function for the current financial period was RM16,000/-.

C. MONITORING AND REPORTING

The Corporate General Manager in charge of the Group's financial affairs is required to give assurance to the Audit Committee that adequate processes and controls are in place in the preparation of each quarterly financial statements, including consolidated condensed financial statements, and that appropriate accounting policies are adopted and applied consistently to give a true and fair view of the state of affairs of the Group and to ensure compliance with the Financial Reporting Standards.

Upon review, the Audit Committee shall inform the Board on the assurance it received from the Corporate General Manager as well as the conclusion it made on the adequacy of processes and controls in place for effective financial reporting and disclosures to be made by the Company.

D. STAFF COMPETENCY

It is part of the Company's policies to ensure provision of constant training and development programmes to ensure that the employees are kept up-to-date with the necessary competencies to carry out their responsibilities towards achieving the Group's objectives.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

cont'd

REVIEWS OF THIS STATEMENT BY EXTERNAL AUDITORS

Pursuant to Rule 15.23 of the ACE LR, the external auditors have reviewed this statement for inclusion in the 2023 Annual Report, in accordance with the Malaysian Approved Standard on Assurance Engagements, International Standard on Audit Engagement (“ISAE”) 3000 (Revised) – Assurance Engagements other than Audits or Reviews of Historical Financial Information and AAPG 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants.

Based on their review, the external auditors reported to the Board that nothing has come to their attention that causes them to believe that this statement is not prepared, in all material respects, in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers to be set out, nor is the statement factually inaccurate.

AAPG 3 does not require the external auditors to, and they did not, consider whether this statement covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group’s risk management and internal control systems including the assessment and opinion by the Board of Directors and Management thereon. They are also not required to consider whether the process described to deal with material internal control aspects of any significant problems disclosed in the annual report will, in fact, remedy the problems.

CONCLUSION

The Board has received assurance from the Corporate General Manager and the Managing Director and Chairman of the Board that the function of the Company’s risk management and internal control system for the financial year under review, and up to the date of approval of this statement, has been sound and sufficient, in all material aspects, based on the risk management model and internal control system adopted by the Group, safeguard the shareholders’ investments, the interests of customers, regulators, employees and other stakeholders, and the Group’s assets.

The Board members acknowledge that they are ultimately responsible for ensuring the proper implementation of appropriate internal control system even though this responsibility has been delegated to the Management.

This SORMIC was approved by the Board on 31 May 2023.

STATEMENT ON DIRECTORS' RESPONSIBILITY FOR PREPARING THE FINANCIAL STATEMENTS

In accordance with the Act, the ACE LR and the applicable approved accounting standards, the Directors are required to prepare annual financial statements that give a true and fair view of the financial position of the Group and of the Company as at 31 January 2023, and the financial performance and cash flows of the Group and of the Company for that financial year ended.

The Directors have reviewed the accounting policies to ensure that they are consistently applied throughout the financial year and are of the view that relevant approved accounting standards have been followed in the preparation of these financial statements. In cases where judgements and estimations were made, they were based on reasonableness and prudence. The Directors have also assessed the Group's and the Company's ability to continue as going concern and confirmed that the annual financial statements are prepared using the going concern basis of accounting.

The Directors have relied on the system of internal controls to ensure that the information generated for the preparation of the financial statements from the underlying accounting records are accurate and reliable.

The Directors are responsible for ensuring that the Company maintains accounting records which disclose with reasonable accuracy of the financial position of the Group and the Company, and which enable them to ensure that the financial statements comply with the provisions of the Act.

The Directors have general responsibilities for taking such steps that are reasonably available to them to safeguard the assets of the Group and the Company, and to prevent and detect frauds and any other irregularities.

This statement on Directors' responsibility for preparing the financial statements is approved by the Board of Directors on 31 May 2023.

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DIRECTORS' REPORT

The directors hereby submit their report together with the audited financial statements of the Group and of the Company for the financial period from 1 August 2021 to 31 January 2023.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are as set out in Note 5 to the financial statements. There were no significant changes in the nature of these activities during the financial period.

CHANGE IN FINANCIAL YEAR END

During the financial period, the Company changed its financial year end from 31 July to 31 January. As a result, these financial statements are for the financial period from 1 August 2021 to 31 January 2023.

FINANCIAL RESULT

	Group RM	Company RM
Loss for financial period attributable to:		
Owner of the Company	(3,986,010)	(10,026,674)

DIVIDEND

No dividend has been paid or declared since the end of the previous financial year. The directors do not recommend that a final dividend to be paid in respect of the current financial period.

RESERVES AND PROVISIONS

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

ISSUE OF SHARES AND DEBENTURES

During the financial year, the Company has issued the following shares: -

<u>Date of Issue</u>	<u>No. of Shares Issued</u>	<u>Issue Price</u>	<u>Purpose</u>
5 August 2021	15,000,000	RM 0.0675	For working capital

The Company did not issue any debentures during the financial period.

SHARE OPTIONS

No option has been granted by the Company to any party during the financial period to take up unissued shares of the Company.

No share has been issued during the financial period by virtue of the exercise of any option to take up unissued shares of the Company. At the end of the financial period, there was no unissued share of the Company under option.

DIRECTORS' REPORT

cont'd

DIRECTORS

The directors in office during the financial period and during the period from the end of the financial period to date of this report are: -

Loh Boon Ginn *	
Loh Shy Ming (f)	
Loh Shy Tyug (f)	
Chan Wei Xi	(appointed on 04.08.2021)
Chee Jun Ann	(appointed on 30.07.2021)
Josipinna binti Pudun	(appointed on 30.07.2021)
Kuay Jen Nie	(appointed on 30.07.2021)
Kuay Jeaneve	(appointed on 30.07.2021)
Loo Tze Ming	(appointed on 30.07.2021)
Soo Ting Hooi	(appointed on 04.08.2021)
Dato' Bijaya Indera Dato' Paduka Haji Syed Unan Mashri Bin Syed Abdullah	(appointed on 04.01.2022)
Chu Wooi Siong	(appointed on 17.03.2023)
Loh Boon Zheng	(resigned on 21.12.2021)

* Director of the Company and its subsidiaries

The retirement and re-election of the directors are in accordance with the Company's Articles of Association.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (*other than a benefit included in the aggregate amount of emoluments received or due and receivable by directors as shown in Note 24(b) to the financial statements, or the fixed salary of a full-time employee of the Company*) 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.

Neither during nor at the end of the financial period was the Company a party to any arrangement whose object was to enable the directors to acquire benefits through the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings, particulars of interests of directors who held office at the end of the financial period in the shares in the Company or its related companies during the financial period are as follows: -

	< ----- Number of Ordinary Shares ----- >			
	As at 01.08.2021	Bought	Sold	As at 31.01.2023
<u>Indirect interests</u>				
Loh Boon Ginn *	93,314,952	-	(93,314,952)	-
Loh Boon Ginn #	-	122,593,648	-	122,593,648
Loh Shy Ming (f) *	93,314,952	-	(93,314,952)	-
Loh Shy Tyug #	122,593,648	-	(122,593,648)	-

* Deemed interest by virtue of substantial shareholdings in SC Estate World Sdn. Bhd.

Deemed interest by virtue of substantial shareholdings in Takzim Empayar Sdn. Bhd.

DIRECTORS' REPORT

cont'd

DIRECTORS' INTERESTS *cont'd*

By virtue of their interests in the shares of the Company, Mr. Loh Boon Ginn is deemed to have interests in the shares of all the subsidiaries during the financial period to the extent that the Company has an interest.

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

INDEMNITY AND INSURANCE COSTS

During the financial period, there is no indemnity given to or insurance effected for directors, officers and auditors of the Group and of the Company.

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps:-

- (a) to ascertain that proper action had been taken in relation to the writing off bad debts and the making of allowance for doubtful debts, and have satisfied themselves that there were no known bad debts and adequate allowance had been made for doubtful debts; and
- (b) to ensure that any current assets which were unlikely to be realised at their book values in the ordinary course of business have been written down to their estimated realisable values.

At the date of this report, the directors are not aware of any circumstances: -

- (a) which would require any amount to be written off as bad debts or render the amount provided for as doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or
- (b) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or
- (c) 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; or
- (d) not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements of the Group and of the Company misleading.

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

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

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

In the opinion of the directors: -

- (a) the results of the operations of the Group and of the Company during the financial period were not substantially affected by any item, transaction or event of a material and unusual nature; and
- (b) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial period and the date of this report which would likely affect substantially the results of the operations of the Group and of the Company for the financial period in which this report is made.

DIRECTORS' REPORT

cont'd

DIRECTORS REMUNERATIONS

The details of directors' remunerations for the financial period are as below:

	Group 01.08.2021 to 31.01.2023 RM	Company 01.08.2021 to 31.01.2023 RM
Directors' emoluments:		
Remuneration and allowances	1,333,900	997,900
Defined contribution plan	187,232	186,770
	1,521,132	1,184,670

AUDITORS' REMUNERATION

The details of the auditors' remuneration for the financial period are as below:

	Group 01.08.2021 to 31.01.2023 RM	Company 01.08.2021 to 31.01.2023 RM
Statutory audit	115,000	65,000
Non-statutory audit	5,000	5,000
	120,000	70,000

AUDITORS

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

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors

LOH BOON GINN
Director

KUAY JEANEVE
Director

Kuala Lumpur,
Date: 31 May 2023

STATEMENT BY DIRECTORS

Pursuant to Section 251(2) of the Companies Act 2016

In the opinion of the directors, the financial statements set out on pages 84 to 127 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 January 2023 and of their financial performance and cash flows for the financial period from 1 August 2021 to 31 January 2023.

Signed in Kuala Lumpur on 31 May 2023

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors

LOH BOON GINN

KUAY JEANEVE

STATUTORY DECLARATION

Pursuant to Section 251(1) of the Companies Act 2016

I, Loh Boon Ginn, being the director primarily responsible for the financial management of SC Estate Builder Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief the financial statements of the Group and of the Company set out on pages 84 to 127 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 in Kuala Lumpur on 31 May 2023

LOH BOON GINN

Before me

Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT

To the Members of SC Estate Builder Berhad (Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of SC Estate Builder Berhad, which comprise the statements of financial position as at 31 January 2023 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial period from 1 August 2021 to 31 January 2023, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 84 to 127.

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 January 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 Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. We have determined that there are no key audit matters to communicate in our report in the financial statements of the Company. These matters were addressed in the context of our audit of the financial statements of the Group and the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment of Property, Plant and Equipment and Land held for Property Development

The Group had significant balances of property, plant and equipment amounting to RM21,829,646 and land held for property development amounting to RM17,300,000. There are risk that the future performance of the assets may not lead to their carrying values being recoverable in full.

Our audit procedures focused on the followings:

- Discussed with the management on the business plan of the property, plant and equipment and land held for property development and potential effect of impairment of the financial statements;
- assessed the appropriateness of the independent professional valuer's scope of work and evaluated whether they possess sufficient expertise, capability and objectivity to competently perform the valuation of the Group's property, plant and equipment and land held for property development;
- obtained the valuation report and evaluated the valuation methodology, data relating to comparisons of the recent transactions involving similar assets and estimates used by the independent professional valuer; and
- conducted site visits on the property, plant and equipment and land held for property development to observe the condition of the property and safeguards put in place by the Group.

INDEPENDENT AUDITORS' REPORT

To the Members of SC Estate Builder Berhad (Incorporated in Malaysia)
cont'd

Report on the Audit of the Financial Statements *cont'd*

Information Other Than the Financial Statements and Auditors' Report Thereon

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional 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.

INDEPENDENT AUDITORS' REPORT

To the Members of SC Estate Builder Berhad (Incorporated in Malaysia)
cont'd

Report on the Audit of the Financial Statements cont'd

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 judgement and maintain professional scepticism throughout the audit. We also:
cont'd

- 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 and on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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.

The financial statements for the financial year ended 31 July 2021 were audited by another firm of chartered accountants whose report dated 18 November 2021 expressed an unqualified opinion with material uncertainty related to going concern on these statements.

CHENGCO PLT
(LLP0017004-LCA & AF0886)
Chartered Accountants

KUALA LUMPUR
31 May 2023

KONG TUNG SAM
03585/09/2023 J
Chartered Accountant

STATEMENTS OF FINANCIAL POSITION

As at 31 January 2023

	Note	Group			Company		
		31.01.2023 RM	31.07.2021 (Restated) RM	1.08.2021 (Restated) RM	31.01.2023 RM	31.07.2021 (Restated) RM	1.08.2021 (Restated) RM
NON-CURRENT ASSETS							
Property, plant and equipment	4	21,829,646	21,990,903	5,552,080	15,360	69,545	81,565
Investment in subsidiaries	5	-	-	-	2,960,852	4,000,000	2,000,003
Land held for property development	25	17,300,000	17,300,000	17,300,000	-	-	-
Right-of use asset	6	-	92,935	170,295	-	-	-
		39,129,646	39,383,838	23,022,375	2,976,212	4,069,545	2,081,568
CURRENT ASSETS							
Trade receivables	7	2,717,518	398,282	14,102,909	-	-	-
Other receivables and deposits	8	13,236	29,750	47,251	-	-	1,000
Contract assets	9	24,768	12,384	-	-	-	-
Amount due from subsidiaries	10	-	-	-	22,826,047	28,455,850	22,982,996
Cash and bank balances	11	46,896	1,292,126	171,127	19,114	1,071,109	85,959
		2,802,418	1,732,542	14,321,287	22,845,161	29,526,959	23,069,955
CURRENT LIABILITIES							
Trade payables		1,469,118	2,037,935	3,866,189	-	-	-
Other payables and accruals	12	560,785	249,660	748,586	425,612	132,335	619,716
Contract liabilities	9	-	-	20,179	-	-	-
Lease liabilities	13	-	94,072	138,346	-	-	-
Amount due to a director	10	-	34,054	72,529	-	25,587	10,868
Amount due to subsidiaries	10	-	-	-	1,156,471	1,970,367	-
Provision for taxation		553,201	621,713	1,205,887	-	-	240,000
		2,583,104	3,037,434	6,051,716	1,582,083	2,128,289	870,584
NET CURRENT ASSETS/ (LIABILITIES)							
		219,314	(1,304,892)	8,269,571	21,263,078	27,398,670	22,199,371
		39,348,960	38,078,946	31,291,946	24,239,290	31,468,215	24,280,939

STATEMENTS OF FINANCIAL POSITION

As at 31 January 2023
cont'd

	Note	Group			Company		
		31.01.2023	31.07.2021 (Restated)	1.08.2021 (Restated)	31.01.2023	31.07.2021 (Restated)	1.08.2021 (Restated)
		RM	RM	RM	RM	RM	RM
Financed by: -							
SHARE CAPITAL	14	40,867,506	39,855,006	31,276,406	40,867,506	39,855,006	31,276,406
ACCUMULATED LOSSES		(6,645,127)	(2,659,117)	(917,151)	(18,413,465)	(8,386,791)	(6,995,467)
		34,222,379	37,195,889	30,359,255	22,454,041	31,468,215	24,280,939
NON-CURRENT LIABILITIES							
Trade payables		2,008,809	-	-	-	-	-
Other payables and accruals	12	883,057	883,057	883,057	-	-	-
Deferred tax liabilities	15	-	-	2,906	-	-	-
Amount due to a director	10	2,234,715	-	-	1,785,249	-	-
Lease liabilities	13	-	-	46,728	-	-	-
		5,126,581	883,057	932,691	1,785,249	-	-
		39,348,960	38,078,946	31,291,946	24,239,290	31,468,215	24,280,939

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

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the financial period from 1 August 2021 to 31 January 2023

	Note	Group		Company	
		01.08.2021 to 31.01.2023	01.08.2020 to 31.07.2021 (Restated)	01.08.2021 to 31.01.2023	01.08.2020 to 31.07.2021 (Restated)
		RM	RM	RM	RM
REVENUE	16	2,473,725	3,350,627	42,105	-
COST OF SALES		(2,239,994)	(2,873,348)	-	-
GROSS PROFIT		233,731	477,279	42,105	-
OTHER INCOME		87,731	38,178	5,636	25,189
OPERATING AND ADMINISTRATION EXPENSES		(3,831,495)	(2,245,438)	(10,084,597)	(1,500,877)
LOSS PROFIT FROM OPERATIONS		(3,510,033)	(1,729,981)	(10,036,856)	(1,475,688)
FINANCE COST		-	(3,308)	-	-
LOSS BEFORE TAX	17	(3,510,033)	(1,733,289)	(10,036,856)	(1,475,688)
INCOME TAX EXPENSE	18	(475,977)	(8,677)	10,182	84,364
LOSS AFTER TAX FROM CONTINUING OPERATIONS		(3,986,010)	(1,741,966)	(10,026,674)	(1,391,324)
LOSS PROFIT FOR THE FINANCIAL PERIOD/YEAR		(3,986,010)	(1,741,966)	(10,026,674)	(1,391,324)
LOSS AFTER TAX ATTRIBUTABLE TO:-					
Owners of the Company		(3,986,010)	(1,741,966)	(10,026,674)	(1,391,324)
TOTAL COMPREHENSIVE LOSS ATTRIBUTABLE TO:-					
Owners of the Company		(3,986,010)	(1,741,966)	(10,026,674)	(1,391,324)
LOSS PER SHARE	19				
- Basic (Sen)		(0.37)	(0.18)		
- Diluted (Sen)		(0.37)	(0.18)		

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

STATEMENTS OF CHANGES IN EQUITY

for the financial period from 1 August 2021 to 31 January 2023

Group		Non-	Distributable	RM Total RM
		distributable Share Capital RM	Accumulated Losses RM	
	Balance at 1 August 2020	31,276,406	(1,018,115)	30,258,291
	Prior year adjustments	27	-	100,964
	Balance at 1 August 2020 (as restated)	31,276,406	(917,151)	30,359,255
	<i>Transition with owners:</i>			
	Issuance of shares	8,578,600	-	8,578,600
	Loss after tax / total comprehensive loss for the financial year	-	(1,741,966)	(1,741,966)
	Balance at 31 July 2021	39,855,006	(2,659,117)	37,195,889
	Balance at 1 August 2021 (restated)	39,855,006	(2,659,117)	37,195,889
	<i>Transactions with owners:-</i>			
	Issuance of shares	1,012,500	-	1,012,500
	Loss after tax / total comprehensive loss for the financial period	-	(3,986,010)	(3,986,010)
	Balance at 31 January 2023	40,867,506	(6,645,127)	34,222,379
	Company			
	Balance at 1 August 2020	31,276,406	(7,096,431)	24,179,975
	Prior year adjustments	27	-	100,964
	Balance at 1 August 2020 (as restated)	31,276,406	(6,995,467)	24,280,939
	<i>Transition with owners:</i>			
	Issuance of shares	8,578,600	-	8,578,600
	Loss after tax / total comprehensive loss for the financial year	-	(1,391,324)	(1,391,324)
	Balance at 31 July 2021	39,855,006	(8,386,791)	31,468,215
	Balance at 1 August 2021 (restated)	39,855,006	(8,386,791)	31,468,215
	<i>Transactions with owners:-</i>			
	Issuance of shares	1,012,500	-	1,012,500
	Loss after tax / total comprehensive loss for the financial period	-	(10,026,674)	(10,026,674)
	Balance at 31 January 2023	40,867,506	(18,413,465)	22,454,041

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

STATEMENTS OF CASH FLOWS

for the financial period from 1 August 2021 to 31 January 2023

	Group		Company	
	01.08.2021 to 31.01.2023	01.08.2020 to 31.07.2021 (Restated)	01.08.2021 to 31.01.2023	01.08.2020 to 31.07.2021 (Restated)
	RM	RM	RM	RM
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss before tax	(3,510,033)	(1,733,289)	(10,036,856)	(1,475,688)
<i>Adjustments for:</i>				
Depreciation of property, plant and equipment	93,395	110,967	21,557	15,020
Depreciation of right-of-use asset	44,314	202,950	-	-
Property, plant and equipment written off	67,862	-	32,628	-
Gain on disposal of property, plant and equipment	(81,200)	-	(2,800)	-
Impairment loss on investment in subsidiaries	-	-	1,039,148	-
Impairment loss on amount due from subsidiaries	-	-	6,353,023	-
Impairment loss allowance on trade receivables	101,654	20,962	1,654	-
Loss on lease	734	-	-	-
Gain on lease	(1,871)	-	-	-
Interest expense	-	3,308	-	-
Interest income	(4,653)	(26,988)	(2,829)	(25,069)
Operating (loss) / profit before working capital changes	(3,289,798)	(1,422,090)	(2,594,475)	(1,485,737)
(Increase) / decrease in receivables	(2,416,760)	13,701,166	(1,654)	1,000
Increase / (decrease) in payables	1,751,117	(2,359,743)	293,277	(487,381)
Cash (used in) / generated from operations	(3,955,441)	9,919,333	(2,302,852)	(1,972,118)
Interest received	4,653	26,988	2,829	25,069
Interest paid	-	(3,308)	-	-
Tax refunded	10,182	-	10,182	-
Tax paid	(554,671)	(595,757)	-	(155,636)
Net cash (used in) / generated from operating activities	(4,495,277)	9,347,256	(2,289,841)	(2,102,685)

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

STATEMENTS OF CASH FLOWS

for the financial period from 1 August 2021 to 31 January 2023
cont'd

	Group		Company	
	01.08.2021 to 31.01.2023	01.08.2020 to 31.07.2021 (Restated)	01.08.2021 to 31.01.2023	01.08.2020 to 31.07.2021 (Restated)
	RM	RM	RM	RM
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment in subsidiaries	-	-	-	(1,999,997)
Proceeds from disposal of property, plant and equipment	81,200	-	2,800	-
Purchase of property, plant and equipment	-	(16,549,790)	-	(3,000)
Net cash generated from / (used in) investing activities	81,200	(16,549,790)	2,800	(2,002,997)
CASH FLOWS FROM FINANCING ACTIVITIES				
Issuance of share capital	1,012,500	8,578,600	1,012,500	8,578,600
Repayment of lease liabilities	(44,314)	(216,592)	-	-
Subsidiaries' financing	-	-	(1,537,116)	(3,502,487)
Director's financing	2,200,661	(38,475)	1,759,662	14,719
Net cash generated from financing activities	3,168,847	8,323,533	1,235,046	5,090,832
Net (decrease) / increase in cash and cash equivalents	(1,245,230)	1,120,999	(1,051,995)	985,150
Cash and cash equivalents at beginning of the financial period / year	1,292,126	171,127	1,071,109	85,959
Cash and cash equivalents at end of the financial period / year	46,896	1,292,126	19,114	1,071,109
CASH AND CASH EQUIVALENTS COMPRISE :-				
Cash on hand	541	3,766	-	-
Cash at bank	46,355	1,288,360	19,114	1,071,109
	46,896	1,292,126	19,114	1,071,109

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2021 TO 31 JANUARY 2023

1. PRINCIPAL ACTIVITIES AND GENERAL INFORMATION

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

The address of the registered office of the Company is B-21-1, Level 21, Tower B, Northpoint Mid Valley City, No. 1, Medan Syed Putra Utara, 59200 Kuala Lumpur, Wilayah Persekutuan.

The address of the principal place of business of the Company is D-08-06, Block D, Level 8, Capital 4, Oasis Square, No. 2, Jalan PJU 1A/7A, Ara Damansara, 47301 Petaling Jaya, Selangor Darul Ehsan.

The consolidated financial statements of the Company as at and for the financial period from 1 August 2021 to 31 January 2023 comprise the Company and its subsidiaries (together referred to as the “Group” and individually referred to as “Group entities”).

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are as set out in Note 5. There were no significant changes in the nature of these activities during the financial period.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

(a) Statement of Compliance

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

Accounting standards and Amendments to accounting standards that are effective for the Group’s and the Company’s financial year beginning on or after 1 August 2021 are as follows:

The following MFRSs became effective for the financial period under review:

MFRSs/Amendments to MFRSs/IC Interpretation	Effective for annual periods beginning on or after
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16: Interest Rate Benchmark Reform – Phase 2	1 January 2021
Amendment to MFRS 16: Covid-19 Related Rent Concessions beyond 30 June 2021	1 April 2021

The above accounting standards and amendments to accounting standards effective during the financial period do not have any significant impact to the financial results and position of the Group and of the Company.

MFRSs, Amendments to MFRSs and Issue Committees (“IC”) Interpretation that have been issued but are not yet effective

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2021 TO 31 JANUARY 2023
cont'd

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS *cont'd*

(a) Statement of Compliance *cont'd*

The Group and the Company have not adopted the following MFRSs, Amendments to MFRSs and IC Interpretation that have been issued but not yet effective: -

MFRSs/Amendments to MFRSs/IC Interpretation	Effective for annual periods beginning on or after
Amendments to MFRS 3: Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 116: Property, Plant and Equipment – Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137: Onerous Contracts – Cost of Fulfilling a contract	1 January 2022
Annual improvements to MFRS 2018 – 2020	1 January 2022
Amendments to MFRS 101: Classification of Liabilities as Current or Non-Current	1 January 2023
Amendments to MFRS 101: Disclosure of Accounting Policies	1 January 2023
MFRS 17: Insurance Contracts	1 January 2023
Amendments to MFRS 17 Insurance Contracts (Extension of the Temporary Exemption from Applying MFRS 9)	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 10 and MFRS 128: Sale or Contribution of Assets Assets between an Investor and its Associate or Joint Venture	Deferred

The adoption of the above standards and interpretations is not expected to have a material impact on the financial statements in the period of application.

(b) Basis of Measurement

The financial statements have been prepared on the historical cost basis other than as disclosed in *Note 3*.

(c) Functional and Presentation Currencies

These financial statements are presented in Ringgit Malaysia (“RM”), which is the Company’s functional currency.

(d) Use of Estimates and Judgements

The preparation of the financial statements in conformity with MFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements other than: -

1) Construction contracts

The Group measures the performance of construction work done by comparing the actual costs incurred with the estimated total costs required to complete the construction. Significant judgements are required to estimate the total contract costs to complete. In making these estimates, management relied on professionals’ estimates and also on past experience of completed projects. A change in the estimates will directly affect the revenue to be recognised.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2021 TO 31 JANUARY 2023

cont'd

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to the periods presented in these financial statements and have been applied consistently by Group entities, unless otherwise stated.

(a) Basis Of Consolidation

(i) Subsidiaries

Subsidiaries are entities, including structured entities, controlled by the Company. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The Group controls an entity when it is exposed, 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. Potential voting rights are considered when assessing control only when such rights are substantive. The Group also considers it has de facto power over an investee when, despite not having the majority of voting rights, it has the current ability to direct the activities of the investee that significantly affect the investee's return.

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses, unless the investment is classified as held for sale or distribution. The cost of investment includes transaction costs.

(ii) Business combinations

Business combinations are accounted for using the acquisition method from the acquisition date, which is the date on which control is transferred to the Group.

For new acquisitions, the Group measures the cost of goodwill at the acquisition date as: -

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

For each business combination, the Group elects whether it measures the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets at the acquisition date.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

(iii) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2021 TO 31 JANUARY 2023
cont'd

3. SIGNIFICANT ACCOUNTING POLICIES *cont'd*

(b) Property, Plant And Equipment

(i) *Recognition and measurement*

Items of property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. 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. Cost also may include transfers from equity of any gain or loss on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

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.

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and is recognised net within "other income" and "other expenses" respectively in profit or loss.

(ii) *Subsequent costs*

The cost of replacing a component 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 component will flow to the Group or the Company, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised to profit or loss. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(iii) *Depreciation*

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed, and if a component has a useful life that is different from the remainder of that asset, then that component is depreciated separately.

Depreciation is recognised in profit or loss on a reducing balance basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use. Freehold land is not depreciated. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Property, plant and equipment under construction are not depreciated until the assets are ready for their intended use.

The estimated useful lives for the current and comparative periods are as follows:-

	%
Computers and software	10 - 33.33
Furniture and fittings	10
Motor vehicles	12.5 - 20
Office equipment	10 - 33.33
Renovation	10
Leasehold land	1.3086

Depreciation methods, useful lives and residual values are reviewed at end of the reporting period, and adjusted as appropriate.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2021 TO 31 JANUARY 2023

cont'd

3. SIGNIFICANT ACCOUNTING POLICIES *cont'd*

(c) Contract Asset/Contract Liability

A contract asset is recognised when the Group's or the Company's right to consideration is conditional on something other than the passage of time. A contract asset is subject to impairment in accordance to MFRS 9, Financial Instruments (see *Note 3(f)(i)*).

A contract liability is stated at cost and represents the obligation of the Group or the Company to transfer goods or services to a customer for which consideration has been received (or the amount is due) from the customers.

(d) Cash And Cash Equivalents

Cash and cash equivalents consists of cash on hand, balances with banks, and are used by the Group and the Company in the management of their short term commitments. For the purpose of the statements of cash flows, cash and cash equivalents are presented by cash and bank balances.

(e) Financial Instruments

(i) Recognition and initial measurement

A financial asset or a financial liability is recognised in the statement of financial position when, and only when, the Group or the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without significant financing component) or a financial liability is initially measured at fair value plus or minus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issuance. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Financial instrument categories and subsequent measurement

Financial assets

Categories of financial assets are determined on initial recognition and are not reclassified subsequent to their initial recognition unless the Group or the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change of the business model.

- *Amortised cost*

Amortised cost category comprises financial assets that are held within a business model whose objective is to hold assets to collect contractual cash flows 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. The financial assets are not designated as fair value through profit or loss. Subsequent to initial recognition, these financial assets are measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Interest income is recognised by applying effective interest rate to the gross carrying amount except for credit impaired financial assets (see *Note 3(f)(i)*) where the effective interest rate is applied to the amortised cost.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2021 TO 31 JANUARY 2023

cont'd

3. SIGNIFICANT ACCOUNTING POLICIES *cont'd*

(e) Financial Instruments *cont'd*

(ii) *Financial instrument categories and subsequent measurement* *cont'd*

Financial assets *cont'd*

- *Fair value through other comprehensive income*

Equity investments

This category comprises investment in equity that is not held for trading, and the Group and the Company irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of investment. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are not reclassified to profit or loss.

All financial assets, except for those measured at fair value through profit or loss were subject to impairment assessment (see *Note 3(f)(j)*).

Financial Liabilities

The categories of financial liabilities at initial recognition are as follows: -

- *Amortised cost*

Other financial liabilities not categorised as fair value through profit or loss are subsequently measured at amortised cost using the effective interest method.

Interest expense and foreign exchange gains and losses are recognised in the profit or loss. Any gains or losses on derecognition are also recognised in the profit or loss.

(iii) *Derecognition*

A financial asset or part of it is derecognised when, and only when, the contractual rights to the cash flows from the financial asset expire or transferred, or control of the asset is not retained or substantially all of the risks and rewards of ownership of the financial asset are transferred to another party. On derecognition of a financial asset, the difference between the carrying amount of the financial asset and the sum of consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged, cancelled or expires. A financial liability is also derecognised when its terms are modified and the cash flows of the modified liability are substantially different, in which case, a new financial liability based on modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

(iv) *Offsetting*

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group or the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and liability simultaneously.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2021 TO 31 JANUARY 2023

cont'd

3. SIGNIFICANT ACCOUNTING POLICIES *cont'd*

(f) Impairment

(i) *Financial assets*

The Group and the Company recognise loss allowances for expected credit losses on financial assets measured at amortised cost and contract assets. Expected credit losses are a probability-weighted estimate of credit losses.

The Group and the Company measure loss allowances at an amount equal to lifetime expected credit loss, except for cash and bank balances for which credit risk has not increased significantly since initial recognition, which are measured at 12-month expected credit loss. Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime expected credit loss.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit loss, the Group and the Company consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information, where available.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset, while 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within the 12 months after the reporting date. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group and the Company are exposed to credit risk.

The Group and the Company estimate the expected credit losses on trade receivables using a simplified approach with reference to historical credit loss experience.

An impairment loss in respect of financial assets measured at amortised cost is recognised in profit or loss and the carrying amount of the asset is reduced through the use of an allowance account.

At each reporting date, the Group and the Company assess whether financial assets carried at amortised cost are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The gross carrying amount of a financial asset is written off (either partially or full) to the extent that 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. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's or the Company's procedures for recovery amounts due.

(ii) *Other assets*

The carrying amounts of other assets (except for inventories, contract assets, lease receivables, deferred tax asset, assets arising from employee benefits, investment property measured at fair value and non-current assets (or disposal groups) classified as held for sale) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

Impairment losses are recognised in profit or loss.

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 if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversals of impairment losses are credited to profit or loss in the financial year in which the reversals are recognised.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2021 TO 31 JANUARY 2023
cont'd

3. SIGNIFICANT ACCOUNTING POLICIES *cont'd*

(g) Leases

i. Definition of a lease

A contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the customer has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the customer has the right to direct the use of the asset. The customer has the right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the customer has the right to direct the use of the asset if either the customer has the right to operate the asset; or the customer designed the asset in a way that predetermines how and for what purpose it will be used.

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

ii. Recognition and initial measurement

As a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use 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 the site on which it is located, less any lease incentives received.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if the rate cannot be readily determined, the incremental borrowing rate is used. This is the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar term, security and conditions.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments less any incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payables under a residual value guarantee;
- the exercise price under a purchase option that the Group is reasonably certain not to terminate early.

The Group excludes variable lease payments that linked to future performance or usage of the underlying asset from the lease liability. Instead, these payments are recognised in profit or loss in the period in which the performance or use occurs.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2021 TO 31 JANUARY 2023

cont'd

3. SIGNIFICANT ACCOUNTING POLICIES *cont'd*

(g) Leases *cont'd*

iii. Subsequent measurement

As a lessee

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life if the right-of-use asset or the same basis as those of property, plant and equipment. In addition, the right-of-used asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

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 an index or rate, if there is a revision of in-substance fixed lease payments, or if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

(h) Equity Instruments

Instruments classified as equity are measured at cost on initial recognition and are not remeasured subsequently.

(i) Issue expenses

Costs directly attributable to the issue of instruments classified as equity are recognised as a deduction from equity.

(ii) Ordinary shares

Ordinary shares are classified as equity.

(i) Foreign Currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are retranslated to the functional currency at the exchange rate at that date.

Non-monetary assets and liabilities denominated in foreign currencies are not retranslated at the end of the reporting date, except for those that are measured at fair value which are retranslated to the functional currency at the exchange rate at the date that the fair value was determined.

Foreign currency differences arising on retranslation are recognised in profit or loss, except for differences arising on the retranslation of equity instruments where they are measured at fair value through other comprehensive income or a financial instrument designated as a cash flow hedge, which are recognised in other comprehensive income.

In the consolidated financial statements, when settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and are presented in the foreign currency translation reserve ("FCTR") in equity.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2021 TO 31 JANUARY 2023
cont'd

3. SIGNIFICANT ACCOUNTING POLICIES *cont'd*

(j) Employee Benefits

(i) Short-term employee benefits

Short-term employee benefit obligations in respect of salaries, annual bonuses, paid annual leave and sick leave are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) State plans

The Group's contributions to statutory pension funds are charged to profit or loss in the financial year to which they relate. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(k) Revenue and Other Income

(i) Revenue

Revenue is measured based on the consideration specified in a contract with a customer in exchange for transferring goods or services to a customer, excluding amounts collected on behalf of third parties. The Group or the Company recognises revenue when (or as) it transfers control over a product or service to customer. An asset is transferred when (or as) the customer obtains control of the asset.

The Group or the Company transfers control of a good or service at a point in time unless one of the following overtime criteria is met: -

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

(ii) Interest income

Interest income is recognised as it accrues using the effective interest method in profit or loss except for interest income arising from temporary investment of borrowings taken specifically for the purpose of obtaining a qualifying asset which is accounted for in accordance with the accounting policy on borrowing costs.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2021 TO 31 JANUARY 2023

cont'd

3. SIGNIFICANT ACCOUNTING POLICIES *cont'd*

(l) Income Tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are 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, providing for temporary differences between the carrying amounts of assets and liabilities in the statement of financial position and their tax bases. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that 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.

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 assets and liabilities 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.

Unutilised reinvestment allowance and investment tax allowance, being tax incentives that is not a tax base of an asset, is recognised as a deferred tax asset to the extent that it is probable that the future taxable profits will be available against which the unutilised tax incentive can be utilised.

(m) Earnings Per Ordinary Share

The Group presents basic and diluted earnings per share data for its ordinary shares ("EPS").

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees.

(n) Operating Segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. Operating segment results are reviewed regularly by the chief operating decision maker to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2021 TO 31 JANUARY 2023
cont'd

3. SIGNIFICANT ACCOUNTING POLICIES *cont'd*

(o) Fair Value Measurement

Fair value of an asset or a liability, except for share-based payment and lease transactions, is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

(p) Land held for property development

Land held for property development consists of land held for future development activities where no significant development has been undertaken or where development activities are not expected to be completed within the normal operating cycle. Such land is classified as non-current assets and is stated at cost less any accumulated impairment losses. The policy of recognition and measurement of impairment losses is in accordance with Note 3(f).

Land held for property development is reclassified as inventories – properties under development when the development activities have commenced and where it can be demonstrated that the development activities can be completed within the normal operating cycle.

Cost associated with the acquisition of land includes the purchase price of the land, professional fees, stamp duties, commissions, conversion fees and other relevant levies.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair value is categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows: -

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: unobservable inputs for the asset or liability.

The Group recognises transfers between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfers.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2021 TO 31 JANUARY 2023

cont'd

4. PROPERTY, PLANT AND EQUIPMENT *cont'd*

Company	Computers and software	Furniture and fittings	Motor vehicles	Office equipment	Renovation	Freehold land	Leasehold land	Total
<i>Cost</i>								
At 1 August 2020 (restated)	6,443	83,678	5,800	4,799	41,930	-	-	142,650
Additions	3,000	-	-	-	-	-	-	3,000
At 31 July / 1 August 2021	9,443	83,678	5,800	4,799	41,930	-	-	145,650
Additions	-	-	-	-	-	-	-	-
Disposal	-	-	(5,800)	-	-	-	-	(5,800)
Written off	-	(57,252)	-	-	(41,930)	-	-	(99,182)
At 31 January 2023	9,443	26,426	-	4,799	-	-	-	40,668
<i>Accumulated depreciation</i>								
At 1 August 2020 (restated)	2,443	35,081	4,060	1,680	17,821	-	-	61,085
Charge for the financial period	819	8,368	1,160	480	4,193	-	-	15,020
At 31 July / 1 August 2021	3,262	43,449	5,220	2,160	22,014	-	-	76,105
Charge for the financial year	1,416	12,552	580	720	6,289	-	-	21,557
Disposal	-	-	(5,800)	-	-	-	-	(5,800)
Written off	-	(38,251)	-	-	(28,303)	-	-	(66,554)
At 31 January 2023	4,678	17,750	-	2,880	-	-	-	25,308
<i>Net carrying amount</i>								
At 31 January 2023	4,765	8,676	-	1,919	-	-	-	15,360
At 31 July 2021	6,181	40,229	580	2,639	19,916	-	-	69,545
At 1 August 2020	4,000	48,597	1,740	3,119	24,109	-	-	81,565

The net carrying amount of freehold land registered under third party on behalf of the Group amounting to RM3,650,000 (31.7.2021 & 1.8.2020: RM3,650,000 & RM3,650,000) and registered under related party on behalf of the Group amounting to RM16,540,000 (31.7.2021 & 1.8.2020: RM16,540,000 & NIL).

The net carrying amount of leasehold land registered under third party on behalf of the Group amounting to RM1,609,085 (31.7.2021 & 1.8.2020: RM1,641,748 & RM1,663,523).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2021 TO 31 JANUARY 2023

cont'd

5. INVESTMENT IN SUBSIDIARIES

	Company	
	31.01.2023	31.07.2021
	RM	RM
Cost		
<i>Unquoted shares in Malaysia</i>		
At 1 August	4,000,000	2,000,003
Addition	-	1,999,997
At 31 January / 31 July	4,000,000	4,000,000
Less: Accumulated impairment losses		
At 1 August	-	-
Addition	1,039,148	-
At 31 January / 31 July	1,039,148	-
Net carrying amount	2,960,852	4,000,000

Details of the subsidiaries are as follows: -

Name of subsidiaries	Country of incorporation	Effective equity interest		Principal activities
		31.01.2023	31.07.2021	
		%	%	
SC Estate Construction Sdn. Bhd.	Malaysia	100	100	Construction and project management.
SC Estate Industries Sdn. Bhd.	Malaysia	100	100	Trading in building materials.
SC Estate IBS Sdn. Bhd.	Malaysia	100	100	Manufacturing and supplying of industrialised building system.
SC Estate Energy Sdn. Bhd.	Malaysia	100	100	Dormant.

The Company assessed the recoverable amount of investment on subsidiary companies and determined that an impairment loss should be recognised if the recoverable amount is lower than the carrying amount. The recoverable amount of the respective subsidiary company, being the independent Cash-generating unit ("CGU"), is determined using the fair value less costs to sell approach, and is derived from the net assets position of the respective subsidiary companies as at end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2021 TO 31 JANUARY 2023
cont'd

6. RIGHT-OF-USE ASSET

	Group	
	31.01.2023	31.07.2021
	RM	RM
<i>Cost</i>		
Building		
At 1 August	614,324	488,734
Additions	-	126,543
Derecognition of lease	(614,324)	(953)
At 31 January /31 July	-	614,324
<i>Accumulated depreciation</i>		
At 1 August	521,389	318,439
Depreciation of the financial period / year	44,314	202,950
Derecognition of lease	(565,703)	-
At 31 January /31 July	-	521,389
<i>Carrying amount</i>		
As at 31 January / 31 July	-	92,935
At 1 August 2020		170,295

7. TRADE RECEIVABLES

	Group	
	31.01.2023	31.07.2021
	RM	RM
Trade receivables	2,840,134	419,244
Less: Accumulated impairment losses	(122,616)	(20,962)
	2,717,518	398,282

The gross trade receivables and accumulated impairment losses (recognised during the financial period) of the Company level as at 31 January 2023 are RM1,654 and RM1,654 with a net carrying value of NIL.

The gross trade receivables and accumulated impairment losses as at 1 August 2020 are RM14,780,648 and RM677,739 with a net carrying value of RM14,102,909.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2021 TO 31 JANUARY 2023

cont'd

7. TRADE RECEIVABLES *cont'd*

Movements of the accumulated impairment losses (individually impaired) are as follow:

	Group	
	31.01.2023	31.07.2021
	RM	RM
At the beginning of the financial period / year	20,962	677,739
Additions	101,654	20,962
Less: Reversal	-	(677,739)
At the end of the financial period / year	122,616	20,962

8. OTHER RECEIVABLES AND DEPOSITS

	Group		Company	
	31.01.2023	31.07.2021	31.01.2023	31.07.2021
	RM	RM	RM	RM
Other receivables	6,468	-	-	-
Less: Written off	-	-	-	-
	6,468	-	-	-
Deposits	6,768	29,750	-	-
	13,236	29,750	-	-

	Group	Company
	01.08.2020	01.08.2020
	RM	RM
Other receivables	25,001	-
Deposits	22,250	-
	47,251	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2021 TO 31 JANUARY 2023
cont'd

9. CONTRACT ASSETS / (LIABILITIES)

	Group	
	31.01.2023	31.07.2021
	RM	RM
Contract asset assets in relation to:-		
- construction project	24,768	12,384
Aggregated costs incurred to date	800,000	400,000
Add: Attributable profits	63,256	31,628
	863,256	431,628
Less: Progress billings	(838,488)	(419,244)
	24,768	12,384
	24,768	12,384

The contract liabilities as at 1 August 2020 of the Group are RM20,179.

Contract assets / (liabilities) primarily relate to the Group's rights to consideration for work completed on a construction project but not billed at the reporting date. Contract assets / (liabilities) are transferred to receivables when rights become unconditional.

10. AMOUNT DUE FROM / (TO) SUBSIDIARIES / A DIRECTOR

These amounts are unsecured, interest free and receivable / (repayable not within 12 months)/ (repayable on demand).

There are accumulated impairment losses recognised in the Company level during the financial year amounted to RM6,353,023.

11. CASH AND BANK BALANCES

	Group		Company	
	31.01.2023	31.07.2021	31.01.2023	31.07.2021
	RM	RM	RM	RM
Cash on hand	541	3,766	-	-
Cash at bank	46,355	1,288,360	19,114	1,071,109
	46,896	1,292,126	19,114	1,071,109

	Group	Company
	01.08.2020	01.08.2020
	RM	RM
Cash in hand	54,867	43,584
Cash at bank	116,260	42,375
	171,127	85,959

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2021 TO 31 JANUARY 2023

cont'd

12. OTHER PAYABLES AND ACCRUALS

	Group		Company	
	31.01.2023	31.07.2021 (Restated)	31.01.2023	31.07.2021 (Restated)
	RM	RM	RM	RM
<u>Current liabilities</u>				
Other payables	251,689	101,331	241,689	42,215
Accruals	309,096	148,329	183,923	90,120
	560,785	249,660	425,612	132,335
<u>Non-current liabilities</u>				
Other payables	883,057	883,057	-	-
	1,443,842	1,132,717	425,612	132,335

	Group		Company	
	01.08.2020 (Restated)	01.08.2020 (Restated)	01.08.2020 (Restated)	01.08.2020 (Restated)
	RM	RM	RM	RM
<u>Current liabilities</u>				
Other payables			302,818	263,250
Accruals			445,768	356,466
			748,586	619,716
<u>Non-current liabilities</u>				
Other payables			883,057	-
			1,631,643	619,716

Included in other payables of the Group and of the Company, there are owing to related party amounting to RM901,057 and RM18,000.

13. LEASE LIABILITIES

	Group	
	31.01.2023	31.07.2021
	RM	RM
<i>Current liabilities</i>		
- Lease liabilities owing to non-financial institutions	-	94,072
<i>Non-current liabilities</i>		
- Lease liabilities owing to non-financial institutions	-	-
	-	94,072

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2021 TO 31 JANUARY 2023
cont'd

14. SHARE CAPITAL

	Group and Company			
	31.01.2023	31.07.2021	31.01.2023	31.07.2021
	Number of ordinary shares		RM	RM
Ordinary shares with no par value				
Issued and fully paid: -				
At 1 August 2021	1,059,090,909	883,090,909	39,855,006	31,276,406
Issuance of shares	15,000,000	176,000,000	1,012,500	8,578,600
At 31 January / 31 July	1,074,090,909	1,059,090,909	40,867,506	39,855,006

Ordinary shares

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 meetings of the Company.

15. DEFERRED TAX LIABILITIES

	Group	
	31.01.2023	31.07.2021
	RM	RM
Property, plant and equipment: -		
At 1 August	-	2,906
Recognised in profit or loss (Note 18)	-	(2,906)
At 31 January / 31 July	-	-

16. REVENUE

	Group		Company	
	01.08.2021 to 31.01.2023	01.08.2020 to 31.07.2021	01.08.2021 to 31.01.2023	01.08.2020 to 31.07.2021
	RM	RM	RM	RM
Contract revenue	431,628	3,350,627	-	-
Sales of services	42,105	-	42,105	-
Sales of goods	1,999,992	-	-	-
	2,473,725	3,350,627	42,105	-
Timing of revenue recognition:-				
- at a point in time	2,042,097	-	42,105	-
- over time	431,628	3,350,627	-	-
	2,473,725	3,350,627	42,105	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2021 TO 31 JANUARY 2023

cont'd

16. REVENUE *cont'd*

Revenue from sales of construction, project management, construction related industries are recognised over time once control of asset is transferred to the customers generally on delivery of products and customers' acceptance. Revenue from sales of trading in building materials and is recognised at a point in time once control of the asset is transferred to the customers generally on delivery of products and customers' acceptance. Revenue from sales of services upon performance of services.

17. LOSS BEFORE TAX

	Group		Company	
	01.08.2021 to 31.01.2023 RM	01.08.2020 to 31.07.2021 RM	01.08.2021 to 31.01.2023 RM	01.08.2020 to 31.07.2021 RM
This is stated after charging:-				
Auditors' remuneration				
- Current year's provision	115,000	70,000	65,000	40,000
- Under provision in prior year	-	19,000	-	12,000
- Non statutory audit services	5,000	3,000	5,000	3,000
Depreciation of property, plant and equipment	93,395	110,967	21,557	15,020
Depreciation of right-of-use asset	44,314	202,950	-	-
Investment loss on investment in subsidiaries	-	-	1,039,148	-
Impairment loss on amount due from subsidiaries	-	-	6,353,023	-
Impairment loss allowance on trade receivables	101,654	20,962	1,654	-
Loss on property, plant and equipment written off	67,862	-	32,628	-
Loss on lease	734	-	-	-
Interest expense on lease liabilities	-	3,308	-	-
and crediting:-				
Gain on lease	1,871	-	-	-
Gain on disposal of property, plant and equipment	81,200	-	2,800	-
Interest income	4,653	26,988	2,829	25,069

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2021 TO 31 JANUARY 2023
cont'd

18. INCOME TAX EXPENSE

	Group		Company	
	01.08.2021 to 31.01.2023 RM	01.08.2020 to 31.07.2021 RM	01.08.2021 to 31.01.2023 RM	01.08.2020 to 31.07.2021 RM
Current tax expense:-				
Current year's provision	6,441	5,830	-	-
Under / (over) provision in prior years	469,536	5,753	(10,182)	(84,364)
	475,977	11,583	(10,182)	(84,364)
Deferred tax expense:-				
Over recognition in prior years (<i>Note 15</i>)	-	(2,906)	-	-
	-	(2,906)	-	-
Total income tax expense	475,977	8,677	(10,182)	(84,364)

	Group		Company	
	01.08.2021 to 31.01.2023 RM	01.08.2020 to 31.07.2021 RM (Restated)	01.08.2021 to 31.01.2023 RM	01.08.2020 to 31.07.2021 RM (Restated)
Loss before tax	(3,510,033)	(1,733,289)	(10,036,856)	(1,475,688)
Tax at Malaysian statutory tax rate at 24% (2021: 24%)	(842,408)	(415,989)	(2,408,845)	(354,165)
Expenses not deductible for tax purposes	89,302	374,639	1,812,695	354,165
Non-taxable income	(9,857)	(162,657)	-	-
Deferred tax assets not recognised during the financial year / period	769,404	206,931	596,150	-
Under / (over) provision of current taxation in prior years	469,536	5,753	(10,182)	(84,364)
	475,977	8,677	(10,182)	(84,364)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2021 TO 31 JANUARY 2023

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18. INCOME TAX EXPENSE *cont'd*

The amount of temporary differences for which no deferred tax assets have been recognised in the statements of financial position are as follow:

	Group		Company	
	31.01.2023	31.07.2021	31.01.2023	31.07.2021
	RM	RM	RM	RM
Property, plant and equipment	(9,007)	(11,964)	(2,843)	(3,466)
Unabsorbed capital allowances	20,645	17,563	3,076	1,799
Unutilised tax losses	1,029,089	265,724	643,281	49,031
	1,040,727	271,323	643,514	47,364

Deferred tax assets have not been recognised in respect of these items as it is not probable that the future taxable profit of the Group and of the Company will be available against which the deductible temporary differences can be utilised.

19. LOSS PER SHARE

Basic loss per share

The calculation of basic loss per share at was based on the loss attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding, calculated as follows: -

	Group	
	01.08.2021 to 31.01.2023	01.08.2020 to 31.07.2021 (Restated)
Loss attributable to owners of the Company (RM)	(3,986,010)	(1,741,966)
Weighted average number of ordinary shares:-		
Issued ordinary shares at 1 August	1,059,090,909	883,090,909
Effect of ordinary shares issued	14,863,388	89,709,589
Weighted average number of ordinary shares at 31 January / 31 July	1,073,954,297	972,800,498
Basic loss per share (sen)	(0.37)	(0.18)

Diluted loss per share

The calculation of diluted loss per ordinary share at 31 July 2021 was based on loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares. The diluted loss per share is same as per the basic loss per share as there were no potential dilutive ordinary shares outstanding at the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2021 TO 31 JANUARY 2023
cont'd

20. STAFF COSTS

	Group		Company	
	01.08.2021 to 31.01.2023 RM	01.08.2020 to 31.07.2021 RM	01.08.2021 to 31.01.2023 RM	01.08.2020 to 31.07.2021 RM
Directors' emoluments:-				
Fees	-	82,868	-	82,868
Remuneration and allowances	1,333,900	412,820	997,900	74,000
Defined contribution plans	187,232	65,304	186,770	-
	1,521,132	560,992	1,184,670	156,868
Other staff costs:-				
Salaries, commissions and allowances	106,628	292,268	(59,409)	3,200
Defined contribution plans	17,911	53,388	(14,305)	-
Other staff related expenses	3,965	188	(201)	-
	128,504	345,844	(73,915)	3,200
	1,649,636	906,836	1,110,755	160,068

21. OPERATING SEGMENTS

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

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

- (a) Construction
Project management.
- (b) Manufacturing
Design, manufacturing and distribution of precision system, expanded metal and turbine ventilator.
- (c) Trading
Trading of building materials and other related products.

Other segments comprise companies providing management services and dormant companies.

The Executive Directors assess the performances of the operating segments based on operating profits or losses which is measured differently from those disclosed in the consolidated financial statements.

The Executive Directors are of the opinion that all inter segment transactions are entered into in the normal course of business and have been established based on negotiated and mutually agreed terms.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2021 TO 31 JANUARY 2023

cont'd

21. OPERATING SEGMENTS

(a) Business segments

Group	Construction	Trading	Others	Consolidation Adjustment	Total
31.01.2023	RM	RM	RM	RM	RM
Revenue					
External revenue	431,628	1,999,992	42,105	-	2,473,725
Results					
Segment results	(765,936)	(4,036,305)	(10,054,298)	11,258,775	(3,597,764)
Other income	42,199	39,896	5,636	-	87,731
Loss before tax	(723,737)	(3,996,409)	(10,048,662)	11,258,775	(3,510,033)
Income tax expense	(485,357)	(802)	10,182	-	(475,977)
Loss after tax	(1,209,094)	(3,997,211)	(10,038,480)	11,258,775	(3,986,010)
Assets					
Segment assets	36,511,720	5,583,400	4,979,944	(5,143,000)	41,932,064
Liabilities					
Segment liabilities	29,342,739	9,222,324	3,379,339	(34,234,717)	7,709,685
Other information					
Depreciation of right-of-use asset	-	44,314	-	-	44,314
Depreciation of property, plant and equipment	47,036	24,802	21,557	-	93,395
Impairment loss allowance on trade receivables	-	100,000	1,654	-	101,654

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2021 TO 31 JANUARY 2023
cont'd

21. OPERATING SEGMENTS *cont'd*

(a) Business segments *cont'd*

Group	Construction	Trading	Others	Consolidation	Total
31.07.2021	RM	RM	RM	Adjustment	RM
				RM	
Revenue					
External revenue	3,350,627	-	-	-	3,350,627
Results					
Segment results	(34,638)	-	(1,729,236)	6,902	(1,756,972)
Interest income	1,048	-	25,940	-	26,988
Interest expense	(1,678)	-	(1,630)	-	(3,308)
Loss before tax	(35,268)	-	(1,704,926)	6,902	(1,733,292)
Income tax expense	(93,041)	-	84,364	-	(8,677)
Loss after tax	(128,309)	-	(1,620,562)	6,902	(1,741,969)
Assets					
Segment assets	20,544,617	-	40,290,832	(19,719,069)	41,116,380
Liabilities					
Segment liabilities	28,725,658	-	7,460,807	(32,265,974)	3,920,491
Other information					
Depreciation of right-of-use asset	109,992	92,958	-	-	202,950
Depreciation of property, plant and equipment	55,046	40,901	15,020	-	110,967
Impairment loss allowance on trade receivables	20,962	-	-	-	20,962

(b) Major Customers

The Group has two (31.07.2021: 2) major customers that contributed approximately RM2,431,620 (31.07.2021: RM3,350,627), representing 98% (31.07.2021: 100%) of the Group's total revenue.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2021 TO 31 JANUARY 2023

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22. FINANCIAL INSTRUMENTS

(a) Categories of Financial Instruments

The table below provides an analysis of financial instruments as at reporting date categorised as follows: -

	Group		Company	
	Carrying amount RM	Amortised cost RM	Carrying amount RM	Amortised cost RM
31.01.2023				
Financial assets:-				
Trade receivables	2,717,518	2,717,518	-	-
Other receivables and deposit	13,236	13,236	-	-
Contract assets	24,768	24,768	-	-
Amount due from subsidiaries	-	-	22,826,047	22,826,047
Cash and bank balances	46,896	46,896	19,114	19,114
	2,802,418	2,802,418	22,845,161	22,845,161
Financial liabilities:-				
Trade payables	3,477,927	3,477,927	-	-
Other payables and accruals	1,443,842	1,443,842	425,612	425,612
Amount due to subsidiaries	-	-	1,156,471	1,156,471
Amount due to a director	2,234,715	2,234,715	1,785,249	1,785,249
	7,156,484	7,156,484	3,367,332	3,367,332
31.07.2021 (restated)				
Financial assets				
Trade receivables	398,282	398,282	-	-
Other receivables and deposit	29,750	29,750	-	-
Contract assets	12,384	12,384	-	-
Amount due from subsidiaries	-	-	28,455,850	28,455,850
Cash and bank balances	1,292,126	1,292,126	1,071,109	1,071,109
	1,732,542	1,732,542	29,526,959	29,526,959
Financial liabilities				
Trade payables	2,037,935	2,037,935	-	-
Other payables and accruals	1,132,717	1,132,717	132,335	132,335
Lease liabilities	94,072	94,072	-	-
Amount due to subsidiaries	-	-	1,970,367	1,970,367
Amount due to a director	34,054	34,054	25,587	25,587
	3,298,778	3,298,778	2,128,289	2,128,289

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2021 TO 31 JANUARY 2023
cont'd

22. FINANCIAL INSTRUMENTS *cont'd*

(a) Categories of Financial Instruments *cont'd*

	Group		Company	
	Carrying amount RM	Amortised cost RM	Carrying amount RM	Amortised cost RM
1.08.2020 (restated)				
Financial assets				
Trade receivables	14,102,909	14,102,909	-	-
Other receivables and deposit	47,251	47,251	1,000	1,000
Amount due from subsidiaries	-	-	22,982,996	22,982,996
Cash and bank balances	171,127	171,127	85,959	85,959
	14,321,287	14,321,287	23,069,955	23,069,955
Financial liabilities				
Trade payables	3,866,189	3,866,189	-	-
Other payables and accruals	1,631,643	1,631,643	619,716	619,716
Lease liabilities	20,179	20,179	-	-
Lease liabilities	185,074	185,074	-	-
Amount due to a director	72,529	72,529	10,868	10,868
	5,775,614	5,775,614	630,584	630,584

(b) Financial Risk Management

The Group has exposure to the following risks from its financial instruments: -

- Credit risk
- Liquidity risk
- Market risk

(c) Credit Risk

Credit risk is the risk of a financial loss 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 trade receivables, other receivables and deposits. The Company's exposure to credit risk arises principally from other receivables and advances to subsidiaries. There are no significant changes as compared to prior periods.

(i) Trade receivables and amount due from contract customers

Risk management objectives, policies and processes for managing the risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Normally credit evaluations are performed on customers requiring credit over a certain amount.

A significant portion of these trade receivables are regular customers that have been transacting with the Group. The Group uses ageing analysis to monitor the credit quality of the trade receivables.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2021 TO 31 JANUARY 2023

cont'd

22. FINANCIAL INSTRUMENTS *cont'd*

(c) Credit Risk *cont'd*

(i) Trade receivables and amount due from contract customers *cont'd*

Risk management objectives, policies and processes for managing the risk cont'd

The gross carrying amounts of credit impaired trade receivables and amount due from contract customers are written off (either partially or full) when there is no realistic prospect of recovery. This is generally the case when the Group 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 and amount due from contract customers that are written off could still be subject to enforcement activities.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables and contract assets are represented by the carrying amounts in the statement of financial position.

Concentration of credit risk

As at the end of the reporting period, 2 (31.07.2021 & 1.08.2020: 2 & 2) major customer accounted for 100% (2021: 100%) of the outstanding trade receivables.

Recognition and measurement of impairment loss

In managing credit risk of trade receivables, the Group manages its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances.

As there are only a few customers, the Group assessed the risk of loss of the customer individually based on its financial information and past trend of payments. All of these customers have low risk of default.

The following table provides information about the exposure to credit risk and ECLs for trade receivables as at the end of the reporting period which are grouped together as they are expected to have similar risk nature.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2021 TO 31 JANUARY 2023
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22. FINANCIAL INSTRUMENTS *cont'd*

(c) Credit Risk *cont'd*

(i) Trade receivables and amount due from contract customers *cont'd*

	Gross carrying amount RM	Group Loss allowances cost RM	Net balance RM
31.01.2023			
Current (not past due)	2,001,646	(101,654)	1,899,992
More than 61 days past due	838,488	(20,962)	817,526
	<u>2,840,134</u>	<u>(122,616)</u>	<u>2,717,518</u>
31.07.2021			
Current (not past due)	419,244	(20,962)	398,282
1.08.2021			
Current (not past due)	176,676	(8,834)	167,842
1 - 30 days past due	1,402,551	(8,834)	1,393,717
31 - 60 days past due	101,677	(5,064)	96,613
More than 61 days past due	13,099,744	(654,987)	12,444,757
	<u>14,780,648</u>	<u>(677,719)</u>	<u>14,102,929</u>
		Company	
	Gross carrying amount RM	Loss allowances cost RM	Net balance RM
31.01.2023			
Current (not past due)	1,654	(1,654)	-

(ii) Other receivables

Credit risk on other receivables is mainly arising from the deposits paid for office buildings and fixtures rented. These deposits will be received at the end of each lease terms. The Group manages the credit risk together with the leasing arrangement.

As at the end of the reporting period, the maximum exposure to credit risk is represented by its carrying amount in the statement of financial position.

As at the end of the reporting period, the Group did not recognise any allowance for impairment losses as the probability of default of these deposits is low.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2021 TO 31 JANUARY 2023

cont'd

22. FINANCIAL INSTRUMENTS *cont'd*

(c) Credit Risk *cont'd*

(iii) Cash and cash equivalents

The cash and cash equivalents are held with banks. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

These banks have low credit risks. In addition, some of the bank balances are insured by government agencies. Consequently, the Group and the Company are of the view that the loss allowance is not material and hence, it is not provided for.

(iv) Inter-company loans and advances

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured advances to subsidiaries. The Company monitors the ability of the subsidiaries to repay the loans and advances on an individual basis.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

Recognition and measurement of impairment loss

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

- The subsidiary is unlikely to repay its advance to the Company in full;
- The subsidiary's advance is overdue for more than 365 days; or
- The subsidiary is continuously loss making and is having a deficit shareholders' fund.

The Company determines the probability of default for these advances individually using internal information available.

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

The reconciliation of amount due from subsidiaries are as follows:

	31.01.2023	31.07.2021	01.08.2020
	RM	RM	RM
Amount due from subsidiaries	29,179,070	28,455,850	22,982,996
Less: Accumulated impairment losses	(6,353,023)	-	-
	<u>22,826,047</u>	<u>28,455,850</u>	<u>22,982,996</u>

Impairment losses are recognised in the current financial year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2021 TO 31 JANUARY 2023
cont'd

22. FINANCIAL INSTRUMENTS *cont'd*

(d) Liquidity Risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's exposure to liquidity risk arises principally from its various payables.

The Group maintains a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

Maturity analysis

The table below summarises the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments.

	Carrying amount RM	Contractual interest rate %	Contractual cash flows RM	Within 1 year RM	1 - 5 years RM
31.01.2023					
Group					
Non derivative financial liabilities:-					
Trade payables	3,477,927	-	3,477,927	1,469,118	2,008,809
Other payables and accruals	1,443,842	-	1,443,842	560,785	883,057
Amount due to a director	2,234,715	-	2,234,715	-	2,234,715
	<u>7,156,484</u>		<u>7,156,484</u>	<u>2,029,903</u>	<u>5,126,581</u>
31.07.2021 (Restated)					
Group					
Non derivative financial liabilities:-					
Trade payables	2,037,935	-	2,037,935	2,037,935	-
Other payables and accruals	1,132,717	-	1,132,717	249,660	883,057
Amount due to a director	34,054	-	34,054	34,054	-
Lease liabilities	94,072	5.29	95,000	95,000	-
	<u>3,298,778</u>		<u>3,299,706</u>	<u>2,416,649</u>	<u>883,057</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2021 TO 31 JANUARY 2023

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22. FINANCIAL INSTRUMENTS *cont'd*

(d) Liquidity Risk *cont'd*

	Carrying amount RM	Contractual interest rate %	Contractual cash flows RM	Within 1 year RM	1 - 5 years RM
01.08.2020 (Restated)					
Group					
Non derivative financial liabilities:-					
Trade payables	3,866,189	-	3,866,189	3,866,189	-
Other payables and accruals	1,631,643	-	1,631,643	748,586	883,057
Contract liabilities	20,179	-	20,179	20,179	-
Amount due to a director	72,529	-	72,529	72,529	-
Lease liabilities	185,074	5.29	197,600	148,400	49,200
	<u>5,775,614</u>		<u>5,788,140</u>	<u>4,855,883</u>	<u>932,257</u>

	Carrying amount RM	Contractual interest rate %	Contractual cash flows RM	Within 1 year RM	1 - 5 years RM
31.01.2023					
Company					
Non derivative financial liabilities:-					
Other payables and accruals	425,612	-	425,612	425,612	-
Amount due to subsidiaries	1,156,471	-	1,156,471	1,156,471	-
Amount due to a director	1,785,249	-	1,785,249	-	1,785,249
	<u>3,367,332</u>		<u>3,367,332</u>	<u>1,582,083</u>	<u>1,785,249</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2021 TO 31 JANUARY 2023
cont'd

22. FINANCIAL INSTRUMENTS *cont'd*

(d) Liquidity Risk *cont'd*

	Carrying amount RM	Contractual interest rate %	Contractual cash flows RM	Within 1 year RM	1 - 5 years RM
31.07.2021 (Restated)					
Company					
Non derivative financial liabilities:-					
Other payables and accruals	132,335	-	132,335	132,335	-
Amount due to subsidiaries	1,970,367	-	1,970,367	1,970,367	-
Amount due to a director	25,587	-	25,587	25,587	-
	<u>2,128,289</u>		<u>2,128,289</u>	<u>2,128,289</u>	<u>-</u>

	Carrying amount RM	Contractual interest rate %	Contractual cash flows RM	Within 1 year RM	1 - 5 years RM
01.08.2020 (Restated)					
Company					
Non derivative financial liabilities:-					
Other payables and accruals	619,716	-	619,716	619,716	-
Amount due to a director	10,868	-	10,868	10,868	-
	<u>630,584</u>		<u>630,584</u>	<u>630,584</u>	<u>-</u>

(e) Fair Value Information

The carrying amounts of cash and cash equivalents, short term receivables and payables reasonably approximate their fair values due to the relatively short term nature of these financial instruments.

23. CAPITAL MANAGEMENT

The Group defines capital as equity and debt of the Group. The Group's objectives when managing capital is to maintain a strong capital base and safeguard the Group's ability to continue as a going concern, so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Directors monitor and are determined to maintain an optimal debt-to-equity ratio that complies with debt covenants and regulatory requirements.

There was no change in the Group's approach to capital management during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2021 TO 31 JANUARY 2023

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24. RELATED PARTY DISCLOSURE

(a) Identity of 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 jointly 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 parties 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 and entity that provides key management personnel services to the Group. The key management personnel include all the Directors of the Group.

The Group has related party relationship with key management personnel.

(b) Significant Related Party Transactions

Related party transactions have been entered into in the normal course of business under negotiated and mutually agreed terms. The significant related party transactions of the Group and the Company are shown below.

	Group		Company	
	01.08.2021 to 31.01.2023 RM	01.08.2020 to 31.07.2021 RM	01.08.2021 to 31.01.2023 RM	01.08.2020 to 31.07.2021 RM
Proceeds of disposal of motor vehicles from director	42,000	-	2,800	-

	Group		Company	
	01.08.2021 to 31.01.2023 RM	01.08.2020 to 31.07.2021 RM	01.08.2021 to 31.01.2023 RM	01.08.2020 to 31.07.2021 RM
Key management personnel:-				
Directors				
Fee	-	82,868	-	82,868
Remuneration and allowances	1,333,900	412,820	997,900	74,000
Defined contribution plans	187,232	65,304	186,770	-
	1,521,132	560,992	1,184,670	156,868

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2021 TO 31 JANUARY 2023
cont'd

25. LAND HELD FOR PROPERTY DEVELOPMENT

	Group Freehold land (Restated) RM
As at 1 August 2020, 31 July 2021, 31 January 2023	17,300,000

The Group had entered into a Joint Venture Agreement (“JV”) with a third party (“the landowner”). The Group had extended the JV agreement until 31 December 2025.

26. AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

These financial statements were authorised for issue on 31 May 2023 by the Board of Directors.

27. PRIOR YEAR ADJUSTMENT

The Group and the Company had adjusted RM219,263 and RM200,146 from other payables and accruals to accumulated losses and amount due to director. Besides that, the Group had reclassified property, plant and equipment of RM17,300,000 to land held for property development.

The net effects to the Group’s comparative figures are summarised as below:

Statement of Financial Position as at 1 August 2020

Group	As previously reported RM	Adjustments RM	As restated RM
<u>Non-current assets</u>			
Property, plant and equipemnt	22,852,080	(17,300,000)	5,552,080
Land held for property development	-	17,300,000	17,300,000
<u>Current liabilities</u>			
Other payables and accruals	(849,550)	100,964	(748,586)
<u>Equity</u>			
Accumulated losses	(1,018,115)	100,964	(917,151)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2021 TO 31 JANUARY 2023
cont'd

27. PRIOR YEAR ADJUSTMENT *cont'd*

Statement of Financial Position as at 31 July 2021

Group	As previously reported RM	Adjustments RM	As restated RM
<u>Non-current assets</u>			
Property, plant and equipemnt	39,290,903	(17,300,000)	21,990,903
Land held for property development	-	17,300,000	17,300,000
<u>Current liabilities</u>			
Other payables and accruals	(492,523)	242,863	(249,660)
Amount due to director	(10,454)	(23,600)	(34,054)
<u>Equity</u>			
Accumulated losses	(2,878,380)	219,263	(2,659,117)

Statement of Profit or loss and Other Comprehensive Income for the financial year ended 31 July 2021

Group	As previously reported RM	Adjustments RM	As restated RM
Operating expenses and administration expenses	(2,363,737)	118,299	(2,245,438)
Loss before taxation	(1,851,588)	118,299	(1,733,289)
Loss for the financial year	(1,860,265)	118,299	(1,741,966)

Statement of Financial Position as at 1 August 2020

Company	As previously reported RM	Adjustments RM	As restated RM
<u>Current liabilities</u>			
Other payables and accruals	(720,680)	100,964	(619,716)
<u>Equity</u>			
Accumulated losses	(7,096,431)	100,964	(6,995,467)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2021 TO 31 JANUARY 2023
cont'd

27. PRIOR YEAR ADJUSTMENT *cont'd*

Statement of Financial Position as at 31 July 2021

Company	As previously reported RM	Adjustments RM	As restated RM
<u>Current liabilities</u>			
Other payables and accruals	(356,081)	223,746	(132,335)
Amount due to director	(1,987)	(23,600)	(25,587)
<u>Equity</u>			
Accumulated losses	(8,586,937)	200,146	(8,386,791)

Statement of Profit or loss and Other Comprehensive Income for the financial year ended 31 July 2021

Company	As previously reported RM	Adjustments RM	As restated RM
Operating expenses and administration expenses	(1,600,059)	99,182	(1,500,877)
Loss before taxation	(1,574,870)	99,182	(1,475,688)
Loss for the financial year	(1,490,506)	99,182	(1,391,324)

LIST OF PROPERTIES

No.	Location	Address	Description / Existing Use	Tenure	Land Area (Square Meter)	Carrying Amount (RM)	Date of Acquisition
1.	Kedah	Lot Nos. 815 to 835 Section 47 [Title Nos. GM 17637 to GM 17657] respectively, all within town of Alor Setar, District of Kota Setar, State of Kedah	Residential land	Freehold	2,238 square meters	3,650,000	24 July 2020
2.	Melaka	Lot No. 10511, PN 23168, Mukim of Batu Berendam, District of Melaka Tengah, Melaka	Commercial land	Leasehold	8,137 square meters	1,664,000	24 July 2020
3.	Kedah	P.T. No. 819 [Title No. HSD 14970], Town of Alor Setar, District of Kota Setar, State of Kedah	Commercial land	Freehold	7,345 square meters	17,300,000	30 July 2020
4.	Kedah	Lot Nos. 278, 279 & 282 [Title Nos. GM 14813, GM14814 & GM 14815] Town of Alor Setar, District of Kota Setar, State of Kedah	Commercial land	Freehold	15,361 square meters	16,540,000	3 June 2021

ANALYSIS OF SHAREHOLDINGS

As at 24 May 2023

SHARE CAPITAL

Total Number of Issued Shares	: 1,074,090,909
Class of Shares	: Ordinary Share
Voting Rights	: One vote for each ordinary share held

DISTRIBUTION OF SHAREHOLDINGS AS AT 24 May 2023

Size of Holding	No. of shareholders	No. of Shares#	% of shares
1 – 99	16	736	0.00
100 - 1,000	597	159,366	0.01
1,001 - 10,000	609	4,174,903	0.39
10,001 - 100,000	1,315	61,923,150	5.77
100,001 – 5%*	515	386,924,154	36.02
5% AND ABOVE **	5	620,908,600	57.81
Total	3,057	1,074,090,909	100.00

Remark:

* - Less than 5% of Issued Holdings

** - 5% and above of Issued Holdings

SUBSTANTIAL SHAREHOLDERS

The substantial shareholders based on the Register of Substantial Shareholders of the Company and their shareholdings are as follows: -

No.	Name of Substantial Shareholders	No. of Shares held		No. of Shares held	
		Direct	%	Indirect	%
1	Vantage Matrix Sdn. Bhd.	275,000,000	25.60	-	-
2	Mr. Loh Boon Ginn	130,000,000	12.10	122,593,648*	11.41
3	SC Estate World Sdn. Bhd.	93,314,952	8.69	-	-
4.	Takzim Empayar Sdn Bhd	122,593,648	11.41	-	-

* Deemed interest through Takzim Empayar Sdn. Bhd., who in turn holds shares in SC Estate Builder Berhad

ANALYSIS OF SHAREHOLDINGS

As at 24 May 2023
cont'd

DIRECTORS' SHAREHOLDINGS

The Directors' Shareholdings based on the Register of Directors' Shareholdings of the Company are as follows: -

No.	Name of Directors	No. of Shares held		No. of Shares held	
		Direct	%	Indirect	%
1	Loh Boon Ginn	130,000,000	12.10	122,593,648*	11.41
2	Loh Shy Ming	-	-	-	-
3	Loh Shy Tyug	-	-	-	-
4	Kuay Jeaneve	-	-	-	-
5	Kuay Jen Nie	-	-	-	-
6	Chee Jun Ann	-	-	-	-
7	Josipinna Binti Pudun	-	-	-	-
8	Loo Tze Ming	-	-	-	-
9	Soo Ting Hooi	-	-	-	-
10	Chan Wei Xi	-	-	-	-
11	YBhg. Dato' Bijaya Indera Dato' Paduka Haji Syed Unan Mashri Bin Syed Abdullah	-	-	-	-
12	Chu Wooi Siong	-	-	-	-

* Deemed interest through Takzim Empayar Sdn. Bhd., who in turn holds shares in SC Estate Builder Berhad

LIST OF TOP 30 LARGEST SECURITIES ACCOUNTS HOLDERS (ACCORDING TO THE REGISTER OF DEPOSITORS AS AT 24 May 2023)

No.	Name of Shareholders	No. of Shares	%
1	M & A NOMINEE (TEMPATAN) SDN BHD MAJESTIC SALUTE SDN BHD FOR VANTAGE MATRIX SDN BHD	200,000,000	18.62
2	M & A NOMINEE (TEMPATAN) SDN BHD MAJESTIC SALUTE SDN BHD FOR LOH BOON GINN	130,000,000	12.10
3	TAKZIM EMPAYAR SDN. BHD.	122,593,648	11.41
4	SC ESTATE WORLD SDN. BHD.	93,314,952	8.69
5	VANTAGE MATRIX SDN. BHD.	75,000,000	6.98
6	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR MICHAEL HENG CHUN HONG	47,500,000	4.42
7	SYARIKAT KAYU WANGI BERHAD	22,594,800	2.10
8	NG TONG LAI	17,038,700	1.59
9	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR YEO BEE KIM	12,000,000	1.12
10	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TEH CHEE TEONG	10,000,000	0.93
11	NG TONG LAI	8,500,000	0.79
12	PROGEREX SDN. BHD.	8,000,000	0.74
13	TAN POW CHOO @ WONG SENG ENG	7,769,700	0.72
14	CHONG KAH EE	7,500,000	0.70
15	SITI JUNAINAH BINTI DEWA	6,960,000	0.65

ANALYSIS OF SHAREHOLDINGS

As at 24 May 2023
cont'd

LIST OF TOP 30 LARGEST SECURITIES ACCOUNTS HOLDERS *cont'd*
(ACCORDING TO THE REGISTER OF DEPOSITORS AS AT 24 May 2023)

No.	Name of Shareholders	No. of Shares	%
16	LGB ENGINEERING SDN. BHD.	5,000,000	0.47
17	CHANG MAY FANG	4,400,000	0.41
18	OH HOCK LYE	4,000,000	0.37
19	GAN YIH KUANG	3,691,000	0.34
20	LAM AH CHOI	3,616,100	0.34
21	TOH YEN HO	3,530,000	0.33
22	KENANGA NOMINEES (TEMPATAN) SDN BHD <i>RAKUTEN TRADE SDN BHD FOR GAN YIH KUANG</i>	3,434,000	0.32
23	AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. <i>PLEDGED SECURITIES ACCOUNT FOR TEOH WAH ING</i>	3,000,000	0.28
24	SITI JUNAINAH BINTI DEWA	3,000,000	0.28
25	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR LIM AI SIOK (KUCHING-CL)</i>	2,800,000	0.26
26	DARRYL, FRANCIS DONOVAN	2,750,000	0.26
27	CHAP KAR KAR	2,659,000	0.25
28	LIM CHIN SEAN	2,500,000	0.23
29	LEE KOK HOONG	2,450,000	0.23
30	YAYASAN SULTANAH BAHYAH	2,000,000	0.19
TOTAL		817,601,900	76.12

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SC ESTATE BUILDER BERHAD

[Registration No. 200401017162 (655665-T)]
(Incorporated in Malaysia)

Number of shares held	
CDS account no.	

I/We _____ [Full Name in Block Letters],

NRIC No. _____ of _____

[Full Address], _____ [Email Address], _____

[Contact No.] being a member(s) of SC ESTATE BUILDER BERHAD (“the Company”), hereby appoint

Full Name in Block Letters		Proportion of shareholdings to be presented %
Email Address		
NRIC No.		
Full Address		
Contact No.		
Full Name in Block Letters		Proportion of shareholdings to be presented %
Email Address		
NRIC No.		
Full Address		
Contact No.		
		100%

or failing him/her, the Chairman of the Meeting as my/our proxy to vote for me/us and on my/our behalf at the Eighteenth Annual General Meeting (18th) of the Company to be conducted on a fully virtual basis through live streaming via Remote Participation and Voting (“RPV”) Facilities via an online meeting platform at www.swsb.com.my provided by ShareWorks Sdn Bhd (Domain Registration No. with MYNIC – D1A403841) on Friday, 28 July 2023 at 11.00 a.m. or at any adjournment thereof to vote as indicated below:

No.			For	Against
1.	Ordinary Resolution 1	To approve the payment of Directors’ Fees and other benefits of up to RM800,000/- payable to the Non-Executive Directors for the period commencing from the conclusion of the 18th AGM of the Company until the conclusion of the next AGM of the Company.		
2.	Ordinary Resolution 2	To re-elect Ms. Loh Shy Ming as Director of the Company.		
3.	Ordinary Resolution 3	To re-elect Mr. Loh Boon Ginn as Director of the Company.		
4.	Ordinary Resolution 4	To re-elect Ms. Kuay Jeanvee as Director of the Company.		
5.	Ordinary Resolution 5	To re-elect Ms. Kuay Jen Nie as Director of the Company.		
6.	Ordinary Resolution 6	To re-elect Mr. Chee Jun Ann as Director of the Company.		
7.	Ordinary Resolution 7	To re-elect Ms. Josipinna Binti Pudun as Director of the Company.		
8.	Ordinary Resolution 8	To re-elect Mr. Loo Tze Ming as Director of the Company.		
9.	Ordinary Resolution 9	To re-elect Ms. Chan Wei Xi as Director of the Company.		
10.	Ordinary Resolution 10	To re-elect Mr. Soo Ting Hooi as Director of the Company.		
11.	Ordinary Resolution 11	To re-elect Dato’ Bijaya Indera Dato’ Paduka Haji Syed Unan Mashri bin Syed Abdullah as Director of the Company.		
12.	Ordinary Resolution 12	To re-elect Mr. Chu Wooi Siong as Director of the Company.		
13.	Ordinary Resolution 13	To re-appoint Messrs. ChengCo PLT as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration.		
14.	As Special Business: Ordinary Resolution 14	Authority to allot shares pursuant to Sections 75 and 76 of the Companies Act 2016.		

Please indicate with an “X” in the spaces provided below how you wish your votes to be cast. If no specific direction as to voting is given, the proxy will vote or abstain at his/her discretion.

Signed this day of 2023

.....
Signature of Shareholder(s)

Fold this flap for sealing

Notes:

1. The AGM of the Company will be held as a fully virtual basis conducted entirely virtual through live streaming and online remote participation Facilities via the online meeting platform at www.swsb.com.my provided by ShareWorks Sdn. Bhd. (Domain registration number with MYNIC: D1A403841). Please read carefully and follow the procedures provided in the Administrative Notes in order to register, participate and vote remotely via the RPV facilities.
2. In respect of deposited securities, only members whose names appear in the Record of Depositors on 21 July 2023 shall be eligible to attend, speak and vote at the AGM.
3. A member shall not be entitled to appoint more than two (2) proxies to attend and vote at the same general meeting. Where a member appoints two (2) proxies, the appointments shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
4. A proxy may but need not be a member of the Company and a member may appoint any person to be his proxy. There shall be no restriction as to the qualification of the proxy and a proxy appointed to attend and vote at a general meeting shall have the same rights as the member to speak at the meeting.
5. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or, if such appointer is a corporation, under its common seal or under the hand of an officer or attorney duly authorised. The Directors may but shall not be bound to require evidence of the authority of any such attorney or officer.

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AFFIX STAMP

THE SHARE REGISTRAR OF
SC ESTATE BUILDER BERHAD
[Registration No. 200401017162 (655665-T)]
ShareWorks Sdn. Bhd.
No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas
50480 Kuala Lumpur, Wilayah Persekutuan

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6. Where a member is an authorised nominee as defined under the Securities Industry (Central Depository) Act, 1991, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds to which shares in the Company standing to the credit of the said account.
7. Where a member is an exempt authorised nominee which holds deposited securities 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.
8. The instrument appointing a proxy and the power of attorney or other authority, if any under which it is signed or notially certified copy of that power or authority shall be deposited at the Share Registrar of the Company, ShareWorks Sdn. Bhd. at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan not less than 48 hours before the time appointed for holding the Meeting or any adjournment thereof.
9. Pursuant to Rule 8.31A of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, the resolution set out in this Notice of AGM will be put to vote by way of poll.



BUY SCBUILD/0109

**OUR FUTURE AND OUR FUTURE
GENERATIONS@SCBUILD/0109**

INVEST FOR LONG TERM

**ENVIRONMENT, SOCIAL AND GOVERNANCE (ESG)
INITIATIVE PROJECTS**

MOVING FORWARD 2020-2030

NET ZERO CARBON EMISSION 2050

UNITED · BEYOND 2100

SC ESTATE BUILDER BERHAD Registration No. 200401017162 (655665-T)

OUR FUTURE @ SCBUILD/0109
INVEST FOR LONG TERM

MOVING FORWARD 2020-2030
UNITED · BEYOND 2100

STOCK Name/Code : SCBUILD/0109
Listed on ACE Market of Bursa Malaysia
D-08-06, Block D, Level 8, Capital 4, Oasis Square,
No. 2, Jalan PJU 1A/7A, Ara Damansara,
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