

SEAL

INCORPORATED BERHAD

Registration No.: 196201000416 (4887-M)

Into

THE **FUTURE**
Sustainability In Every Step



Annual Report
2024

Cover Rationale



The phrase "Into the Future, Sustainability in Every Step" embodies Seal Incorporated Berhad Group's ("the Group") steadfast commitment to integrating sustainable practices across all operations.

"*Into the Future*" emphasises the Group's dedication to long-term growth and innovation, highlighting their readiness to embrace both challenges and opportunities. It conveys a dynamic spirit of pushing boundaries and exploring new frontiers. The accompanying color splash effect symbolises creativity and continuous learning, reflecting the Group's commitment to thinking outside the box and fostering an innovative mindset.

"*Sustainability in Every Step*" conveys the Group's comprehensive approach to environmental stewardship, integrating sustainability into everyday actions and decisions. This phrase underscores the Group's intention to make sustainability an essential part of its operations, showcasing a commitment to generating a positive environmental impact at every level.

The infinity logo symbolises trust, confidence, and the strength found in constantly evolving businesses. It represents the Group's dedication to growth and sustainability, emphasising a proactive and adaptive approach to turning environmental challenges into opportunities for advancement and innovation. In essence, "Into the Future, Sustainability in Every Step" communicates the Group's dedication to sustainable progress. It resonates with stakeholders who prioritise environmental responsibility and innovation, while reinforcing the Group's mission to lead with excellence as a forward-thinking, environmentally conscious organisation.

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62nd Annual General Meeting



Fully virtual via online meeting platform at <https://meeting.boardroomlimited.my>



Thursday,
19 December 2024



10:30 a.m.

CORPORATE INFORMATION

Board Of *Directors*

Lee Swee Kheng

Chairman,
Independent Non-Executive Director
(Chairperson - Appointed w.e.f. 24 June 2024)

Koay Shean Loong

Group Chief Executive Officer,
Executive Director

Datuk Tan Hiang Joo

Senior Independent Non-Executive Director

Sim Yee Fuan

Independent Non-Executive Director

Yow Yan Seong

Independent Non-Executive Director

Tan Seong Hooi

Independent Non-Executive Director

Datuk Wira Syed Amir Syakib Arsalan bin Syed Ibrahim

Independent Non-Executive Director
(Appointed w.e.f. 24 June 2024)

AUDIT COMMITTEE

Chairman

Sim Yee Fuan

Members

Datuk Tan Hiang Joo
Datuk Wira Syed Amir Syakib
Arsalan bin Syed Ibrahim
(Appointed w.e.f. 24 June 2024)

SECRETARY

Yeow Sze Min (MAICSA 7065735)
(SSM PC No. 201908003120)

PRINCIPAL PLACE OF BUSINESS

Level 3A, ELIT Avenue Business Park
1-3A-18 Jalan Mayang Pasir 3
11950 Bayan Baru
Penang, Malaysia
Tel No. : +604-618 3333
Fax No.: +604-637 0333
Website: www.sib.com.my

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia
Securities Berhad
Stock Code: 4286
Stock Name: SEAL

REMUNERATION COMMITTEE

Chairman

Yow Yan Seong
(Appointed w.e.f. 24 June 2024)

Members

Datuk Tan Hiang Joo
Sim Yee Fuan

REGISTERED OFFICE

Suite 18.05, MWE Plaza
No. 8, Lebuhr Farquhar
10200 George Town
Penang, Malaysia
Tel No. : +604-263 1966
Fax No.: +604-262 8544
Email : info@sshbsb.com.my

AUDITORS

Grant Thornton Malaysia PLT
(201906003682 and AF:0737)
Level 5 Menara BHL
51 Jalan Sultan Ahmad Shah
10050 Penang, Malaysia

NOMINATING COMMITTEE

Chairman

Datuk Tan Hiang Joo

Members

Sim Yee Fuan
Datuk Wira Syed Amir Syakib Arsalan
bin Syed Ibrahim
(Appointed w.e.f. 24 June 2024)

SHARE REGISTRAR

Boardroom Share Registrars Sdn. Bhd.
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13, 46200 Petaling Jaya
Selangor Darul Ehsan, Malaysia
Tel No. : +603-7890 4700
Fax No. : +603-7890 4670
Email : BSR.helpdesk@boardroomlimited.com

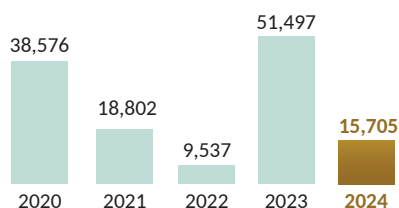
PRINCIPAL BANKERS

AmBank (M) Berhad
Al Rajhi Banking & Investment Corporation
(Malaysia) Berhad
Bank Islam Malaysia Berhad
Maybank Islamic Berhad
Hong Leong Bank Berhad
CIMB Bank Berhad
Malayan Banking Berhad
United Overseas Bank (Malaysia) Berhad
Public Bank Berhad
OCBC Bank (Malaysia) Berhad

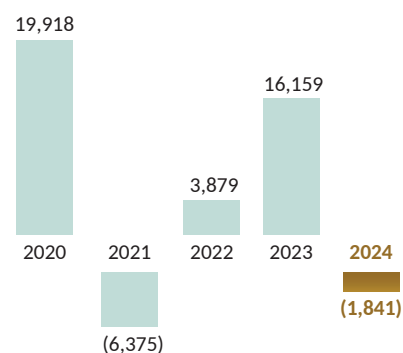
FINANCIAL HIGHLIGHTS

Year	2020	2021	2022	2023	2024
Revenue (RM'000)	38,576	18,802	9,537	51,497	15,705
Profit/(Loss) before tax (RM'000)	19,918	(6,375)	3,879	16,159	(1,841)
Profit/(Loss) after tax (RM'000)	16,161	(10,436)	4,551	11,562	(3,399)
Profit/(Loss) attributable to:					
owners of the parent (RM'000)	16,070	(10,383)	4,320	11,738	(3,170)
non-controlling interests (RM'000)	91	54	229	(176)	(229)
Total Assets (RM'000)	457,676	428,656	447,716	485,181	505,490
Shareholders' equity (RM'000)	302,739	292,356	310,472	331,732	356,757
Basic earnings/(losses) per share (sen)	6.78	(4.38)	1.61	4.03	(0.78)
Net assets per share (RM)	1.28	1.23	1.09	1.06	0.85

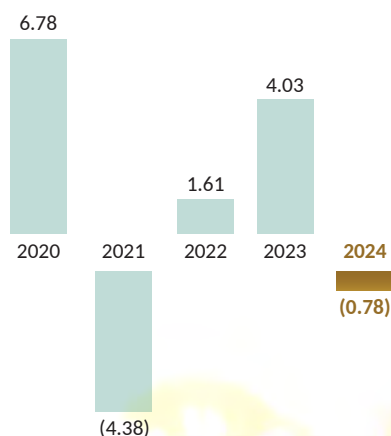
REVENUE (RM'000)



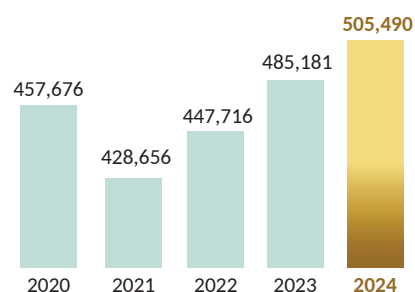
PROFIT/(LOSS) BEFORE TAX (RM'000)



BASIC EARNINGS/(LOSSES) PER SHARE (SEN)



TOTAL ASSETS (RM'000)



MANAGEMENT DISCUSSION AND ANALYSIS

Dear Respected Shareholders and Valued Stakeholders,

We are honoured to present the 2024 Annual Report for Seal Incorporated Berhad (“SEAL” or “the Company”) and its subsidiary companies (“the Group”).

Over the years, the Group has undergone a remarkable transformation, evolving from its roots in the integrated timber sector to emerge as a significant player in the construction and property industries. This report reflects our commitment to growth and highlights the strides we have made in diversifying our business portfolio to include property development, property management, property investment, and construction. More recently on 8 August 2024, SEAL has announced to Bursa Malaysia Securities Berhad (“Bursa Securities”), its intention to diversify existing principal activities of SEAL Group to include investment in renewable energy and related activities.

Our growth journey has been defined by adaptability and innovation, which have enabled us to expand far beyond our initial focus. Today, we stand as a diversified and resilient entity, poised to meet the evolving demands of our stakeholders in an ever-changing economic landscape.

As we move forward, our dedication to maintaining high standards of quality, innovation, and responsibility will remain the cornerstone of the Group’s strategy.

We thank you for your continued trust and support as we embark on the next phase of our journey.

Appreciation for Retiring Directors

We also take this opportunity to extend our heartfelt appreciation and gratitude to Tuan Haji Abdul Hamid bin Mohd Hassan (“Tuan Haji”), our Executive Chairman and Yang Teramat Mulia Raja Kecil Tengah Perak Raja Dato’ Seri Iskandar bin Raja Ziran @ Raja Zaid (“YTM Raja Iskandar”), our Independent Non-Executive Director who have retired from the Board on 24 June 2024 for their significant contributions, unwavering dedication and exemplary service to the Group.

Tuan Haji has played a pivotal role in steering the Group through various phases of growth and transition. His leadership as Executive Chairman of the Board of Directors has been marked by a deep commitment to the Group’s vision and values. His contributions to our success are immeasurable.

YTM Raja Iskandar has served with great distinction as the Chairman of the Remuneration Committee, bringing his vast knowledge and experience to support the Group in navigating its strategic challenges. His wisdom and counsel have left a lasting impact on the Group’s future direction.

We would also like to express our heartfelt appreciation to Datuk Tan Hiang Joo (“Datuk Tan”), our Senior Independent Non-Executive Director (“SINED”), who has served the Board for a cumulative period of more than nine (9) years has indicated his intention to retire and vacate office as SINED of the Company and decided not to seek re-election and will retire from the Board on 19 December 2024. Datuk Tan has provided steadfast leadership and invaluable guidance throughout his tenure as SINED and Chairman of the Nominating Committee. His extensive legal expertise and strategic oversight have been instrumental in shaping our governance and contributing to the continued success of the Company.

We wish them all the best in their future endeavours.

Introduction

The Group continues to build on its long-standing legacy, adapting to evolving market dynamics while navigating economic headwinds. The fiscal year 2024 presented significant challenges, as the Group faced a sharp reduction in revenue and profitability.

Despite these hurdles, the Group remains committed to its core values of transparency, accountability, and strategic foresight in overcoming current and future challenges.

MANAGEMENT DISCUSSION AND ANALYSIS

Among our notable accomplishments in fiscal year 2024:

Property Construction

The latest addition to our construction segment, the Queensville Phase 2b project is the commencement of Quartz Residenz, a services apartment comprising of 216 units that were awarded at a construction order book of RM132 million. This ambitious project is anchored in its mixed-development approach, featuring a comprehensive integrated design.

Queensville Phase 2 is a continuation of the development in Bandar Sri Permaisuri, which comprises three blocks of service apartments, and a shopping mall.

Queensville, Bandar Sri Permaisuri, Cheras, Kuala Lumpur-A Comprehensive Integrated Development ("Queensville")

We take immense pride in completing and delivering phase 1 of Queensville and the continuation of phase 2. Spanning across an expansive 12.5-acre prime expanse within the burgeoning Bandar Sri Permaisuri township, Queensville stands as a focal point of distinction.

As a comprehensive integrated development, Queensville seamlessly harmonises a myriad of amenities. Encompassing a shopping mall, an array of 49 premium retail units spanning 3 and 4-storey commercial shop lots, a distinguished office tower, three elegantly designed suites towers, and a collection of three serviced apartment blocks, Queensville epitomizes the concept of 'A Self-Contained City'. This innovative design ethos combines work, life, and commerce within a single architectural marvel.

Nestled at the heart of Bandar Sri Permaisuri, Queensville offers unparalleled connectivity. The Queensville project promises seamless access via major thoroughfares, including the Sungai Besi Expressway, Kuala Lumpur Putrajaya Highway, and the East-West Link Expressway.

Furthermore, the development seamlessly integrates with diverse public transportation options, enhancing accessibility for residents and visitors alike. With a focus on enriching lifestyles and fostering a thriving community, Queensville is poised to redefine urban living within the vibrant landscape of Bandar Sri Permaisuri, Cheras, Kuala Lumpur.

Property Development

Despite the challenging market conditions, the upcoming Bayan Suite, set to launch in October 2024, is expected to contribute positively to the Group's earning under the property development segment.

Bayan Suite, Bayan Mutiara, Penang ("Bayan Suite")

Bayan Suite is designed as a mixed development that comprises two-storey commercial shop lots, and one serviced apartment block featuring 326 units. It is a place where modern living meets urban convenience.

Nestled in the heart of Bayan Lepas, this innovative project seamlessly combines residential, commercial, and recreational spaces to create a lively and integrated community. Bayan Suite is easily accessible to Tun Dr. Lim Chong Eu Expressway, which links George Town, Penang to Northern Bayan Lepas/Bayan Baru. Furthermore, it is located in close proximity to Queensbay Mall, taking a median to Penang International Airport, and two of Southeast Asia's longest bridges, with an upcoming healthcare center and entertainment venues. Residents and visitors alike can enjoy the best that the city has to offer.

Simultaneously, we explore the potential in the vibrant Southwest District of Penang Island, a hotbed of prospects for our property development segment.

MANAGEMENT DISCUSSION AND ANALYSIS

Renewable Energy

The Group continues to focus on enhancing our diversified business portfolio with strategic investments in renewable energy, property development, and other sectors. Our commitment to sustainable growth and value creation remains central to our operations, and the recent award of a significant contract in the energy sector aligns with this vision.

Renewables Segment

In line with our strategy to contribute positively to Malaysia's renewable energy goals, SEAL entered into the subscription agreement on 6 February 2024 for the subscription of 20% equity interests in MSR Green Energy Sdn. Bhd. ("MSRGE") which was completed on 8 April 2024. This marked entry by SEAL into the renewables segment via its associate company, MSRGE.

MSRGE is principally involved in the installation and servicing of solar photovoltaic ("PV") systems, renewable energy projects management, consultancy and construction, electrical works and any other ancillary business. MSRGE develops solar PV projects, which include design and engineering, procurement, construction, and commissioning ("EPCC") of solar PV systems. MSRGE also provides engineering, procurement, and construction services for battery energy storage systems ("BESS"). To this end, we are pleased to announce a significant milestone that MSRGE, has secured a Letter of Award from Sabah Electricity Sdn. Bhd. (SESB) for the engineering, procurement, and construction ("EPC") of a 100-megawatt Battery Energy Storage System ("BESS") with an energy storage capacity of 400 megawatt-hour in Lahad Datu, Sabah.

This contract, valued at approximately RM645 million, will not only enhance MSRGE's order book but is also expected to positively contribute to SEAL's earnings through our share of profit generated by the associate company.

The BESS project is part of the Sabah Grid infrastructure improvement efforts, aimed at stabilising energy supply, especially during peak periods, while simultaneously promoting large-scale solar energy expansion. Notably, this will be the largest BESS system in Southeast Asia, solidifying our role in renewable energy. The project is scheduled to commence in September 2024 and is targeted for completion by June 2025.

On 26 January 2024, the Ministry of Energy Transition and Public Utilities announced that the government will roll out quotas for 2.8GW of new renewable energy capacities which among others include 2GW of solar capacity (including 500MW of floating solar) under Malaysia's fifth large scale solar ("LSS5") scheme. MSRGE, with its extensive experiences in EPCC of Solar PV poised to ride the potential benefits that may be arose from LSS5.

We are excited about the potential long-term impact these projects will have on both the Group and Malaysia's renewable energy landscape, aligning with the government's push for more sustainable energy solutions.

2024 Performance Overview:

For the financial year ended 30 June 2024 ("FY2024"), the Group recorded revenue of RM15.7 million, a 70% decline from RM51.5 million in the financial year ended 30 June 2023 ("FY2023").

This decline is largely attributed to the absence of one-off proceeds from land disposals, which significantly bolstered revenue in FY2023. Additionally, the property development sector experienced a substantial decrease in sales of completed units compared to the previous year.

Profitability: The Group's gross profit fell to RM7.4 million from RM24.4 million in FY2023. The Group transitioned from a profit before tax (PBT) of RM16.16 million in FY2023 to a loss before tax (LBT) of RM1.84 million in FY2024. This decline is largely attributed to the absence of one-off gains from land disposals.

This reflects the lower contribution from the property development segment and the rising preliminary operational expenses from the commencement of Queensville Phase 2b under construction segment. Despite these setbacks, the Group focuses on cost management and risk mitigation to maintain long-term viability.

MANAGEMENT DISCUSSION AND ANALYSIS

Segmental Review:

1. Property Development:

- o Revenue from property development dropped drastically to RM1.19 million from RM44.52 million in FY2023, a 97.3% decrease. This is largely due to the absence of significant land disposals and lower sales of completed units compared to the previous year.
- o Nevertheless, due to the delay in launching the Bayan Suite project in Penang for the next financial year instead of in FY2024, Bayan Suite in Penang is expected to drive future revenue for the next financial year.

2. Property Investment:

- o The property investment segment saw a modest revenue increase to RM6.53 million from RM5.52 million in FY2023.
- o This was driven by improved tenancy rates and additional rental income from properties acquired in FY2023.
- o Elit Height and Elit Avenue commercial, located at Bayan City, Bayan Baru in Penang, the occupancy rates stand at 98% for FY2023 and FY2024. Additionally, Q Tower Block and Avenue commercial lots, both located at Queensville, Bandar Sri Permaisuri, also showed an improvement in occupancy rate averaging from 49% to 75%. The overall occupancy rate in FY2023 was lower due to the additional 28 units of Q Avenue commercial lots located at Queensville, Bandar Sri Permaisuri, acquired in June 2023.

3. Property Construction:

- o The construction segment showed encouraging growth, generating RM5.43 million in revenue compared to RM0.28 million in FY2023.
- o This growth was primarily due to the commencement of construction activities, particularly the Queensville Phase 2b project.

Operational Efficiency & Cost Management:

Operating expenses were managed at RM12.5 million in FY2024, a slight reduction compared to RM14.4 million in FY2023.

The lower administrative and operational expenses primarily stems from the RM4.7 million impairment loss on the timber concession recognised in FY2023, with no additional impairment recorded in FY2024. However, this decrease was offset by rising staff costs associated with preliminary activities for the Queensville Phase 2b project and the Bayan Suite project in Penang.

The Group implemented tighter cost controls to manage rising material and labor costs, which affected ongoing construction projects.

The Group also recorded other income of RM8.58 million, lower than the RM10.99 million reported in FY2023. The lower other income reported in FY2024 was mainly due to the one off RM6.8 million fair value gain on investment properties recognised in FY2023. Besides, as a result of the full and final settlement of material litigations in connection with the Queensville Phase 1 Project, a reversal of provision of construction cost and late payment interest of RM3.95 million and RM1.52 million respectively, has been recognised in FY2024.

Debt and Finance Costs:

Finance costs increased to RM4.92 million from RM4.81 million in FY2023.

The increase in finance costs was due to the financing drawdown derived from acquired investment properties in FY2023.

MANAGEMENT DISCUSSION AND ANALYSIS

Corporate Restructuring and Strategic Outlook:

In line with its restructuring efforts, the Group has repositioned its core focus on high potential segments, particularly property development and property construction, with a key emphasis on completing current projects to drive future revenues.

Renewable Energy

Additionally, SEAL is exploring investment opportunities into renewable energy and related activities, reinforcing its commitment to increase and diversify its revenue streams and sustained growth. SEAL had on 8 October 2024 announced the proposed diversification of principal activities of the Group to include investment in renewable energy and related activities. The Group will constantly look out for investment in other renewable energy technologies such as biomass, biogas, wind and others in addition to Solar PV to further expand the Group's exposure in renewable energy.

Corporate Proposals:

In 2024, SEAL executed several strategic corporate initiatives aimed at improving financial resilience and operational sustainability.

Private Placement

SEAL announced on 8 May 2023 that it proposed to undertake a private placement of up to 62,287,760 new ordinary shares in SEAL, representing approximately 20% of the total number of issued Shares (excluding treasury shares), to Chen Khai Voon ("Subscriber") at an issue price of RM0.26 per SEAL Share, vide a conditional subscription agreement ("CSA") entered into between SEAL and the Subscriber on 8 May 2023.

Pursuant to the above, an Extraordinary General Meeting ("EGM") was held on 13 July 2023 and the Shareholders of SEAL have approved the CSA. On 18 July 2023, 62,287,760 new ordinary shares were issued by SEAL to the Subscriber at an issue price of RM0.26 each, and the new shares were successfully listed on Bursa Securities on 20 July 2023.

The Private Placement has been completed following the allotment of the shares and raising RM16.2 million for the acquisition of/investment in a new viable business.

Proposed Acquisition of Daiman Majumas Sdn. Bhd.

SEAL has announced on 2 January 2022 that SEAL had proposed to undertake the proposed acquisition of 100% equity interest in Daiman Majumas Sdn. Bhd. ("Daiman"), for a total purchase consideration of RM17 million, to be satisfied via a combination of cash payment of RM5 million and the issuance of 40,677,966 new ordinary shares of SEAL ("Consideration Shares") at an issue price of RM0.295 each ("Proposed Acquisition"). The Proposed Acquisition was approved by the shareholders of SEAL at its EGM held on 12 May 2022.

On 29 September 2023, SEAL announced that all the conditions subsequent pursuant to the share sale agreement dated 1 January 2022 entered into between SEAL and the Vendors for the Proposed Acquisition (as varied by the Supplemental Letter dated 18 October 2022) have been fulfilled and the Proposed Acquisition has become unconditional. The Proposed Acquisition was completed on 3 October 2023 following the listing and quotation of the Consideration Shares on the Main Market of Bursa Securities.

MANAGEMENT DISCUSSION AND ANALYSIS

Corporate Proposals (cont'd):

Proposed Investment in HMPP

SEAL announced on 6 September 2023 that it had entered into a Binding Term Sheet ("BTS") with Hutan Melintang Power Plant Sdn Bhd ("HMPP"), its sole shareholder Tan Tang Seong ("TTS"), Ikhtiar Gawa Sdn Bhd ("IGSB"), and the shareholders of IGSB (TTS and Tan Shun Yu). The agreement involved SEAL or its subsidiary subscribing to preference shares in HMPP and IGSB for a total of RM15 million.

On 9 April 2024, SEAL terminated the BTS due to unsatisfactory due diligence. As per the agreement, IGSB is required to refund SEAL RM5.1 million, including interest. As at the date of this report, the Company has received a total of RM2.6 million and the remaining outstanding balance is due and payable in various instalments plus 12% interest per annum by January 2025.

Proposed MSRGE Investment

SEAL has announced on 6 February 2024 that, SEAL had on the even date entered into a subscription agreement with MSR Green Energy Sdn Bhd ("MSRGE") for a proposed subscription of 20% equity stake in MSRGE by SEAL for an aggregate subscription price of RM15 million ("Subscription Amount"), which shall be settled in the following manner:-

- (a) 1,464,926 ordinary shares in MSRGE which represents an equity stake of 20% in MSRGE, for a total subscription price of RM8.7 million; and
- (b) 1,059,583 irredeemable convertible preference shares in MSRGE for a total subscription price of RM6.3 million.

(collectively, "Proposed MSRGE Investment")

All the conditions precedent as set out in the Subscription Agreement have been fulfilled, met, and/or waived as of 5 April 2024, and the Subscription Agreement became unconditional on that date. The Proposed MSRGE Investment was completed on 8 April 2024, and MSRGE allotted 1,464,927 ordinary shares and 1,059,583 irredeemable convertible preference shares, both at an issue price of approximately RM5.9417 per share, to SEAL on 8 April 2024. MSRGE became an associate company to SEAL on 8 April 2024.

Proposed Shares Acquisition

On 8 August 2024, SEAL entered into a binding term sheet with Ong Kah Hui and Qiang Xiao Yu (collectively known as the "Sellers") for the proposed acquisition of an additional 10% ordinary shares in the paid-up capital of MSRGE (an associate company of SEAL) for an aggregate purchase consideration of RM21 million ("Proposed Shares Acquisition"), which will be settled in the following manner:-

- (a) RM3 million refundable deposit in cash payable to the Sellers; and
- (b) RM18 million via issuance of new ordinary shares in Seal at an issue price of RM0.61 each, representing 7.0% of SEAL's enlarged share capital post completion of the Proposed Shares Acquisition.

Upon completion of the Proposed Shares Acquisition, SEAL's equity interest in MSRGE will increase from 20% to 30%. The Proposed Shares Acquisition is expected to be completed in the financial year 2025.

This move aligns with SEAL Group's long-term strategy of expanding into the renewables sector, which is poised to offer new growth opportunities in the coming years. By broadening its portfolio and exploring green energy solutions, SEAL Group demonstrates its focus on sustainable growth of its business amid evolving market conditions.

MANAGEMENT DISCUSSION AND ANALYSIS

Corporate Proposals (cont'd):

Proposed Diversification

On 8 October 2024, the Board announced that SEAL intends to diversify the existing principal activities of the Group to include investment in renewable energy and related activities. Thus, this move aligns with the Group's to seek new business opportunities, improve its business resilience, and provide additional income sources from the investment in renewable energy.

These corporate exercises underscore the Group's proactive approach to securing financial stability and its determination to explore emerging industries, positioning the Group for both short-term recovery and long-term growth in the dynamic economic landscape.

Market Outlook (2025):

The Malaysian property industry continues to face a range of complex challenges, including economic fluctuations, regulatory changes, and rising construction material costs.

In FY2024, the Group remains focused on addressing these issues while upholding its commitment to sustainable growth. Despite rising material costs, labor shortages, and global economic uncertainties, SEAL's strategic investments in high-potential projects position the Group for long-term success. The Management's resilience and forward-thinking approach help steer the Group through adversity, ensuring it adapts and thrives amid these challenges.

Moving forward, the Group will concentrate on responding to market shifts by leveraging its diversified portfolio, enhancing operational efficiency, and exploring innovative solutions to mitigate the impact of external factors on its business.

Future Prospects:

Despite the challenges faced in FY2024, the Group remains cautiously optimistic about the upcoming fiscal year. The focus will be on ongoing property developments in Penang and construction projects in Bandar Sri Permaisuri, Kuala Lumpur, as key drivers of recovery. The Group's strategic emphasis on operational efficiency, diversification particularly into renewable energy and prudent financial management will be essential in overcoming future challenges and steering growth.

Conclusion:

Amidst these circumstances, the Group remains focused on sustainability and long-term growth. With continuous developments set to enhance future earnings, the Group is well-positioned to adapt and succeed in the ever-changing economic environment.

SUSTAINABILITY STATEMENT

Seal Incorporated Berhad (“SEAL” or “the Company”) and its subsidiaries (“the Group”) are committed to creating value for all its stakeholders, both internally and externally: customers, suppliers, employees, shareholders, business associates, communities and the environment.

At SEAL, we acknowledge the significance of sustainability in generating long-term value for our business and stakeholders. Our Sustainability Statement (“Statement”) offers a comprehensive overview of our sustainability strategy, and methodology, comprising our objectives and targets for sustainability. We have continuously examined internal and external factors that will impact the realms of economic, environmental, social, and governance (“ESG”) within our operation.

This Statement is a testament to SEAL’s steadfast dedication to sustainability amidst a world laden with challenges and abundant opportunities. We do not only acknowledge the prevailing challenges but also emphasise the limitless opportunities on the horizon, ensuring that SEAL continues as a hallmark of sustainable innovation and advancement for all its stakeholders.

ABOUT THIS SUSTAINABILITY STATEMENT

We are pleased to present this Sustainability Statement (“Statement 2024”) of Seal Incorporated Berhad (“Seal” or the “Company”) and its subsidiaries (collectively referred to as the “Group”). This Statement 2024 conveys our commitment to sustainability, which provides a comprehensive overview of our sustainability approach and performance.

SCOPE AND COVERAGE

This Statement covers the Group business segments, which included property investment, building contractor, property development, property management, SEAL offices, and sales galleries. The main business division, construction with its disclosure focused on sustainability initiatives of its largest revenue-contributing project.

This Statement 2024 accomplishments for the reporting period from 1 July 2023 to 30 June 2024 (“FY2024”), which historical data of the preceding years included for comparison, where available and relevant, unless otherwise stated.

REPORTING GUIDANCE:

This Statement is prepared in accordance with the Main Market Listing Requirements (“MMLR” or “Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) with reference to Bursa Securities’ Sustainability Reporting Guide (3rd Edition). This Statement has also been reported with reference to Global Reporting Initiative (“GRI”) Standards 2021.

ASSURANCE:

SEAL has not undertaken an assurance process for the Statement 2024. The Board acknowledges its responsibility to ensure the reliability and credibility of this Statement through effective governance practices and internal reporting procedures. Moving forward, we aim to engage external independent assurance providers and conduct a limited assurance exercise for selected sustainability performance data and processes.

FEEDBACK:

We aim to continuously improve our sustainability and reporting efforts and welcome any feedback related to the contents of this Statement. You may email your feedback, enquiries or comments to seal@sib.com.my.

SUSTAINABILITY STATEMENT

OVERVIEW OF OUR SUSTAINABILITY APPROACH

Sustainability Journey

In the current financial year, SEAL has continued to build on the sustainability foundation established since 2017. We remain committed to aligning with the Bursa Securities Sustainability Reporting Guide and referencing to GRI Standards 2021. Over the years, we have progressively enhanced our sustainability efforts.

This year, our focus has been on improving the comparability of sustainability information by disclosing a common set of prescribed sustainability matters. We have established clear sustainability performance targets and diligently collected data to track our progress.

Our sustainability journey is enriched by drawing insights and expertise from a diverse range of professionals and innovators. Their multidisciplinary perspectives empower us to continually refine, enhance, and innovate our offerings, ensuring they are eco-friendly and user-centric.

Key 2024 Highlights

Social

In FY2024, funds have been allocated to the welfare association and an annual team-building program has been organised for the Group. For more details about the welfare initiatives and programs please refer to the community/society matters section.



Environmental

In FY2024, under the financial reporting and office administration, the Group upgraded the current financial reporting system with an integrated cloud-based system with improved functionalities facilitating digitalisation. Hence, this cloud system assists SEAL in reducing paper usage printing on documentation and records as well as paper usage.

In respect of the construction segment, a subsidiary of the Company, Damai Kiarajaya Sdn. Bhd. has been awarded a contract amounting to RM131 million, which has higher compliance with the Green Building Index ("GBI") and the Industrialised Building System ("IBS") requirement. The construction segment has been adopting the IBS formwork system since December 2023. The methods used for the IBS formwork system are a self-climbing platform, aluminium formwork, and eco-friendly or green material such as Starken lightweight block, etc. The green framework was implemented at the planning and design stages, including aluminium formwork, rain harvesting system, air ventilation system, and natural sun lighting.

SUSTAINABILITY STATEMENT

OVERVIEW OF OUR SUSTAINABILITY APPROACH (CONT'D)

Sustainability Policy

The Company's Sustainability Policy supports its sustainability framework and demonstrates the Group's commitment to making sustainability central to our value creation. This policy aligns our operations across all business divisions with our sustainability goals. The Board has approved this policy and Senior Management ensures our strategies and actions align with our sustainability objectives. For more information, please visit our website at <https://www.sib.com.my/home.php>.

Our policy reflects our commitment to transparency, accountability, safety, ethics and integrity in our business practices. We aim to be a responsible organisation that contributes to global sustainability while minimising any negative impacts from our operations. We are committed to continually improving our efforts and believe this policy will guide and inform our employees about our sustainability direction.

Sustainability Framework

Our sustainability framework captures the essence of our approach to sustainability which aligns our business practices with the Group's vision and mission. By practicing the framework, we aim to meet the needs of our stakeholders, reduce our environmental impact and contribute positively to the local communities where we operate. The framework also demonstrates how we manage our material issues associated with our focus areas. We also mentioned the performance and any goals or targets for the material issues in respective material topics.

We continuously refine our approach based on lessons learned and our evolving understanding of the connection between sustainability, responsible decision-making and transparent governance. Our sustainability framework is regularly reviewed to incorporate stakeholder expectations and address local and global issues.

Vision

Rooted in our belief in a sustainable future, we endeavour to seamlessly integrate good sustainability practices within our operational DNA. By focusing on minimising our environmental footprint and extending this ethos to our clientele, we are confident that our solutions offer premium quality and resonate with our overarching sustainability values. We envision to constantly strive to enrich our team and our shareholders while upholding our social responsibilities.

- To remain competitive in the industry
- To constantly implement innovative approaches and creative ideas
- To optimise human and financial resources through synergy of strengths

Mission

- Maintaining effective cost control and profit maximisation
- Capitalising opportunities to achieve the best results in both commercial and social roles
- Building and training human resources for constant progress
- Inspiring the value of teamwork for smooth co-operation and workflow
- Staying focused and keeping speed on par to enhance productivity

Collaborative Approach

Our sustainability journey is enriched by drawing insights and expertise from a broad spectrum of professionals and innovators. Their multi disciplinary perspectives empower us to continually refine, enhance, and innovate our offerings, ensuring they are eco friendly and user-centric.

Board's Commitment

The Board is dedicated to steering the Group towards realising its sustainability goals. This commitment manifests in our consistent efforts to chalk out, implement, and monitor sustainability strategies that are material to the Group's vision.

SUSTAINABILITY STATEMENT

OVERVIEW OF OUR SUSTAINABILITY APPROACH (CONT'D)

Objectives and Strategies

Our sustainability objectives are clear:

- i) **Environmental Stewardship** : Reduce the environmental impacts of our operations, projects, and products.
- ii) **Stakeholder Engagement** : Forge strong relationships with all stakeholders through transparent communication, collaboration, and value creation.
- iii) **Innovative Solutions** : Continuously evolve our product portfolio to include solutions that not only meet customer needs but also champion environmental and societal well-being.

To achieve these objectives, our strategies involve training, adoption of green technologies, and proactive stakeholder dialogues.

OUR APPROACH TO SUSTAINABILITY

SUSTAINABILITY GOVERNANCE

In this current financial year, SEAL has maintained its sustainability governance structure to effectively implement sustainability strategies and initiatives across the Group. This governance structure continues to provide strategic oversight of ESG matters, risk management and the integration of ESG into our business model and processes.

Our governance framework, bolstered by operating standards and internal controls, occupies a central role within the organisation. This framework not only enables the integration of sustainability strategies into our day-to-day operations but also serves as a compass in defining our objectives. It ensures transparency, accountability, and compliance with sustainability principles across all levels of our organisation. It empowers us to make informed decisions that align with our sustainability vision and values, reinforcing our position as a responsible corporate citizen committed to creating enduring value for all stakeholders.

The roles of each level of the structure are as follows:



Sustainability is embedded in our organisational approach and is led from the top. The Board is the highest authority accountable for the Group's sustainability strategy and performance. The Board comprises an Independent Non-Executive Chairman, a Group Chief Executive Officer ("CEO") who is also an Executive Director and five (5) Independent Non-Executive Directors. The Board holds the ultimate responsibility for the implementation and monitoring of all aspects of sustainability for the Group. It provides both oversight and leadership to ensure that the Group's sustainability strategies support long-term value creation for all its stakeholders. The Board of Directors is supported by the Executive Director and the Sustainability Working Group ("SWG").

SUSTAINABILITY STATEMENT

OUR APPROACH TO SUSTAINABILITY (CONT'D)

SUSTAINABILITY GOVERNANCE (CONT'D)

The Executive Director who is also Group CEO assists the Board of Directors to review, deliberate and approve the Group's sustainability strategies and initiatives. Sustainability strategies and initiatives put forward by the Executive Director must be endorsed by the Board.

The SWG assists to identify and engage relevant stakeholders, determines and manages material sustainability matters, proposes sustainability initiatives, implements and monitors the Group's sustainability agenda. The Executive Directors are supported by a dedicated SWG that is made up of relevant employees within the Group which comprises the Group CEO, Service Directors, General Manager and Heads of Department ("HODs").



This structure embeds sustainability into our organisation's culture, fostering a mindset that supports our sustainability goals.

STAKEHOLDER ENGAGEMENT

Communication plays a fundamental role in the realm of good corporate governance. It serves as the cornerstone for establishing and nurturing trust-based relationships between the Group and its stakeholders. As a Group, we aim to actively interact with its stakeholders through diverse communication channels and maintain constructive channels of communication with all of our stakeholders. We engage regularly and maintain an ongoing dialogue with our stakeholders through both formal and informal channels with the aim of providing them with insights into its business operations and fostering the creation of long-term value across all stakeholders. Furthermore, the Group also solicits feedback and input from its stakeholders on matters of significance to them.





The identification of stakeholders is guided by the materiality of issues, considering their impacts on the Group's operations and the number of stakeholders affected. This strategic approach ensures that engagement efforts are directed toward stakeholders whose interests are most closely intertwined with the Group's activities.

Outlined below is a matrix delineating our engagement strategies with stakeholders, thematic areas pertinent to them, and the cadence of these interactions during FY2024:

Stakeholders	Focus Areas	Engagement Approach	Frequency
 Customers	<ul style="list-style-type: none"> Product quality and pricing Market demand Product development and innovation 	<ul style="list-style-type: none"> Quality assessment Customers' feedback 	<ul style="list-style-type: none"> On-going Ad-hoc
 Employees	<ul style="list-style-type: none"> Employee health and safety Career development and advancement Communication and engagement 	<ul style="list-style-type: none"> Internal communications Performance appraisals Operational meetings and discussions Safety at work meetings Social events with employees Trainings 	<ul style="list-style-type: none"> On-going Annually On-going On-going Ad-hoc On-going

SUSTAINABILITY STATEMENT

STAKEHOLDER ENGAGEMENT (CONT'D)

Stakeholders	Focus Areas	Engagement Approach	Frequency
 <p>Vendors & suppliers (including contractors)</p>	<ul style="list-style-type: none"> Product quality Customer service and complaints resolution 	<ul style="list-style-type: none"> Site visits Suppliers' performance evaluations Meetings and discussions 	<ul style="list-style-type: none"> On-going Annually On-going
 <p>Shareholders & investors</p>	<ul style="list-style-type: none"> Financial performance Regulatory compliance Corporate governance Ethical business conduct Internal control and risk management 	<ul style="list-style-type: none"> Annual General Meetings Financial announcements and reporting Corporate website 	<ul style="list-style-type: none"> Annually Quarterly On-going
 <p>Government regulators & authorities, etc</p>	<ul style="list-style-type: none"> Regulatory compliance Approvals and permits Standards and certifications 	<ul style="list-style-type: none"> Meetings and consultations Training programmes and dialogue 	<ul style="list-style-type: none"> On-going Ad-hoc
 <p>Local communities</p>	<ul style="list-style-type: none"> Community wellbeing Community investment 	<ul style="list-style-type: none"> Social events and visits Company website 	<ul style="list-style-type: none"> Ad-hoc On-going

MATERIALITY SUSTAINABILITY MATTERS

The SWG spearheaded a materiality assessment. The purpose of this endeavour was to discern the sustainability matters of utmost pertinence, taking into account their implications for SEAL's business dynamics and their relevance to our internal and external stakeholders.

As an organisation, we recognise that our material issues can significantly impact our ability to create long-term value for our stakeholders. In FY2024, we conducted the assessment on weekly and monthly basis, engaging both key internal and external stakeholders (if required) to ensure their interests and concerns are addressed. This process helped us accurately to identify current and emerging sustainability issues associated with our organisation allowing these matters to be reflected in our transformation plan. The materiality assessment also been reviewed by the senior management and approved by the Group CEO.

We aim to conduct a comprehensive materiality assessment in the future. At this juncture, we are performing assessment on weekly and monthly basis to review our prioritised ESG impacts arising from our day-to-day activities. These assessments help SEAL confirm our material issues and map them against our focus areas. The evaluations have confirmed that our previously identified material issues remained unchanged reflecting the type of operations we have today. This stability is due to the absence of changes in our business scope, which means our materiality matters also remain consistent.

SUSTAINABILITY STATEMENT

MATERIALITY SUSTAINABILITY MATTERS (CONT'D)

Materiality Process

We piloted our materiality matters through the following process.

Phase 1: Identification and categorisation of ESG matters

Identification of material sustainability matters is to enable internal and external stakeholders to make better informed decisions (e.g. revisions of business strategies by the Board or investment decisions by shareholders) or facilitate more effective engagements with stakeholders. We had identified an initial list of relevant sustainability issues, which can be identified from a combination of internal and external sources, placing similar issues under the same heading. We also categorised them and ranked them in priority according to their importance to our key stakeholders.

Phase 2: Prioritisation of ESG matters

Assess the significance of ESG impacts on the Group's operations and stakeholders. Prioritise the ESG matters which is material and the significance and material impact to business and importance to stakeholders.

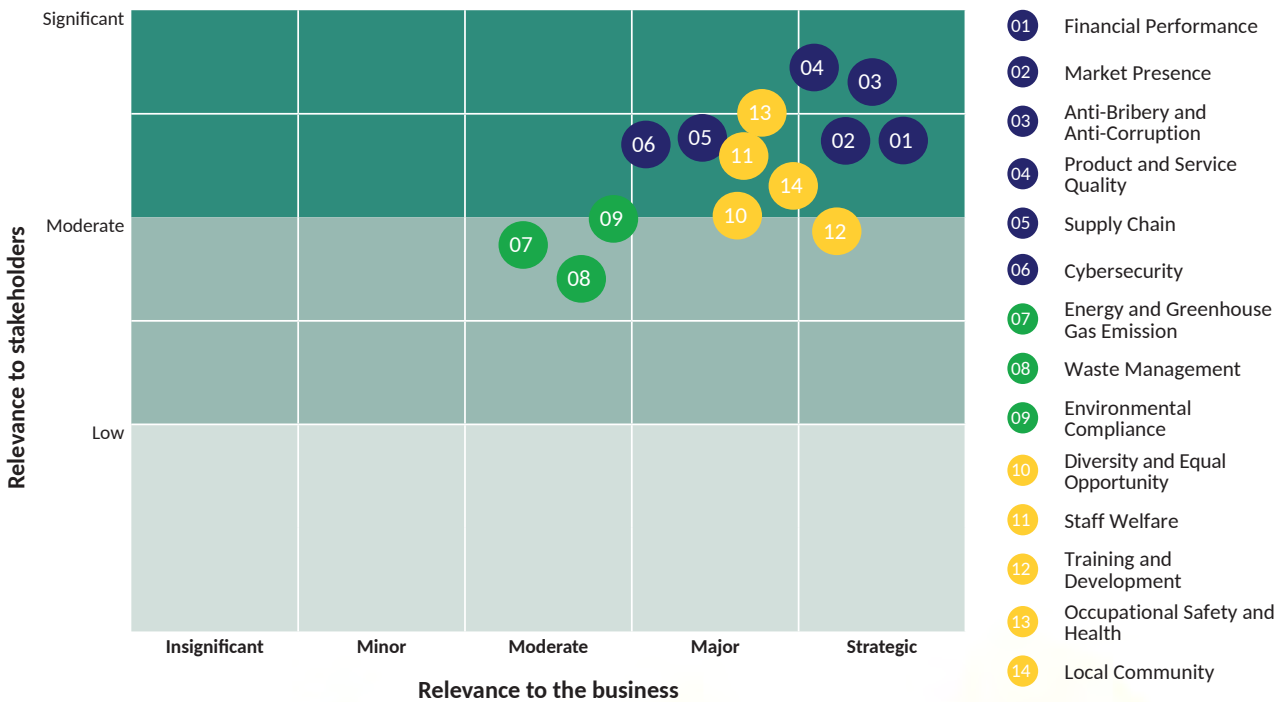
Phase 3: Review and validation of ESG matters

Examine the prioritisation outcomes, validate material matters with management and organise the disclosure accordingly. Subsequently submitted to the Key Management for validation and approval.

Phase 4: Final Review & Approval

The final materiality matrix was reviewed by the senior management and approved by the Group CEO to confirm that it is aligned with our strategies. The review should be performed at least once annually.

Drawing from the guidelines set out by Bursa Securities Sustainability Reporting Guide and Toolkits, these issues were systematically collated and showcased on a materiality matrix. After a meticulous evaluation process, 14 prime sustainability matters were pinpointed. The criteria for their selection were deeply rooted in the magnitude of their influence on the Group's stakeholders and the overall business. The detailed breakdown of these focal points is elucidated in the ensuing profile:



SUSTAINABILITY STATEMENT

ECONOMIC PERFORMANCE

Economic performance is essential for the long-term sustainability of our business and the well-being of the Group. It reflects business resilience, adaptability and sustainability in the face of evolving challenges. It ensures that we can meet our financial obligations, invest in growth and support our stakeholders.

By effectively managing our economic performance, we contribute to Malaysia's economic growth and the well-being of the communities we serve. In respect of the economic performance, property developers generate revenue and profit from the sales of their properties while providing sustainable employment income to our employees.

Our approach to economic performance focus on maintaining our financial strength while committing to sustainability and responsible growth. We practice prudent financial management to maintain our strong balance sheet and healthy cash flow in ensuring long-term financial resilience.

Our Board regularly reviews our economic performance on a quarterly basis. Through our monitoring framework, our economic goals are aligned with our strategic priorities. We recognise that the path to excellence is paved with responsible practices, especially in minimising resource usage. In line with this understanding, we have outlined a set of guiding principles:

Cost Efficiency and Profitability: We are dedicated to striking a balance between maintaining efficient cost control with profit maximisation to ensure sustainable growth.

Opportunistic Strategies: We aspire to seize every opportunity, ensuring optimal outcomes in our commercial endeavors while simultaneously fulfilling our social responsibilities.

Human Resource Development: Recognising that our strength lies in our people, we are committed to nurturing and training our team for continuous growth and development.

Teamwork and Collaboration: We firmly believe in the adage, 'Together we achieve more.' Our emphasis on teamwork fosters seamless cooperation and smooth workflows across all departments.

Diligence and Productivity: Our focus remains unwavering, with a dedicated approach to stay agile and maintain momentum, ensuring that our productivity remains exceptional.

Financial Performance

This year, the Group recorded a total revenue and other income of RM24,287,807. SEAL continuously generates wealth for our stakeholders, as shown in the table below:

	2022 (RM)	2023 (RM)	2024 (RM)
Economic Value Generated (i.e. revenue and other income)	17,294,017	62,483,139	24,287,807
Economic Value Distributed			
Operating Costs	(4,566,926)	(27,109,037)	(8,353,266)
Contribution to capital providers	(4,966,266)	(4,810,635)	(8,521,340)
Employee wages and benefits	(3,184,135)	(3,797,501)	(5,275,304)
Taxation	671,688	(4,596,263)	(1,557,859)
Community Investment	(19,600)	(65,000)	(1,431)
Value Retained	5,228,778	22,104,703	578,607

For more detailed discussion and analysis of SEAL's financial income in FY2023 and FY2024, we encourage you to refer to the Management and Discussion and Analysis in this Annual Report.

SUSTAINABILITY STATEMENT

ECONOMIC PERFORMANCE (CONT'D)

We remain optimistic about the future outlook for our business. Despite economic challenges, the Group has anticipated resilience with a strong balance sheet and healthy cash flow. We are confident in our ability to navigate the ever-changing landscape and continue to thrive. We continuously bolster our market competitiveness, aiming to create enduring economic value for our stakeholders and play a pivotal role in the advancement of the Malaysian economy.

MARKET PRESENCE

Since its inception in 1962, the Group has consistently broadened its horizons. Originating from the northern region of Malaysia, we have now established a presence in Kuala Lumpur, as exemplified by our recent Queensville project. This growth is attributed to our dedication to high ethical standards and unparalleled quality delivery.

SEAL recognises the significance of hiring local talent, offering competitive remuneration, and prioritising local suppliers as part of our commitment to socio-economic support for the communities we serve. We comply with the Malaysian government's minimum wage requirements, which are outlined in the Group's Employee Handbook. This handbook adheres to all applicable labour laws governing minimum wage, working hours, and overtime. SEAL ensures that there is no discrimination based on gender, ethnicity, marital status, or other socio-demographic factors.

In FY2024, 100% of our senior management employees were hired locally, demonstrating our dedication to investing in the communities in which we operate.

SUPPLY CHAIN MANAGEMENT

As a property developer in Malaysia, we recognise our crucial role in advocating responsible procurement practices and bolstering a sustainable value chain. This entails making deliberate, ethical choices when sourcing goods and services and partnering with local procurement entities to drive ongoing economic prosperity.

Embracing responsible and sustainable supply chain management also opens doors to new opportunities, fosters innovation through supplier collaboration, and ensures enduring success in dynamic and conscious markets.

As SEAL strives to be a local-first principle, we prioritise our sourcing products and services from our local suppliers to the best extent possible. This not only reduces our carbon footprint but also positively contribute and improve local economy. This not only creates job opportunities within our local communities but also stimulates economic growth. Furthermore, engaging with local partners enables shorter lead times, facilitates communication, empowers local skills and enhances supply chain flexibility. Due to the nature of our business, we source raw materials for our operations and administrative functions locally.

In FY2024, 100% of our total suppliers were local suppliers, with 100% of our procurement expenses allocated to local suppliers for the purchase of materials and provision of services.

Period	Total Amount of Spending on All Suppliers (RM'000)	Total Amount of Spending on Local Suppliers (RM'000)	Proportion of Spending on Local Suppliers
FY2022	5,220	5,220	100%
FY2023	15,926	15,926	100%
FY2024	15,516	15,516	100%

Looking ahead, we will remain steadfast in our commitment to continually assess our suppliers to uphold responsible sourcing practices, and we will increase spending in our procurement expenses allocated to local suppliers.

SUSTAINABILITY STATEMENT

PRODUCT/SERVICE QUALITY

In today's market, product quality and responsibility are crucial as consumers become more aware of the environmental and social impacts of their purchases. Hence, the companies must ensure their products meet high standards while minimising negative effects on the environment and society.

In order to maintain our customers satisfaction and loyalty towards our products, SEAL strives to deliver high quality products. Satisfied and loyal customers help us generate more sales and repeat business, hence this will assist to boost our revenue as well as economic performance. Satisfied customers become our strongest advocates, generating referral sales and repeat business, thereby solidifying the Group's position in the market.

In SEAL, our team stays updated with industry trends and best practices to enhance our capabilities, quality work practices and market competitiveness. We regularly participate in technical training programmes, both internally and externally, to refine our skills and workmanship, ensuring quality delivery and efficient product assessment.

As a property developer, SEAL emphasises on high quality projects to attract customers attention and confidence in our products. We conduct periodic internal audits on our construction and development activities to identify potential risk areas and opportunities for improvement.

Customer satisfaction is integral to our approach. We maintain open communication with stakeholders across our value chain to understand customer experiences and expectations. Customers can provide their feedback through platforms such as telephone, email and website, allowing us to identify strengths and areas for improvement. This process helps our Company grow and enhance product quality to meet customer expectations.

At SEAL, we use the Construction Industry Development Board's Quality Assessment System in Construction ("QLASSIC") as a benchmark for all our property development and construction projects. QLASSIC measures and evaluates the workmanship quality of a building construction based on Construction Industry Standard (CIS 7:2006). Our commitment to high standards is demonstrated through the adoption of QLASSIC, ensuring quality workmanship in all our projects. We had set target to achieve QLASSIC score of at least 75%.

In FY2024, we had no QLASSIC score as the project has just commenced with construction progress of 4.12%. As part of our commitment to improving our workmanship quality, SEAL set a target to achieve a QLASSIC score of at least 75%.

Our dedication to product quality and responsibility has resulted in zero incidents of non-compliance with serious quality issues, including regulatory warnings, fines, or penalties. This also encompasses any fines or censures for misleading advertising, promotions or marketing information. We are committed to continually improve our processes and systems to maintain high quality across all of our operations.

BUSINESS ETHICS AND CORPORATE GOVERNANCE

At SEAL, ethical conduct is paramount for the Group. There is a non-negotiable commitment for everyone at SEAL to conduct themselves ethically in all of its operations. Our corporate governance framework guides us to operate with integrity and responsibility. The Group recognises its responsibility to prevent and combat all forms of bribery corruption, maintaining high ethical standards in all our operations to protect our reputation and ensure our operations are conducted with integrity and fairness. Engaging in ethical practices helps to reduce legal and financial consequences, which can erode stakeholders trust and hinder a company's growth and sustainability.

Good governance is both a legal obligation and a moral duty, guiding our business practices and decisions while contributing to the social and economic development of the communities we serve.

SUSTAINABILITY STATEMENT

BUSINESS ETHICS AND CORPORATE GOVERNANCE (CONT'D)

Anti-Bribery and Anti-Corruption Policy

Our policies, including our Code of Conduct and Ethics (“COCE”), Whistleblowing Policy and Procedure (“WPP”), and Anti-Bribery and Corruption Policy (“ABC”), are designed to promote sound business and align our corporate governance with relevant laws and regulations.

In 2020, SEAL introduced the ABC Policy to promote ethical conduct and affirm our zero-tolerance stance towards all forms of bribery and corruption in alignment with the Guidelines on Adequate Procedures from the Malaysian Anti-Corruption Commission Amendments Act 2018 (“MACCA”). This ABC Policy is available for viewing on SEAL’s corporate website at www.sib.com.my/corporate-governance. The ABC Policy will be read in conjunction with SEAL’s COCE, WPP and the MACCA.

At SEAL, the Anti-Bribery Compliance Team, appointed by the Board of Directors oversees the application of policies, procedures, systems, and safeguards against anti-bribery and corruption throughout our operations. The team is responsible for:

- Overseeing the design and application of the Anti-Bribery Management System (ABMS);
- Providing guidance and clarification to our directors, officers, and employees;
- Conducting bribery and corruption risk assessments at regular intervals to identify any threats or deficiencies that may place SEAL in a compromising position;
- Keeping abreast of changes in the regulatory, industrial and international frameworks in relation to the anti-bribery; and
- Reporting ABMS performance and recommending additional initiatives to the Board and Audit Committee.

The Anti-Bribery Compliance Team supervises all investigations of suspected or perceived acts of bribery and corruption and has the authority to report directly to the Board and Audit Committee on all such incidents.

The ABC policy provides guidelines on handling gifts, hospitality, donations and more. All new joiners undergo an induction program where they are required to familiarise themselves with the Group’s COCE, ABC policy and other relevant policies and procedures, emphasising the importance of upholding ethical behaviour and integrity.

We require all employees, business partners and Board members to sign a declaration of compliance annually, affirming their commitment to upholding the ABC policy annually. Additionally, we conduct thorough due diligence checks on all third parties before engaging in any business with them and we monitor their compliance with our policies and procedures regularly.

Whistleblowing Policy and Procedures

Upholding our commitment to ethical practices, our WPP encourages stakeholders to report any unethical behaviour or misconduct or illegal acts, thereby preserving our corporate integrity. The WPP including the process for reporting suspected cases are available on SEAL’s corporate website at www.sib.com.my/corporategovernance.

The WPP outlines the mechanism and framework through which employees can confidently voice concerns in a responsible manner without fear of discriminatory treatment. The WPP applies to all employees and Directors of the Group. Whistle-blowers can report any allegations or suspected improper activities that contravene our standards of integrity and fairness, as well as incidents related to human rights violations and malpractices.

SUSTAINABILITY STATEMENT

BUSINESS ETHICS AND CORPORATE GOVERNANCE (CONT'D)

Whistleblowing Policy and Procedures (cont'd)

Whistleblowing reports can be made via three (3) channels:

1. **Immediate Superior:** Report the concern to the immediate superior. If it is not possible or reluctant to do so, report it to the Human Resources Department, the respective Head of Department, or the General Manager of the respective division.
2. **Executive Director:** If the concern is deemed inappropriate to report to the Manager, Head of Department, or Human Resource Department, it should be brought to the attention of the Executive Director.
3. **Chairman or Audit Committee:** If the concern cannot be discussed with any of the above, the employee may report it to the Chairman or any member of the Audit Committee. Reports can be communicated in writing via mail or email. Stakeholders who suspect any misconduct are encouraged to raise their concerns with the Chairman or Group CEO in writing.

Upon submission of a whistleblower case, a thorough investigation will be conducted and assessed by the Chairman, the Group CEO, or the Chairman of the Audit Committee. The Audit Committee will review the assessment and conduct further investigations as necessary. The amount of contact between the whistleblower and the Audit Committee will be determined by the nature and clarity of the reported matter. Further information may be sought from the whistleblower during the investigation.

We conduct regular internal training programs to keep our employees informed about our policies. The Human Resources Department also disseminates updates via email if there are any changes.

(i) Corruption Related Training

All employees are required to complete the training on the ABC policy, which was held in several sessions throughout the year to enable broad participation. These training sessions serve as either a refresher or an introduction to the ABC concept.

The Human Resource team conducts the ABC training during the orientation and sends the yearly reminder through the Human Resource System via Infor-Tech Mobile App Notification. Employees who completed the training must acknowledge and accept the policy before their module is considered complete. New employees are also required to sign an acknowledgement of the ABC Policy.

Employee Category	Percentage (%)		
	2022	2023	2024
Senior management	100	100	100
Management	100	100	100
Executive	100	100	100
Non-Executive	100	100	100

SUSTAINABILITY STATEMENT

BUSINESS ETHICS AND CORPORATE GOVERNANCE (CONT'D)

Whistleblowing Policy and Procedures (cont'd)

(ii) Corruption Risk Assessment

All of our Group's operations were assessed for risks related to bribery and corruption. A thorough analysis of each operation was conducted to identify any areas that could potentially be at risk. During this year's risk assessment, we did not observe any new material or significant risks related to bribery and corruption.

	Percentage (%)		
	2022	2023	2024
Operations assessed for corruption-related risks	100	100	100

(iii) Corruption Incidents

SEAL is pleased to report zero incidents of bribery and corruption across our business operations and zero monetary losses from legal proceedings related to bribery or corruption charges.

	Number		
	2022	2023	2024
Number of confirmed incidents of corruption and action taken	0	0	0
Substantiated bribery cases reported	0	0	0
Substantiated corruption cases reported	0	0	0

We aim to maintain the records by driving a positive culture of compliance. Our comprehensive approach to anti-bribery and anti-corruption is essential for the sustainability of our business operations. It protects the interests of our stakeholders and contributes to the betterment of society.

REGULATORY COMPLIANCE

Ensuring compliance with pertinent laws and regulations is crucial to safeguarding our business and maintaining long-term success and sustainability. In compliance with the laws and regulations, we build trust with our stakeholders and regulatory authorities. Additionally, we foster a culture of transparency and accountability, which helps us to avoid legal issues and financial penalties and protects our reputation while proactively addressing potential risks.

We abide by the laws and regulations governing our business operations. The key laws and regulations that we comply with include, but are not limited to:

- Capital Markets and Services Act 2007
- Companies Act 2016
- Employment Act 1955
- Environmental Quality Act 1974
- MMLR of Bursa Securities
- Occupational Safety and Health Act 1994 ("OSHA 1994")

SUSTAINABILITY STATEMENT

REGULATORY COMPLIANCE (CONT'D)

Additionally, we are guided by Malaysian Code on Corporate Governance 2021 and Bursa Securities's Sustainability Reporting Guide 2022 (3rd edition) to ensure we are complying with the relevant laws and regulations. A strong governance structure is very important to manage and address compliance-related matters. For more details about our corporate governance framework, structure, and practices, you can refer to Corporate Governance Overview Statement in this Annual Report.

We continuously monitor and review the laws and regulations to ensure that they reflects the latest developments and updates. Scheduled training sessions will be arranged to disseminate the compliance standards expected of our employees, and potential action will be taken against non-compliant personnel.

To fortify our adherence, we conduct internal compliance through internal audits as well as external audits. This vigilant approach helps us mitigate non-compliance risks and associated legal penalties. Regular audits, inspections and reports form the foundation of our transparent business operations and help reduce incidents of non-compliance. Regular audits help us identify areas for improvement and implement actions to address compliance deficiencies. For more details, refer to the Statement on Risk Management and Internal Control and Audit Committee Report in this Annual Report.

Throughout FY2024, SEAL ensured all business operations meet regulatory requirements, maintain strict compliance monitoring and continue to adopt relevant industry best practices. We are pleased to report that there were no incidents of non-compliance to laws and regulations resulting in significant fines or penalties.

	2022	2023	2024
Number of confirmed incidents of non-compliance to laws and regulations	0	0	0

CYBERSECURITY

As SEAL collects a significant amount of important customers data for business purposes, it is crucial to safeguarding sensitive information and trade secrets from unauthorised access or misuse. By implementing stringent cybersecurity measures to mitigate cyber threats and attacks, we aim to build trust and maintain operational continuity. Additionally, we prioritise cyber awareness among our employees, cultivating a proactive defense against potential threats.

Ensuring Data Security and Compliance

At SEAL, we have established and enforced comprehensive Information Technology ("IT") Policy, which serves as a comprehensive rulebook for authorised users. This regulation governs the access, creation and deletion of data while protecting users from any damage or liability that may arise from unlawful or inappropriate usage. We have implemented several IT-based systems, including encryptions, firewalls, anti-malware software, and other protective mechanism to safeguard our systems from external threats. The IT Policy undergoes yearly review to ensure its relevance in light of current laws and regulations, while periodic updates to our firewall and internal network, along with continuous improvements to our IT governance and cybersecurity, are undertaken as needed.

All data collected, used, processed and stored for our stakeholders - including employees, customers and third parties - comply with both local and global regulations, such as Malaysia's Personal Data Protection Act 2010 ("PDPA"), as well as our internal policies and frameworks. This ensures that data is collected lawfully and with consent of the data owner. All data is kept confidential and is not shared with third parties unless mandated by law enforcement. Any modifications to our data policies and procedures are communicated promptly to our stakeholders to ensure continued compliance and transparency.

We conduct regular internal and external audits to assess the effectiveness of our data privacy and security measures. Our IT team oversees the Group's IT policies, standard operating procedures, cybersecurity vulnerability protections, and IT governance, ensuring compliance and oversight.

SUSTAINABILITY STATEMENT

CYBERSECURITY (CONT'D)

Ensuring Data Security and Compliance (cont'd)

In FY2024, we reported zero instances of data or cybersecurity breaches.

	2022	2023	2024
Total number of identified leaks, thefts or losses of customer data	0	0	0
Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	0	0	0

To ensure effective management of cyber risks and threats, we will remain vigilant in identifying, monitoring and evaluating potential cyberattacks while complying with PDPA and evolving privacy laws. Furthermore, we are dedicated to enhancing our employees' knowledge and awareness of cyber threats and IT safety through regular training programs. We will also continue to diligently monitor and address reports related to breaches of customer privacy or loss of customer data to ensure swift resolution.

ENVIRONMENTAL SUSTAINABILITY

CLIMATE CHANGE

Energy and Greenhouse Gas Emissions

Climate change increasingly impacts industries, businesses, and supply chains. SEAL acknowledges that our energy consumption and greenhouse gas ("GHG") emissions contribute to these climate change effects. Therefore, we are proactively working to minimise our carbon footprint. Our goal is to establish a sustainable, low-carbon society. By minimising our carbon footprint, we align with our commitment to reducing our operational GHG emissions, enabling us to contribute to the global transition towards decarbonisation and Malaysia's target of achieving net-zero GHG emissions by 2050.

Energy-Conscious Designs

We prioritise energy-efficient designs, such as incorporating natural lighting, implementing LED lighting, and utilising Variable Refrigerant Systems ("VRV"). Initiatives like turning off lights and air conditioning after office hours and replacing traditional lighting with energy-saving LED lights help us continuously improve our energy use and efficiency. Additionally, we maintain our VRV system to control the air conditioning usage. By adopting sustainable design and practices, we aim to create workplaces that are not only energy efficient but also conducive to the well-being of our employees and the broader community.

In the construction and property development segment, SEAL's core environmental sustainability is to comply with the GBI and the IBS. Since December 2023, we have adopted the IBS formwork system, which employs self-climbing platforms, aluminum formwork, eco-friendly or green materials such as Starken lightweight blocks, and green frameworks in the planning and design such as rain harvesting systems, air ventilation systems, and natural sunlight integration.

SUSTAINABILITY STATEMENT

ENVIRONMENTAL SUSTAINABILITY (CONT'D)

Purchase of Electric Transportation

In December 2023, SEAL purchased electric vehicles to reduce our reliance on petrol and lower our energy consumption. This initiative supports our efforts to decrease carbon emissions.

In FY2024, the Group consumed 1,015 gigajoules ("GJ") of energy, representing a 44.38% increase from FY2023.

	2022	2023	2024
Electricity	373	443	683
Fuel	170	260	332
Total energy consumption (GJ)	543	703	1,015

	2022	2023	2024
Scope 1 GHG Emissions (kgCO ₂ e)	14,377	22,039	28,117
Scope 2 GHG Emissions (kgCO ₂ e)	78,555	93,320	143,785
Total GHG Emissions (kgCO₂e)	92,932	115,359	171,902

Going forward

In a time of great urgency surrounding climate change, we will continue to explore and implement effective energy management practices while incorporating renewable energy to reduce our energy consumption and our carbon footprint.

WATER MANAGEMENT

Water management is crucial for the Group, as water is a shared resource vital for communities. Despite its renewable nature, many regions face water scarcity due to factors like climate change, poor water resource management and contamination. Therefore, we must adopt responsible water management practices by businesses, including continuous monitoring of water usage and implementing strategies to increase efficiency.

At SEAL, our primary water source comes from municipal water supplies, which supports our daily operations and the project site. We also utilise rainwater harvesting as a secondary water source for various on-site purposes to reduce dependence on municipal supplies.

To promote responsible water use in our offices, we have placed reminders in washrooms and sinks to ensure all taps are turned off when not in use. We are committed to implementing water conservation initiatives and raising employee awareness of effective water management practices, including:

- Minimising freshwater consumption through maximised water reuse
- Applying the 3R (Reduce, Reuse and Recycle) approach to conserve water
- Maintaining zero (0) contamination of surface water, groundwater and other water resources
- Ensuring all taps are turned off when not in use
- Optimising the use of rainwater for site cleaning purposes
- Regular checking and scheduled maintenance to prevent water leakage
- Monitoring our performance against water reduction targets

SUSTAINABILITY STATEMENT

WATER MANAGEMENT (CONT'D)

Water Consumption

In FY2024, we consumed 808 cubic meters (m³) of water, a 147% increase compared to FY2023. The increase was primarily due to the establishment of a project office and hostel for managers. The spike is expected to normalise when there is no major project development.

	2022	2023	2024
Total water consumption (m ³)	319	327	808

Effluent Discharge Compliance

Due to our rigorous monitoring, we have maintained our record of zero incidents of non-compliance with effluent discharge regulations over recent years.

WASTE MANAGEMENT

Effective waste management is crucial to our commitment to sustainability. Its importance lies in our ability to address our environmental responsibilities while enhancing operational efficiency and fostering positive community relations. By meticulously managing waste, we contribute to the preservation of ecosystems and reduce pollution.

Environmental Compliance

In Malaysia, effective waste management is closely linked to regulatory compliance. Our commitment to sustainability is evident in our 'green' designs, use of sustainable materials, and rigorous environmental monitoring. We are proud to report that there were no penalties or complaints related to waste management in both FY2024 and FY2023.

Implementing the 4R Approach

We adopt the 4R (Reduce, Reuse, Recycle, Recover) approach to ensure effective waste management. This strategy emphasises reducing waste generation at the source, reusing materials, recycling valuable resources, recovering by-products, and responsibly processing our operational waste from cradle-to-gate.

Minimising Paper Usage

Aligned with Malaysia's ambition to become carbon neutral country by 2050, SEAL is deeply committed to supporting this goal through various initiatives. We encourage our employees to recognise the importance of waste management in reducing carbon footprints. For instance, SEAL has adopted digital processes such as using emails, cloud storage and communication tools to minimise paper usage.

In FY2024, we generated a total waste of recycled or reused items of 549 kg, signifying a 97% increase from FY2023. The increase in waste generated during FY2024 was primarily due to the commencement of the operation under construction in Queensville and the operation of the carpark management in Queensville and Elit Height & Avenue, Penang.

Category	2022	2023	2024
Waste Recycled / Reused			
Plastic bottles, newspapers and magazines, paper cards, cans and shredded paper, etc.	701	279	549
Total Waste Generated (kg)	701	279	549

SUSTAINABILITY STATEMENT

SOCIAL INVESTMENT

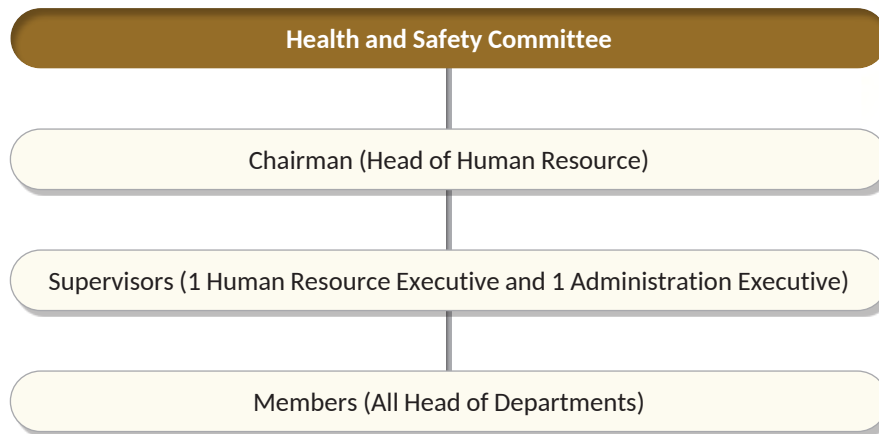
OCCUPATIONAL HEALTH AND SAFETY

At SEAL, the health and safety of our employees and contractors is our top priority. Providing a safe and supportive work environment is essential to minimise the risk of accidents, injuries, and illnesses. By doing so, we can maintain or increase productivity and performance while reducing absenteeism and employee turnover.

Occupational Health and Safety (OHS)

To ensure ongoing improvement in health and safety, our Health and Safety Committee leads this effort by driving the development and enforcement of rigorous health and safety standards across all operations.

Our Health and Safety Committee is chaired by former Executive Chairman and includes representatives from the Human Resources department, two supervisors (one human resources executive and one administrative executive), and all heads of departments. This committee remains committed to fostering a safe and resilient workplace.



Our OHS Committee remains diligent in ensuring the safety and well-being of our employees. They regularly review and enhance our safety measures, keeping pace with industry best practices and ensuring full regulatory compliance.

Some of the measures include:

- a) Daily health monitoring and reporting.
- b) Use of protective equipment to safeguard against environmental risks.
- c) Controlled access to workplaces to maintain a manageable population density.
- d) Emphasis on maintaining adequate distance during interactions.
- e) Regular sanitisation of common areas and frequent disinfection of high-touch surfaces.

As SEAL is involved in property development, the health and safety of our office and site-based employees, contractors, sub-contractors, and suppliers are paramount to the Group. Site safety falls under contractor obligations, and our site manager monitors adherence to safety standards.

We provide health and safety training during the onboarding process for new employees. To raise awareness about the importance of a safe and conducive workplace, we conduct regular training sessions on health and safety to enhance competencies and provide personal protective equipment.

All site workers must attend regular on-site health and safety training sessions, including weekly meetings. Additionally, we conduct ad-hoc meetings with contractors involved in specific projects.

SUSTAINABILITY STATEMENT

SOCIAL INVESTMENT (CONT'D)

OCCUPATIONAL HEALTH AND SAFETY (CONT'D)

SEAL is committed to workplace safety and employee development. In FY2024, 35 individuals received 68 hours of various training on health and safety standards. These sessions reflect our dedication to equipping our employees with the knowledge and skills necessary to contribute to a safe working environment.

	2022	2023	2024
Number of employees and contractors trained on Health and Safety Standards	1	15	35
Fire Prevention Training	1	15	34
Seminar Organisasi Keselamatan Kebakaran Jabatan Bomba dan Penyelamat Malaysia 2024	0	0	1
Training hours on Health and Safety Standards	8	45	68

Regular safety sessions have enabled SEAL to maintain a track record of zero fatalities on our premises. We strive to achieve zero fatalities in our future operations.

SEAL recorded a zero Lost Time Incident Rate ("LTIR") for FY2024. The LTIR reflects the loss of productivity associated with safety incidents and is calculated according to Bursa Securities's Sustainability Reporting Guide (3rd edition).

DIVERSITY, EQUITY AND INCLUSIVITY

At SEAL, we uphold diversity and inclusivity through a wide range of knowledge, perspectives and experiences that drive creativity and innovation within our organisation. Embracing individuality, we are firmly committed to providing equal opportunities for all employees, regardless of gender, age, race, religion, nationality, cultural background, or socio-economic status. We believe that every employee has the right to work in a respectful, dignified, and fair environment, free from discrimination of any kind.

The Group remains steadfast in its commitment to unbiased recruitment, emphasising expertise, competence, and growth potential as the primary hiring factors. Our efforts to promote fairness and non-discrimination in the workplace are outlined in our Human Rights Practices, which ensures fair treatment in our compensation and benefits practices. This policy also safeguards employees from harassment and abuse. We prioritise merit, experience and professional criteria in all employee-related matters, including recruitment, training, performance evaluation, remuneration and promotion.

We actively cultivate an inclusive environment where employees from diverse backgrounds can contribute their unique talents and perspectives. We provide platforms for employees to share their views and foster open communication and collaboration. Recognising that the property development industry is predominantly male-dominated, we actively promote job opportunities for women and strive to increase their representation within our workforce. This commitment is embedded in our Human Rights Practices, which endorse women's rights and gender diversity through gender equality policies and prohibit any form of gender-based discrimination.

Currently, our Board comprises of one (1) female Director out of seven (7) Board members. We anticipate achieving a target of having 30% of female directors on the Board in the future.

We champion equitable treatment and just working conditions for all employees. This commitment translates into providing fair wages, reasonable working hours, adequate benefits and other forms of remuneration that comply with applicable laws and regulations. We believe that a well-supported and fairly compensated workforce is essential for fostering a sense of belonging and ensuring everyone has the opportunity to grow.

SUSTAINABILITY STATEMENT

SOCIAL INVESTMENT (CONT'D)

DIVERSITY, EQUITY AND INCLUSIVITY (CONT'D)

(a) Workforce Gender Diversity

Employee Category	2022		2023		2024	
	No.	%	No.	%	No.	%
Male	12	37.50	20	47.62	19	48.72
Female	20	62.50	22	52.38	20	51.28
Total	32	100.00	42	100.00	39	100.00

(b) Employee by Gender and Age Group for Each Employee Category

Employee Category	2022					
	< 30 years old		30-50 years old		> 50 years old	
	No.	%	No.	%	No.	%
Senior management	1	25.00	2	50.00	1	25.00
Management	-	0.00	9	81.82	2	18.18
Executive	1	7.14	12	85.72	1	7.14
Non-executive	-	0.00	2	66.67	1	33.33
Total	2		25		5	

Employee Category	2022			
	Male		Female	
	No.	%	No.	%
Senior management	3	75.00	1	25.00
Management	5	45.45	6	54.55
Executive	3	21.43	11	78.57
Non-executive	1	33.33	2	66.67
Total	12		20	

Employee Category	2023					
	< 30 years old		30-50 years old		> 50 years old	
	No.	%	No.	%	No.	%
Senior management	-	0.00	4	66.67	2	33.33
Management	-	0.00	9	90.00	1	10.00
Executive	2	11.11	15	83.33	1	5.56
Non-executive	3	37.50	4	50.00	1	12.50
Total	5		32		5	

SUSTAINABILITY STATEMENT

SOCIAL INVESTMENT (CONT'D)

DIVERSITY, EQUITY AND INCLUSIVITY (CONT'D)

(b) Employee by Gender and Age Group for Each Employee Category (cont'd)

Employee Category	2023			
	Male		Female	
	No.	%	No.	%
Senior management	4	66.67	2	33.33
Management	5	50.00	5	50.00
Executive	4	22.22	14	77.78
Non-executive	7	87.50	1	12.50
Total	20		22	

Employee Category	2024					
	< 30 years old		30-50 years old		> 50 years old	
	No.	%	No.	%	No.	%
Senior management	-	0.00	5	83.33	1	16.67
Management	1	11.11	8	88.89	-	0.00
Executive	1	5.56	16	88.88	1	5.56
Non-executive	2	33.33	4	66.67	-	0.00
Total	4		33		2	

Employee Category	2024			
	Male		Female	
	No.	%	No.	%
Senior management	3	50.00	3	50.00
Management	5	55.56	4	44.44
Executive	5	27.78	13	72.22
Non-executive	6	100.00	-	0.00
Total	19		20	

(c) Directors by Gender and Age Group

Directors Category	2022		2023		2024	
	No.	%	No.	%	No.	%
< 30 years old	1	12.50	1	12.50	-	0.00
30-50 years old	-	0.00	-	0.00	2	28.57
> 50 years old	7	87.50	7	87.50	5	71.43
Total	8		8		7	

SUSTAINABILITY STATEMENT

SOCIAL INVESTMENT (CONT'D)

DIVERSITY, EQUITY AND INCLUSIVITY (CONT'D)

(c) Directors by Gender and Age Group (cont'd)

Directors Category	2022		2023		2024	
	No.	%	No.	%	No.	%
Male	7	87.50	7	87.50	6	85.71
Female	1	12.50	1	12.50	1	14.29
Total	8		8		7	

(d) Locality & Gender of Employees by Employment Category

Employee Category	2022			
	Contractual		Permanent	
	Male	Female	Male	Female
Senior management	-	-	3	1
Management	1	-	4	6
Executive	-	-	3	11
Non-executive	-	-	1	2
Total	1	-	11	20
%	3.13	-	34.37	62.50

Employee Category	2023			
	Contractual		Permanent	
	Male	Female	Male	Female
Senior management	-	-	4	2
Management	2	-	3	5
Executive	-	-	4	14
Non-executive	-	-	7	1
Total	2	-	18	22
%	4.76	-	42.86	52.38

Employee Category	2024			
	Contractual		Permanent	
	Male	Female	Male	Female
Senior management	-	-	3	3
Management	2	-	3	4
Executive	1	-	4	13
Non-executive	-	-	6	-
Total	3	-	16	20
%	7.69	-	41.03	51.28

SEAL is committed to nurturing an inclusive workplace culture that advocates equality among all employees, regardless of age, gender, ethnicity, nationality, sexual orientation, cultural background, religious beliefs, or socio-economic status. We remain dedicated to ensuring that our workforce feels treated equally and fairly.

SUSTAINABILITY STATEMENT

SOCIAL INVESTMENT (CONT'D)

TALENT AND LABOUR MANAGEMENT

SEAL recognises that our employees are our most value asset and our success and growth are intrinsically linked to their development. By investing in our people through development programmes and a positive work environment, we empower them to reach their full potential and contribute to long-term value creation for SEAL and our stakeholders. This development also ensures that our employees remain competitive, progressive and prepared for the future.

In addition to investing in our employees, we are fully committed to protecting and respecting human rights within our organisation. Strong human rights practices will enhance the productivity and also promote a healthy working environment. Our focus on these practices helps us retain our talent, strengthening our company's performance and long-term value creation for stakeholders while also developing workplace resilience.

Policies and Procedures

Our COCE outlines the expectations for all employees regarding human rights while performing their responsibilities. At SEAL, we are committed to upholding basic human rights and ensuring employees are free from discrimination and harassment.

We cultivate a work culture that encourages effective communication between employees. SEAL actively conducts regular employee engagement initiatives to promote work-life balance, concern for the well-being, and organise events for team bonding.

Staff Welfare

Recognising that employees are our most valuable asset, we provide a comprehensive range of benefits and privileges that exceed the stipulations of the Employment Act 1955. These benefits include various types of leave, wellness programs, allowances, insurances and other perks as detailed below. We continuously monitor and review our remuneration packages to meet our employees' need and ensure they feel fairly rewarded.

Types of Benefit	Details
Leaves	Annual leave, medical or hospitalisation leave, marriage leave, maternity and paternity leave, study/examination leave, compassionate leave, disaster leave, pilgrimage leave
Flexi-wellness	Pre-employment medical check-up, dental care, health screening, vaccination, gym membership
Allowances and subsidies	Interest subsidy allowance, parking/toll allowance, petrol reimbursement, outstation meal allowance, mobile phone allowance, outpatient medical benefits, business travel expenses reimbursement, professional membership subsidy
Insurances	Hospitalisation and surgical insurance, personal accident coverage
Others	Car park facility



SUSTAINABILITY STATEMENT

SOCIAL INVESTMENT (CONT'D)

TALENT AND LABOUR MANAGEMENT (CONT'D)

Talent Acquisition and Retention

Building a strong and sustainable talent pipeline is crucial for SEAL's future success. We achieve this through effective talent attraction and recruitment practices, guided by merit-based hiring, focusing on skills, experience, and alignment with our values, culture, and vision. By attracting good talent without bias, we build a reliable employer brand, leading to increased customer loyalty and improved organisational performance.

Beyond attraction, we retain good performers through competitive compensation and benefits packages, a positive work environment, and clear career development pathways. Additionally, we actively promote diversity and inclusion, fostering a workplace where everyone feels valued and empowered to contribute.

Training and Development

Recognising the dynamic shifts in the modern workplace, the Group is committed to providing employees with the tools and training necessary for seamless adaptability. We foster a culture of continuous learning by investing in development programs that emphasise competence, expertise, and adaptability. To stay abreast with the evolving work landscape, we have enabled our employees with tools for effective remote working and digital collaboration, including proficiency in platforms like Zoom and Teamviewer for virtual meetings and training sessions.



With health and safety as a priority, we conduct training sessions tailored to the current scenarios. These programs focus not just on the technical aspects of remote working but also on maintaining mental well-being, and work-life balance. Emphasising best practices and consistent adherence to health guidelines remains our priority regardless of the working environment.

(i) Substantiated Complaints Concerning Human Rights

Throughout the financial year, the Group has consistently upheld its commitment to labour standards, with no reported incidents of non-compliance, including forced and child labour. Additionally, there were no reported incidents of workplace discrimination and human rights violations during this period.

	2022	2023	2024
Number of substantiated complaints concerning human-rights violations	0	0	0

SUSTAINABILITY STATEMENT

SOCIAL INVESTMENT (CONT'D)

TALENT AND LABOUR MANAGEMENT (CONT'D)

Training and Development (cont'd)

(ii) Employee Training Hours

In FY2024, we provided 240 training hours, averaging 6.15 training hours per employee, underscoring our commitment to employee development.

Employee Category	Total Hours of Training		
	2022	2023	2024
Senior management	64	120	99
Management	82	211	50
Executive	18	96	84
Non-executive	-	-	7

Employee Category	Average Training Hours Per Employee		
	2022	2023	2024
Senior management	16.00	20.00	16.50
Management	7.45	21.10	5.56
Executive	1.29	5.33	4.67
Non-executive	-	-	1.17
Total	24.74	46.43	27.90

(iii) Employee Retention and Attraction

Our employee service data for FY2024 and FY2023 indicated an improvement in retention. Notably, 28.21% of our employees have remained with the Group for more than five (5) years, reflecting better retention and stability.

Years of Service	No. of Employee		
	2022	2023	2024
< 1year	5	9	3
1 to <3 years	10	16	23
3 to <5 years	4	1	2
5 to <10 years	6	7	6
More than 10 years	7	9	5
Total	32	42	39

Employee Category	Total Number of New Hires					
	2022		2023		2024	
	No.	%	No.	%	No.	%
Senior management	1	12.50	1	6.25	1	6.67
Management	4	50.00	1	6.25	2	13.33
Executive	2	25.00	6	37.50	6	40.00
Non-executive	1	12.50	8	50.00	6	40.00
Total	8	100.00	16	100.00	15	100.00

SUSTAINABILITY STATEMENT

SOCIAL INVESTMENT (CONT'D)

TALENT AND LABOUR MANAGEMENT (CONT'D)

Training and Development (cont'd)

(iii) Employee Retention and Attraction (cont'd)

Employee Category	Total Number of Employee Turnover					
	2022		2023		2024	
	No.	%	No.	%	No.	%
Senior management	-	0.00	1	16.66	1	5.56
Management	-	0.00	1	16.67	3	16.67
Executive	2	100.00	1	16.67	6	33.33
Non-executive	-	0.00	3	50.00	8	44.44
Total	2	100.00	6	100.00	18	100.00

ENGAGEMENT WITH LOCAL COMMUNITIES

SEAL recognises the importance of cultivating resilient communities and fostering harmonious relationships with the populations we serve. As a building construction player, we are committed to minimising any negative impacts of our activities. This approach promotes social inclusion, builds resilience, and creates a more favourable environment for everyone, ultimately driving sustainable socio-economic development. Our commitment to being a responsible corporate citizen is reflected in our targeted community engagement and impact activities, particularly in areas like social welfare, which empower individuals and unlock their full potential. Our social welfare initiatives strengthen our connection with the communities in which we operate, fostering a sense of shared purpose and mutual benefit.

As part of our commitment to community support, we initiate fundraisers and develop community support packages. These contributions help address the needs and development goals of our local communities.



SUSTAINABILITY STATEMENT

ENGAGEMENT WITH LOCAL COMMUNITIES (CONT'D)

We encourage volunteerism at every level of our organisation by establishing a volunteer platform within respective entities, enabling employees to take part in community-based activities. This engagement allows them to develop meaningful relationships and enhances their job satisfaction. Throughout the year, our employees have dedicated their time to various activities, such as visiting nursing home.

	2022	2023	2024
Total Investment in CSR Events (RM'000)	19.6	65	1.4
Estimated Number of Direct and Indirect Beneficiaries	3	3	2

In summary, we place equal emphasis on ensuring the long-term sustainability of our business approach which include the below three values:

EXCEPTIONAL VALUE

By constantly delivering more to our customers and stakeholders, we believe we are building a self-reinforcing ecosystem that will serve to further strengthen the Group.

ADAPTABILITY

We strive to keep our fingertips on the pulse of the ever-changing business environment, empowering us to respond effectively and capitalise swiftly on business shifts.

LEVERAGE

As a multi-industry company with an extensive network, we strive to provide innovative solutions by leveraging on the diverse range of expertise available to us.

SUSTAINABILITY STATEMENT

PERFORMANCE DATA

Indicator	Measurement Unit	2022	2023	2024
Bursa (Supply chain management)				
Bursa C7(a) Proportion of spending on local suppliers	Percentage	100.00	100.00	100.00
Bursa (Anti-corruption)				
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category				
Senior Management	Percentage	100.00	100.00	100.00
Management	Percentage	100.00	100.00	100.00
Executive	Percentage	100.00	100.00	100.00
Non-Executive	Percentage	100.00	100.00	100.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00	100.00	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0	0
Bursa (Data privacy and security)				
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	0
Bursa (Energy management)				
Bursa C4(a) Total energy consumption	Megawatt	150.85	195.29	281.97
Bursa (Water)				
Bursa C9(a) Total volume of water used	Megalitres	0.319000	0.327000	0.808000
Bursa (Health and safety)				
Bursa C5(a) Number of work-related fatalities	Number	0	0	0
Bursa C5(b) Lost time incident rate ('LTIR')	Rate	0.00	0.00	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	1	15	35
Bursa (Diversity)				
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				
Age Group by Employee Category				
Senior Management	Percentage	25.00	0.00	0.00
Under 30				
Senior Management	Percentage	50.00	66.67	83.33
Between 30-50				
Senior Management	Percentage	25.00	33.33	16.67
Above 50				
Management Under 30	Percentage	0.00	0.00	11.11
Management Between	Percentage	81.82	90.00	88.89
30-50				
Management Above 50	Percentage	18.18	10.00	0.00
Executive Under 30	Percentage	7.14	11.11	5.56
Executive Between 30-	Percentage	85.72	83.33	88.88
50				
Executive Above 50	Percentage	7.14	5.56	5.56
Non-Executive Under 30	Percentage	0.00	37.50	33.33
Non-Executive Between	Percentage	66.67	50.00	66.67
30-50				
Non-Executive Above	Percentage	33.33	12.50	0.00
50				
Gender Group by Employee Category				
Senior Management	Percentage	75.00	66.67	50.00
Male				
Senior Management	Percentage	25.00	33.33	50.00
Female				
Management Male	Percentage	45.45	50.00	55.56
Management Female	Percentage	54.55	50.00	44.44
Executive Male	Percentage	21.43	22.22	27.78
Executive Female	Percentage	78.57	77.78	72.22
Non-Executive Male	Percentage	33.33	87.50	100.00
Non-Executive Female	Percentage	66.67	12.50	0.00

Internal assurance

External assurance

No assurance

(*)Restated

SUSTAINABILITY STATEMENT

PERFORMANCE TABLE (CONT'D)

Indicator	Measurement Unit	2022	2023	2024
Bursa C3(b) Percentage of directors by gender and age group				
Male	Percentage	87.50	87.50	85.71
Female	Percentage	12.50	12.50	14.29
Under 30	Percentage	12.50	12.50	0.00
Between 30-50	Percentage	0.00	0.00	28.57
Above 50	Percentage	87.50	87.50	71.43
Bursa (Labour practices and standards)				
Bursa C6(a) Total hours of training by employee category				
Senior Management	Hours	64	120	99
Management	Hours	82	211	50
Executive	Hours	18	96	84
Non-Executive	Hours	0	0	7
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	3.13	4.76	7.69
Bursa C6(c) Total number of employee turnover by employee category				
Senior Management	Number	0	1	1
Management	Number	0	1	3
Executive	Number	2	1	6
Non-Executive	Number	0	3	8
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0	0
Bursa (Community/Society)				
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	19,600.00	65,000.00	1,431.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	3	3	2

Internal assurance

External assurance

No assurance

(*)Restated

SUSTAINABILITY STATEMENT

GRI CONTEX INDEX

GRI	GRI Standard	Description	Additional Information	
GRI 2: General Disclosures 2021	ORGANISATIONAL PROFILE			
	2 - 1	Organisational details	About This Sustainability Statement, page 11	
	2 - 2	Entities included in the organisation's sustainability reporting	Scope and Coverage, page 11	
	2 - 3	Reporting period, frequency and contact point	About This Sustainability Statement, page 11 Scope and Coverage, page 11 Feedback, page 11	
	2 - 4	Restatement of information	Restatement of information is disclosed at the relevant sections, where applicable	
	2 - 5	External assurance	Assurance, page 11	
	ACTIVITIES AND WORKERS			
	2 - 6	Activities, value chain and other business relationships	About This Sustainability Statement, page 11 Management Discussion & Analysis, page 4	
	2 - 7	Employees	Diversity, Equity and Inclusivity, page 29 Talent and Labour Management, page 33	
	GOVERNANCE			
	2 - 9	Governance structure and composition	Sustainability Governance, page 14	
	2 - 10	Nomination and selection of the highest governance body		
	2 - 11	Chair of the highest governance body		
	2 - 12	Role of the highest governance body in overseeing the management of impacts		
	2 - 13	Delegation of responsibility for managing impacts		
	2 - 14	Role of the highest governance body in sustainability reporting		
	2 - 15	Conflicts of interest		Business Ethics and Corporate Governance, page 20
	2 - 16	Communication of critical concerns		Stakeholder Engagement, page 15
	2 - 17	Collective knowledge of the highest governance body	Sustainability Governance, page 14	
	2 - 18	Evaluation of the performance of the highest governance body	Sustainability Governance, page 14	
	2 - 21	Annual total compensation ratio	Information on the Board of Directors' fees are provided in the Corporate Governance Report	

SUSTAINABILITY STATEMENT

GRI CONTEX INDEX (CONT'D)

GRI	GRI Standard	Description	Additional Information
GRI 2: General Disclosures 2021	STRATEGY, POLICIES AND PRACTICES		
	2 - 22	Statement on sustainable development strategy	Approach to Sustainability, page 14
	2 - 23	Policy commitments	
	2 - 24	Embedding policy commitments	
	2 - 25	Processes to remediate negative impacts	Statement on Risk Management and Internal Controls, page 70
	2 - 26	Mechanism for seeking advice and raising concerns	Whistle-blowing Policy, page 21
	2 - 27	Compliance with laws and regulations	Regulatory Compliance, page 23
	STAKEHOLDER ENGAGEMENT		
2 - 29	Approach to stakeholder engagement	Stakeholder Engagement, page 15	
GRI 3: Material Topics 2021	3 - 1	Process to determine material topics	Material matters, page 16
	3 - 2	List of material topics	Materiality matrix, page 16
	3 - 3	Management of material topics	
GRI 200: ECONOMIC			
ECONOMIC PERFORMANCE			
GRI 201: Economic Performance 2016	201 - 1	Direct economic value generated and distributed	Economic Performance, page 18
MARKET PRESENCE			
GRI 202: Market Presence 2016	202 - 1	Ratios of standard entry level wage by gender compared to local minimum wage	Market Presence, page 19
	202 - 2	Proportion of senior management hired from the local community	Diversity, Equity and Inclusivity, page 29
INDIRECT ECONOMIC IMPACTS			
GRI 203: Indirect Economic Impacts 2016	203 - 1	Infrastructure investments and services supported	Engagement with Local Communities, page 36
SUPPLY CHAIN MANAGEMENT			
GRI 204: Procurement Practices 2016	204 - 1	Proportion of spending on local suppliers	Supply Chain Management, page 19

SUSTAINABILITY STATEMENT

GRI CONTEX INDEX (CONT'D)

GRI	GRI Standard	Description	Additional Information
GRI 200: ECONOMIC			
ANTI-CORRUPTION			
GRI 205: Anti-corruption 2016	205 - 1	Operations assessed for risks related to corruption	Business Ethics and Corporate Governance, page 20
	205 - 2	Communication and training about anti-corruption policies and procedures	
	205 - 3	Confirmed incidents of corruption and actions taken	
GRI 300: ENVIRONMENTAL			
ENERGY			
GRI 302: Energy 2016	302 - 1	Energy consumption within the organisation	Climate Change, page 25
	302 - 4	Reduction of energy consumption	
WATER AND EFFLUENTS			
GRI 303: Water and Effluents 2018	303 - 1	Interactions with water as a shared resource	Water Management page 26
	303 - 2	Management of water discharge-related impacts	
	303 - 5	Water consumption	
EMISSIONS			
GRI 305: Emissions 2016	305 - 1	Direct (Scope 1) GHG emissions	Climate Change, page 25
	305 - 2	Energy indirect (Scope 2) GHG emissions	
	305 - 5	Reduction of GHG emissions	
WASTE			
GRI 306: Waste 2020	306 - 1	Waste generation and significant waste-related impacts	Waste Management, page 27
	306 - 2	Management of significant waste-related impacts	
	306 - 3	Waste generated	

SUSTAINABILITY STATEMENT

GRI CONTEX INDEX (CONT'D)

GRI	GRI Standard	Description	Additional Information
GRI 400: SOCIAL			
EMPLOYMENT			
GRI 401: Employment 2016	401 - 1	New employee hires and employee turnover	Talent and Labour Management, page 33
	401 - 2	Benefits provided to full-time employees that are not provided to temporary or part time employees	
	401 - 3	Parental leave	
OCCUPATIONAL HEALTH AND SAFETY			
GRI 403: Occupational Health and Safety 2018	403 - 1	Occupational health and safety management system	Occupational Health and Safety, page 28
	403 - 5	Worker training on occupational health and safety	
	403 - 9	Work-related injuries	
	403 - 10	Work-related ill health	
TRAINING AND EDUCATION			
GRI 404: Training and Education 2016	404 - 1	Average hours of training per employee	Talent and Labour Management, page 33
	404 - 2	Programs for upgrading employee skills and transition assistance programmes	
DIVERSITY AND EQUAL OPPORTUNITY			
GRI 405: Diversity and Equal Opportunity 2016	405 - 1	Diversity of governance bodies and employees	Diversity, Equity and Inclusivity, page 29
LOCAL COMMUNITIES			
GRI 413: Local Communities 2016	413 - 1	Operations with local community engagement, impact assessments and development programmes	Engagement with Local Community, page 36
DATA PRIVACY AND CYBERSECURITY			
GRI 418: Customer Privacy 2016	418 - 1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Cybersecurity, page 24

PROFILE OF DIRECTORS



LEE SWEE KHENG

Chairman, Independent Non-Executive Director

Date of Appointment as Director : 17 October 2023

Nationality



Gender



Age

60

Mdm. Lee Swee Kheng (“Mdm. Lee”) was appointed as an Independent Non-Executive Director of the Company on 17 October 2023. On 24 June 2024, Mdm. Lee was appointed as Chairman of the Company following the resignation of Tuan Haji Abdul Hamid bin Mohd Hassan as a Director of the Company.

Mdm. Lee holds a Diploma in Financial Accounting from Kolej Tunku Abdul Rahman (now known as Tunku Abdul Rahman University of Management and Technology). She is a member of the Malaysian Institute of Accountants and Fellow of the Association of Chartered Certified Accountants. Mdm. Lee has brought with her more than 36 years of notable working experiences in the fields of property development, construction, hotel and leisure. She began her career in public accounting firms before joining various public listed companies as Accountant, General Manager (Finance) and Chief Financial Officer. Mdm. Lee also sits on the Board of several private limited companies.

Apart from the Company, Mdm. Lee is also an Independent Non-Executive Director of Lim Seong Hai Capital Berhad. Mdm. Lee does not have any conflict of interest with the Company and she has no family relationship with any Director and/or major shareholder of the Company.

Mdm. Lee has no conviction for any offences within the past five years and does not have any public sanction or penalty imposed by the relevant bodies during the financial year ended 30 June 2024.

PROFILE OF DIRECTORS



KOAY SHEAN LOONG

Group Chief Executive Officer, Executive Director

Date of Appointment as Director : 21 December 2020

Nationality



Gender



Age

30

Mr. Koay Shean Loong (“Mr. Koay”) was appointed to the Board as an Executive Director of the Company on 21 December 2020 and re-designated as the Group Chief Executive Officer (“CEO”) on 1 September 2023.

Mr. Koay graduated with Bachelor Degree in Finance and Marketing from Curtin University, Perth, Australia. He has extensive experiences in sales and marketing and property investments. He started his career as Internet Marketing Specialist and Service Marketing Specialists in Australia before joining a real estate company in Australia in the Sales and Marketing division. Upon his return to Malaysia, he joined the Group under the Sales and Marketing division in 2018 and was appointed as General Manager - Leasing, Sales and Marketing division on 7 October 2020 to be in charge of leasing and, sales and marketing activities of the Group’s development projects.

Mr. Koay works closely with all Business Unit Heads to implement and execute the Group’s overall business strategic plans, corporate policies and sustainability of the Group. As the Group CEO, Mr. Koay is instrumental in charting the growth and development of the Group. He oversees the day-to-day operational matters and business activities of the Group to ensure they achieve the desired results consistent with the Group’s direction.

Mr. Koay does not have any conflict of interest with the Company. Other than the Company and Great Eastern Mills Berhad, a public company within the Group, Mr. Koay does not hold any directorship in public companies and public listed companies.

He has no conviction for any offences within the past five years and does not have any public sanction or penalty imposed by the relevant bodies during the financial year ended 30 June 2024.

PROFILE OF DIRECTORS



DATUK TAN HIANG JOO
Senior Independent Non-Executive Director

Date of Appointment as Director : 3 October 2014

Nationality	Gender	Age
		61

Datuk Tan Hiang Joo (“Datuk Tan”) was appointed as an Independent Non-Executive Director of the Company on 3 October 2014 and on 4 October 2019, he was appointed as the Company’s Senior Independent Non-Executive Director. Datuk Tan is also Chairman of the Company’s Nominating Committee and member of the Audit Committee and Remuneration Committee.

Datuk Tan holds a Law Degree, LLB (Hons) from University of Malaya and is an advocate and solicitor with the High Court of Malaya. He has been in the legal practice since 1989 and is a partner of the legal firm, Syarikat Ng & Anuar. In spite of his demanding legal practice, Datuk Tan participates actively in the Penang Chinese Chamber of Commerce (“PCCC”), a local organisation established to primarily develop and further the interests of local companies and businesses in Malaysia. He is currently the advisor of PCCC after retiring as the Deputy President in September 2024. Datuk Tan also sits on the Board of Directors of Han Chiang University College of Communication and Han Chiang High School, both in Penang.

Besides the Company, Datuk Tan does not hold any directorship in public companies and public listed companies. Datuk Tan does not have any conflict of interest with the Company and he has no family relationship with any Director and/or major shareholder of the Company.

Datuk Tan has no conviction for any offences within the past five years and does not have any public sanction or penalty imposed by the relevant bodies during the financial year ended 30 June 2024.

PROFILE OF DIRECTORS



SIM YEE FUAN

Independent Non-Executive Director

Date of Appointment as Director : 28 March 2022

Nationality



Gender



Age

58

Mr. Sim Yee Fuan ("Mr. Sim") was appointed as an Independent Non-Executive Director of the Company on 28 March 2022. Mr. Sim is also Chairman of the Audit Committee and member of the Remuneration Committee and Nominating Committee of the Company.

Mr. Sim graduated from University of Malaya with Bachelor of Accounting (Honour) and obtained professional accounting qualification from Malaysian Institute of Certified Public Accountants. Mr. Sim also holds a Master Degree in Business Administration from Northern University of Malaysia. He is a Chartered Accountant registered with Malaysian Institute of Accountants.

Mr. Sim started his career with Bank Negara Malaysia ("BNM") and during his vocation with BNM, he had gained valuable banking experience in Foreign Exchange Administration Department and Banking Supervision Department. Following his leaving from BNM in 1995, he pursued his career with public companies listed on Bursa Malaysia Securities Berhad ("Bursa Securities") where his job responsibilities were mainly in the areas of accounting, finance and corporate management. He is presently an Executive Director of Unimech Group Berhad ("UGB"), a public listed company of Bursa Securities.

Besides the Company and UGB, Mr. Sim also sits on the Board of Hextar Healthcare Berhad, a public company listed on Bursa Securities as its Independent Non-Executive Director.

Mr. Sim does not have any conflict of interest with the Company and he has no family relationship with any Director and/or major shareholder of the Company.

Mr. Sim has no conviction for any offences within the past five years and does not have any public sanction or penalty imposed by the relevant bodies during the financial year ended 30 June 2024.

PROFILE OF DIRECTORS



YOW YAN SEONG
Independent Non-Executive Director

Date of Appointment as Director : 4 September 2020

Nationality	Gender	Age
		58

Mr. Yow Yan Seong (“Mr. Yow”) was appointed as an Independent Non-Executive Director of the Company on 4 September 2020. Mr. Yow was appointed as Chairman of the Remuneration Committee on 24 June 2024.

Mr. Yow holds a diploma in Japanese Language from Toshin Japanese Language School, Japan. He is the Managing Director of a private limited company involved in management and investment holding. Mr. Yow has vast experience in property development industry. He was also a Director of several private limited companies involved in property development.

Mr. Yow does not have any conflict of interest with the Company and he has no family relationship with any Director and/or major shareholder of the Company. Other than the Company, Mr. Yow does not hold any directorship in public companies and public listed companies.

He has no conviction for any offences within the past five years and does not have any public sanction or penalty imposed by the relevant bodies during the financial year ended 30 June 2024.

PROFILE OF DIRECTORS



TAN SEONG HOOI
Independent Non-Executive Director

Date of Appointment as Director : 7 January 2021

Nationality	Gender	Age
		60

Mr. Tan Seong Hooi (“Mr. Tan”) holds unified examination certificate from an esteemed local educational institution. Mr. Tan is currently the Honorary Chairman of Penang Traditional Medicine Promotion Association. He is a veteran in the construction and property industry having considerable experiences as Project Manager managing diverse range of infrastructure works and real estate developments for reputable international hotel chains and factories. Mr. Tan’s skills and expertise in this field have been much sought after across the border and he has overseen international projects of Shanghai World Trade Centre and Aberdeen Manila Club Hong Kong. He is also actively involved in a private company specialising in construction materials, building materials and hardware items for the construction industries.

Mr. Tan does not have any conflict of interest with the Company and he has no family relationship with any Director and/or major shareholder of the Company.

Other than the Company, Mr. Tan does not hold any directorship in public companies and public listed companies. He has no conviction for any offences within the past five years and does not have any public sanction or penalty imposed by the relevant bodies during the financial year ended 30 June 2024.

PROFILE OF DIRECTORS



**DATUK WIRA SYED AMIR SYAKIB
ARSALAN BIN SYED IBRAHIM**

Independent Non-Executive Director

Date of Appointment as Director : 24 June 2024

Nationality



Gender



Age

50

Datuk Wira Syed Amir Syakib Arsalan bin Syed Ibrahim (“Datuk Wira Amir”) was appointed as an Independent Non-Executive Director of the Company on 24 June 2024. He was also appointed as member of the Company’s Audit Committee and Nominating Committee on even date. Datuk Wira Amir graduated from the International Islamic University Malaysia with Bachelor of Laws (Honour).

Datuk Wira Amir is presently the Managing Partner of a legal firm established in Malaysia since 1975. He is actively involved in the Malaysian corporate scene, advising clients on mergers and takeovers, leveraged buyouts, corporate restructuring and other business transactions. Datuk Wira Amir has been a practicing lawyer for more than 20 years in various firms, including one of the largest legal firms in Malaysia.

Apart from the Company, Datuk Wira Amir does not hold any directorship in public companies and public listed companies.

Datuk Wira Amir does not have any conflict of interest with the Company and he has no family relationship with any Director and/or major shareholder of the Company.

He has no conviction for any offences within the past five years and does not have any public sanction or penalty imposed by the relevant bodies during the financial year ended 30 June 2024.

KEY SENIOR MANAGEMENT AND SENIOR MANAGEMENT

CHOH KIM CHIEW *Finance Director*

Mr. Choh Kim Chiew ("Mr. Choh") a Malaysian, age 49, was appointed as Finance Director of the Company on 1 April 2023. He is a Chartered Accountant by profession and is a member of the Malaysian Institute of Accountants and fellow of the Chartered Association of Certified Accountants of the UK.

Mr. Choh started his career in 1996 in hospitality industry where he held various positions in finance capacity until his leaving in 2002. Moving on, Mr. Choh has held positions as an Accountant, Executive Director (Finance) and Chief Financial Officer in a number of reputable public listed companies in Malaysia. He has accumulated and brought with him more than 20 years of notable experiences and expertise in the accounting and financial fields to our Group. Prior to joining our Group, Mr. Choh was the Group Chief Financial Officer of a Malaysia-based conglomerate public listed company involve in property development and investments, hotel and resort management and healthcare.

Mr. Choh was appointed as a Director of Great Eastern Mills Berhad ("GEM") a public company within the Group on 1 August 2023. Apart from GEM, Mr. Choh does not hold any directorship in any public companies and public listed companies.

He does not have any conflict of interest with the Company and he has no family relationship with any Director and/or major shareholder of the Company. He has no conviction for any offences within the past five years and does not have any public sanction or penalty imposed by the relevant bodies during the financial year ended 30 June 2024.

TEH GUAT CHENG *General Manager - Finance and Accounts Division*

Ms. Teh Guat Cheng ("Ms. Teh") is the General Manager for Finance and Accounts division of the Group. She joined the Group as an Accountant in 2005. As an Accountant, she was involved in the preparation of accounts, budgets, and managing taxation and financial matters for the Group. Ms. Teh held the position of Accountant for 9 years before her promotion to Human Resource Manager in 2014. In 2018, she assumed the position of Assistant General Manager of the Group before her promotion to her current position in 2020. As the General Manager for Finance and Accounts division, Ms. Teh manages and oversees the daily operations of the Finance and Accounts department of the Group.

Ms. Teh graduated with a Certificate in Business Studies - London Chamber of Commerce and Industry International Qualification, United Kingdom. She has over 20 years of valuable experiences in professional accountancy, auditing, taxation, management and planning. Prior to joining the Group, she was attached to the audit divisions of established firms of Chartered Accountant, Kiat & Associates and Khoo Choon Keat & Associates.

TAN ZE NAN *Senior Manager - Project*

Mr. Tan Ze Nan ("Mr. Tan") joined the Group as Senior Manager - Project in year 2021. Mr. Tan heads the project team and proactively manages, plan and execute the Group's development projects.

Mr. Tan graduated from Bradford University in the United Kingdom ("UK") with Bachelor of Science. Upon his return from the UK in 1997, he started his career as a Supervisor with a construction company. He left the company 20 years later as a Project Director after having led numerous construction activities for prominent property development companies in Kuala Lumpur, Johor and Penang. During his 20 years of service, he has also assisted companies in attaining numerous quality and safety awards. In year 2016, he joined a subsidiary company of a public listed company as Project Director and continued to work on projects awarded by dynamic and established property development companies.

Having amassed over 20 years of experience and completed more than 5000 units of residential and commercial properties in the field of construction for multiple award winning developers, Mr. Tan has brought with him immense knowledge and expertise to serve the Group.

KEY SENIOR MANAGEMENT AND SENIOR MANAGEMENT

TEOH CHIEW HOOI *Senior Manager - Group Contracts and Procurement*

Ms. Teoh Chiew Hooi ("Ms. Teoh") joined the Group as Senior Manager - Group Contracts and Procurement in early 2024.

Ms. Teoh graduated with Bachelor of Science (Housing, Building and Planning) (Honour) majoring in Quantity Surveying from University Science Malaysia. Ms. Teoh started her career as assistant Quantity Surveyor in 2005 before leaving to join a quantity surveying company as Project Executive a year later. She then developed her career across the causeway to work as a Quantity Surveyor for about a year before returning to Malaysia to work for well established public listed companies in the property development sector as Contract Manager and Senior Contract Executive.

Ms. Teoh's career expanded further as she joined a dynamic home-grown property development company as Head of Group Contracts and Procurement Department. Prior to joining the Group, Ms. Teoh was attached to an esteemed public listed company as Contract Manager.

As the head of Group Contracts and Procurement, she is in charge of overseeing the Group's projects development, projects cost control and monitoring of contract administration during the pre and post contract stage. Ms. Teoh has brought with her laudable experiences to the department and the Group.

LEE HUEY SAN *Corporate Secretary*

Ms. Lee Huey San ("Ms. Lee") joined the Group in 2021 as Corporate Secretary to oversee the Group's Company Secretarial matters. Ms. Lee had her early trainings in company secretarial practices in former secretarial divisions of Deloitte Malaysia and Ernst and Young, both being among the four largest global professional services networks. During this time, she has served both private and public companies from multiple industries and were involved in numerous corporate exercises undertaken by these companies. After about 6 years in the professional line, Ms. Lee moved on to commercial line, joining public listed companies. Ms. Lee's professional career in the Company Secretarial practices is complemented by her considerable experiences as Corporate Secretary in a number of public listed companies from various industry sectors which spanned over 20 years.

Ms. Lee is a Chartered Secretary and a Fellow of The Malaysian Institute of Chartered Secretaries and Administrators. She has brought with her prized knowledge and experience to the Group.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

INTRODUCTION

The Board of Directors (“Board”) of Seal Incorporated Berhad (“Seal” or the Company”) views corporate governance as a fundamental process contributing towards achieving long-term shareholder value, taking into account the interest of other stakeholders. Amidst an increasingly challenging operating environment, the Board continuously strives to refine the Company and its subsidiaries’s (“the Group”) corporate governance practices and processes to meet these challenges.

In this Annual Report, the Company outlines its corporate governance practices as guided by the key Corporate Governance (“CG”) principles set out in the Malaysian Code on Corporate Governance 2021 (the “Code” or “MCCG”) and in accordance with Bursa Malaysia Securities Berhad’s (“Bursa Securities”) Main Market Listing Requirements (“MMLR”). This statement is to be read in conjunction with the CG Report which is available at the Company’s website at www.sib.com.my (“Company’s website”) or Bursa Securities’ website at www.bursamalaysia.com. The Group continues to review its governance practices and will update the practices in response to evolving new practices and the changing requirements.

Compliant Statement

The Company and the Group, as applicable, have applied the principles as set out in the MCCG during the financial year ended 30 June 2024 (“FY2024”), except for the following practices, which in the opinion of the Board adequately suit the circumstances and a summary of their justifications are as follows:

Practices	Justification
<p>Practice 5.9 The board comprises at least 30% women directors.</p>	<p>The Board comprises of six (6) male Directors and one (1) female Director in compliance with the provisions of Paragraph 15.02(1)(b) of the MMLR. To-date, there are 7.69% women employees in senior positions of the Group.</p> <p>The Nominating Committee and the Board will take into consideration the provisions of Practice 5.9 of the MCCG as part of its future selection process of Board candidates.</p>
<p>Practice 5.10 The board discloses in its annual report the company’s policy on gender diversity for the board and senior management.</p>	<p>The Board has no immediate plan to implement a gender diversity policy or target as the Board views that any new appointment shall be based on the candidate’s area of expertise, skills, educational background, gender, ethnicity as well as other factors that might provide a broader range of viewpoints and perspective. The Board is nevertheless supportive of gender diversity as recommended by MCCG and will endeavour to consider suitable and qualified female candidates for appointment to the Board in the future.</p>
<p>Practice 8.2 The board discloses on a named basis the top five senior management’s remuneration component including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000.</p>	<p>The Board is of the view that the interest of shareholders will not be prejudiced from the non-disclosure of identity of the Company’s top senior management personnel who are not Directors.</p> <p>The Board also believes that it would not be in the best interest of the Company to disclose the identity and detailed remuneration of top senior management due to the sensitive and confidential nature of employees’ remuneration and concern over poaching of employees by competitors.</p>

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

Principal Responsibilities of the Board

The Group recognises the pivotal role played by the Board in the stewardship of its direction, operation and ultimately, enhancement of long-term shareholders' value. The Board is primarily responsible for the overall governance of the Group with an active role in setting and leading the long-term direction and corporate strategy of the Group, attending to crucial business issues such as identifying and managing principal risks, establishing and monitoring systems for internal control and compliance with relevant laws and regulations. The Board also monitors the decisions and actions of Executive Directors and the performance of the Group to gain assurance that progress is being made towards achieving corporate objectives within the limits imposed throughout the Group's governance assurance framework. Key principle responsibilities of the Board are:

- a) Providing leadership to the Company by:
 - Guiding the development of appropriate standards and values for the Group; and
 - Understanding shareholders' expectations and contribute to the development of strategies in their best interest and enhance shareholders' value,
- b) Adopting performance measures to monitor implementation and performance of the strategy, policies, plans, legal and fiduciary obligations that affect the business and regularly review and update the Group's strategic direction and goals;
- c) Commitment in governing management and providing oversight of the Company, including the appointment of Key Senior Management, the implementation of appropriate policies and procedures that govern management conduct, the monitoring of performance and succession planning;
- d) Reviewing the Group's sustainability matters upon pertinent points highlighted by the Management for deliberation;
- e) Ensuring effective risk assessment, compliance and control systems (including compliance with all relevant laws and regulations) are in place or to be put in place;
- f) Understand the principal risks of the Group and establish an on-going process in identifying, evaluating and managing significant risks and continually assess the adequacy and effectiveness of the internal controls;
- g) Ensuring corporate accountability to the shareholders by promoting better investor relations and shareholders' communication; and
- h) Delegating appropriate powers to Chief Executive Officer ("CEO"), Management and Committees to ensure effective day-to-day management and monitoring the exercise of these powers.

Board Charter

The Board has formalised and adopted a Board Charter as a source of reference and induction literature as well as an insight for existing and prospective Board members to assist the Board in the performance of their fiduciary duties. The Board Charter outlined the composition, roles, responsibilities, and the Board's processes.

The Board reviews the Board Charter as and when required to keep up to date with changes in the MMLR, other applicable regulations, best practices and ensure its effectiveness and relevance to the Board's objectives. The Board Charter is available for reference at the Company's website.

In promoting good governance practices and to enhance transparency and accountability, the Board has also established and put in place the following policies and procedures, full details of which are made available at the Company's website. The policies and procedures are reviewed from time to time to ensure that they remain relevant.

- a) Code of Conduct and Ethics
- b) Whistleblowing Policy and Procedure
- c) Sustainability Policy
- d) Anti-Bribery and Anti-Corruption Policy
- e) Remuneration Policy
- f) Directors' Fit and Proper Policy

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

Principal Responsibilities of the Board (Cont'd)

Sustainability

The Board views the commitment towards sustainability in addressing the impacts of the Group's business operations towards the environment, social and governance as part of its broader responsibility to all its various stakeholders and the communities in which it operates.

The Sustainability Working Group ("SWG") assists the Board in meeting its oversight responsibilities in relation to the Group's sustainability initiatives, implementation, performance and achievement. The SWG identifies and engages with relevant stakeholders, determines and manages material sustainability matters, proposes sustainability initiatives, implement and monitors the Group's sustainability agenda.

Please refer to the Sustainability Statement contained in this Annual Report for further details.

Board Committees

The Board is assisted by the following sub-committees ("Board Committees") in the discharge of its duties and responsibilities:

- a) Audit Committee ("AC")
- b) Nominating Committee ("NC")
- c) Remuneration Committee ("RC")

The Board Committees are entrusted with specific responsibilities to oversee the Group's affairs with authority to act on behalf of the Board and operate within their respective approved Terms of Reference ("TOR"). These TORs are periodically reviewed by the Board. The Chairman and members of each Board Committee is appointed by the Board. The Chairman of the respective Board Committees reports to the Board on key matters deliberated at the Board Committees' meetings and makes necessary recommendations to the Board. The ultimate responsibility for decision making lies with the Board.

The details of the AC, NC and RC are explained in this Statement.

Gender Diversity Policy

The Board has yet to develop gender diversity policy and is of the view that any new appointment to the Board shall be based on the criteria set out in the Directors' Fit and Proper Policy, i.e. candidate's qualification, capability, skills, knowledge, experience, core competencies, professionalism and integrity regardless of gender and ethnicity.

The Board is nevertheless supportive of gender diversity as recommended by MCCG and endeavour to consider suitable and qualified female candidates for appointment to the Board in its future selection process. To-date, there are 7.69% women employees in senior positions of the Group and one (1) woman Director on the Board i.e., 14.3% of woman representation on the Board.

The Board endeavours to have diversity in its workforce in terms of age, gender, ethnicity, nationality, experience, cultural background or other personal factors.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

Principal Responsibilities of the Board (Cont'd)

Foster Commitment

Paragraph 15.06 of the MMLR provides that directors of listed company may not hold more than five (5) directorships in listed companies to ensure that they have sufficient time to discharge their duties and responsibilities. None of the Board members serve in more than five (5) listed companies.

Board Composition and Independence

The Board comprises seven (7) members, a Group CEO who is also an Executive Director, and six (6) Independent Non-Executive Directors ("INEDs") which complied with Paragraph 15.02 of the MMLR of having at least two (2) or one-third (1/3) of the Board member whichever is higher, are Independent Directors.

The INEDs contribute to the formulation of policies and decision making of the Group by providing independent judgment, experience and objectivity without being subordinated to operational considerations. They bring with them the caliber necessary to carry sufficient weight in the Board's decisions, to ensure the interests of all stakeholders are taken into account and that the relevant issues are subjected to objective and impartial consideration by the Board.

The Board comprises a majority INEDs, who do not participate in the day-to-day management of the Group enabling them to provide impartial views and advices and bring an independent judgement to challenge various views and monitor the performance of Management, thus, is providing a good checks and balances in the Board.

The Board is satisfied that the present size and composition of the Board is appropriate for the complexity and scale of operations of the Group.

On 24 June 2024, Tuan Haji Abdul Hamid bin Mohd Hassan ("Tuan Haji Abdul Hamid") resigned as an Executive Director of the Company and relinquished his position as Chairman of the Board. Consequently, Mdm. Lee Swee Kheng ("Mdm. Lee"), the INED of the Company was re-designated as Independent Non-Executive Chairman ("INEC"). The Board is presently led by a well experienced Chairman, Mdm. Lee, who instills good corporate governance practices, leadership and effectiveness of the Board ensuring the Board carries out its responsibilities in the best interest of the Group and that all key issues are disclosed in a timely manner whilst the Group CEO is responsible for the day-to-day management of the Group's business which includes decision-making on operation matters and implementation of policies, strategic plans and major decisions which require approval of the Board. The INEDs contribute their knowledge and experience in business strategic plans.

On 24 June 2024, the Company's INED, Yang Teramat Mulia Raja Kecil Tengah Perak Raja Dato' Seri Iskandar bin Raja Ziran @ Raja Zaid ("YTM Raja Iskandar") has also resigned from the Board and Datuk Wira Syed Amir Syakib Arsalan bin Syed Ibrahim ("Datuk Wira Amir") was appointed to the Board as an INED.

Pursuant to Practice 1.3 of the MCCG, the positions of Chairman and CEO should be held by different individuals. The Board supports the principle that the positions of Chairman and CEO should be held by different individuals for the effective functioning of the Board and facilitates a good check and balance mechanism. Hence, the position of Group CEO is held by Mr. Koay Shean Loong who manages the daily business and operations of the Group and ensure the implementation of the Group's policies and strategic plans while the position of Chairman is held by Mdm. Lee. Pursuant to Practice 1.4 of the MCCG, the INEC is not a member of the Company's AC, NC and RC.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

Board Meetings

The Board meets every quarter on a scheduled basis with additional meetings convened as and when necessary. The meetings are scheduled in advance annually to enable the Directors to plan their schedules accordingly and Board Meetings could be held as scheduled. Urgent and important matters are resolved by way of circular resolutions if viable and clarifications are provided to the Directors where necessary.

Board Meeting materials were circulated and shared electronically to Board members prior to such meetings. Directors also participated in Board Meetings and Committee Meetings in person or virtually. All deliberations and decisions made at Board Meetings are recorded by the Company Secretaries including whether any Directors abstained from voting or deliberating on a particular matter. Confirmed minutes are circulated to all members of the Board.

A total of eight (8) Board Meetings were held during FY2024. Apart from Datuk Wira Amir who was appointed as an INED on 24 June 2024, majority of the other Directors of the Company have attended all the Board Meetings held during FY2024 and thus have fulfilled the minimum 50% attendance requirement in respect of Board Meeting as stipulated in the MMLR. In the intervals between Board Meetings, for any matters requiring Board's decisions, the Board's approvals are obtained through circular resolutions, as appropriate. A summary of such resolutions passed are then circulated to the Directors and noted at the next Board Meeting.

Details of attendance of the Directors at the Board Meetings held during FY2024 are as follows:

	Directors	Meeting Attendance
1.	Lee Swee Kheng (<i>Appointed on 17 October 2023</i>)	5/5
2.	Koay Shean Loong	8/8
3.	Datuk Tan Hiang Joo	8/8
4.	Sim Yee Fuan	8/8
5.	Yow Yan Seong	8/8
6.	Tan Seong Hooi	8/8
7.	Datuk Wira Syed Amir Syakib Arsalan bin Syed Ibrahim (<i>Appointed on 24 June 2024</i>)	N/A
8.	Tuan Haji Abdul Hamid bin Mohd Hassan (<i>Resigned on 24 June 2024</i>)	8/8
9.	Yang Teramat Mulia Raja Kecil Tengah Perak Raja Dato' Seri Iskandar bin Raja Ziran @ Raja Zaid (<i>Resigned on 24 June 2024</i>)	7/8

Access to Information and Advice

The Board has full and unrestricted access to timely and accurate information of the Group. The agenda is circulated to the Board members at least seven (7) days prior to the Board Meeting and where possible, board papers are circulated to the Board members at least five (5) days prior to the Board Meeting to allow the Directors to review, consider and deliberate knowledgeably and when necessary, to obtain further information, explanation and clarification on the matter to be discussed to facilitate informed decision making. The Directors have unrestricted access to the advice and services of the Company Secretaries and Senior Management. Senior Management staff may be invited to attend Board Meetings to provide the Board with detailed explanations and clarifications on certain matters that are tabled to the Board. The Directors may interact directly with the Management, or request for further explanation, information or updates on any aspect of the Group's operations or business concerns from the Management. In this way, the Board has full access to information on the Group's affairs to enable the proper discharge of its duties.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

Access to Information and Advice (cont'd)

Where applicable, the Directors whether as a full board or in their individual capacity, may seek independent professional advice from the following parties in furtherance of their duties: -

- a) For corporate and/or governance matters, the Company Secretaries and Senior Management;
- b) For audit and/or audit-related matters, any representatives of the audit engagement team of the external auditors or the internal auditors and the department General Manager; and
- c) For any other specific issues where professional advice is required to enable the Board to discharge its duties in connection with specific matters, the Board may proceed to do so, with prior consultation of the Group CEO, in relation to the quantum of fees to be incurred.

Company Secretary

The Board is supported by qualified and competent Company Secretaries. The Company Secretaries regularly update and advise the Board on statutory and regulatory requirements.

During FY2024, the Company Secretaries of the Company are Ms. Yeow Sze Min (MAICSA 7065735) (SSM PC No. 201908003120) ("Ms. Yeow") and Ms. Chin Lee Phing (MAICSA 7057836) (SSM PC No. 202008000049) ("Ms. Chin").

Ms. Chin resigned as a Joint Company Secretary on personal reason on 22 August 2024.

Both Company Secretaries' roles and responsibilities include:

- a) attend and ensure all Board, Board Committees and General Meetings are properly convened and ensure that deliberations at Board, Board Committees and General Meetings are well recorded;
- b) provide support to the Chairman to ensure the effective functioning of the Board and assist the Chairman in preparation of conduct of meetings;
- c) ensure that the due processes and proceedings are in place and properly managed for all General Meetings;
- d) update and advise the Board on Board's procedures and ensure that the applicable rules and regulations for the conduct of the affairs of the Board and the Company and all matters associated with the maintenance of the Board or otherwise required for its efficient operation are complied with;
- e) ensure proper upkeep of statutory registers and records of the Company; and
- f) advise the Board on compliance of statutory and regulatory requirements.

Nominating Committee

The NC was formed on 22 August 2002 and is tasked to oversee the effectiveness of Directors' selection process and appropriate structure for management development as well as to assess the performance of the Directors and Board Committees. The NC's roles and responsibilities and its authority are set out in the TOR which is available for reference at the Company's website.

The members of the NC comprise exclusively of INEDs. During the FY2024, YTM Raja Iskandar resigned as a member of the NC and Datuk Wira Amir was appointed as a member of the NC. The members and their attendance at NC meeting held during FY2024 are as follows:

	Members	Meeting Attendance
1.	Datuk Tan Hiang Joo - Chairman	2/2
2.	Sim Yee Fuan	2/2
3.	Datuk Wira Syed Amir Syakib Arsalan bin Syed Ibrahim (<i>Appointed on 24 June 2024</i>)	N/A
4.	Yang Teramat Mulia Raja Kecil Tengah Perak Raja Dato' Seri Iskandar bin Raja Ziran @ Raja Zaid (<i>Resigned on 24 June 2024</i>)	2/2

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

Nominating Committee (cont'd)

The NC has convened two (2) meetings during FY2024 and all members attended the meetings.

The activities of the NC during FY2024 are as follows:

- a) reviewed the terms of office and performance of the AC and each of its members annually to determine whether the AC and its members have carried out their duties in accordance with the TOR;
- b) reviewed the performance of the NC and the RC;
- c) reviewed the performance of the Directors retiring at the next Annual General Meeting (“AGM”) of the Company;
- d) assessed the independence of the Independent Directors;
- e) reviewed the annual assessment of the effectiveness of the Board, Board Committees and individual Directors based on the criteria established;
- f) discussed and recommended the re-election of Directors who retired in accordance with the Company’s Constitution; and
- g) reviewed changes in the composition of the Board and Board Committees and recommended to the Board for approval.

The NC upon its assessments carried out was satisfied that:

- a) the INEDs have complied with the definition of INEDs as defined in the MMLR;
- b) the Directors are able to devote sufficient time commitment to their roles and responsibilities as Directors of the Company, as none of them hold more than five (5) directorships in public listed companies; and
- c) the results of the self-assessments by Directors and Board’s effectiveness as a whole indicated that the performance of the Board, the Board Committees and the individual Directors during the review period had been good and therefore, they had been effective in their overall discharge of their functions and duties.

Recruitment or Appointment of Directors

In discharging its responsibilities, the NC considered, inter alia, skills, knowledge, expertise and experience, professionalism, sound judgement, diversity of gender, commitment (including time commitment), caliber, integrity and credibility of new Directors to be appointed. The Group practices a clear and transparent nomination process which involves the following stages:

- a) identification of candidates;
- b) evaluation of suitability of candidates;
- c) meeting up with the candidates; and
- d) final deliberation by the NC.

The NC will then recommend the candidates for approval and appointment by the Board. The Company Secretary will ensure that all appointments are proper and all necessary compliance obligations are adhered to. The NC has deliberated on changes in the composition of the Board during FY2024 as follows and has recommended to the Board for approval: -

- a) Resignations of Tuan Haji Abdul Hamid and YTM Raja Iskandar as Executive Chairman and INED respectively;
- b) Appointment of Datuk Wira Amir as an INED and member of the AC and NC;
- c) Appointment of Mdm. Lee as INED and re-designation of Mdm. Lee as INEC;
- d) Resignation of YTM Raja Iskandar as Chairman of the RC and member of the AC and NC; and
- e) Appointment of Mr. Yow Yan Seong as Chairman of the RC.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

Re-Appointment and Re-Election of Directors

In accordance with the Company's Constitution, at least one-third (1/3) or the number nearest to one-third (1/3) of the Board are subject to retirement at each AGM. The retiring director is eligible for re-election. All newly appointed directors are subject to retirement at the next AGM after his/her appointment and is eligible for re-election. All other directors shall retire from office at least once in every three years and is eligible for re-election. The re-election of each Director is voted on separately.

The Directors who are due for re-election or re-appointment at the AGM are assessed by the NC and recommended to the Board for endorsement to seek Shareholders' approval for the re-election or re-appointment.

At the forthcoming AGM, the Directors who will be retiring by rotation in accordance with Articles 101 and 99 of the Company's Constitution have indicated their willingness to be re-elected as Directors. The details of the Directors retiring and standing for re-election at the forthcoming AGM can be found in the Notice of AGM in this Annual Report. The NC has on its meeting held on 22 August 2024 evaluated their performances and recommended them to the Board for their re-election at the forthcoming AGM.

Meanwhile, Datuk Tan Hiang Joo ("Datuk Tan"), the Senior Independent Non-Executive Director ("SINED") of the Company who has served on the Board for a cumulative term of more than nine (9) years, has indicated his intention to retire and served his notice to vacate office as SINED of the Company upon the conclusion of the Sixty-second ("62nd") AGM of the Company. Hence, he shall retire as a Director at the conclusion of the 62nd AGM of the Company, in line with Practice 5.3 of the MCCG.

Directors' Training

The Board will assess the training needs of the Directors and ensure that the Directors have access to continuing education programmes. The Directors are encouraged to attend various professional training programmes deemed necessary from time to time to update themselves with the relevant knowledge and skills, to keep abreast with industry developments and trends and to be updated with various issues facing the changing business environment within which the Group operates in order to discharge their duties effectively.

Any Director appointed to the Board is required to complete the Mandatory Accreditation Programme Part I ("MAP I") within four (4) months from the date of appointment if he/she has not attended the MAP prior to his/her appointment to the Board. All the Directors of the Company including Datuk Wira Amir who was appointed on 24 June 2024 have attended the MAP I as at todate.

Bursa Securities in its amendments to the MMLR on sustainability training for Directors, prescribed that all Directors must attend a Mandatory Accreditation Programme Part II ("MAP II") in relation to sustainability and the related roles of a Director.

With the exception of Directors who have attended the MAP II, all the other Directors will attend the MAP II within prescribed timeframe under the MMLR. Datuk Wira Amir who was appointed on 24 June 2024 will attend and complete the MAP II within eighteen (18) months from his appointment date.

All Directors receive updates regularly on changes to relevant laws and regulations and to enhance their business acumen and skills to meet the changing commercial challenges. The Directors have participated in conferences, seminars and training programmes and during FY2024, the following training programmes and seminars were attended by the present Directors of the Company:

Name of Director	Seminars/Courses
Lee Swee Kheng	<ul style="list-style-type: none">MAP IDecoding Greenhouse Gas Emissions AccountingESG Risk Management - Importance of Identifying and Managing ESG Risks
Koay Shean Loong	Recent Developments with the Listing Requirements, including Conflict of Interest Amendments
Datuk Tan Hiang Joo	Transaction by Directors

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

Directors' Training (Cont'd)

Name of Director	Seminars/Courses
Sim Yee Fuan	<ul style="list-style-type: none"> ▪ Budget 2024 ▪ MAP II
Yow Yan Seong	<ul style="list-style-type: none"> ▪ Transaction by Directors ▪ MAP II
Tan Seong Hooi	Transaction by Directors
Datuk Wira Syed Amir Syakib Arsalan bin Syed Ibrahim* (Appointed on 24 June 2024)	N/A

Remuneration Committee

The RC is responsible for recommending to the Board the remuneration framework for Directors and Key Senior Management. The remuneration package will be structured according to the level of responsibilities, skills, experience and performance of the Directors and Key Senior Management in line with the market to ensure its attractiveness and retention of talented individuals to manage the Group successfully.

The Board has established a Remuneration Policy which facilitates the RC to review, consider and recommend to the Board for decision the remuneration packages of the Directors. The Remuneration Policy is available on the Company's website. The RC has its functions outlined in the Board Charter and its TOR. The TOR can be accessed from the Company's website.

The members of the RC comprise exclusively of INEDs. The members and their attendance at the RC meeting are as follows:

	Members	Meeting Attendance
1.	Yow Yan Seong - Chairman (Appointed on 24 June 2024)	N/A
2.	Datuk Tan Hiang Joo	2/2
3.	Sim Yee Fuan	2/2
4.	Yang Teramat Mulia Raja Kecil Tengah Perak Raja Dato' Seri Iskandar bin Raja Ziran @ Raja Zaid (Resigned on 24 June 2024)	1/2

The RC has convened two (2) meetings during FY2024 and the attendance of all members is as disclosed above, except Mr. Yow Yan Seong who was appointed as Chairman of the RC on 24 June 2024.

The RC reviews the performance of the Directors annually and submits its views and recommendations to the Board on adjustments in remuneration and/or rewards of the Directors based on the Directors' performance and contributions towards the Group's achievements for the year, responsibilities, overall employment market conditions and the Group's financial standing.

During FY2024, the RC has reviewed the remuneration package of the Directors of the Company and recommended to the Board for approval. The RC also reviewed the proposed gratuity payment to the retired Directors of the Company, namely Tuan Haji Abdul Hamid and YTM Raja Iskandar during FY2024. In October 2024, the RC also reviewed proposed gratuity payment to Datuk Tan who will be retiring as a Director of the Company upon conclusion of the 62nd AGM. The proposed gratuity payments were recommended by the RC to the Board for approval of the Shareholders at the forthcoming AGM of the Company.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

Directors' Remuneration

The Company's framework on Directors' remuneration has the objectives of attracting and retaining Directors needed to manage the Group successfully. In the case of Executive Directors, their remuneration is linked to their performance and contributions towards the Group's achievements for the year, their level of responsibilities, experience, overall employment market conditions and the Group's financial standing.

The level of remuneration for Non-Executive Directors ("NEDs") reflects the amount paid by other comparable organisations, adjusted for the experience and levels of responsibilities undertaken by the NEDs concerned. The NEDs' remuneration and benefits payable are recommended by the Board and approved by Shareholders at General Meeting. Individual Directors do not participate in the decision concerning their individual remuneration.

The details of remuneration paid/payable to the following Directors in FY2024 for the Company and the Group level are as follows:

Directors	Remuneration (RM '000)													
	Company							Group						
	Fee	Allowance	Salary	Bonus	Benefits- In- Kind	Other Emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits- In- Kind	Other Emoluments	Total
Executive Directors														
Tuan Haji Abdul Hamid bin Mohd Hassan <i>(Resigned on 24 June 2024)</i>	-	-	-	-	-	115.0	115.0	-	-	132.0	-	13.3	115.7	261.0
Koay Shean Loong	-	-	540.0	135.0	-	82.2	757.2	-	-	540.0	135.0	33.4	82.2	790.6
Non-Executive Directors														
Datuk Tan Hiang Joo	48.0	3.0	-	-	-	-	51.0	48.0	3.0	-	-	-	-	51.0
Sim Yee Fuan	48.0	3.0	-	-	-	-	51.0	48.0	3.0	-	-	-	-	51.0
Lee Swee Kheng <i>(Appointed on 17 October 2024)</i>	34.0	1.5	-	-	-	-	35.5	34.0	1.5	-	-	-	-	35.5
Yow Yan Seong	48.0	3.0	-	-	-	-	51.0	48.0	3.0	-	-	-	-	51.0
Tan Seong Hooi	48.0	3.0	-	-	-	-	51.0	48.0	3.0	-	-	-	-	51.0
Datuk Wira Syed Amir Syakib Arsalan bin Syed Ibrahim <i>(Appointed on 24 June 2024)</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Yang Teramat Mulia Raja Kecil Tengah Perak Raja Dato' Seri Iskandar bin Raja Ziran @ Raja Zaid <i>(Resigned on 24 June 2024)</i>	48.0	3.0	-	-	-	40.0	91.0	48.0	3.0	-	-	-	40.0	91.0
Datin Sri Tan Guik Lan <i>(Resigned on 28 July 2023)</i>	4.0	-	-	-	-	-	4.0	4.0	-	-	-	-	-	4.0
TOTAL	278.0	16.5	540.0	135.0	-	237.2	1,206.7	278.0	16.5	672.0	135.0	46.7	237.9	1,386.1

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

Senior Management's Remuneration

The remuneration of the Senior Management for FY2024 disclosed in band basis is as follows:

Range of Remuneration (RM)	Salaries and EPF	Allowances	Bonus and Incentive	SOCOSO and EIS	Benefits-In-Kind
	Number of Senior Management				
Below 50,000	-	4	5	5	2
50,001-100,000	1	-	-	-	-
100,001-150,000	1	-	-	-	-
200,001-250,000	2	-	-	-	-
400,001-450,000	1	-	-	-	-

Notes:

EPF - Employees Provident Fund Contribution

EIS - Employment Insurance System Contribution

SOCOSO - Social Security Organisation Contribution

	Range of Remuneration (RM)				
	50,001-100,000	100,001-150,000	200,001-250,000	250,001-300,000	450,001- 500,000
Number of Senior Management	1	1	1	1	1

The Board is of the view that the interest of the Shareholders will not be prejudiced from the non-disclosure of identity of the Company's Senior Management personnel who are not Directors.

The Board also believes that it would not be in the best interest of the Company to disclose the identity and detailed remuneration of the Senior Management due to the sensitive and confidential nature of employees' remuneration and concern over poaching of employees by competitors.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

Audit Committee

The Board is assisted by the AC to oversee the Group's financial reporting, risk management and internal control system. The AC comprises exclusively of INEDs. The details of the composition and summary of activities of the AC during FY2024 are disclosed in the AC Report in this Annual Report.

Assessment of Suitability and Independence of External Auditors

The Board, through the AC, has maintained a formal and transparent relationship with the external auditors in seeking professional advice towards compliance with accounting standards. The AC meets with the external auditors to discuss audit planning memorandum and their audit findings.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

Assessment of Suitability and Independence of External Auditors (Cont'd)

The AC has obtained annual written assurance of independence from the external auditors after the audit. The external auditors have implemented a number of firm wide ethics and independence systems to maintain objectivity, to be free from conflict of interests when discharging their professional responsibilities and monitor compliance with their firm's policies in relation to independence and ethics. Moreover, the external auditors have their firm's audit engagement partner rotation policy of seven (7) years.

The AC has reviewed and assessed with Management, the performance, suitability and independence of the external auditors and the level of independence of the non-audit services rendered by them.

Being satisfied with the external auditors' performance, technical competency and audit independence, the AC recommended to the Board for their re-appointment. The Board has approved the AC's recommendation for shareholders' approval to be sought at the forthcoming AGM on the re-appointment of the external auditors for the ensuing year.

A statement by the Directors on their responsibilities in preparing the financial statements is set out in this Annual Report.

Relationship with Auditors

The Board has established a formal and transparent arrangement to meet the external auditors' professional requirements. The external auditors have continued to highlight to the AC and the Board, matters that require the Board's attention. Private dialogue sessions between the AC and external auditors were held twice during FY2024 without the presence of the Management and Executive Directors, to discuss any issues that may require the attention of the AC. Liaison and unrestricted communication exist between the AC and the external auditors. The external auditors are invited to attend the Company's AGM.

Risk Management and Internal Control Framework

The Board recognises its overall responsibility for the Group's internal control systems and reviews the adequacy of those systems. In view of the limitations that are inherent in any systems of internal control, the said systems have been designed to manage risk within a tolerable level rather than eliminate the risk of failure to achieve business objectives. Hence, such systems by its nature can only provide reasonable and not absolute assurance against material misstatement, error or losses.

The Board together with the Management acknowledge that risk management and internal control systems is an ongoing process for identifying, evaluating and managing the key risks faced, or potentially exposed to, by the Group in pursuing its business objectives. The adequacy and effectiveness of this process are continually reviewed by the Board pursuant to the internal control guide.

The Group outsourced its internal audit function to an external professional firm to ensure that the Group's system of internal control is adequate and effective. The internal audit provides an assessment of the adequacy, efficiency and effectiveness of the Group's existing internal control policies and procedures and provides recommendations, if any, for the improvement of the control policies and procedures. The results of the audit reviews are presented and discussed during the AC meetings. Management is responsible for ensuring that the necessary corrective actions on reported weaknesses are taken within the required timeframe. The action plans are reviewed and followed up by the internal audit function on a periodical basis to ensure the recommendations are effectively implemented.

The Statement on Risk Management and Internal Control which provides an overview of the internal controls within the Group is set out in this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

Communication with Stakeholders

The Group recognises the importance of effectiveness and clear communication between the Shareholders, potential investors and the public. The Group adopts the practice of comprehensive, timely and continuing disclosures of information to its shareholders as well as the general investing public. The practice of disclosure of information is not established just to comply with the MMLR, but also to adopt the best practices recommended in the MCCG with regard to strengthening engagement and communication with Shareholders. Where possible, the Group would provide additional disclosures of information on a voluntary basis.

The Group believes that disclosure and regular communication is vital to Shareholders and investors in making informed investment decisions but it is nevertheless mindful of legal and regulatory framework governing the release of material and price-sensitive information. Such material and price-sensitive information are not released unless it has been duly announced or made public through proper channels.

The regularly updated information pertinent to the Group can be obtained from the Company's and Bursa Securities' website. These websites provide avenue for the latest information dissemination to the Shareholders and public on corporate and business aspects of the Group.

Conduct of General Meetings

The AGM and Extraordinary General Meeting ("EGM") remains the principal forum for dialogue and communication with Shareholders. The Shareholders are encouraged to attend each AGM and EGM. In line with good Corporate Governance practice, the notice of the Sixty-first ("61st") AGM was sent to the Shareholders more than 28 days before the meeting, well in advance of the 21-days requirement under the Companies Act 2016.

The Board views the AGM as ideal opportunity to communicate with Shareholders. During the AGM, shareholders are encouraged and given the opportunity to enquire and comment on matters relating to the meeting agendas and the Group's business and performance. Shareholders were briefed on the proceedings of the virtual general meetings ("Meetings") and how questions can be posed throughout the Meetings until the closure of the voting session. The Board members, Senior Management and the Group's external auditors and relevant advisers are available to respond to Shareholders' queries.

In view of the COVID-19 transmission risk, the 61st AGM of the Company was convened and held via electronic means i.e. live audio-visual webcast pursuant to the Guidelines issued by the Securities Commission Malaysia on the conduct of General Meetings. Arrangements and procedures relating to attendance at the 61st AGM via electronic means, submission of questions during the 61st AGM and voting by appointing proxy at the 61st AGM were set out in the notice of the 61st AGM. An Administrative Guide, which furnished useful information regarding the conduct of 61st AGM to guide the Shareholders in participating in the 61st AGM remotely was sent to the Shareholders ahead of the AGM.

The notice of the 61st AGM was also published in nationally circulated daily newspaper, Bursa Securities' website as well as the Company's website within the prescribed period. The notice of the 61st AGM provided further explanation beyond the minimum content stipulated in the MMLR for the proposed resolutions along with background information and reports or relevant recommendations to enable Shareholders to make an informed decision in exercising their voting rights.

An independent scrutineer was appointed to validate the votes cast and results of each resolution put to vote were announced at the 61st AGM. An announcement detailing the poll results, including the total number of votes cast for and against each resolution and the respective percentages were announced via BursaLINK on the same day after the conclusion of the 61st AGM. Minutes of the 61st AGM was published on the Company's website within 30 business days after the conclusion of the 61st AGM.

Poll Voting

In line with the MMLR, poll voting shall be conducted for all resolutions as set out in the notice of AGM in this Annual Report.

This CG Overview Statement is approved by the Board on 24 October 2024 which the information in this section was provided to the External Auditors prior to the Financial Statements dated 15 October 2024.

AUDIT COMMITTEE REPORT

The Audit Committee (“AC”) of the Company was established to serve as a committee of the Board of Directors of the Company (“the Board”) and to assist the Board in fulfilling its statutory duties and fiduciary responsibilities.

In compliance with Paragraph 15.15 of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”), the Board is pleased to present the AC Report for the financial year ended 30 June 2024 (“FY2024”).

During FY2024, the members of AC had discharged their duties, responsibilities and functions in accordance with the Terms of Reference (“TOR”) of the AC. The TOR is available at the Company’s website at www.sib.com.my.

COMPOSITION AND MEETINGS

The AC comprises three (3) members, all of whom are Independent Non-Executive Directors, in compliance with Paragraph 15.09(1) of the MMLR. The Chairman of the AC, Mr. Sim Yee Fuan graduated from University of Malaya with Bachelor of Accounting (Honour) and obtained professional accounting qualification from Malaysian Institute of Certified Public Accountants. Mr. Sim also holds a Master Degree in Business Administration from Northern University of Malaysia. He is a Chartered Accountant registered with Malaysian Institute of Accountants.

During FY2024, Datuk Wira Syed Amir Syakib Arsalan bin Syed Ibrahim was appointed as a Member of the AC following the resignation of Yang Teramat Mulia Raja Kecil Tengah Perak Raja Dato’ Seri Iskandar bin Raja Ziran @ Raja Zaid as an Independent Non-Executive Director of the Company on 24 June 2024.

Chairman

Sim Yee Fuan

Independent Non-Executive Director

Members

Datuk Tan Hiang Joo

Senior Independent Non-Executive Director

Datuk Wira Syed Amir Syakib Arsalan bin Syed Ibrahim

Independent Non-Executive Director

(Appointed w.e.f. 24 June 2024)

None of the AC members are alternate Director nor former partner of the external audit firm of the Group.

During FY2024, there were six (6) AC meetings held and the details of the attendance of each member of the AC are tabulated below:

	Members	Attendance at Meeting	Percentage of Attendance (%)
(i)	Sim Yee Fuan	6/6	100
(ii)	Datuk Tan Hiang Joo	6/6	100
(iii)	Datuk Wira Syed Amir Syakib Arsalan bin Syed Ibrahim <i>(Appointed w.e.f. 24 June 2024)</i>	N/A	N/A
(iv)	Yang Teramat Mulia Raja Kecil Tengah Perak Raja Dato’ Seri Iskandar bin Raja Ziran @ Raja Zaid <i>(Resigned w.e.f. 24 June 2024)</i>	5/6	83.33

Members of the management team were also invited to attend the AC meetings to assist in clarifying matters raised at the meetings as needed.

AUDIT COMMITTEE REPORT

COMPOSITION AND MEETINGS (cont'd)

Minutes of the AC meetings were recorded and tabled for confirmation at the next following meeting and subsequently circulated to the Board for notation. The Chairman reports to the Board the discussions undertaken and makes recommendations for the Board's consideration and decision.

The detailed profiles of all members of the AC can be found in the Board of Directors' profile in this Annual Report.

SUMMARY OF ACTIVITIES OF THE AC

The AC assists the Board in fulfilling its overseeing responsibilities. The AC's overall responsibilities encompasses the processes of audit, corporate accounting, financial reporting, system of internal control, regulatory and legal compliances and risk management practices and procedures of the Group.

The activities carried out by the AC for the FY2024 in line with its TOR were summarised as follows:-

Financial Reporting

The AC reviewed the Group's quarterly financial results and annual audited financial statements ("AFS") and its related notes to financial statements for the FY2024 and ensured that the financial reporting and disclosure requirements had been complied with prior to recommending them to the Board for consideration, approval and public release focusing particularly on:

- changes in or implementation of major accounting principles and policies;
- significant matters highlighted including financial reporting issues, significant judgements made by Management, significant and unusual events or transactions, and how these matters are addressed;
- compliance with accounting standards and other legal and regulatory requirements; and
- the going concern assumptions.

Internal Audit

- reviewed and approved internal audit plan for the FY2024 including its scope, basis of assessments and risks ratings of the proposed areas of audit to assess the adequacy and effectiveness of internal control;
- reviewed the internal audit reports and audit recommendations made by the internal auditors and Management's responses thereto. The internal auditors monitored the implementation of management action plan through follow-up audits to ensure all key risks and weaknesses were being addressed; and
- carried out an annual review of performance of the internal audit function including assessment of their suitability and independence in performing their obligations by completing a formal evaluation form.

External Audit

- reviewed and discussed with external auditors significant accounting and auditing issues and the resultant AFS arising from the audit;
- met with the external auditors without the presence of Management and executive Board members twice during the financial year, to deliberate on key areas of concern to the external auditors and action necessary for the improvement of the Group arising from the audit review. The issues discussed were then highlighted by the AC Chairman to the Board;
- reviewed and endorsed the audit planning memorandum presented by the external auditors on the scope of work and audit plan of the Group for the FY2024, proposed audit reporting schedule and new development on financial reporting standards applicable to the Group;
- reviewed and approved the audit fees paid to the external auditors for the FY2024 and the non-audit services provided by the external auditors for the FY2024. The details of the audit and non-audit services rendered by the external auditors and their affiliates for FY2024 are disclosed in Additional Compliance Information of this Annual Report.
- reviewed the extent of assistance rendered by Management in the course of audit; and

AUDIT COMMITTEE REPORT

SUMMARY OF ACTIVITIES OF THE AC (cont'd)

External Audit (cont'd)

- reviewed the performance and effectiveness of the external auditors including assessment of the adequacy, effectiveness, suitability and independence in performing their obligations and made recommendation to the Board for their re-appointment. The external auditors also have not identified any breach of independence during the FY2024 and were in compliance with the independence requirements set out in the By-laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants and the International Ethics Standards for Accountants' Code of Ethics for Professional Accountants. The lead audit engagement partner responsible for the Company's financial statement is rotated every seven (7) years.

Compliance and Corporate Governance

- reviewed and recommended the Statement on Risk Management and Internal Control to the Board for approval and inclusion in the Annual Report;
- reviewed and recommended to the Board, the AC Report for approval and inclusion in the Annual Report; and
- reviewed related party transactions, recurrent related party transactions and any conflict of interest situations which may arise within the Group.

PERFORMANCE OF AC

The performance and activities of the AC and its members were reviewed on annual basis and the assessment results would be tabled to the Nominating Committee for review. During the FY2024, the Board was satisfied that the AC had discharged its responsibilities and duties in accordance with its TOR.

INTERNAL AUDIT FUNCTION

The Company outsourced the internal audit function to a professional services firm, SH Associates Consulting Sdn. Bhd., which has adequate resources and appropriate standing to undertake the audit work independently and objectively to assist the Board in obtaining the assurance concerning adequacy and effectiveness of the system of internal control, risk management and governance framework of the Group. The internal auditors undertake internal audit function based on the audit plan approved by the AC. The internal auditors report directly to the AC and the cost incurred for the internal audit function for the financial year was RM33,000.

The summary of internal audit activities during FY2024 carried out by the internal auditors, base on the review areas approved by the AC is as follows:-

- (a) Reviewed the existing system of internal controls and governance processes of the Group based on the approved internal audit plan;
- (b) Provided recommendations to the Management to assist the operations management and Group in improving and accomplishing its internal control requirements; and
- (c) Issued internal audit reports incorporating audit recommendations and Management's responses in relation to audit findings on internal control weaknesses to the AC and the respective operations management.

During the financial year, to ensure the compliance with established policies, procedures and statutory requirements, the internal auditors have reviewed and assessed on half yearly basis, the adequacy, integrity and effectiveness of the system of internal control of the Group, reported the findings of assessment and recommended improvements where necessary and performed follow-up audit on implementation of audit recommendations agreed by the Management.

This AC Report is approved by the Board on 24 October 2024 which the information in this section was provided to the External Auditors prior to the Financial Statements dated 15 October 2024.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

Pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”), the Board of Directors (“the Board”) of Seal Incorporated Berhad (“the Group”) is pleased to present the Statement on Risk Management and Internal Control (“the Statement”) for the financial year ended 30 June 2024 (“FY2024”). The Statement has also been prepared in accordance with the “Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers”.

RESPONSIBILITY FOR RISK MANAGEMENT AND INTERNAL CONTROL

The Board is committed to preserve and uphold a sound system of internal control and risk management throughout the Group. The Board recognises its overall responsibility for the Group’s system of risk management and internal control, and for reviewing the adequacy and effectiveness of the system. In view of the limitations that are inherent in any system of risk management and internal control, and the risk management and internal control system is designed to manage risk within tolerable levels rather than eliminate the risk of failure to achieve business objectives. Hence, the system by its nature provides only reasonable and not absolute assurance against any material misstatement, loss or fraud.

The Board has established an ongoing process for identifying, evaluating and managing the significant risks faced, or potentially exposed to, by the Group in pursuing its business objectives. This process has been in place throughout the financial year and up to the date of approval of this Statement for inclusion in the Annual Report. The Board periodically receives and reviews reports on internal control, and is of the view that the system of internal control is adequate to safeguard shareholders’ interests and the Group’s assets.

The role of the Management is to implement the Board’s policies and guidelines on risks and controls, to identify and evaluate the risks faced, and to operate a suitable system of risk management and internal control to manage these risks.

RISK MANAGEMENT

The Board and the Management practice proactive significant risks identification in the processes and activities of the Group, particularly in major proposed transactions, changes in nature of activities and/or operating environment, and venturing into new operating environment which may entail different risks, and assess the appropriate risk response strategies and controls. The Board confirms that there is an on-going process of identifying, evaluating and managing the significant risks faced by the Group.

INTERNAL AUDIT

The Board acknowledges the importance of internal audit function and has outsourced the internal audit function to an independent professional services firm, SH Associates Consulting Sdn. Bhd. (“SHAC”) in assessing the adequacy and effectiveness of the internal control system. SHAC reports directly to the Audit Committee during the Audit Committee Meeting, and is free from any relationships or conflicts of interest, which could impair the objectivity and independence of the internal audit function. SHAC also does not have any direct operational responsibility or authority over any of the activities audited.

The internal audit reviews are carried out according to the audit plan approved by the Audit Committee. During the financial year, the internal auditors reviewed the adequacy and integrity of the Group’s internal control system of key functions including compliance with applicable laws, and regulations. SHAC reports to the Audit Committee on areas for improvement, recommendations and management comments. The Management is responsible to ensure that the necessary agreed corrective action items are taken and resolved within the required timeline.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTERNAL AUDIT (CONT'D)

A total of two (2) internal audit reviews were conducted and reported for FY2024. The details of the said reviews are delineated as follows:-

Audit Period	Audited Areas
July 2023 - March 2024	<ul style="list-style-type: none">Sales and Marketing (Queensville Phase 2)
January 2024 - June 2024	<ul style="list-style-type: none">Project Management (Queensville Phase 2B)

OTHER KEY ELEMENTS OF INTERNAL CONTROL

Apart from risk management and internal audit, the Group has put in place the following key elements of internal control:

- An organisation structure with well-defined scopes of responsibility, clear lines of accountability, and appropriate levels of delegated authority;
- A process of hierarchical reporting which provides a documented and auditable trail of accountability;
- A set of documented internal policies and procedures which is subject to regular review and improvement;
- Regular and comprehensive information provided to Management, covering financial and operational performance and key business indicators, for effective monitoring and decision making;
- Monthly monitoring of results against budget, with major variances being followed up and management action taken, where necessary;
- Regular visits to operating units by the members of the Board and Senior Management; and
- Report to the Board by the Management on any significant operational matters and other issues that may affect the Group operations.

The Board is of the view that there was no significant breakdown or weaknesses in the system on internal controls of the Group that had resulted in material losses to the Group for the FY2024.

REVIEW OF THIS STATEMENT BY EXTERNAL AUDITORS

As required by Paragraph 15.23 of the MMLR of Bursa Securities, the external auditors have reviewed this Statement in accordance with Audit and Assurance Practice Guide 3: Guidance for Auditors on Engagement to Report on the Statement on Risk Management and Internal Control included in the Annual Report. The external auditors have reported to the Board that nothing has come to their attention that causes them to believe that the Statement is inconsistent with their understanding of the process adopted by the Board in reviewing the adequacy and integrity of the system of risk management and internal control.

CONCLUSION

The Board has received assurance from the Group CEO that the Group's risk management and internal control system is operating adequately and effectively, in all material aspects, during the financial year under review and up to date of this Statement. Taking this assurance into consideration, the Board is of the view that there were no significant weaknesses in the current system of risk management and internal control of the Group that may have material impact on the operations of the Group for FY2024. The Board and the management will continue to take necessary measures and ongoing commitment to strengthen and improve its internal control environment and risk management.

The external auditors have reviewed the Statement in this section alongside the Financial Statements dated 15 October 2024 which the Board endorsed.

ADDITIONAL COMPLIANCE INFORMATION

Status of Utilisation of Proceeds Raised from Corporate Proposal

- (i) On 13 March 2023, the Company has allotted 28,312,618 new ordinary shares at an issue price of RM0.25 per share pursuant to a private placement exercise ("Private Placement 2") under the general mandate granted by its Shareholders pursuant to Section 75 and Section 76 of the Companies Act 2016 at the Company's Annual General Meeting held on 22 December 2022. The Private Placement 2 raised a gross proceed of RM7.078 million and details of utilisation of the proceed raised is as follows:-

Utilisation of Proceeds	Actual Proceed Raised (RM'000)	Amount Utilised (RM'000)	Balance Unutilised (RM'000)
Payment of salaries to staff of the Group	2,048	2,048	-
Operating expenses and administrative expenses such as payment to suppliers and contractors, utilities, rental costs and upkeep of office	4,780	4,780	-
Estimated expenses for the Private Placement	250	250	-
Total	7,078	7,078	-

- (ii) At an Extraordinary General Meeting held on 13 July 2023, the Shareholders of the Company have approved the Conditional Subscription Agreement entered into between the Company and Chen Khai Voon on 8 May 2023 ("CSA"). Pursuant to the CSA, on 18 July 2023, the Company has allotted 62,287,760 new ordinary shares at an issue price of RM0.26 per share to Chen Khai Voon ("Private Placement 3"). The Private Placement 3 raised a gross proceed of RM16,195 million and details of utilisation of the proceed raised is as follows:-

Utilisation of Proceeds	Actual Proceed Raised (RM'000)	Amount Utilised (RM'000)	Balance Unutilised (RM'000)
Acquisition of/investment in new viable businesses	15,595	15,595	-
Estimated expenses for the Private Placement	600	600	-
Total	16,195	16,195	-

Audit and Non-Audit Fees

The amount of audit fees and non-audit fees incurred/paid to the external auditors of the Group, or a firm or corporation affiliated to the external auditors of the Group, for the financial year ended 30 June 2024 is as follows:

	Group RM	Company RM
Audit Fees	177,500	49,000
Non-Audit Fees	11,500	3,000

Material Contracts Involving the Interest of the Directors and Chief Executive who is not a Director and Major Shareholders

Other than those disclosed in the Notes to the Audited Financial Statements in this Annual Report, there were no material contract (not being contracts entered into in the ordinary course of business) entered into by the Company and its subsidiaries involving the interest of the Company's Directors, chief executive who is not a director and its major shareholders either still subsisting as at 30 June 2024 or entered into since the end of the previous financial year ended 30 June 2023.

Recurrent Related Party Transactions ("RRPT") of a Revenue or Trading Nature

There was no RRPT during the financial year ended 30 June 2024.

DIRECTORS' REPORT

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

The directors hereby submit their report together with the audited financial statements of the Group and of the Company for the financial year ended **30 June 2024**.

PRINCIPAL ACTIVITIES

The principal activities of the Company in the course of the financial year remain unchanged and consist of investment holding, property investment, building contractor, project manager for property development and extraction and sale of timber.

The principal activities of the subsidiaries are disclosed in Note 7 to the financial statements.

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

RESULTS

	GROUP RM	COMPANY RM
(Loss)/Profit for the financial year	<u>(3,399,100)</u>	<u>1,164,008</u>
Attributable to:		
Owners of the Company	(3,169,805)	1,164,008
Non-controlling interests	<u>(229,295)</u>	<u>-</u>
	<u>(3,399,100)</u>	<u>1,164,008</u>

In the opinion of the directors, the results of the operations of the Group and of the Company for the financial year ended **30 June 2024** have not been substantially affected by any item, transaction or event of a material and unusual nature except for the following items which have been charged to profit or loss for the financial year:

	GROUP RM	COMPANY RM
Allowance for expected credit losses on amount due from subsidiaries	-	(1,763,733)
Reversal of provision of construction completion costs (Note 25)	<u>5,473,091</u>	<u>-</u>

DIVIDENDS

There were no dividends proposed, declared or paid by the Company since the end of the previous financial year.

The directors do not recommend any final dividend payment for the financial year.

RESERVES AND PROVISIONS

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

DIRECTORS' REPORT

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

SHARE CAPITAL AND DEBENTURE

During the financial year, the Company has increased its issued and fully paid up ordinary share capital by way of issuance of:

- (i) 62,287,760 new ordinary shares through a private placement at an issue price of RM0.26 per ordinary share; and
- (ii) 40,677,966 new ordinary shares at an issue price of RM0.295 per ordinary share pursuant to the acquisition of Daiman Majumas Sdn. Bhd. as disclosed in Note 7.3 to the financial statements.

The new ordinary shares issued rank *pari passu* in all respects with the existing ordinary shares of the Company.

TREASURY SHARES

During the financial year, the Company did not repurchase or distribute any of its treasury shares.

As at 30 June 2024, the Company held 445,400 treasury shares out of its 420,301,028 issued ordinary shares. Further relevant details are disclosed in Note 17 to the financial statements.

DIRECTORS

The directors of the Company in office since the beginning of the financial year to the date of this report are:

Directors of the Company:

- * Koay Shean Loong
- Datuk Tan Hiang Joo
- Sim Yee Fuan
- Yow Yan Seong
- Tan Seong Hooi
- Lee Swee Kheng (appointed on 17.10.2023)
- Datuk Syed Amir Syakib Arsalan Bin Syed Ibrahim (appointed on 24.6.2024)
- Datin Sri Tan Guik Lan (resigned on 28.7.2023)
- * Tuan Haji Abdul Hamid Bin Mohd Hassan (resigned on 24.6.2024)
- Yang Teramat Mulia Raja Kecil Tengah Perak Raja Dato' Seri Iskandar Bin Raja Ziran @ Raja Zaid (resigned on 24.6.2024)

Directors of subsidiaries:

- Choh Kim Chiew (appointed on 1.8.2023)
- Nor Azuwan Bin Saleh (resigned on 21.12.2023)

- * The directors are also directors of the Company's subsidiaries

DIRECTORS' REPORT

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

DIRECTORS' INTERESTS IN SHARES

According to the Register of Directors' Shareholdings required to be kept under Section 59 of the Companies Act 2016, the interests of directors in office at the end of the financial year in shares of the Company and its related corporations during the financial year are as follows:

	----- Number of ordinary shares -----			
	Balance at 1.7.2023	Bought	Sold	Balance at 30.6.2024
The Company				
Direct Interest:				
Koay Shean Loong	24,894,200	-	-	24,894,200
Datuk Tan Hiang Joo	29,000	-	-	29,000
Yow Yan Seong	3,008,400	-	-	3,008,400
Tan Seong Hooi	65,000	-	-	65,000
Deemed Interest:				
¹ Yow Yan Seong	822,000	-	-	822,000
¹ Lee Swee Kheng	400,000	-	-	400,000
¹ Sim Yee Fuan	80,000	-	(80,000)	-
² Koay Shean Loong	-	20,000,000	-	20,000,000

Note:

- ¹ Deemed interest pursuant to Section 59(11)(c) of the Companies Act 2016 by virtue of shares held by his/her immediate family members.
- ² Deemed interest pursuant to Section 8 of the Companies Act 2016 by virtue of shares held through Kesan Anggun Sdn. Bhd..

Other than the above, none of the other directors holding office at the end of the financial year has any interests in shares in the Company and its related corporations during the financial year.

DIRECTORS' REMUNERATION AND BENEFITS

During the financial year, the fees and other benefits received and receivable by the directors of the Company are as follows:

	COMPANY RM	SUBSIDIARIES RM	GROUP RM
Fees	278,000	-	278,000
Salaries, allowances and bonus	691,500	132,000	823,500
Gratuity	155,000	-	155,000
Defined contribution plans	81,000	-	81,000
Social security contributions	1,040	743	1,783
Employment insurance scheme	119	-	119
Benefits in-kind	-	46,725	46,725
	1,206,659	179,468	1,386,127

DIRECTORS' REPORT

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

DIRECTORS' REMUNERATION AND BENEFITS (cont'd)

Since the end of the previous financial year, no director of the Company has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the directors as shown above) by reason of a contract made by the Company or a related corporation with a director or with a firm of which the director is a member or with a company in which the director has a substantial financial interest, other than those related party transactions disclosed in the notes to the financial statements.

During and at the end of the financial year, no arrangements subsisted to which the Company is a party, with the objects of enabling directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS OR AUDITORS

The amount of insurance premium paid for professional indemnity for the directors and officers of the Company during the financial year is RM41,000.

There was no indemnity given to or insurance effected for the auditors of the Company during the financial year.

OTHER STATUTORY INFORMATION

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

- (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the provision for doubtful debts and satisfied themselves that there were no bad debts to be written off and adequate provision had been made for doubtful debts; and
- (ii) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including their values as shown in the accounting records of the Group and of the Company have been written down to an amount which they might be expected so to realise.

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

- (i) which would render it necessary to write off any bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or
- (ii) which would render the values attributed to the current assets in the financial statements of the Group and of the Company misleading; or
- (iii) which have arisen which would render adherence to the existing methods of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or
- (iv) not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements misleading.

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

- (i) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liabilities of any other persons; or
- (ii) any contingent liability in respect of the Group and of the Company which has arisen since the end of the financial year.

DIRECTORS' REPORT

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

OTHER STATUTORY INFORMATION (cont'd)

In the opinion of the directors:

- (i) no contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due; and
- (ii) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the current financial year in which this report is made.

SIGNIFICANT EVENT

The details of the significant event are disclosed in Note 37 to the financial statements.

EVENTS AFTER THE REPORTING PERIOD

The details of the events after the reporting period are disclosed in Note 38 to the financial statements.

AUDITORS

The auditors, **Grant Thornton Malaysia PLT**, have expressed their willingness to continue in office.

The total amount of fees paid to or receivable by the auditors as remuneration for their services to the Group and the Company for the financial year ended 30 June 2024 are as follows:

	GROUP RM	COMPANY RM
Statutory audit	177,500	49,000
Assurance related services	11,500	3,000
Total	<u>189,000</u>	<u>52,000</u>

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

.....
Koay Shean Loong

.....
Sim Yee Fuan

Penang,

Date: 15 October 2024

DIRECTORS' STATEMENT

In the opinion of the directors, the financial statements set out on pages 82 to 146 are properly drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting 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 **30 June 2024** and of their financial performance and cash flows for the financial year then ended.

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

.....
Koay Shean Loong

.....
Sim Yee Fuan

Date: 15 October 2024

STATUTORY DECLARATION

I, **Choh Kim Chiew**, the finance director primarily responsible for the financial management of **Seal Incorporated Berhad**, do solemnly and sincerely declare that the financial statements set out on pages 82 to 146 are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by)
the abovenamed in Penang, this **15th**)
day of **October 2024**.)

.....
Choh Kim Chiew
(MIA No. 29057)

Before me,

.....
Goh Suan Bee (No. P125)
Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SEAL INCORPORATED BERHAD
(Incorporated In Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Seal Incorporated Berhad**, which comprise the statements of financial position as at **30 June 2024** of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 82 to 146.

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 **30 June 2024** and of their financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical 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 financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SEAL INCORPORATED BERHAD
(Incorporated In Malaysia)

Key Audit Matters (cont'd)

Key Audit Matter	How Our Audit Addressed the Key Audit Matter
<p>Impairment of trade and other receivables (Note 11 to the financial statements)</p> <p>The Group and the Company have significant trade and other receivables as at 30 June 2024 which include certain amounts that are long outstanding and these are subject to credit risk exposure.</p> <p>We focus on this area as the assessment of recoverability of receivables involved management judgement and estimation uncertainty in determining the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.</p>	<p>Our audit procedures in relation to the management's impairment of trade and other receivables included, amongst others, the following:</p> <ul style="list-style-type: none">• Obtained an understanding of:<ul style="list-style-type: none">- the Group's and the Company's control over the customers' collection process;- the process of identifying and assessing impairment of trade and other receivables; and- the basis of how the Group and the Company make the accounting estimates for impairment of trade and other receivables;• Evaluated techniques and methodology in the expected credit loss approach against the requirement of MFRS 9;• Reviewed the ageing analysis of trade and other receivables and tested the reliability thereof;• Reviewed subsequent collections for major customers and overdue amounts;• Made inquiries of management regarding the action plans to recover overdue balances; and• Examined other evidence including customer correspondences.

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 our auditors' report thereon.

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

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

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

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SEAL INCORPORATED BERHAD
(Incorporated In Malaysia)

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or 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.
- 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 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.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SEAL INCORPORATED BERHAD
(Incorporated In Malaysia)

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

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 Matter

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.

Grant Thornton Malaysia PLT
AF: 0737
201906003682 (LLP0022494-LCA)
Chartered Accountants

Loo Wei Teng
No. 03487/03/2026 J
Chartered Accountant

Penang

Date: 15 October 2024

STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2024

	NOTE	GROUP		COMPANY	
		2024 RM	2023 RM	2024 RM	2023 RM
ASSETS					
Non-current assets					
Property, plant and equipment	4	2,269,427	1,881,823	4,795	9,605
Investment properties	5	167,349,820	167,459,820	660,000	770,000
Right-of-use asset	6	1,231,303	-	-	-
Investment in subsidiaries	7	-	-	135,208,530	128,458,531
Investment in an associate	8	14,644,591	-	15,000,000	-
Timber concessions	9	6,065,807	6,065,807	-	-
Inventory properties	10	110,037,569	112,042,431	17,599,245	17,599,245
Trade and other receivables	11	480,071	-	31,333,645	65,210,676
		<u>302,078,588</u>	<u>287,449,881</u>	<u>199,806,215</u>	<u>212,048,057</u>
Current assets					
Inventory properties	10	68,663,162	27,720,038	-	-
Trade and other receivables	11	100,850,364	118,786,390	154,111,850	112,212,950
Contract assets	12	1,104,264	693,311	-	-
Contract costs	13	616,827	1,285,911	-	-
Current tax assets		3,010,152	2,677,964	-	-
Other investments	14	450,959	9,997,247	-	5,565,530
Cash and bank balances	15	28,716,169	36,569,817	6,517,544	5,691,609
		<u>203,411,897</u>	<u>197,730,678</u>	<u>160,629,394</u>	<u>123,470,089</u>
TOTAL ASSETS		<u>505,490,485</u>	<u>485,180,559</u>	<u>360,435,609</u>	<u>335,518,146</u>
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	16	191,697,219	163,502,401	191,697,219	163,502,401
Treasury shares	17	(163,397)	(163,397)	(163,397)	(163,397)
Asset revaluation reserve	18	352,940	352,940	352,940	352,940
Retained profits	19	164,870,077	168,039,882	149,598,788	148,434,780
		<u>356,756,839</u>	<u>331,731,826</u>	<u>341,485,550</u>	<u>312,126,724</u>
Non-controlling interests		586,549	4,415,844	-	-
Total equity		<u>357,343,388</u>	<u>336,147,670</u>	<u>341,485,550</u>	<u>312,126,724</u>
Non-current liabilities					
Trade and other payables	20	16,422,433	16,000,000	-	-
Borrowings	21	61,984,849	55,359,983	-	-
Deferred tax liabilities	22	2,960,608	3,042,119	6,675	6,675
		<u>81,367,890</u>	<u>74,402,102</u>	<u>6,675</u>	<u>6,675</u>
Current liabilities					
Trade and other payables	20	53,451,652	60,793,085	18,833,839	23,312,163
Borrowings	21	12,081,836	12,985,919	-	-
Lease liability	6	1,090,000	-	-	-
Current tax liabilities		155,719	851,783	109,545	72,584
		<u>66,779,207</u>	<u>74,630,787</u>	<u>18,943,384</u>	<u>23,384,747</u>
Total liabilities		<u>148,147,097</u>	<u>149,032,889</u>	<u>18,950,059</u>	<u>23,391,422</u>
TOTAL EQUITY AND LIABILITIES		<u>505,490,485</u>	<u>485,180,559</u>	<u>360,435,609</u>	<u>335,518,146</u>

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

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	NOTE	GROUP		COMPANY	
		2024 RM	2023 RM	2024 RM	(Restated) 2023 RM
Revenue	23	15,704,786	51,497,360	2,500,000	11,500,000
Direct operating costs	24	(8,353,266)	(27,109,037)	-	-
Gross profit		7,351,520	24,388,323	2,500,000	11,500,000
Other income	25	7,548,933	10,375,001	242,259	222,215
Administrative expenses		(12,499,033)	(9,671,658)	(3,899,719)	(2,938,002)
Other operating expenses		-	(4,733,124)	-	(5,444,244)
Allowance for expected credit losses on amount due from subsidiaries		-	-	(1,763,733)	-
Operating profit/(loss)		2,401,420	20,358,542	(2,921,193)	3,339,969
Finance costs	26	(4,921,340)	(4,810,635)	(363,685)	(226,329)
Finance income	27	1,034,088	610,778	5,600,385	4,823,068
Share of loss of an associate		(355,409)	-	-	-
(Loss)/Profit before tax	28	(1,841,241)	16,158,685	2,315,507	7,936,708
Taxation	29	(1,557,859)	(4,596,263)	(1,151,499)	(679,648)
Net (loss)/profit for the financial year, representing total comprehensive (loss)/ income for the financial year		(3,399,100)	11,562,422	1,164,008	7,257,060
Total comprehensive (loss)/ income attributable to:					
Owners of the Company		(3,169,805)	11,738,357	1,164,008	7,257,060
Non-controlling interests		(229,295)	(175,935)	-	-
		(3,399,100)	11,562,422	1,164,008	7,257,060
(Loss)/Earnings per share attributable to owners of the Company (sen)					
- Basic/Diluted	30	(0.78)	4.03		

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

----- Attributable to owners of the Company -----		Non-distributable		Distributable		Non-controlling		Total	
NOTE	Share Capital	Treasury Shares	Revaluation Reserve	Retained Profits	Total	Interests	Total	Equity	RM
	RM	RM	RM	RM	RM	RM	RM	RM	RM
2024									
	163,502,401	(163,397)	352,940	168,039,882	331,731,826	4,415,844	336,147,670	336,147,670	
				(3,169,805)	(3,169,805)	(229,295)	(3,399,100)	(3,399,100)	
	Total comprehensive loss for the financial year								
	Transactions with owners of the Company:								
16	28,194,818	-	-	-	28,194,818	-	28,194,818	28,194,818	
	-	-	-	-	-	(3,600,000)	(3,600,000)	(3,600,000)	
	28,194,818	-	-	-	28,194,818	(3,600,000)	24,594,818	24,594,818	
	191,697,219	(163,397)	352,940	164,870,077	356,756,839	586,549	357,343,388	357,343,388	
2023									
	156,424,247	(2,165,586)	352,940	155,860,725	310,472,326	4,195,773	314,668,099	314,668,099	
						(175,935)	11,562,422	11,562,422	
	Total comprehensive income for the financial year								
	Transactions with owners of the Company:								
16	7,078,154	-	-	-	7,078,154	-	7,078,154	7,078,154	
17	-	2,002,189	-	440,800	2,442,989	-	2,442,989	2,442,989	
	-	-	-	-	-	396,006	396,006	396,006	
	7,078,154	2,002,189	-	440,800	9,521,143	396,006	9,917,149	9,917,149	
	163,502,401	(163,397)	352,940	168,039,882	331,731,826	4,415,844	336,147,670	336,147,670	

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

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

NOTE	Share Capital RM	Treasury Shares RM	Non- distributable Asset Revaluation Reserve RM	Distributable Retained Profits RM	Total Equity RM
2024					
Balance at beginning	163,502,401	(163,397)	352,940	148,434,780	312,126,724
Total comprehensive income for the financial year	-	-	-	1,164,008	1,164,008
<i>Transaction with owners of the Company:</i>					
Issuance of ordinary shares	16 28,194,818	-	-	-	28,194,818
Balance at end	191,697,219	(163,397)	352,940	149,598,788	341,485,550
2023					
Balance at beginning	156,424,247	(2,165,586)	352,940	140,736,920	295,348,521
Total comprehensive income for the financial year	-	-	-	7,257,060	7,257,060
<i>Transactions with owners of the Company:</i>					
Issuance of ordinary shares	16 7,078,154	-	-	-	7,078,154
Disposal of treasury shares	17 -	2,002,189	-	440,800	2,442,989
Total transactions with owners	7,078,154	2,002,189	-	440,800	9,521,143
Balance at end	163,502,401	(163,397)	352,940	148,434,780	312,126,724

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	GROUP		COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
CASH FLOWS FROM OPERATING ACTIVITIES				
(Loss)/Profit before tax	(1,841,241)	16,158,685	2,315,507	7,936,708
Adjustments for:				
Allowance for expected credit losses on amount due from subsidiaries	-	-	1,763,733	-
Capital gain on other investments	(139,009)	(16,616)	(136,001)	-
Depreciation of:				
- property, plant and equipment	463,608	278,493	4,713	5,570
- right-of-use asset	111,937	-	-	-
Dividend income from:				
- investment in quoted unit trusts	(26,260)	(2,412)	(15,904)	(2)
- subsidiaries	-	-	(2,500,000)	(11,500,000)
Fair value gain on:				
- investment properties	-	(6,841,100)	-	-
- other investments	(79,143)	(315,479)	-	(97,559)
Gain on disposal of:				
- an investment property	(18,000)	-	(18,000)	-
- property, plant and equipment	(51,332)	(6,699)	(103)	(6,699)
Impairment losses on:				
- investment in subsidiaries	-	-	-	3,250,000
- timber concessions	-	4,733,124	-	2,194,244
Interest expenses	4,921,340	4,810,635	363,685	226,329
Interest income	(1,034,088)	(610,778)	(5,600,385)	(4,823,068)
Property, plant and equipment written off	90,666	1,228	-	380
Reversal of allowance for expected credit losses on:				
- amount due from subsidiaries	-	-	-	(37,320)
- trade receivables	(104,250)	-	-	-
Reversal of provision of construction completion costs	(5,473,091)	-	-	-
Share of loss of an associate	355,409	-	-	-
Operating (loss)/profit before working capital changes	(2,823,454)	18,189,081	(3,822,755)	(2,851,417)
Changes in:				
Inventories	(38,938,262)	(1,183,539)	-	-
Receivables	17,560,205	(29,558,334)	100,479	(3,248,056)
Payables	9,313,640	21,775,205	(2,538,480)	43,289
Contract assets	(410,953)	5,375,571	-	-
Contract costs	669,084	2,300,000	-	-
Cash (used in)/generated from operations carried forward	(14,629,740)	16,897,984	(6,260,756)	(6,056,184)

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	GROUP		COMPANY		
	NOTE	2024 RM	2023 RM	2024 RM	2023 RM
Cash (used in)/generated from operations brought forward		(14,629,740)	16,897,984	(6,260,756)	(6,056,184)
Income tax paid		(2,760,420)	(3,431,491)	(1,110,827)	(783,746)
Real property gains tax paid		(3,711)	-	(3,711)	-
Income tax refunded		96,509	401,490	-	-
Interest received		112,160	23,733	-	-
Interest paid		(3,934,129)	(4,810,635)	(92,151)	(9,415)
Net cash (used in)/from operating activities		(21,119,331)	9,081,081	(7,467,445)	(6,849,345)
CASH FLOWS FROM INVESTING ACTIVITIES					
Addition of investment in subsidiaries		-	-	(1,449,999)	(5,700,001)
Addition of investment in an associate		(8,704,220)	-	(8,704,220)	-
Dividend income from:					
- investment in quoted unit trusts		24,825	2,412	15,904	2
- subsidiaries		-	-	2,500,000	11,500,000
Interest received		921,928	587,045	249,505	149,446
Investment in irredeemable convertible preference shares of an associate		(6,295,780)	-	(6,295,780)	-
Investment in redeemable preference shares of a subsidiary		-	-	(5,300,000)	-
Net cash outflow on acquisition of subsidiaries		-	(1,685,038)	-	-
Net change in subsidiaries' balances		-	-	5,253,421	(5,535,625)
Proceeds from disposal of:					
- an investment property		128,000	-	128,000	-
- other investments		18,267,373	9,999,855	11,602,342	25,032,278
- property, plant and equipment		174,000	6,700	200	6,700
Proceeds from issuance of shares to non-controlling interests		-	396,006	-	-
Placement of fixed deposits with licensed banks		(354,852)	(9,675,000)	-	-
Purchase of:					
- other investments		(8,501,498)	(5,565,530)	(5,900,811)	(30,500,000)
- property, plant and equipment	B	(644,546)	(682,760)	-	-
Withdrawal of fixed deposits with licensed banks		-	593,459	-	-
Net cash used in investing activities		(4,984,770)	(6,022,851)	(7,901,438)	(5,047,200)

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	NOTE	GROUP		COMPANY	
		2024 RM	2023 RM	2024 RM	2023 RM
CASH FLOWS FROM FINANCING ACTIVITIES					
Dividends paid to non-controlling interests		(3,600,000)	-	-	-
Issuance of ordinary shares		16,194,818	7,078,154	16,194,818	7,078,154
Proceeds from disposal of treasury shares		-	2,442,989	-	2,442,989
Repayment of finance lease liabilities	C	(168,230)	(51,990)	-	-
Drawdown of term loans	C	11,731,519	500,000	-	-
Repayment of term loans	C	(4,746,476)	(7,856,291)	-	-
Net cash from financing activities		19,411,631	2,112,862	16,194,818	9,521,143
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(6,692,470)	5,171,092	825,935	(2,375,402)
CASH AND CASH EQUIVALENTS AT BEGINNING		15,072,241	9,901,149	5,691,609	8,067,011
CASH AND CASH EQUIVALENTS AT END	A	8,379,771	15,072,241	6,517,544	5,691,609
A. Cash and cash equivalents					
Fixed deposits with licensed banks		14,979,079	22,517,211	-	-
Cash in hand and at banks		13,737,090	14,052,606	6,517,544	5,691,609
Bank overdrafts		(6,414,633)	(7,930,663)	-	-
		22,301,536	28,639,154	6,517,544	5,691,609
Less: Fixed deposits pledged with licensed banks		(13,921,765)	(13,566,913)	-	-
		8,379,771	15,072,241	6,517,544	5,691,609
B. Purchase of property, plant and equipment					
Total acquisition cost		1,064,546	1,433,760	-	-
Acquired under finance lease liabilities	C	(420,000)	(751,000)	-	-
Total cash acquisition		644,546	682,760	-	-

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

C. Liabilities arising from financing activities

Reconciliation between the opening and closing balances in the statements of financial position for liabilities arising from financing activities is as follows:

	Balance at beginning RM	Net cash flows RM	Balance at end RM
GROUP			
2024			
Borrowings excluding bank overdrafts, representing total liabilities arising from financing activities	<u>60,415,239</u>	<u>7,236,813</u>	<u>67,652,052</u>
2023			
Borrowings excluding bank overdrafts, representing total liabilities arising from financing activities	<u>67,072,520</u>	<u>(6,657,281)</u>	<u>60,415,239</u>

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

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

1. CORPORATE INFORMATION

General

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

The registered office of the Company is located at Suite 18.05, MWE Plaza, No. 8, Lebuhr Farquhar, 10200 George Town, Pulau Pinang.

The principal place of business of the Company is located at Level 3A, ELIT Avenue Business Park, 1-3A-18 Jalan Mayang Pasir 3, 11950 Bayan Baru, Penang.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 15 October 2024.

Principal Activities

The principal activities of the Company in the course of the financial year remain unchanged and consist of investment holding, property investment, building contractor, project manager for property development and extraction and sale of timber.

The principal activities of the subsidiaries are disclosed in Note 7 to the financial statements.

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

2. BASIS OF PREPARATION

2.1 Statement of Compliance

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

2.2 Basis of Measurement

The financial statements of the Group and of the Company are prepared under the historical cost convention, except for investment properties and other investments that are measured at fair values.

2.3 Functional and Presentation Currency

The financial statements are presented in Ringgit Malaysia ("RM") which is also the Company's functional currency.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

2. BASIS OF PREPARATION (cont'd)

2.4 Adoption of Standard/Amendments to MFRSs

The accounting policies adopted by the Group and by the Company are consistent with those of the previous financial years except for the adoption of the following standard/amendments to MFRSs that are mandatory for the current financial year:

Effective for annual periods beginning on or after 1 January 2023

MFRS 17 Insurance Contracts and Amendments to MFRS 17 Insurance Contracts

Amendments to MFRS 17 Insurance Contracts: Initial application of MFRS 17 and MFRS 9 - Comparative Information

Amendments to MFRS 101 Presentation of Financial Statements: Disclosure of Accounting Policies

Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates

Amendments to MFRS 112 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction

Amendments to MFRS 112 Income Taxes: International Tax Reform - Pillar Two Model Rules

Initial application of the above standard/amendments to MFRSs did not have material impact to the financial statements upon adoption, except for *Amendments to MFRS 101 Presentation of Financial Statements: Disclosure of Accounting Policies*. The amendments change the requirements in MFRS 101 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant' with 'material'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements.

The supporting paragraphs in MFRS 101 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. The Malaysian Accounting Standards Board ("MASB") has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in MFRS Practice Statement 2.

The amendments have had an impact on the Group's and the Company's disclosures of accounting policies but not on the measurement, recognition or presentation of any items in the Group's financial statements.

2.5 Standards Issued But Not Yet Effective

The following are accounting standards that have been issued by the MASB but are not yet effective for the Group and for the Company:

Effective for annual periods beginning on or after 1 January 2024

Amendments to MFRS 16 Leases: Lease Liability in a Sale and Leaseback

Amendments to MFRS 101 Presentation of Financial Statements: Non-Current Liabilities with Covenants

Amendments to MFRS 107 Statement of Cash Flows and MFRS 7 Financial Instruments: Disclosures - Supplier Finance Arrangements

Effective for annual period beginning on or after 1 January 2025

Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability

Effective for annual periods beginning on or after 1 January 2026

Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosures - Classification and Measurement of Financial Instruments

Annual Improvements to MFRS Accounting Standards - Volume 11

Effective for annual periods beginning on or after 1 January 2027

MFRS 18 Presentation and Disclosure in Financial Statements

MFRS 19 Subsidiaries without Public Accountability: Disclosures

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

2. BASIS OF PREPARATION (cont'd)

2.5 Standards Issued But Not Yet Effective (cont'd)

Effective date yet to be confirmed

Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The initial application of the above standard/amendments to MFRSs is not expected to have any material impact to the financial statements of the Group and of the Company upon adoption, except for *MFRS 18 Presentation and Disclosure in Financial Statements*.

MFRS 18 introduces new requirements on presentation within the statements of profit or loss, including specified totals and subtotals. It also requires disclosure of management-defined performance measures and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes. In addition, there are consequential amendments to *MFRS 107 Statement of Cash Flows* and *MFRS 134 Interim Financial Reporting*.

The amendments will have an impact on the Group's and on the Company's presentation of statements of comprehensive income, statements of cash flows and additional disclosures in the notes to the financial statements but not on the measurement or recognition of any items in the Group's and the Company's financial statements.

The Group is currently assessing the impact of *MFRS 18* and plans to adopt the new standard on the required effective date.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements 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 estimate is revised and in any future periods affected.

3.1 Judgements made in applying accounting policies

In the process of applying the Group's accounting policies, management has made the following judgement, apart from those involving estimations, which has the most significant effect on the amounts recognised in the financial statements:

Classification between investment properties and owner-occupied properties

The Group determines whether a property qualifies as an investment property and has developed criteria in making that judgement. Investment property is a property held to earn rentals or for capital appreciation or both. Therefore, the Group considers whether a property generates cash flows largely independently of the other assets held by the Group.

There are certain properties which are held for the purpose of earning rentals and for capital appreciation have been temporary used for administrative purpose. These properties are classified as investment properties based on the criteria set by the Group. Judgement is made on an individual property basis to determine whether a property is qualified as investment property.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (cont'd)

3.2 Key sources of estimation uncertainty

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

(i) Provision for expected credit loss ("ECL") of receivables

The Group and the Company use a provision matrix to calculate ECL for receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's and the Company's historical observed default rates. The Group and the Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions are expected to deteriorate over the next year which can lead to an increased number of defaults in the construction sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and expected credit losses is a significant estimate. The amount of expected credit losses is sensitive to changes in circumstances and of forecast economic conditions. The Group's and the Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

The information about the ECL on the Group's and the Company's trade receivables is disclosed in Note 33.3.1 to the financial statements.

(ii) Construction contract revenue

As revenue from ongoing construction contracts are recognised over time, the amount of revenue recognised at the reporting date depends on the extent to which the performance obligation has been satisfied. This is done by determining the stage of completion. The stage of completion is determined by the proportion of the contract work completed on the contracts performed to date bear to the estimated total costs on the contracts.

Significant judgement is required in determining the stage of completion, the extent of the contract work completed on the contracts incurred, the estimated total revenue and total costs and the recoverability of the contract cost. In making these judgements, management relies on past experience and, if necessary, the work of specialists.

(iii) Inventory properties

Inventory property is stated at the lower of cost and net realisable value ("NRV").

NRV for completed inventory properties is assessed by reference to market conditions and prices existing as at the end of the reporting period and is determined by the Group, based on comparable transactions identified by the Group for properties in the same geographical market serving the same real estate segment.

NRV in respect of land held for property development is assessed with reference to market prices as at the end of the reporting period for similar land, less estimated costs necessary to make the sale or where applicable, engaged independent valuers to estimate the fair value of these land.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (cont'd)

3.2 Key sources of estimation uncertainty (cont'd)

(iii) Inventory properties (cont'd)

NRV in respect of property development costs is assessed with reference to market prices as at the end of the reporting period for similar completed property, less estimated costs to complete the development and the estimated costs necessary to make the sale, taking into account the time value of money, if material.

The carrying amount of the Group's and the Company's inventory properties as at the end of the reporting period is disclosed in Note 10 to the financial statements.

(iv) Fair value of investment properties

The Group and the Company measure their investment properties at fair value amount with changes in fair value being recognised in profit or loss. The Group and the Company engaged independent external valuers to determine fair values as at the end of reporting period.

The carrying amount of the investment properties as at the end of reporting period and the relevant fair value is disclosed in Note 5 to the financial statements.

(v) Impairment of investment in subsidiaries

Investment in subsidiaries is tested for impairment whenever there is objective evidence or indication that these assets may be impaired. Judgment is required to determine if any such indication exists, based on the evaluation of both internal and external sources of information. If any such indication exists, management assesses the recoverable amount of the investment in subsidiaries based on the fair value less cost to sell which approximates the extent of the net assets held by the subsidiaries at the end of the reporting period. If the recoverable amount of the investment in subsidiaries is less than its carrying amount, an impairment loss is recognised in profit or loss to reduce the carrying amount of the investment in subsidiaries. An impairment loss of **RM Nil** (2023: RM3,250,000) was recognised in profit or loss to write down the subsidiaries to their recoverable amount.

An assessment is also made at each end of the reporting period as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased.

(vi) Impairment of timber concession

The Group and the Company perform an impairment review as and when there are impairment indicators to ensure that the carrying amount of the timber concession does not exceed its recoverable amount. The recoverable amount represents the higher of its fair value less cost to sale or value in use. Value in use represents present value of the estimated future cash flows expected to arise from operations. Therefore, in arriving at the recoverable amount, management exercises judgement in determining the assumptions used in the fair value less cost to sales and value in use.

The carrying amount of timber concession as at the end of reporting period is disclosed in Note 9 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

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4. PROPERTY, PLANT AND EQUIPMENT

GROUP

	Shoplot RM	Plant and machinery RM	Office equipment, furniture and fittings RM	Motor vehicles RM	Capital work-in progress RM	Total RM
2024						
At cost						
Balance at beginning	347,614	91,274	1,792,387	2,200,506	78,098	4,509,879
Additions	-	-	589,189	475,357	-	1,064,546
Disposals	-	-	-	(261,131)	-	(261,131)
Reclassification	-	-	78,098	-	(78,098)	-
Written off	-	-	(115,350)	-	-	(115,350)
Balance at end	<u>347,614</u>	<u>91,274</u>	<u>2,344,324</u>	<u>2,414,732</u>	<u>-</u>	<u>5,197,944</u>
Accumulated depreciation						
Balance at beginning	70,582	91,273	1,226,722	1,239,479	-	2,628,056
Current charge	5,886	-	192,928	264,794	-	463,608
Disposals	-	-	-	(138,463)	-	(138,463)
Written off	-	-	(24,684)	-	-	(24,684)
Balance at end	<u>76,468</u>	<u>91,273</u>	<u>1,394,966</u>	<u>1,365,810</u>	<u>-</u>	<u>2,928,517</u>
Carrying amount	<u>271,146</u>	<u>1</u>	<u>949,358</u>	<u>1,048,922</u>	<u>-</u>	<u>2,269,427</u>
2023						
At cost						
Balance at beginning	347,614	91,274	1,531,164	1,151,117	-	3,121,169
Additions	-	-	289,893	1,065,769	78,098	1,433,760
Disposals	-	-	-	(16,380)	-	(16,380)
Written off	-	-	(28,670)	-	-	(28,670)
Balance at end	<u>347,614</u>	<u>91,274</u>	<u>1,792,387</u>	<u>2,200,506</u>	<u>78,098</u>	<u>4,509,879</u>
Accumulated depreciation						
Balance at beginning	64,691	91,273	1,125,294	1,112,126	-	2,393,384
Current charge	5,891	-	128,870	143,732	-	278,493
Disposals	-	-	-	(16,379)	-	(16,379)
Written off	-	-	(27,442)	-	-	(27,442)
Balance at end	<u>70,582</u>	<u>91,273</u>	<u>1,226,722</u>	<u>1,239,479</u>	<u>-</u>	<u>2,628,056</u>
Carrying amount	<u>277,032</u>	<u>1</u>	<u>565,665</u>	<u>961,027</u>	<u>78,098</u>	<u>1,881,823</u>

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

4. PROPERTY, PLANT AND EQUIPMENT (cont'd)

COMPANY

	Plant and machinery RM	Office equipment, furniture and fittings RM	Motor vehicles RM	Total RM
2024				
At cost				
Balance at beginning	84,740	108,675	-	193,415
Disposal	-	(3,900)	-	(3,900)
Balance at end	<u>84,740</u>	<u>104,775</u>	<u>-</u>	<u>189,515</u>
Accumulated depreciation				
Balance at beginning	84,739	99,071	-	183,810
Current charge	-	4,713	-	4,713
Disposal	-	(3,803)	-	(3,803)
Balance at end	<u>84,739</u>	<u>99,981</u>	<u>-</u>	<u>184,720</u>
Carrying amount	<u>1</u>	<u>4,794</u>	<u>-</u>	<u>4,795</u>
2023				
At cost				
Balance at beginning	84,740	120,395	16,380	221,515
Disposal	-	-	(16,380)	(16,380)
Written off	-	(11,720)	-	(11,720)
Balance at end	<u>84,740</u>	<u>108,675</u>	<u>-</u>	<u>193,415</u>
Accumulated depreciation				
Balance at beginning	84,739	104,841	16,379	205,959
Current charge	-	5,570	-	5,570
Disposal	-	-	(16,379)	(16,379)
Written off	-	(11,340)	-	(11,340)
Balance at end	<u>84,739</u>	<u>99,071</u>	<u>-</u>	<u>183,810</u>
Carrying amount	<u>1</u>	<u>9,604</u>	<u>-</u>	<u>9,605</u>

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

4. PROPERTY, PLANT AND EQUIPMENT (cont'd)

GROUP

The carrying amount of motor vehicles which are pledged as securities for the finance lease liabilities as disclosed in Note 21 to the financial statements are **RM1,023,593** (2023: RM952,645).

Material accounting policy information

Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Property, plant and equipment are depreciated on the straight-line method to write off the cost of each asset to its residual value over its estimated useful life at the following annual rates:

Shoplot	Amortise over the lease period of 59 years
Plant and machinery	20%
Office equipment, furniture and fittings	10% - 20%
Motor vehicles	20%

Capital work-in-progress represents assets under construction, and which is not ready for commercial use at the end of the reporting period. Capital work-in-progress is stated at cost and is transferred to the relevant category of assets and depreciated accordingly when the assets are completed and ready for commercial use. Capital work-in-progress is not depreciated until the assets are ready for their intended use.

5. INVESTMENT PROPERTIES

	GROUP		COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
At fair value:				
Balance at beginning	167,459,820	118,919,820	770,000	770,000
Additions	-	41,698,900	-	-
Disposal	(110,000)	-	(110,000)	-
Net fair value gain recognised in profit or loss	-	6,841,100	-	-
Balance at end	<u>167,349,820</u>	<u>167,459,820</u>	<u>660,000</u>	<u>770,000</u>

The reconciliation of the fair value is shown above.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

5. INVESTMENT PROPERTIES (cont'd)

The investment properties consist of the following:

	GROUP		COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
Freehold land	320,000	320,000	320,000	320,000
Freehold shoplots	65,650,000	65,760,000	340,000	450,000
Leasehold building	37,820	37,820	-	-
Leasehold office lots	29,960,000	29,960,000	-	-
Leasehold shoplots	71,382,000	71,382,000	-	-
	<u>167,349,820</u>	<u>167,459,820</u>	<u>660,000</u>	<u>770,000</u>

(i) The carrying amount of the Group's investment properties which are pledged to licensed banks as securities for banking facilities granted to certain subsidiaries as disclosed in Note 21 to the financial statements is **RM153,377,000** (2023: RM123,342,000).

(ii) Group and Company as lessor

The Group and the Company have entered into operating leases on their investment properties. These leases have terms of between one to three years.

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

	GROUP		COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
Rental income	6,531,660	5,522,124	-	-
Direct operating expenses of investment properties:				
- income generating	1,775,321	1,102,223	-	-
- non-income generating	<u>207,665</u>	<u>160,555</u>	<u>2,493</u>	<u>2,792</u>

Future minimum rental receivable under non-cancellable operating leases as at the end of the reporting period is as follows:

	GROUP	
	2024 RM	2023 RM
Within one year	5,768,099	4,985,564
More than one year and less than five years	<u>1,524,129</u>	<u>3,823,113</u>
	<u>7,292,228</u>	<u>8,808,677</u>

(iii) On 8 November 2023, the Group and the Company have entered into a Sale and Purchase Agreement with a third party to dispose of a freehold shoplot for cash consideration of RM128,000.

Material accounting policy information

Investment properties are initially measured at cost, and subsequently measured at fair value with any changes therein recognised in profit or loss for the period in which they arise.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

6. RIGHT-OF-USE ASSET AND LEASE LIABILITY

Group as a lessee

The Group has a lease contract for computer software used in its operations that has lease term of 1 year with an option to purchase at the end of the lease term.

The Group also has certain leases of a hostel and a parking space with lease terms of 12 months or less. The Group applies the 'short-term lease' recognition exemptions for these leases.

Right-of-use asset

Set out below are the carrying amount of right-of-use asset and the movements during the financial year:

	GROUP Computer software	
	2024 RM	2023 RM
Addition	1,343,240	-
Depreciation	(111,937)	-
Balance at end	<u>1,231,303</u>	<u>-</u>

Lease liability

Set out below are the carrying amount of lease liability and the movements during the financial year:

	GROUP Computer software	
	2024 RM	2023 RM
Addition/Balance at end	<u>1,090,000</u>	<u>-</u>

The maturity analysis of lease liability is disclosed in Note 33.4 to the financial statements.

The following are the amounts recognised in profit or loss:

	GROUP Computer software	
	2024 RM	2023 RM
Depreciation of right-of-use asset	111,937	-
Expense relating to short-term leases	<u>158,160</u>	<u>39,000</u>
Total amount recognised in profit or loss	<u>270,097</u>	<u>39,000</u>

The total cash outflows for leases of the Group during the financial year are **RM158,160** (2023: RM39,000).

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

6. RIGHT-OF-USE ASSET AND LEASE LIABILITY (cont'd)

Material accounting policy information

Right-of-use asset

The Group applies a single recognition and measurement approach for all leases, except for short-term leases.

Right-of-use asset is depreciated on a straight-line basis over the shorter of the lease term and the estimated useful life of the asset. If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Computer software	10 years
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7. INVESTMENT IN SUBSIDIARIES

	COMPANY	
	2024 RM	2023 RM
Unquoted shares, at cost	49,627,329	48,177,330
Unquoted redeemable preference shares, at cost	104,608,000	99,308,000
	<u>154,235,329</u>	<u>147,485,330</u>
Less: Allowance for impairment		
Balance at beginning	(19,026,799)	(15,776,799)
Current year	-	(3,250,000)
Balance at end	<u>(19,026,799)</u>	<u>(19,026,799)</u>
	<u>135,208,530</u>	<u>128,458,531</u>

The details of the subsidiaries, all of which are incorporated and their principal place of business are in Malaysia, are as follows:

Name of Subsidiaries	Effective Equity Interest		Principal Activities
	2024 %	2023 %	
Great Eastern Mills Berhad ("GEM") ⁽¹⁾	78	78	Dormant.
Sam Koh Company Sdn. Berhad	100	100	Extraction and sale of timber.
Seal Ventures Sdn. Bhd.	100	100	Property development.
Seal Trading Corporation Sdn. Bhd.	100	100	Trading of timber.
Seal Properties (KL) Sdn. Bhd.	100	100	Turnkey, project and construction manager for property development.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

7. INVESTMENT IN SUBSIDIARIES (cont'd)

Name of Subsidiaries	Effective Equity Interest		Principal Activities
	2024	2023	
SM Management Sdn. Bhd ("SMMSB")	100	100	Providing administrative services and supplying of all types of computer hardware and software, including hardware and software leasing or renting.
Seal Land Sdn. Bhd. ("SLSB")	100	100	Property development.
Seal Properties Sdn. Bhd.	100	100	Property investment and property development.
Seal Place Sdn. Bhd.	100	100	Letting of properties, advertisement billboard, car park and event space.
Seal City Sdn. Bhd.	100	100	Property investment.
Seal Properties (SP) Sdn. Bhd.	100	100	Property development.
Ardentige Marketing Sdn. Bhd.	100	100	Provision of marketing services.
Utmost Construction Sdn. Bhd.	100	100	Construction of buildings and erections of every kind.
Seal Properties (PG) Sdn. Bhd. ("SPPG")	100	100	Property development.
Seal Mall (KL) Sdn. Bhd.	100	100	Dormant.
Seal Management Sdn. Bhd.	100	100	Property investment.
Seal Meditech Sdn. Bhd.	100	100	Dormant.
Daiman Majumas Sdn. Bhd. ("DMSB")	100	100	Investment holding.
Damai Kiarajaya Sdn. Bhd. ("DKSB")	100	100	Turnkey, project and construction manager for property development.
Indirect - held through Seal Properties Sdn. Bhd.			
Seal Lifestyle Development Sdn. Bhd.	100	100	Property development.
Seal Concepts Sdn. Bhd. ("SCSB") ⁽²⁾	91	91	Property development.
Seal Properties (Bayan City) Sdn. Bhd. ("SPBC") ⁽³⁾	51	51	Property development.
Capitol Property Management Sdn. Bhd. ("CPM") ⁽²⁾	91	91	Providing property management services.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

7. INVESTMENT IN SUBSIDIARIES (cont'd)

Name of Subsidiaries	Effective Equity Interest		Principal Activities
	2024	2023	
Indirect - held through Seal Properties (KL) Sdn. Bhd.			
GEM ⁽¹⁾	14	14	Dormant.
Indirect - held through Seal Properties (PG) Sdn. Bhd.			
SCSB ⁽²⁾	9	9	Property development.
SPBC ⁽³⁾	9	9	Property development.
CPM ⁽²⁾	9	9	Providing property management services.
Mutiara Bay Residency Sdn. Bhd.	99.80	99.80	Property development.
Mutiara Biopolis Developments Sdn. Bhd.	99.90	99.90	Property development.
Indirect - held through Daiman Majumas Sdn. Bhd.			
Mutiara Waterfront Habitats Sdn. Bhd. ("MWHBS")	80	80	Property development.

⁽¹⁾ The Company has a direct interest of 78% and an indirect interest of 14% via another subsidiary, Seal Properties (KL) Sdn. Bhd.

⁽²⁾ The Company has indirect interest of 91% and 9% via subsidiaries of Seal Properties Sdn. Bhd. and Seal Properties (PG) Sdn. Bhd. respectively.

⁽³⁾ The Company has indirect interest of 51% and 9% via subsidiaries of Seal Properties Sdn. Bhd. and Seal Properties (PG) Sdn. Bhd. respectively.

7.1 Subscription of ordinary shares in subsidiaries

2024

- (i) On 8 September 2023, the Company has subscribed additional 750,000 ordinary shares in SLSB for a cash consideration of RM750,000. No changes in equity interest in SLSB subsequent to the subscription of ordinary shares.
- (ii) On 7 July 2023, the Company has subscribed additional 699,999 ordinary shares in DKSB for a cash consideration of RM699,999. No changes in equity interest in DKSB subsequent to the subscription of ordinary shares.

2023

- (i) On 21 March 2023, the Company had subscribed additional 4,000,000 ordinary shares in SMMSB for a cash consideration of RM4,000,000. No changes in equity interest in SMMSB subsequent to the subscription of ordinary shares.
- (ii) On 16 March 2023, the Company had subscribed 1 ordinary share in DKSB for a cash consideration of RM1. Subsequent to the subscription, DKSB had become a wholly-owned subsidiary of the Company.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

7. INVESTMENT IN SUBSIDIARIES (cont'd)

7.2 Subscription of preference shares in a subsidiary

On 26 December 2023, the Company has subscribed 5,300,000 redeemable non-cumulative non-convertible preference shares in SPPG by way of converting amount due from SPPG of RM5,300,000.

7.3 Acquisition of subsidiaries

2023

In the previous financial year, the Company had subscribed 100 ordinary shares in DMSB, representing 100% equity interest in DMSB for a total purchase consideration of RM17,000,000 via a combination of cash payment of RM5,000,000 and the issuance of 40,677,966 new ordinary shares. Consequently, MWHSB had become an indirect subsidiary of the Company held through DMSB.

7.4 Impairment on investment in subsidiaries

The Company reviews the investment in subsidiaries for impairment when there is an indication of impairment. The recoverable amounts of the investment in subsidiaries are assessed by reference to their fair value less cost to sell, which approximate the net assets of the subsidiaries at the end of the reporting period. Accordingly, an impairment loss of RM3,250,000 was recognised in the previous financial year.

7.5 Subsidiaries with material non-controlling interests ("NCI")

The details of the material NCI are as follows:

	SPBC	MWHSB	Total
2024			
NCI percentage of ownership interest and voting interest (%)	40%	20%	
Carrying amount of NCI (RM)	<u>632,928</u>	<u>(109,720)</u>	<u>523,208</u>
Profit/(Loss) allocated to NCI (RM)	<u>31,032</u>	<u>(266,621)</u>	<u>(235,589)</u>
2023			
NCI percentage of ownership interest and voting interest (%)	40%	20%	
Carrying amount of NCI (RM)	<u>4,201,895</u>	<u>156,901</u>	<u>4,358,796</u>
Profit/(Loss) allocated to NCI (RM)	<u>64,018</u>	<u>(239,105)</u>	<u>(175,087)</u>

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

7. INVESTMENT IN SUBSIDIARIES (cont'd)

7.5 Subsidiaries with material non-controlling interests ("NCI") (cont'd)

The summarised financial information of material NCI presented below is the amount before inter-company elimination:

	SPBC RM	MWHSB RM
2024		
Assets and liabilities		
Current assets	1,596,370	50,334,879
Non-current liabilities	-	(149,505)
Current liabilities	(14,051)	(50,733,973)
	<u>1,582,319</u>	<u>(548,599)</u>
Net assets/(liabilities)		
Results		
Other income	49,272	-
Finance income	146,838	252,103
Net profit/(loss), representing total comprehensive income/(loss) for the financial year	<u>77,581</u>	<u>(1,333,105)</u>
Net cash (used in)/generated from:		
Operating activities	(73,119)	(1,855,416)
Investing activities	3,858,867	-
Financing activities	(10,108,530)	1,831,436
	<u>(6,322,782)</u>	<u>(23,980)</u>
Net change in cash and cash equivalents		
Other information		
Dividends paid to non-controlling interests	<u>(3,600,000)</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

7. INVESTMENT IN SUBSIDIARIES (cont'd)

7.5 Subsidiaries with material non-controlling interests ("NCI") (cont'd)

	SPBC RM	MWHSB RM
2023		
Assets and liabilities		
Non-current assets	3,742	-
Current assets	10,511,629	29,033,550
Non-current liabilities	-	(318,272)
Current liabilities	(10,633)	(27,930,772)
	<hr/>	<hr/>
Net assets	10,504,738	784,506
	<hr/>	<hr/>
Results:		
Other income	247,291	-
Net profit/(loss), representing total comprehensive income/(loss) for the financial year	160,044	(1,195,525)
	<hr/>	<hr/>
Net cash (used in)/generated from:		
Operating activities	(310,477)	(12,231,957)
Investing activities	3,839,791	(8,500,000)
Financing activities	-	21,963,750
	<hr/>	<hr/>
Net change in cash and cash equivalents	3,529,314	1,231,793
	<hr/>	<hr/>

Material accounting policy information

Investment in subsidiaries are measured at cost less any impairment losses in the Company's separate financial statements.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

8. INVESTMENT IN AN ASSOCIATE

	GROUP		COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
Unquoted shares, at cost	8,704,220	-	8,704,220	-
Unquoted irredeemable convertible preference shares ("ICPS"), at cost	6,295,780	-	6,295,780	-
Share of post-acquisition reserves	(355,409)	-	-	-
	<u>14,644,591</u>	<u>-</u>	<u>15,000,000</u>	<u>-</u>

The details of the associate, which is incorporated and its principal place of business is in Malaysia, are as follows:

Name of Associate	Effective Equity Interest		Principal Activity
	2024	2023	
	%	%	
* MSR Green Energy Sdn. Bhd. ("MSRGE")	20	-	Installation and servicing of solar photovoltaic system, renewable energy projects management, consultancy and construction, electrical works and any other ancillary business.

* Not audited by Grant Thornton Malaysia PLT.

Acquisition of an associate

On 8 April 2024, the Company has acquired 20% equity interest in MSRGE for a total consideration of RM15,000,000, which is satisfied by way of:

- (i) 1,464,927 ordinary shares in MSRGE representing 20% equity interest for a total cash consideration of RM8,704,220; and

NOTES TO THE FINANCIAL STATEMENTS

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8. INVESTMENT IN AN ASSOCIATE (cont'd)

Acquisition of an associate (cont'd)

(ii) 1,059,583 ICPS in MSRGE for a total consideration of RM6,295,780.

The financial year of MSRGE is 31 December. For the purpose of applying the equity method of accounting, appropriate adjustments have been made for the effects of significant transactions between that date and 30 June 2024.

The following table summarises the financial information of MSRGE, reconciles the information to the carrying amount of the Group's interest in an associate, which is accounted for using the equity method.

GROUP

	MSRGE	
	2024	2023
	RM	RM
As at 30 June		
Assets and liabilities		
Non-current assets	5,541,893	-
Current assets	17,183,281	-
Non-current liabilities	(2,500,000)	-
Current liabilities	(2,238,645)	-
Net assets	<u>17,986,529</u>	<u>-</u>
Year ended 30 June		
Results		
Revenue	449,851	-
Net loss for the financial year, representing total comprehensive loss for the financial year	<u>(1,777,046)</u>	<u>-</u>
Reconciliation of net assets to carrying amount		
Group's share of net assets	2,338,150	-
ICPS	6,295,780	-
Goodwill	<u>6,010,661</u>	<u>-</u>
Carrying amount in the statements of financial position	<u>14,644,591</u>	<u>-</u>
Group's share of results		
Year ended 30 June		
Group's share of loss	<u>(355,409)</u>	<u>-</u>

Contingent liabilities and capital commitments

The associate has no contingent liabilities or capital commitments as at the end of the reporting period.

Material accounting policy information

The Group's investment in an associate is accounted for using the equity method. In the Company's separate financial statements, investment in an associate is measured at cost less impairment losses.

NOTES TO THE FINANCIAL STATEMENTS

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9. TIMBER CONCESSIONS

	GROUP		COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
Timber concessions	15,663,341	15,663,341	7,058,654	7,058,654
Less: Accumulated impairment losses	<u>(9,597,534)</u>	<u>(9,597,534)</u>	<u>(7,058,654)</u>	<u>(7,058,654)</u>
	<u>6,065,807</u>	<u>6,065,807</u>	<u>-</u>	<u>-</u>

In the previous financial year, the Group and the Company had carried out a review of the recoverable amount of their timber concessions due to the dissolution of certain companies who own the compartments. Accordingly, impairment loss of RM4,733,124 and RM2,194,244 of the Group and of the Company respectively were recognised.

10. INVENTORY PROPERTIES

	Note	GROUP		COMPANY	
		2024 RM	2023 RM	2024 RM	2023 RM
Non-current					
Land held for development	10.1	<u>110,037,569</u>	112,042,431	<u>17,599,245</u>	17,599,245
Current					
Property development costs	10.2	67,241,270	25,558,758	-	-
Completed development properties		1,421,892	2,161,280	-	-
		<u>68,663,162</u>	<u>27,720,038</u>	<u>-</u>	<u>-</u>
		<u>178,700,731</u>	<u>139,762,469</u>	<u>17,599,245</u>	<u>17,599,245</u>

The Group's cost of inventories recognised in profit or loss for the financial year amounted to **RM739,388** (2023: RM20,644,583).

10.1 Land held for development

	GROUP		COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
Freehold land	85,337,855	85,337,855	7,920,430	7,920,430
Leasehold land	9,139,625	9,139,625	9,139,625	9,139,625
Development costs	<u>15,560,089</u>	<u>17,564,951</u>	<u>539,190</u>	<u>539,190</u>
	<u>110,037,569</u>	<u>112,042,431</u>	<u>17,599,245</u>	<u>17,599,245</u>

The carrying amount of the Group's and of the Company's freehold land and leasehold land which are pledged to licensed banks as securities for banking facilities granted to the Group and the Company as disclosed in Note 21 to the financial statements is **RM17,060,055** (2023: RM17,060,055).

NOTES TO THE FINANCIAL STATEMENTS

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10. INVENTORY PROPERTIES (cont'd)

10.2 Property development costs

GROUP

	Freehold land RM	Development costs RM	Total RM
2024			
Balance at beginning	16,500,000	9,058,758	25,558,758
Costs capitalised during the financial year	<u>39,857,400</u>	<u>1,825,112</u>	<u>41,682,512</u>
Balance at end	<u>56,357,400</u>	<u>10,883,870</u>	<u>67,241,270</u>
2023			
Balance at beginning	29,837,260	6,436,055	36,273,315
Costs capitalised during the financial year	-	6,487,399	6,487,399
Recognised during the financial year	<u>(13,337,260)</u>	<u>(3,864,696)</u>	<u>(17,201,956)</u>
Balance at end	<u>16,500,000</u>	<u>9,058,758</u>	<u>25,558,758</u>

Material accounting policy information

Inventory properties are stated at the lower of cost and net realisable value.

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

Land held for development

Land held for development consists of land where no significant development activities have been carried out or where development activities are not expected to be completed within the normal operating cycle.

Such land is classified within non-current assets and is stated at cost less any accumulated impairment losses.

Land held for development is reclassified as property development costs at the point when development activities have commenced and where it can be demonstrated that the development activities can be completed within the normal operating cycle.

Property development costs

Property development costs comprise the cost of land, related development costs common to the project and direct building costs less cumulative amounts recognised as expense in the profit or loss. The property development costs are subsequently recognised as an expense in profit or loss as and when the control of the inventory is transferred to the customer.

Property development cost of unsold unit is transferred to completed development unit once the development is completed.

Completed development units

Completed development units represent completed residential properties. Cost is determined on the specific identification basis and includes costs of acquisition of land, related development costs to the project and direct building costs.

NOTES TO THE FINANCIAL STATEMENTS

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11. TRADE AND OTHER RECEIVABLES

	NOTE	GROUP		COMPANY	
		2024 RM	2023 RM	2024 RM	2023 RM
Non-current					
Trade receivables					
Retention sum receivable		<u>480,071</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other receivables					
Amount due from subsidiaries	11.1	<u>-</u>	<u>-</u>	<u>31,333,645</u>	<u>65,210,676</u>
Total non-current trade and other receivables		<u>480,071</u>	<u>-</u>	<u>31,333,645</u>	<u>65,210,676</u>
Current					
Trade receivables					
Third parties	11.2	5,165,852	9,463,269	135,124	135,124
Less: Allowance for ECL					
Balance at beginning		7,972,540	7,972,540	135,124	135,124
Reversal		(104,250)	-	-	-
Written off		(7,395,750)	-	-	-
Balance at end		<u>472,540</u>	<u>7,972,540</u>	<u>135,124</u>	<u>135,124</u>
		<u>4,693,312</u>	<u>1,490,729</u>	<u>-</u>	<u>-</u>
Other receivables					
Sundry receivables	11.3	87,984,210	84,298,311	57,160,945	52,089,661
Less: Allowance for ECL		(769,849)	(769,849)	(769,849)	(769,849)
		87,214,361	83,528,462	56,391,096	51,319,812
Amount due from subsidiaries	11.1	-	-	94,146,033	52,146,654
Stakeholders' sum	11.4	265,000	265,000	-	-
Deposits	11.5				
- Non-refundable		-	6,051,991	-	6,051,991
- Refundable		6,360,265	2,968,792	3,396,712	-
Prepayments	11.6	17,188,012	39,394,672	15,095,349	17,611,833
Less: Accumulated impairment losses		(14,917,340)	(14,917,340)	(14,917,340)	(14,917,340)
		2,270,672	24,477,332	178,009	2,694,493
Accrued income		46,754	4,084	-	-
		<u>96,157,052</u>	<u>117,295,661</u>	<u>154,111,850</u>	<u>112,212,950</u>
Total current trade and other receivables		<u>100,850,364</u>	<u>118,786,390</u>	<u>154,111,850</u>	<u>112,212,950</u>
Total trade and other receivables		<u>101,330,435</u>	<u>118,786,390</u>	<u>185,445,495</u>	<u>177,423,626</u>

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

11. TRADE AND OTHER RECEIVABLES (cont'd)

11.1 Amount due from subsidiaries

	COMPANY	
	2024	2023
	RM	RM
Non-current		
Interest bearing at 3% (2023: 3%) per annum	<u>31,333,645</u>	<u>65,210,676</u>
Current		
- Non-interest bearing	52,587	41,749,233
Less: Allowance for ECL	<u>(26,881)</u>	<u>(26,881)</u>
	25,706	41,722,352
- Interest bearing at 3% (2023: 3%) per annum	96,447,248	10,987,490
Less: Allowance for ECL	<u>(2,326,921)</u>	<u>(563,188)</u>
	<u>94,120,327</u>	<u>10,424,302</u>
Total current amount due from subsidiaries	<u>94,146,033</u>	<u>52,146,654</u>
Total amount due from subsidiaries	<u>125,479,678</u>	<u>117,357,330</u>

The movement of allowance for ECL during the financial year is as follows:

	COMPANY	
	2024	2023
	RM	RM
Balance at beginning	590,069	627,389
Addition	1,763,733	-
Reversal	<u>-</u>	<u>(37,320)</u>
Balance at end	<u>2,353,802</u>	<u>590,069</u>

The amount due from subsidiaries are unsecured and classified based on expected timing of realisation.

11.2 Trade receivables

The trade receivables are recognised at their original invoice amounts which represent their fair values on initial recognition.

The trade receivables are non-interest bearing and the credit terms granted to the trade receivables are as follows:

- (i) Property development : Credit term for sale of completed development properties is generally for a period of three months, extending up to four months while the credit term for progress billings ranges from **14 to 21 days** (2023: 14 to 21 days) from the date of the progress billings.
- (ii) Construction : Credit term is **30 days** (2023: 30 days) from the date of the progress billings.
- (iii) Others : Credit term ranges from **7 to 90 days** (2023: 7 to 90 days).

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

11. TRADE AND OTHER RECEIVABLES (cont'd)

11.3 Sundry receivables

GROUP

On 19 February 2013, Seal Properties (KL) Sdn. Bhd. entered into a Turnkey Agreement with Dwtasik Sdn. Bhd. to develop a piece of land measuring 12.46 acres into a mixed development project ("the Development") subject to the terms and conditions contained therein.

Included in other receivables of the Group and of the Company are **RM80,994,734** (2023: RM75,958,662) and **RM56,391,096** (2023: RM48,885,884) respectively which is the consideration and payment of land premiums and other related charges to authorities and expenditures related to the Development pursuant to the terms and conditions of the Turnkey Agreement and is repayable from the sales proceeds of the Development.

11.4 Stakeholders' sum

The entire stakeholder's sum is held by the solicitors pursuant to the Settlement Agreement entered by the Company together with its subsidiaries, namely Seal Properties Sdn. Bhd., Seal Properties (Bayan City) Sdn. Bhd., Seal Concepts Sdn. Bhd. and Seal Place Sdn. Bhd., with Sovereign Paramount Sdn. Bhd. ("Sovereign Paramount"), Sierra Bonus Sdn. Bhd. and Sulaiman Bin Ahmad on 16 December 2016 in relation to an Originating Summon and a Notice of Discontinuance filed by Sovereign Paramount.

The stakeholder's sum is expected to be released upon the fulfilment of the terms as stipulated in the Settlement Agreement.

11.5 Deposits

Included in the non-refundable deposit of the Group and of the Company is an amount of **RM Nil** (2023: RM5,978,610) being payment to Perbadanan Pembangunan Pulau Pinang in accordance with Clause 4.1(d) of Share Sale Agreement in relation to the acquisition of Daiman Majumas Sdn. Bhd. ("DMSB").

Included in the refundable deposits of the Group and of the Company is an amount of **RM3,396,712** (2023: RM Nil) paid to Ikhtiar Gawa Sdn. Bhd. upon the execution of the binding term sheet as disclosed in Note 37 to the financial statements.

Included in the refundable deposits of the Group are an amount of:

- (i) **RM1,000,000** (2023: RM1,000,000) being refundable earnest deposit paid to the landowners upon the execution of Joint Venture Agreement; and
- (ii) **RM1,500,000** (2023: RM1,500,000) being refundable security deposit paid to a non-controlling interest in order to secure the performance of DMSB of its obligations to complete the land reclamation.

11.6 Prepayments

Included in the prepayments of the Group and of the Company are an amount of **RM Nil** (2023: RM22,502,081) and **RM Nil** (2023: RM2,500,000) respectively paid pursuant to a reclamation agreement entered between a subsidiary, Mutiara Waterfront Habitats Sdn. Bhd. ("MWHHSB"), and Penang Development Corporation for reclamation work performed by MWHHSB.

NOTES TO THE FINANCIAL STATEMENTS

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12. CONTRACT ASSETS

	GROUP	
	2024	2023
	RM	RM
Construction contracts		
Balance at beginning	415,937	5,620,132
Revenue recognised during the financial year	5,427,402	283,305
Progress billings during the financial year	(5,016,449)	(5,487,500)
Balance at end	826,890	415,937
Project management fee		
Balance at beginning	277,374	448,750
Progress billings during the financial year	-	(171,376)
Balance at end	277,374	277,374
Total contract assets	1,104,264	693,311

Contract assets primarily relate to the Group's rights to consideration for work completed on construction contracts and project management fee but not yet billed at the end of the reporting period.

13. CONTRACT COSTS

	GROUP	
	2024	2023
	RM	RM
Cost to fulfil contract	616,827	1,285,911

Cost to fulfil contract is in relation to the construction related costs that are attributable to the on-going construction projects and expenditures that are attributable to the fulfilment of contract.

These costs will be recognised to profit or loss when the related revenue is recognised. During the financial year, the amount of amortisation is **RM669,084** (2023: RM2,265,410).

14. OTHER INVESTMENTS

	GROUP		COMPANY	
	2024	2023	2024	2023
	RM	RM	RM	RM
Financial assets at fair value through profit or loss:				
- Investment in quoted unit trusts	450,959	9,997,247	-	5,565,530

NOTES TO THE FINANCIAL STATEMENTS

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15. CASH AND BANK BALANCES

	GROUP		COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
Fixed deposits with licensed banks				
- Unencumbered	1,057,314	8,950,298	-	-
- Encumbered	13,921,765	13,566,913	-	-
	14,979,079	22,517,211	-	-
Cash in hand and at banks	13,737,090	14,052,606	6,517,544	5,691,609
	28,716,169	36,569,817	6,517,544	5,691,609

The encumbered fixed deposits of the Group are pledged to licensed banks as securities for banking facilities granted to certain subsidiaries as disclosed in Note 21 to the financial statements.

The effective interest rates per annum and maturities of the fixed deposits with licensed banks of the Group as at the end of the reporting period are **2.22% to 3.20%** (2023: 1.50% to 3.20%) per annum and **1 month to 12 months** (2023: 1 month to 12 months) respectively.

16. SHARE CAPITAL

	Number of ordinary shares		Amount	
	2024	2023	2024 RM	2023 RM
Issued and fully paid with no par value:				
Balance at beginning	317,335,302	289,022,684	163,502,401	156,424,247
Issuance of ordinary shares	102,965,726	28,312,618	28,194,818	7,078,154
Balance at end	420,301,028	317,335,302	191,697,219	163,502,401

2024

During the financial year, the Company has increased its issued and fully paid-up ordinary share capital by way of issuance of:

- (i) 62,287,760 new ordinary shares through a private placement at an issue price of RM0.26 per ordinary share; and
- (ii) 40,677,966 new ordinary shares at an issue price of RM0.295 per ordinary share pursuant to the acquisition of Daiman Majumas Sdn. Bhd. as disclosed in Note 7.3 to the financial statements.

2023

In the previous financial year, the Company had increased its issued and fully paid-up ordinary share capital by way of issuance of 28,312,618 new ordinary shares through a private placement at an issue price of approximately RM0.25 per ordinary share.

The new ordinary shares issued rank *pari passu* in all respects with the existing ordinary shares of the Company.

NOTES TO THE FINANCIAL STATEMENTS

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17. TREASURY SHARES

The shareholders of the Company, by a resolution passed at the Annual General Meeting held on 16 November 2007, approved the Company's plan and mandate to authorise the Directors of the Company to buy back its own shares up to 10% of the existing total issued and paid up share capital. This mandate was renewed at the Annual General Meeting of the Company, held on 21 December 2023.

Of the total **420,301,028** (2023: 317,335,302) issued and fully paid ordinary shares as at the end of the reporting period, **445,400** (2023: 445,400) ordinary shares are held as treasury shares by the Company.

As at the end of the reporting period, the number of outstanding ordinary shares in issue and fully paid after the set off is therefore **419,855,628** (2023: 316,889,902) ordinary shares.

Treasury shares have no rights to voting, dividends and participation in other distribution.

18. ASSET REVALUATION RESERVE

Asset revaluation reserve is in respect of the surplus on revaluation of properties, net of deferred tax.

19. RETAINED PROFITS

COMPANY

The franking of dividends of the Company is under the single tier system and therefore there is no restriction on the Company to distribute dividends subject to the availability of retained profits.

20. TRADE AND OTHER PAYABLES

		GROUP		COMPANY	
	NOTE	2024 RM	2023 RM	2024 RM	2023 RM
Non-current					
Trade payables					
Retention sum payables		<u>422,433</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other payables					
Accrued development costs		<u>16,000,000</u>	<u>16,000,000</u>	<u>-</u>	<u>-</u>
Total non-current trade and other payables		<u>16,422,433</u>	<u>16,000,000</u>	<u>-</u>	<u>-</u>
Current					
Trade payables					
Third parties	20.1	<u>6,510,048</u>	<u>4,297,263</u>	<u>2,444</u>	<u>2,444</u>
Retention sum payables		<u>216,927</u>	<u>3,821,667</u>	<u>-</u>	<u>-</u>
		<u>6,726,975</u>	<u>8,118,930</u>	<u>2,444</u>	<u>2,444</u>

NOTES TO THE FINANCIAL STATEMENTS

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20. TRADE AND OTHER PAYABLES (cont'd)

	NOTE	GROUP		COMPANY	
		2024 RM	2023 RM	2024 RM	2023 RM
Other payables					
Sundry payables		2,692,076	10,674,904	5,797	92,855
Accruals:					
- Accrued development costs		5,500,000	6,500,000	-	-
- Accrued profit sharing	20.2	4,494,464	4,494,464	-	-
- Others	20.3	30,258,298	28,954,190	1,198,909	15,652,531
		40,252,762	39,948,654	1,198,909	15,652,531
Amount due to subsidiaries	20.4				
- Non-interest bearing		-	-	2,884,397	246,000
- Interest bearing at 3% (2023: 3%) per annum		-	-	14,740,092	7,318,333
		-	-	17,624,489	7,564,333
Deposits received		3,539,800	1,973,822	2,200	-
Rental received in advance		214,032	53,991	-	-
SST payables		26,007	22,784	-	-
		46,724,677	52,674,155	18,831,395	23,309,719
Total current trade and other payables		53,451,652	60,793,085	18,833,839	23,312,163
Total trade and other payables		69,874,085	76,793,085	18,833,839	23,312,163

20.1 Trade payables

The trade payables are non-interest bearing and are normally settled within **7 to 90 days** (2023: 7 to 90 days) credit terms.

20.2 Accrued profit sharing

On 19 February 2013, Seal Properties (KL) Sdn. Bhd. ("SPKL") has entered into a Turnkey Agreement with Dwitasik Sdn. Bhd. ("Dwitasik") to develop a piece of land measuring approximately 12.46 acres into a mixed development project ("the Development") subject to the terms and conditions contained therein. SPKL had agreed and undertook to pay a minimum guarantee profit of RM30 million to Dwitasik (which forms part of the parties agreed profit sharing ratio of 40% (Dwitasik) and 60% (SPKL)). The payment of RM30 million minimum guarantee profit to Dwitasik has been assessed from time to time.

20.3 Others

- (i) Included in the others under accruals of the Group and of the Company is the remaining purchase consideration of **RM676,619** (2023: RM15,300,000) for the acquisition of a subsidiary, Daiman Majumas Sdn. Bhd.; and
- (ii) Included in the others under accruals of the Group is an amount of **RM19,928,700** (2023: RM Nil) payable to Penang Development Corporation pursuant to a reclamation agreement entered between a subsidiary, MWHSB and Penang Development Corporation for reclamation work performed by MWHSB.

20.4 Amount due to subsidiaries

The amount due to subsidiaries are unsecured and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

21. BORROWINGS

	GROUP	
	2024	2023
	RM	RM
Non-current		
Secured:		
<u>Finance lease liabilities</u>		
Minimum payments:		
Within 1 year	252,564	185,768
More than 1 year and less than 2 years	252,564	171,444
More than 2 years and less than 5 years	637,816	476,510
	<u>1,142,944</u>	<u>833,722</u>
Future finance charges	(154,607)	(97,155)
	<u>988,337</u>	<u>736,567</u>
Amount due within 1 year included under current liabilities	(188,110)	(149,494)
	<u>800,227</u>	<u>587,073</u>
<u>Term loans</u>		
Total amount repayable	66,663,715	59,678,672
Amount due within 1 year included under current liabilities	(5,479,093)	(4,905,762)
	<u>61,184,622</u>	<u>54,772,910</u>
	<u>61,984,849</u>	<u>55,359,983</u>
Current		
Secured:		
Bank overdrafts	6,414,633	7,930,663
Finance lease liabilities	188,110	149,494
Term loans	5,479,093	4,905,762
	<u>12,081,836</u>	<u>12,985,919</u>
Total borrowings	<u>74,066,685</u>	<u>68,345,902</u>

The borrowings of the Group are secured by way of:

- (i) Legal charge over the Group's leasehold office lots, leasehold shoplots and certain freehold shoplots as disclosed in Note 5 to the financial statements;
- (ii) Deed of assignment of all rights, interests and benefits over the Group's leasehold shoplots and leasehold office lots as disclosed in Note 5 to the financial statements;
- (iii) Legal charge over the Group's and the Company's freehold land and leasehold land as disclosed in Note 10.1 to the financial statements;
- (iv) Assignment of rental proceeds over the Group's investment properties as disclosed in Note 5 to the financial statements;
- (v) Pledge of the Group's fixed deposits with licensed banks as disclosed in Note 15 to the financial statements;
- (vi) Corporate guarantee by the Company; and
- (vii) Leased assets as disclosed in Note 4 to the financial statements.

As agreed in the Turnkey Agreement, all interest charged on the banking facilities obtained to finance the Development shall be treated as part of the development costs as disclosed in Note 11.3 to the financial statements and therefore, interest arising from these banking facilities is borne by Dwitasik Sdn. Bhd..

NOTES TO THE FINANCIAL STATEMENTS

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21. BORROWINGS (cont'd)

A summary of the effective interest rates and the maturities of the borrowings is as follows:

	Effective interest rates per annum (%)	Total RM	Within 1 year RM	More than 1 year and less than 2 years RM	More than 2 years and less than 5 years RM	More than 5 years RM
GROUP						
2024						
Bank overdrafts	7.45	6,414,633	6,414,633	-	-	-
Finance lease liabilities	2.97 - 6.23	988,337	188,110	205,556	594,671	-
Term loans	5.12 - 8.50	66,663,715	5,479,093	5,607,303	17,056,478	38,520,841
2023						
Bank overdrafts	7.45	7,930,663	7,930,663	-	-	-
Finance lease liabilities	2.97 - 3.93	736,567	149,494	143,723	443,350	-
Term loans	5.12 - 8.50	59,678,672	4,905,762	4,992,050	15,082,365	34,698,495

22. DEFERRED TAX LIABILITIES

	GROUP		COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
Balance at beginning	3,042,119	2,358,119	6,675	6,675
Recognised in profit or loss	-	684,000	-	-
	<u>3,042,119</u>	<u>3,042,119</u>	<u>6,675</u>	<u>6,675</u>
Over provision in prior year	(81,511)	-	-	-
Balance at end	<u>2,960,608</u>	<u>3,042,119</u>	<u>6,675</u>	<u>6,675</u>

The deferred tax liabilities as at the end of the reporting period are represented by the temporary differences arising from:

	GROUP		COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
Property, plant and equipment	37,000	37,000	3,000	3,000
Investment properties	<u>2,923,608</u>	<u>3,005,119</u>	<u>3,675</u>	<u>3,675</u>
	<u>2,960,608</u>	<u>3,042,119</u>	<u>6,675</u>	<u>6,675</u>

NOTES TO THE FINANCIAL STATEMENTS

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22. DEFERRED TAX LIABILITIES (cont'd)

Material accounting policy information

When investment properties are carried at their fair value, the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying values at the reporting date unless the property is depreciable and is held with the objective to consume substantially all of the economic benefits embodied in the property over time, rather than through sale. In all other cases, the amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the asset and liabilities, using tax rates enacted or substantively enacted at the reporting date.

23. REVENUE

23.1 Disaggregated revenue information

	GROUP		COMPANY	
	2024 RM	2023 RM	2024 RM	(Restated) 2023 RM
Types of revenue or services				
Sales of completed development properties	1,194,000	5,169,000	-	-
Sales of land	-	39,350,000	-	-
Construction contract revenue	5,427,402	283,305	-	-
Provision of marketing services	231,553	518,343	-	-
Total revenue from contracts with customers	6,852,955	45,320,648	-	-
Dividend income received from subsidiaries	-	-	2,500,000	11,500,000
Rental income	8,851,831	6,176,712	-	-
Total other revenue	8,851,831	6,176,712	2,500,000	11,500,000
Total revenue	15,704,786	51,497,360	2,500,000	11,500,000
Timing of revenue recognition				
Over time	5,427,402	283,305	-	-
At a point in time	1,425,553	45,037,343	-	-
Total revenue from contracts with customers	6,852,955	45,320,648	-	-

Geographical segments

The Group's revenue is derived from Malaysia only.

NOTES TO THE FINANCIAL STATEMENTS

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23. REVENUE (cont'd)

23.2 Contract balances

	GROUP	
	2024	2023
	RM	RM
Trade receivables (Note 11)	5,173,383	1,490,729
Contract assets (Note 12)	<u>1,104,264</u>	<u>693,311</u>

23.3 Performance obligations

The performance obligations of the respective revenue are as follows:

(i) Sales of completed development properties and land

The Group recognises sales at a point in time for the sale of completed development properties and land, when the control of the properties and land have been transferred to the purchasers, being when the properties and land have been completed and delivered to the customers and it is probable that the Group will collect the considerations to which it will be entitled to in exchange for the assets sold.

(ii) Construction contract revenue

The Group had acted as a turnkey contractor under long-term contracts with customers. Such contracts are entered into before the turnkey development project begins. Under the terms of the contracts, the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced. Revenue from turnkey agreement is therefore recognised over time on a cost-to-cost method, i.e. based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs. The directors consider that this input method is an appropriate measure of the progress towards complete satisfaction of these performance obligations under *MFRS 15*.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

(iii) Provision of marketing services

Revenue arising from provision of marketing services is recognised at a point in time upon the services rendered and completed.

Unsatisfied performance obligations

The transaction price allocated to the remaining performance obligations of the Group (unsatisfied or partially satisfied) under construction revenue to be fulfilled is as follows:

	GROUP	
	2024	2023
	RM	RM
Within one year	20,240,000	-
More than one year and less than five years	<u>105,912,540</u>	-
	<u>126,152,540</u>	-

NOTES TO THE FINANCIAL STATEMENTS

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24. DIRECT OPERATING COSTS

	GROUP	
	2024 RM	2023 RM
Completed development properties costs	739,388	3,442,627
Cost of land and land related costs	-	19,467,366
Construction contract costs	5,397,726	716,966
Commission	-	1,850,000
Rental operating costs	2,216,152	1,632,078
	8,353,266	27,109,037

25. OTHER INCOME

	GROUP		COMPANY	
	2024 RM	2023 RM	2024 RM	(Restated) 2023 RM
Administrative income	1,596,442	3,169,036	500	1,500
Capital gain on other investments	139,009	16,616	136,001	-
Deposits forfeited	14,460	18,000	-	-
Dividend income from investment in quoted unit trusts	26,260	2,412	15,904	2
Fair value gain on:				
- investment properties	-	6,841,100	-	-
- other investments	79,143	315,479	-	97,559
Gain on disposal of:				
- an investment property	18,000	-	18,000	-
- property, plant and equipment	51,332	6,699	103	6,699
Miscellaneous income	46,946	5,659	71,751	79,135
Reversal of allowance for ECL on:				
- amount due from subsidiaries	-	-	-	37,320
- trade receivables	104,250	-	-	-
Reversal of provision of construction completion costs	5,473,091	-	-	-
	7,548,933	10,375,001	242,259	222,215

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

26. FINANCE COSTS

	GROUP		COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
Interest expenses on:				
- amount due to subsidiaries	-	-	271,534	216,914
- bank overdrafts	396,947	9,415	92,151	9,415
- finance lease liabilities	58,048	17,560	-	-
- late payment	987,602	1,479,388	-	-
- term loans	3,478,743	3,304,272	-	-
	<u>4,921,340</u>	<u>4,810,635</u>	<u>363,685</u>	<u>226,329</u>

27. FINANCE INCOME

	GROUP		COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
Interest income on:				
- amount due from subsidiaries	-	-	5,350,880	4,673,622
- financial institutions	921,928	587,045	249,505	149,446
- others	112,160	23,733	-	-
	<u>1,034,088</u>	<u>610,778</u>	<u>5,600,385</u>	<u>4,823,068</u>

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

28. (LOSS)/PROFIT BEFORE TAX

This is arrived at:

	GROUP		COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
After charging:				
Administrative fee	-	-	1,000,000	785,000
Audit fee				
- statutory audit				
- Grant Thornton Malaysia PLT				
- current year	177,500	140,500	49,000	41,000
- under provision in prior year	1,000	-	-	-
- assurance related services				
- Grant Thornton Malaysia PLT	11,500	3,000	3,000	3,000
Depreciation of:				
- property, plant and equipment	463,608	278,493	4,713	5,570
- right-of-use asset	111,937	-	-	-
Directors' fees	278,000	288,000	278,000	288,000
Expense relating to short-term leases	158,160	39,000	-	-
Human resources service fee	-	-	63,000	72,000
Impairment losses on:				
- investment in subsidiaries	-	-	-	3,250,000
- timber concessions	-	4,733,124	-	2,194,244
Information technology support service fee	-	-	63,000	72,000
Property, plant and equipment written off	90,666	1,228	-	380
* Staff costs	5,275,304	3,797,501	928,659	669,819
* Staff costs				
- Salaries, wages, overtime, allowances, incentive and bonus	4,559,217	3,374,670	691,500	598,500
- Gratuity	177,480	-	155,000	-
- Defined contribution plan ("EPF")	496,185	390,259	81,000	70,200
- Social security contribution ("SOCSO")	38,148	29,305	1,040	1,004
- Employment insurance scheme ("EIS")	4,274	3,267	119	115
	5,275,304	3,797,501	928,659	669,819

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

28. (LOSS)/PROFIT BEFORE TAX (cont'd)

The directors' emoluments of the Group and of the Company are as follows:

	GROUP		COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
Executive directors of the Company:				
- Salaries and bonus	807,000	721,000	675,000	585,000
- Gratuity	115,000	-	115,000	-
- EPF	81,000	70,200	81,000	70,200
- SOCSO	1,783	1,722	1,040	1,004
- EIS	119	115	119	115
	<u>1,004,902</u>	<u>793,037</u>	<u>872,159</u>	<u>656,319</u>
- Benefits-in-kind	46,725	35,210	-	-
	<u>1,051,627</u>	<u>828,247</u>	<u>872,159</u>	<u>656,319</u>
Non-executive directors of the Company:				
- Directors' fees	278,000	288,000	278,000	288,000
- Gratuity	40,000	-	40,000	-
- Allowances	16,500	13,500	16,500	13,500
	<u>334,500</u>	<u>301,500</u>	<u>334,500</u>	<u>301,500</u>
Executive director of subsidiaries:				
- Salaries and bonus	350,669	-	-	-
- EPF	41,004	-	-	-
- SOCSO	867	-	-	-
- EIS	99	-	-	-
	<u>392,639</u>	<u>-</u>	<u>-</u>	<u>-</u>
- Benefits-in-kind	16,417	-	-	-
	<u>409,056</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total directors' remuneration	<u>1,795,183</u>	<u>1,129,747</u>	<u>1,206,659</u>	<u>957,819</u>

The directors' remuneration can be further analysed as:

	GROUP		COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
Present directors:				
- Executive	1,199,615	828,247	757,159	656,319
- Non-executive	239,500	301,500	239,500	301,500
	<u>1,439,115</u>	<u>1,129,747</u>	<u>996,659</u>	<u>957,819</u>
Past directors:				
- Executive	261,068	-	115,000	-
- Non-executive	95,000	-	95,000	-
	<u>356,068</u>	<u>-</u>	<u>210,000</u>	<u>-</u>
Total directors' remuneration	<u>1,795,183</u>	<u>1,129,747</u>	<u>1,206,659</u>	<u>957,819</u>

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

29. TAXATION

	GROUP		COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
Malaysian income tax:				
Based on results for the financial year				
- Current tax	(1,302,225)	(3,892,000)	(786,000)	(664,000)
- Real property gains tax	(3,711)	-	(3,711)	-
- Deferred tax relating to the origination and reversal of temporary differences	-	(684,000)	-	-
	<u>(1,305,936)</u>	<u>(4,576,000)</u>	<u>(789,711)</u>	<u>(664,000)</u>
Under provision in prior year				
- Current tax	(333,434)	(20,263)	(361,788)	(15,648)
- Deferred tax	81,511	-	-	-
	<u>(251,923)</u>	<u>(20,263)</u>	<u>(361,788)</u>	<u>(15,648)</u>
	<u>(1,557,859)</u>	<u>(4,596,263)</u>	<u>(1,151,499)</u>	<u>(679,648)</u>

The reconciliation of taxation of the Group and of the Company is as follows:

	GROUP		COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
(Loss)/Profit before tax	(1,841,241)	16,158,685	2,315,507	7,936,708
Less: Share of loss of an associate	355,409	-	-	-
	<u>(1,485,832)</u>	<u>16,158,685</u>	<u>2,315,507</u>	<u>7,936,708</u>
Income tax at Malaysian statutory tax rate of 24%	356,600	(3,878,084)	(555,722)	(1,904,810)
Income not subject to tax	1,401,541	1,722,146	640,897	2,783,414
Expenses not deductible for tax purposes	(1,921,354)	(1,695,982)	(871,175)	(1,542,604)
Deferred tax assets not recognised	(1,139,012)	(437,280)	-	-
Utilisation of unrecognised unused tax losses and unabsorbed capital allowances	-	397,200	-	-
Effect of real property gains tax	(3,711)	-	(3,711)	-
Effect of real property gains tax rate applied on the fair value changes of the investment properties	-	(684,000)	-	-
	<u>(1,305,936)</u>	<u>(4,576,000)</u>	<u>(789,711)</u>	<u>(664,000)</u>
Under provision in prior year	<u>(251,923)</u>	<u>(20,263)</u>	<u>(361,788)</u>	<u>(15,648)</u>
	<u>(1,557,859)</u>	<u>(4,596,263)</u>	<u>(1,151,499)</u>	<u>(679,648)</u>

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

29. TAXATION (cont'd)

The following deferred tax assets (gross amount) have not been recognised as at the end of the reporting period as it is not probable that future taxable profit will be available against which they may be utilised. As at the end of the reporting period, the Group's deferred tax position is as follows:

	GROUP	
	2024	2023
	RM	RM
Deferred tax recognised:		
Property, plant and equipment	74,250	75,478
Unabsorbed capital allowances	(74,250)	(75,478)
	-	-
Deferred tax assets not recognised:		
Unabsorbed capital allowances	2,393,075	2,312,119
Unused tax losses	44,561,872	39,896,943
	<u>46,954,947</u>	<u>42,209,062</u>

The gross amount and future availability of unused tax losses and unabsorbed capital allowances of the Group which are available to be carried forward for set-off against future taxable income are estimated as follows:

	GROUP	
	2024	2023
	RM	RM
Unabsorbed capital allowances	2,467,325	2,387,597
Unused tax losses	44,561,872	39,896,943

The unused tax losses can be carried forward for ten consecutive years of assessment immediately following that year of assessment ("YA") of which tax losses was incurred. However, unabsorbed capital allowances can be carried forward indefinitely.

The unused tax losses will be disregarded in the following YAs:

	GROUP	
	2024	2023
	RM	RM
YA 2029	25,249,481	25,249,481
YA 2030	113,978	113,978
YA 2031	336,048	336,048
YA 2032	7,188,799	7,188,799
YA 2033	2,165,417	2,165,417
YA 2034	4,843,220	4,843,220
YA 2035	4,664,929	-
	<u>44,561,872</u>	<u>39,896,943</u>

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

30. (LOSS)/EARNINGS PER SHARE

Basic (loss)/earnings per share of the Group is calculated by dividing the (loss)/profit attributable to owners of the Company for the financial year by the weighted average number of ordinary shares in issue during the financial year as follows:

	GROUP	
	2024	2023
(Loss)/Profit attributable to owners of the Company (RM)	<u>(3,169,805)</u>	<u>11,738,357</u>
Weighted average number of ordinary shares	<u>406,619,332</u>	<u>291,058,216</u>
Basic (loss)/earnings per share (sen)	<u>(0.78)</u>	<u>4.03</u>

The (loss)/earnings per share is not diluted as the Company does not have any dilutive potential ordinary shares as at the end of the reporting period.

31. SEGMENT INFORMATION

Segmental information is presented in respect of the Group's business segments.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Business Segments

The Group comprises the following main business segments:

- (1) Property management
- (2) Property investment
- (3) Timber related
- (4) Property development
- (5) Construction
- (6) Others which consist of investment holding and provision of marketing services

Performance is measured based on segment operating profit as included in the internal management reports that are reviewed by the Group's Chief Executive Officer (the chief operating decision maker). Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Management monitors the operating results of its business units separately for the purpose of making decision about resource allocation and performance assessment.

Inter-segment revenue is priced along the same lines as sales to external customers and is eliminated in the consolidated financial statements. These policies have been applied consistently throughout the current financial year and previous financial year.

Segment assets exclude tax assets and unallocated assets.

Segment liabilities exclude tax liabilities and unallocated liabilities.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

31. SEGMENT INFORMATION (cont'd)

	Property management RM	Property investment RM	Timber related RM	Property development RM	Construction RM	Others RM	Elimination RM	Note	Total RM
2024									
Revenue	2,320,171	6,531,660	-	1,194,000	5,427,402	231,553	-		15,704,786
External sales	-	2,101,391	-	-	-	6,021,977	(8,123,368)	A	-
Inter-segment sales	-	-	-	-	-	-	-		-
Total revenue	2,320,171	8,633,051	-	1,194,000	5,427,402	6,253,530	(8,123,368)		15,704,786
Result									
Segment results	2,187,726	(217,595)	77,435	(1,171,991)	5,761,472	(4,235,627)	-		2,401,420
Finance costs									(4,921,340)
Finance income									1,034,088
Share of results of an associate									(355,409)
Loss before tax									(1,841,241)
Taxation									(1,557,859)
Loss for the financial year									(3,399,100)
Assets									
Segment assets	373,173	253,735,930	6,427,280	175,092,780	48,224,217	18,626,953	-		502,480,333
Current tax assets									3,010,152
Total assets	373,173	253,735,930	6,427,280	175,092,780	48,224,217	18,626,953	-		505,490,485
Liabilities									
Segment liabilities	118,690	70,845,751	1,260,945	49,344,246	19,942,464	3,518,674	-		145,030,770
Deferred tax liabilities									2,960,608
Current tax liabilities									155,719
Total liabilities	118,690	70,845,751	1,260,945	49,344,246	19,942,464	3,518,674	-		148,147,097
Other information									
Additions to non-current assets	59,759	320,374	-	-	113,976	16,913,677	-	B	17,407,786
Depreciation of:									
- property, plant and equipment	13,324	40,258	-	8,073	16,511	385,442	-		463,608
- right-of-use asset	-	-	-	-	-	111,937	-		111,937
Non-cash (income)/expenses other than depreciation	-	(206,939)	(104,250)	(29,213)	(5,387,843)	(45,914)	-	C	(5,774,159)

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

31. SEGMENT INFORMATION (cont'd)

	Property management RM	Property investment RM	Timber related RM	Property development RM	Construction RM	Others RM	Elimination RM	Note	Total RM
2023									
Revenue									
External sales	654,588	5,522,124	-	44,519,000	283,305	518,343	-		51,497,360
Inter-segment sales	-	517,807	-	-	5,660	4,356,808	(4,880,275)	A	-
Total revenue	654,588	6,039,931	-	44,519,000	288,965	4,875,151	(4,880,275)		51,497,360
Result									
Segment results	387,542	8,997,739	(4,742,166)	18,498,022	1,226,796	(4,009,391)	-		20,358,542
Finance costs									(4,810,635)
Finance income									610,778
Profit before tax									16,158,685
Taxation									(4,596,263)
Profit for the financial year									11,562,422
Assets									
Segment assets	362,801	245,135,237	6,350,426	167,524,015	39,363,098	23,767,018	-		482,502,595
Current tax assets									2,677,964
Total assets									485,180,559
Liabilities									
Segment liabilities	72,030	77,235,308	1,353,845	29,821,934	26,498,088	10,157,782	-		145,138,987
Deferred tax liabilities									3,042,119
Current tax liabilities									851,783
Total liabilities									149,032,889
Other information									
Additions to non-current assets	51,022	41,698,900	-	-	808,315	574,423	-	B	43,132,660
Depreciation of property, plant and equipment	4,324	11,376	-	9,225	26,317	227,251	-		278,493
Non-cash (income)/expenses other than depreciation	-	(7,027,358)	4,716,508	(134,692)	-	-	-	C	(2,445,542)

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

31. SEGMENT INFORMATION (cont'd)

Notes to segment information:

- A Inter-segment revenue is eliminated on consolidation.
- B Additions to non-current assets consist of total costs incurred during the financial year to acquire property, plant and equipment, right-of-use asset and investment in an associate.
- C Other material non-cash expenses/(income) other than depreciation consist of the following items:

	2024 RM	2023 RM
Capital gain on other investments	(139,009)	(16,616)
Fair value gain on:		
- investment properties	-	(6,841,100)
- other investments	(79,143)	(315,479)
Gain on disposal of:		
- an investment property	(18,000)	-
- property, plant and equipment	(51,332)	(6,699)
Impairment loss on timber concession	-	4,733,124
Property, plant and equipment written off	90,666	1,228
Reversal of provision of construction completion costs	(5,473,091)	-
Reversal of allowance for ECL on trade receivables	(104,250)	-
	<u>(5,774,159)</u>	<u>(2,445,542)</u>

By geographical segments

No information on geographical segment is presented as the Group's business is operated solely in Malaysia.

Information about major customers

The major customers which individually contributed to 10% or more of the Group's revenue are as follows:

	Segment	GROUP	
		2024 RM	2023 RM
Customer A	Property investment	1,878,721	-
Customer B	Construction	5,427,402	-
Customer C	Property development	-	4,318,000
Customer D	Property development	-	37,000,000
		<u>-</u>	<u>37,000,000</u>

32. RELATED PARTY DISCLOSURES

(i) Identify of related parties

The Company has related party relationship with its subsidiaries and key management personnel.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

32. RELATED PARTY DISCLOSURES (cont'd)

(ii) Related party transactions

Related party transactions have been entered into at terms agreed between the parties during the financial year. The significant related party transactions of the Company are as follows:

	COMPANY	
	2024 RM	2023 RM
Administrative fee paid/payable to a subsidiary	1,000,000	785,000
Human resources service fee paid/payable to a subsidiary	63,000	72,000
Information technology support service fee paid/payable to a subsidiary	63,000	72,000
Interest paid/payable to subsidiaries	271,534	216,914
Interest received/receivable from subsidiaries	5,350,880	4,673,622
Corporate guarantee fee received/receivable from subsidiaries	71,751	79,135
Dividend income from subsidiaries	2,500,000	11,500,000
Net advances to subsidiaries	400,900	5,707,720
Net payment on behalf to subsidiaries	<u>6,046,451</u>	<u>677,770</u>

(iii) Compensation of key management personnel

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly.

The remuneration of the directors and other members of key management personnel during the financial year is as follows:

	GROUP		COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
Directors' fees	278,000	288,000	278,000	288,000
Salaries, bonus and allowances	1,907,865	1,482,799	691,500	598,500
Gratuity	155,000	-	155,000	-
EPF	208,125	157,969	81,000	70,200
SOCSSO	6,462	5,343	1,040	1,004
EIS	654	528	119	115
Benefits-in-kind	71,029	49,483	-	-
	<u>2,627,135</u>	<u>1,984,122</u>	<u>1,206,659</u>	<u>957,819</u>
Analysed as:				
- Directors	1,795,183	1,129,747	1,206,659	957,819
- Key management personnel	<u>831,952</u>	<u>854,375</u>	<u>-</u>	<u>-</u>
	<u>2,627,135</u>	<u>1,984,122</u>	<u>1,206,659</u>	<u>957,819</u>

NOTES TO THE FINANCIAL STATEMENTS

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33. FINANCIAL INSTRUMENTS

33.1 Categories of financial instruments

The table below provides an analysis of financial instruments categorised as amortised cost ("AC") and fair value through profit or loss ("FVTPL").

	Carrying amount RM	AC RM	FVTPL RM
GROUP			
2024			
Financial assets			
Trade and other receivables (excluding prepayments and accrued income)	99,013,009	99,013,009	-
Other investments	450,959	-	450,959
Cash and bank balances	28,716,169	28,716,169	-
	128,180,137	127,729,178	450,959
Financial liabilities			
Trade and other payables (excluding SST payables and rental received in advance)	69,634,046	69,634,046	-
Borrowings	74,066,685	74,066,685	-
	143,700,731	143,700,731	-
2023			
Financial assets			
Trade and other receivables (excluding non-refundable deposit, prepayments and accrued income)	88,252,983	88,252,983	-
Other investments	9,997,247	-	9,997,247
Cash and bank balances	36,569,817	36,569,817	-
	134,820,047	124,822,800	9,997,247
Financial liabilities			
Trade and other payables (excluding SST payables and rental received in advance)	76,716,310	76,716,310	-
Borrowings	68,345,902	68,345,902	-
	145,062,212	145,062,212	-

NOTES TO THE FINANCIAL STATEMENTS

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33. FINANCIAL INSTRUMENTS (cont'd)

33.1 Categories of financial instruments (cont'd)

	Carrying amount RM	AC RM	FVTPL RM
COMPANY			
2024			
Financial assets			
Other receivables (excluding prepayments)	185,267,486	185,267,486	-
Cash and bank balances	6,517,544	6,517,544	-
	<u>191,785,030</u>	<u>191,785,030</u>	-
Financial liability			
Trade and other payables	<u>18,833,839</u>	<u>18,833,839</u>	-
2023			
Financial assets			
Other receivables (excluding non-refundable deposit and prepayments)	168,677,142	168,677,142	-
Other investments	5,565,530	-	5,565,530
Cash and bank balances	5,691,609	5,691,609	-
	<u>179,934,281</u>	<u>174,368,751</u>	<u>5,565,530</u>
Financial liability			
Trade and other payables	<u>23,312,163</u>	<u>23,312,163</u>	-

33.2 Financial risk management

The Group and the Company are exposed to a variety of financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk and market price risk. The Group and the Company operate within clearly defined guidelines that are approved by the Board and the Group's policy is not to engage in speculative activities.

33.3 Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Group and to the Company. The Group's exposure to credit risk arises principally from its trade and other receivables. The Company's exposure to credit risk arises principally from its other receivables, advances to subsidiaries and financial guarantees provided to financial institutions in respect of credit facilities granted to certain subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

33. FINANCIAL INSTRUMENTS (cont'd)

33.3 Credit risk (cont'd)

33.3.1 Trade receivables

The maximum exposure to credit risk arising from trade receivables are represented by their carrying amounts as disclosed in Note 11 to the financial statements.

For property development division, the Group mitigates its credit risk by maintaining its name as the registered owner of the development properties until full settlement by the purchaser of the self-financed portion of the purchase consideration or upon undertaking of end-financing by the purchaser's end-financier.

For property investment division, the Group subjects new customers to credit verification procedures before lease agreements are entered into with the tenants to ensure minimum credit risk exposure. Besides, the Group also mitigates the credit risk exposure by enforcing stringent debt collection procedures and collection of security deposits, which typically amounts from one month to three months rent from tenants. The Group typically gives its customers credit term of **7 days** (2023: 7 days). In deciding whether credit shall be extended, the Group will take into consideration factors such as the relationship with the customer, its payment history and credit worthiness. In addition, debt monitoring procedures are performed on an on-going basis with the result that the Group's exposure to bad debts is not significant.

The ageing analysis of trade receivables of the Group and of the Company as at the end of the reporting period is as follows:

	Gross RM	Allowance for expected credit losses RM	Net RM
GROUP			
2024			
Not past due	481,959	-	481,959
Past due 1 to 30 days	774,420	-	774,420
Past due 31 to 60 days	662,446	-	662,446
Past due more than 60 days	3,254,558	-	3,254,558
	4,691,424	-	4,691,424
Impaired	472,540	(472,540)	-
	5,645,923	(472,540)	5,173,383
2023			
Not past due	535,781	-	535,781
Past due 1 to 30 days	207,507	-	207,507
Past due 31 to 60 days	427,726	-	427,726
Past due more than 60 days	319,715	-	319,715
	954,948	-	954,948
Impaired	7,972,540	(7,972,540)	-
	9,463,269	(7,972,540)	1,490,729

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

33. FINANCIAL INSTRUMENTS (cont'd)

33.3 Credit risk (cont'd)

33.3.1 Trade receivables (cont'd)

	Gross RM	Allowance for expected credit losses RM	Net RM
COMPANY			
2024			
Past due more than 60 days	<u>135,124</u>	<u>(135,124)</u>	<u>-</u>
2023			
Past due more than 60 days	<u>135,124</u>	<u>(135,124)</u>	<u>-</u>

Trade receivables that are neither past due nor impaired are creditworthy customers with good payment record with the Group. None of the Group's trade receivables that are neither past due nor impaired have been renegotiated during the financial year.

The Group has trade receivables amounting to **RM4,664,045** (2023: RM954,948) that are past due at the end of the reporting period but not impaired as the management is of the view that these past due amounts will be collected in due course.

The allowance account in respect of trade receivables is used to record impairment losses. Unless the Group is satisfied that recovery of the amount is possible, the amount considered irrecoverable is written off against the receivable directly.

The Group has significant concentration of credit risk in the form of outstanding balance due from **1 customer** (2023: 3 customers) representing **95%** (2023: 94%) of the total trade receivables.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

33. FINANCIAL INSTRUMENTS (cont'd)

33.3 Credit risk (cont'd)

33.3.1 Trade receivables (cont'd)

Maximum exposure to credit risk

The following table provides information about the exposure to credit risk and ECLs for trade receivables and contract assets as at the end of the reporting period which are grouped together as they are expected to have similar risk nature.

	Gross RM	Allowance for expected credit losses RM	Net RM
Credit risk rating			
GROUP			
2024			
Low risk	6,277,647	-	6,277,647
Individually impaired	472,540	(472,540)	-
	<u>6,750,187</u>	<u>(472,540)</u>	<u>6,277,647</u>
2023			
Low risk	2,184,040	-	2,184,040
Individually impaired	7,972,540	(7,972,540)	-
	<u>10,156,580</u>	<u>(7,972,540)</u>	<u>2,184,040</u>

In managing the credit risk of the trade receivables and contract assets, the Group manages its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances. The Group measures the allowance for expected credit losses of trade receivables and contract assets at an amount equal to lifetime ECL using a simplified approach. The expected credit losses on trade receivables and contract assets are estimated based on past default experience and an analysis of the trade receivables' and contract assets' current financial position, adjusted for factors that are specific to the trade receivables and contract assets such as liquidation and bankruptcy. Forward looking information such as gross domestic product rate has been incorporated in determining the expected credit losses.

Trade receivables are usually collectible and the Group does not have much historical bad debts written off or impairment of trade receivables and contract assets. There are circumstances where the settlement of trade receivables will take longer than the credit terms given to the customers. The delay in settlement is mainly due to administrative matter. No expected credit losses is provided during the financial year based on the above assessment as the impact to the Group's financial statements is not material.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

33. FINANCIAL INSTRUMENTS (cont'd)

33.3 Credit risk (cont'd)

33.3.2 Other receivables

The Group and the Company finance the property development project as part of the project financing and management agreement entered into between the Group and the developer. The outstanding balance financed is exposed to credit risk with the maximum exposure being represented by the carrying amount as disclosed in Note 11 to the financial statements.

As at the end of the reporting period, the Group and the Company have significant concentration of credit risk in the form of outstanding balance due from **1 customer** (2023: 2 customers) representing **84%** (2023: 68%) and **94%** (2023: 81%) of the total other receivables respectively.

33.3.3 Intercompany balances

The Company provides advances to its subsidiaries and monitors the results of the subsidiaries regularly.

The maximum exposure to credit risk is represented by their carrying amount as disclosed in Note 11 to the financial statements.

As at the end of the reporting period, there was no indication that the advances to the subsidiaries are not recoverable except for the impairment made for advances to the subsidiaries which the Company deems uncollectible as disclosed in Note 11 to the financial statements. The Company does not specifically monitor the ageing of these advances.

33.3.4 Financial guarantees

The Company has issued financial guarantees to financial institutions for banking facilities granted to certain subsidiaries.

	COMPANY	
	2024	2023
	RM	RM
Corporate guarantees issued to financial institutions for banking facilities granted to certain subsidiaries		
- Limit	92,500,000	80,500,000
- Maximum exposure	<u>72,759,877</u>	<u>67,133,243</u>

The Company monitors on an ongoing basis the results of the subsidiaries and repayments made by the subsidiaries. As at the end of the reporting period, there was no indication that the subsidiaries would default on repayment. The directors considered that the fair value of the financial guarantee contracts on initial recognition is insignificant.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

33. FINANCIAL INSTRUMENTS (cont'd)

33.4 Liquidity risk

Liquidity risk is the risk that the Group and the Company will not be able to meet their financial obligations as and when they fall due. The Group and the Company actively manage their debt maturity profile, operating cash flows and availability of funding so as to ensure that all repayment and funding needs are met. As part of their overall prudent liquidity management, the Group and the Company maintain sufficient level of cash and cash equivalents to meet their working capital requirements.

The table below summarises the maturity profile of the Group's and of the Company's financial liabilities as at the end of the reporting period based on the undiscounted contractual payments:

	Carrying amount RM	Contractual cash flows RM	Within 1 year RM	More than 1 year and less than 5 years RM	More than 5 years RM
GROUP					
2024					
<i>Non-derivative financial liabilities</i>					
Borrowings	74,066,685	98,525,495	15,908,939	34,614,467	48,002,089
Trade and other payables (excluding SST payables and rental received in advance)	69,634,046	69,634,046	69,634,046	-	-
Lease liability	1,090,000	1,090,000	1,090,000	-	-
Total undiscounted financial liabilities	144,790,731	169,249,541	86,632,985	34,614,467	48,002,089
2023					
<i>Non-derivative financial liabilities</i>					
Borrowings	68,345,902	90,851,714	16,562,518	31,554,257	42,734,939
Trade and other payables (excluding SST payables and rental received in advance)	76,716,310	76,716,310	76,716,310	-	-
Total undiscounted financial liabilities	145,062,212	167,568,024	93,278,828	31,554,257	42,734,939

The financial liabilities of the Company as at the end of the reporting period will mature in less than one year based on the carrying amounts reflected in the financial statements. Financial guarantees of the Company amounting to **RM72,759,877** (2023: RM67,133,243) are assumed to be mature in less than one year based on illustration purpose only as the related financial guarantees have not crystallised as at the end of reporting period.

NOTES TO THE FINANCIAL STATEMENTS

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33. FINANCIAL INSTRUMENTS (cont'd)

33.5 Interest rate risk

The Group's and the Company's fixed rate instruments are exposed to a risk of change in their fair values due to changes in interest rates. The Group's floating rate instruments are exposed to a risk of change in cash flows due to changes in interest rates.

The interest rate profile of the Group's and of the Company's interest-bearing financial instruments based on the carrying amounts as at the end of the reporting period is as follows:

	GROUP		COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
Fixed rate instruments				
Financial assets	14,979,079	22,517,211	125,453,972	75,634,978
Financial liabilities	<u>988,337</u>	<u>736,567</u>	<u>14,740,092</u>	<u>7,318,333</u>
Floating rate instruments				
Financial liabilities	<u>73,078,348</u>	<u>67,609,335</u>	<u>-</u>	<u>-</u>

Fair value sensitivity analysis for fixed rate instruments

The Group and the Company do not account for any fixed rate financial assets and financial liabilities at fair value through profit or loss, and the Group and the Company do not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments

There is no effect to the profit or loss on interests charged by the lenders in relation to the banking facilities obtained to finance the Development as the related finance costs are borne by Dwitasik, as disclosed in Note 21 to the financial statements.

An increase of 25 basis point at the end of the reporting period would have impacted the Group's (loss)/profit before tax and equity by the amount shown below, and a corresponding decrease would have an equal but opposite effect. This analysis assumes that all other variables remain constant.

	GROUP	
	2024 RM	2023 RM
Increase in loss before tax	166,659	-
Decrease in profit before tax	<u>-</u>	<u>169,023</u>
Decrease in equity	<u>126,660</u>	<u>128,457</u>

NOTES TO THE FINANCIAL STATEMENTS

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33. FINANCIAL INSTRUMENTS (cont'd)

33.6 Market price risk

Market price risk is the risk that the fair value or future cash flows of the Group's and of the Company's financial assets designated at FVTPL will fluctuate because of changes in market prices. Market price risk arises from the Group's and the Company's other investments which are the investment in quoted unit trusts.

The Group and the Company are exposed to price risk through their investment in quoted unit trusts which are classified as financial assets at FVTPL. The management manages this exposure by maintaining a portfolio of investments with different risks and diversifies the portfolio in various financial institutions.

Sensitivity analysis for market price risk

A 5% increase in the quoted prices of unit trusts at the end of the reporting period, with all other variables held constant would have impacted on the Group's and the Company's (loss)/profit before tax and equity by the amount shown below, and a decrease would have an equal but opposite effect, arising as a result of higher/lower fair value gain on investment in quoted unit trusts.

	GROUP		COMPANY	
	2024	2023	2024	2023
	RM	RM	RM	RM
Decrease in loss before tax and increase in equity	22,548	-	-	-
Increase in profit before tax and equity	-	499,862	-	278,277

34. FAIR VALUE MEASUREMENT

The carrying amounts of the Group's and of the Company's financial assets (other than other investments) and financial liabilities as at the end of the reporting period approximate their fair values due to their short term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

The carrying amounts of the non-current portion of finance lease liabilities are reasonable approximation of fair values due to the insignificant impact of discounting.

34.1 Non-financial assets that are measured at fair value

The directors determine the recurring fair values of the Group's and of the Company's investment properties with reference to valuation reports by external independent professional valuers using the market comparison method.

NOTES TO THE FINANCIAL STATEMENTS

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34. FAIR VALUE MEASUREMENT (cont'd)

34.1 Non-financial assets that are measured at fair value (cont'd)

Description of valuation techniques used and key inputs to valuation of investment properties:

Valuation techniques	Significant unobservable inputs	Range
2024		
Market comparison method	Difference in location, shape, size, view, level, condition, fencing and tenure	-40% to -5%
2023		
Market comparison method	Difference in location, shape, size, view, level, condition, fencing and tenure	-40% to -5%

Significant changes in any of the above inputs in isolation would result in significant changes in the fair value of the investment properties.

Market comparison method

Under the market comparison method, the land and buildings are valued by reference to transactions of similar land and buildings in the surrounding with adjustments made for differences in location, shape, size, view, level, condition, fencing and tenure if any and other relevant characteristics.

Details of the Group's and the Company's investment properties and information about the fair value hierarchy are as follows:

	Level 1 RM	Level 2 RM	Level 3 RM	Total fair value RM	Carrying amount RM
GROUP					
2024					
Investment properties	-	-	167,349,820	167,349,820	167,349,820
2023					
Investment properties	-	-	167,459,820	167,459,820	167,459,820
COMPANY					
2024					
Investment properties	-	-	660,000	660,000	660,000
2023					
Investment properties	-	-	770,000	770,000	770,000

NOTES TO THE FINANCIAL STATEMENTS

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34. FAIR VALUE MEASUREMENT (cont'd)

34.1 Non-financial assets that are measured at fair value (cont'd)

Level 3 fair value

Level 3 fair value is estimated using unobservable inputs for the investment properties.

Level 3 fair value of investment properties have been generally derived using the market comparison approach.

Policy on transfer between levels

The fair value of an asset to be transferred between levels is determined as at the date of the event or change in circumstances that caused the transfer. There were no transfers between Level 1, Level 2 and Level 3 during the financial year.

34.2 Financial assets that are measured at fair value on a recurring basis

The table below analyses financial instruments measured at fair value at the end of the reporting period, by the level in the fair value hierarchy:

	Level 1 RM	Level 2 RM	Level 3 RM	Total fair value RM	Carrying amount RM
GROUP					
2024					
Financial asset					
Other investments	<u>450,959</u>	-	-	<u>450,959</u>	<u>450,959</u>
2023					
Financial asset					
Other investments	<u>9,997,247</u>	-	-	<u>9,997,247</u>	<u>9,997,247</u>
COMPANY					
2023					
Financial asset					
Other investments	<u>5,565,530</u>	-	-	<u>5,565,530</u>	<u>5,565,530</u>

Level 1 fair value

Level 1 fair value of the other investments is derived by reference to their quoted market prices in active markets at the end of the reporting period.

Policy of transfer between levels

The fair value of an asset to be transferred between levels is determined as at the date of the event or change in circumstances that caused the transfer. There were no transfers between Level 1, Level 2 and Level 3 during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

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35. CAPITAL MANAGEMENT

The primary objective of the Group's capital management policy is to maintain a strong capital base to support its businesses and to maximise shareholders' value.

The Group and the Company manage their capital structure and make adjustments to it in the light of changes in economic conditions or expansion of the Group and of the Company. The Group and the Company may adjust the capital structure by issuing new shares, returning capital to shareholders or adjusting the amount of dividends to be paid to shareholders or sell assets to reduce debts. No changes were made in the objective, policy and process during the financial year under review as compared to the previous financial year.

The Group and the Company consider their total equity and total loans and borrowings to be the key components of their capital structure. The Group and the Company monitor capital using a debt to equity ratio, which is calculated as total borrowings divided by total equity as follows:

	GROUP		COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
Total borrowings	74,066,685	68,345,902	-	-
Less: Cash and banks balances	<u>(28,716,169)</u>	<u>(36,569,817)</u>	<u>(6,517,544)</u>	<u>(5,691,609)</u>
Net debt/(Net cash)	<u>45,350,516</u>	<u>31,776,085</u>	<u>(6,517,544)</u>	<u>(5,691,609)</u>
Total equity	<u>357,343,388</u>	<u>336,147,670</u>	<u>341,485,550</u>	<u>312,126,724</u>
Gearing ratio	<u>0.13</u>	<u>0.09</u>	<u>N/A⁽ⁱ⁾</u>	<u>N/A⁽ⁱ⁾</u>

⁽ⁱ⁾ N/A - Not applicable as net cash position

36. MATERIAL LITIGATIONS

(a) Seal Properties (KL) Sdn. Bhd. ("SPKL") vs. Wabina Constructions & Engineering Sdn. Bhd. ("Wabina")

On 16 December 2019, SPKL, a subsidiary of the Company has filed a Writ and Statement of Claim against Wabina at High Court of Malaya to claim the following:

- (i) liquidated damages of RM22,816,000 in respect of the main building works performed for a mixed development project on a portion of the land on Lot PT9149, Jalan Sri Permaisuri, Bandar Sri Permaisuri, Wilayah Persekutuan Kuala Lumpur ("the Project") developed by SPKL;
- (ii) interim Certificate of Payment No. 32 to 37 amounting to RM7,033,696 from Wabina should be deducted against the liquidated damages in item (i);
- (iii) liquidated damages of RM1,468,500 in respect of the TNB sub-station and the three mock-up sample units;
- (iv) outstanding overtime claims of RM105,852;
- (v) outstanding TNB charges of RM230,800 for temporary electricity supply to the project site from February 2019 to July 2019;
- (vi) cost to employ third party contractors of RM34,994 to rectify for the damage to external bus stop roof and to clear-up and de-silt drains at project site;
- (vii) loss and damage for breach of contract;
- (viii) interest at 5% per annum on item (i) to (vi); and
- (ix) costs.

NOTES TO THE FINANCIAL STATEMENTS

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36. MATERIAL LITIGATIONS (cont'd)

(a) Seal Properties (KL) Sdn. Bhd. ("SPKL") vs. Wabina Constructions & Engineering Sdn. Bhd. ("Wabina") (cont'd)

In addition to the above, Wabina had also counterclaimed against SPKL the following:

- (i) a sum of RM26,401,538 under Final Account Claim dated 20 January 2020;
- (ii) a sum of RM17,500,000 as general, aggravated and/or exemplary damages;
- (iii) interest at 5% per annum on item (i) and (ii);
- (iv) costs.

Under the contract entered between SPKL and Wabina, the date of commencement of works shall be 1 July 2016 and the works shall be completed within the completion period of twenty-six (26) months from the date of commencement of works, i.e. 31 August 2018. An extension of three months had been granted to Wabina to complete the whole project. As at 5 August 2019, Wabina has breached its obligations under the contract as the work for the project is yet to complete. SPKL, however, had disputed Wabina's counterclaim on the basis, amongst others, that the Final Account Claim is premature as the dispute resolution process has yet to be fully exhausted whilst the claim for damages is without basis as the construction contract had been wrongfully terminated by Wabina. At the material time, all proceedings were stayed pursuant to Section 10 of the Arbitration Act 2005 and the dispute was referred to arbitration. Pursuant to Asian International Arbitration Centre's appointment, the Arbitrator had issued Procedural Order No.1 and parties are to comply with the Arbitrator's procedural orders stated therein.

The final account has been revised from RM5,180,381 to RM6,679,696 by the Project Quantity Surveyor.

On 16 August 2024, SPKL and Wabina have entered into a Settlement Agreement, followed by the Tripartite Agreement dated 23 August 2024, mutually agreed by the parties between SPKL, Wabina, and nominated sub-contractors ("NSCs"), (collectively referred to as the Parties and each referred to as a Party), for full and final settlement and there shall be no further claims whatsoever including but not limited to any demands, costs, interest, proceedings and/or actions taken by any Party against any other Party in respect of and/or arising from the Project and the relevant construction contracts with no liberty to file afresh.

In view of the full and final settlement, all Parties shall be released and discharged from their respective duties, covenants, liabilities and/or obligation(s) under, in relation to and/or arising from the Project and the relevant construction contracts entered in relation to the Project, as against any other Party. The Arbitrator has issued an award based on the Parties' agreed terms dated 10 October 2024 pursuant to the Settlement Agreement between Wabina and SPKL. In view of the settlement between Parties, the arbitration proceeding has come to an end.

(b) SPKL vs. Fulloop Sdn. Bhd. ("Fulloop")

Fulloop, who is Wabina's NSC, had obtained an adjudication decision dated 27 January 2022 against Wabina awarding the adjudicated sum of RM1,497,280 excluding costs and interest. As a result of Wabina failing to pay the said adjudicated sum, Fulloop brought the action against SPKL to claim for direct payment of the sum of RM1,898,030 from SPKL, being the overall sums allegedly due under the said adjudication decision. However, SPKL disputed Fulloop's entitlement on the basis that there were no sums due and owing to Wabina at the time of the delivery of Fulloop's notice of demand dated 17 February 2022 pursuant to Section 30 of the Construction Industry Payment and Adjudication Act 2012.

On 23 August 2024, SPKL, Wabina and Fulloop, have mutually entered into the Tripartite Agreement for the full and final settlement as disclosed in Note 36(a) to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

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36. MATERIAL LITIGATIONS (cont'd)

(c) SPKL vs. LDE Project Sdn. Bhd. ("LDE")

LDE, who is Wabina's NSC, had obtained an adjudication decision dated 29 December 2022 against Wabina awarding the adjudicated sum of RM1,378,803 excluding costs and interest. As a result of Wabina failing to pay the adjudicated sum, LDE brought the action against SPKL to claim for direct payment of the sum of RM1,713,627 from SPKL, being the overall sums allegedly due under the adjudication decision. However, SPKL disputed LDE's entitlement on the basis that there were no sums due and owing to Wabina at the time of the delivery of LDE's notice of demand dated 16 January 2023 pursuant to Section 30 of the Construction Industry Payment and Adjudication Act 2012.

On 23 August 2024, SPKL, Wabina, and LDE, have mutually entered into the Tripartite Agreement for the full and final settlement as disclosed in Note 36(a) to the financial statements.

37. SIGNIFICANT EVENT

On 6 September 2023, the Company has entered into a binding term sheet ("BTS") with Hutan Melintang Power Plant Sdn. Bhd. ("HMPP") and Ikhtiar Gawa Sdn. Bhd. ("IGSB") to subscribe the preference shares in HMPP and IGSB as follows:

- (a) 387,500 new redeemable convertible preference shares in HMPP for a total consideration of RM5,000,000;
- (b) 222,234 redeemable convertible preference shares in IGSB for a total consideration of RM5,000,000; and
- (c) 5,000,000 redeemable preference shares in IGSB for a total consideration of RM5,000,000.

However, on 9 April 2024, the Company has served a written notice to HMPP, IGSB and their shareholders to terminate the BTS with immediate effect due to unsatisfactory on the outcome of due diligence carried out by the Company on HMPP and IGSB.

In accordance with the terms and conditions of the BTS, IGSB is obliged to refund the refundable deposit with accrued interests for a total sum of RM5,100,000 to the Company arising from the termination of BTS.

On 17 May 2024, IGSB has refunded an amount of RM1,100,000 and the remaining balance will be refunded via monthly instalments of RM500,000. As at the date of this report, the Company has received a total of RM2,620,056 and the remaining outstanding balance becomes RM2,479,944.

38. EVENTS AFTER THE REPORTING PERIOD

- (i) On 9 July 2024, the Company has subscribed additional 1,300,000 ordinary shares in a wholly-owned subsidiary, DKSB, for a cash consideration of RM1,300,000. No changes in equity interest in DKSB subsequent to the subscription of ordinary shares.
- (ii) On 12 July 2024, a subsidiary of the Company, Seal Properties Sdn. Bhd. ("SPSB") has acquired 400,000 ordinary shares in Seal Properties (Bayan City) Sdn. Bhd. ("SPBC") for a total cash consideration of RM400,000. Subsequent to the subscription of ordinary shares, SPSB's equity interest in SPBC has increased from 51% to 91%.
- (iii) On 8 August 2024, the Company has entered into a binding term sheet with Ong Kah Hui and Qiang, Xia Yu, to acquire additional 10% equity interest in MSRGE for a total consideration of RM21,000,000, to be satisfied via a combination of refundable deposit of RM3,000,000 in cash and the issuance of new ordinary shares of the Company amounting to RM18,000,000. Subsequent to the subscription of ordinary shares, the Company's equity interest in MSRGE will increase from 20% to 30%.

As at the date of this report, the acquisition transaction has yet to be completed.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

39. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with current year's presentation as follows:

	As previously stated RM	Reclassification RM	As restated RM
COMPANY			
2023			
Statements of comprehensive income			
Revenue	-	11,500,000	11,500,000
Other income	11,722,215	(11,500,000)	222,215

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Directors are required by the Companies Act 2016 ("CA 2016") to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group and of the Company as at the end of the financial year and of their results and cash flows for the financial year then ended.

In preparing the financial statements, the Directors have:

- adopted appropriate accounting policies and applied them consistently;
- made judgments and estimates that are prudent and reasonable;
- ensured applicable accounting standards have been followed; and
- prepared the financial statements on a going concern basis.

The Directors are responsible for ensuring that proper accounting records are kept which disclose with reasonable accuracy at any time the financial position of the Group and of the Company and to ensure that the financial statements comply with the provisions of the CA 2016, Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the applicable approved accounting standards in Malaysia.

The Directors are also responsible for taking reasonable steps to safeguard the assets of the Group and of the Company for the prevention and detection of fraud and other irregularities.

GROUP PROPERTIES

AS AT 30 JUNE 2024

Location of Property	Date of Acquisition/ Revaluation	Approximate Age of Building (Years)	Area	Tenure	Description/ Existing Use	Carrying Amount (RM)
H.S.(M) 15224 to H.S.(M) 15233 Lot No. 20689 to Lot No. 20698 H.S.(M) 15234 to H.S.(M) 15238 Lot No. 20700 to Lot No. 20704 H.S.(M) 15249 to H.S.(M) 15267 Lot No. 20712 to Lot No. 20730 H.S.(M) 14590, Lot No. 20688 H.S.(M) 11782, Lot No. 20699 H.S.(M) 22243, Lot No. 20705 H.S.(M) 23415, Lot No. 20706 H.S.(M) 22004, Lot No. 20707 H.S.(M) 22248, Lot No. 20708 H.S.(M) 23261, Lot No. 20709 H.S.(M) 23264, Lot No. 20710 H.S.(M) 23265, Lot No. 20711 and H.S.(M) 16394, Lot No. 20906 Mukim Sungai Petani Kuala Muda, Kedah	23/9/1999 [^]	N/A	6,951.75 sq.metres	Leasehold expiring in 2092	Vacant land for development	5,065,214
H.S.(M) 15268 to H.S.(M) 15308 Lot No. 20731 to Lot No. 20771 Mukim Sungai Petani Kuala Muda, Kedah	23/9/1999 [^]	N/A	5,886.52 sq.metres	Leasehold expiring in 2092	Vacant land for development	4,434,788
G.M. 5823 to G.M. 5827 Lot No. 146 to Lot No. 150 G.M. 5811 to G.M. 5820 Lot No. 134 to Lot No. 143 and G.M. 5810, Lot No. 132 Mukim Kuah Langkawi, Kedah	11/10/1999 [^]	N/A	1,841.00 sq.metres	Freehold	Vacant land for development	1,896,731
G.M. 5828 to G.M. 5833 Lot No. 151 to Lot No. 156 Mukim Kuah Langkawi, Kedah	11/10/1999 [^]	N/A	666.00 sq.metres	Freehold	Vacant land for development	722,867
G.M. 5834, Lot No. 157 and G.M 5797 to G.M 5803 Lot No. 119 to Lot No. 125 Mukim Kuah Langkawi, Kedah	11/10/1999 [^]	N/A	940.00 sq.metres	Freehold	Vacant land for development	961,615
G.M 5796, Lot No. 117 Mukim Kuah Langkawi, Kedah	11/10/1999 [^]	N/A	4,324.00 sq.metres	Freehold	Vacant land for development	4,518,030
Subsidiary Companies						
Bayan City Jalan Mayang Pasir 3 11950 Bayan Baru, Penang	30/06/2024 [*]	10	58 units	Freehold	Commercial and residential lot	65,310,000
"Kompleks Permaisuri Q" No 6, Jalan Sri Permaisuri, Bandar Sri Permaisuri, Cheras, 56000 Kuala Lumpur	30/06/2024 [*]	5	85 units	Leasehold expiring in 2112	Commercial and Office lot	101,342,000
Lot No. 72020 Mukim 12, Daerah Barat Daya Penang	08/02/2017 [^]	N/A	29,100 sq.metres	Freehold	Vacant land for development	77,417,425

Notes:

[^] Date of Acquisition

^{*} Date of Revaluation

ANALYSIS OF SHAREHOLDINGS

AS AT 25 SEPTEMBER 2024

Total number of shares issued	:	419,855,628 (Excluding 445,400 Treasury Shares)
Class of Shares	:	Ordinary shares
Voting Right	:	1 vote per ordinary share

1. ANALYSIS BY SIZE OF SHAREHOLDINGS

Size of shareholdings	No. of shareholders	% of total shareholders	No. of shares	% of total issued capital
Less than 100	239	4.37	8,515	*
100 to 1,000	1,754	32.05	1,525,894	0.36
1,001 to 10,000	2,564	46.85	10,646,381	2.54
10,001 to 100,000	708	12.94	22,673,995	5.40
100,001 to less than 5% of issued shares	205	3.75	254,397,483	60.59
5% and above of issued shares	3	0.06	130,603,360	31.11
TOTAL	5,473	100.00	419,855,628	100.00

Note:

* Negligible

2. THIRTY LARGEST SECURITIES ACCOUNT HOLDERS

No.	Name	No. of shares	% of total issued capital
1.	Al Rajhi Banking & Investment Corporation (Malaysia) Bhd Pledged Securities Account for Chen Khai Voon	58,878,700	14.02
2.	Maybank Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Chen Khai Voon	46,830,460	11.15
3.	Koay Shean Loong	24,894,200	5.93
4.	AIMST Venture Capital Sdn. Bhd.	20,338,983	4.84
5.	First Fortune Capital Sdn. Bhd.	20,338,983	4.84
6.	Kesan Anggun Sdn. Bhd.	20,000,000	4.76
7.	RHB Capital Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Chen Khai Voon	13,733,900	3.27
8.	Poly Dynamic Motion Sdn. Bhd.	12,314,200	2.93
9.	Affin Hwang Nominees (Tempatan) Sdn. Bhd. Southern Corporation (Nibong Tebal) Sdn. Bhd. for Tan Lee Sim	11,700,000	2.79
10.	Maybank Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Chew Kuan Fah	11,504,500	2.74

ANALYSIS OF SHAREHOLDINGS

AS AT 25 SEPTEMBER 2024

2. THIRTY LARGEST SECURITIES ACCOUNT HOLDERS (cont'd)

No.	Name	No. of shares	% of total issued capital
11.	Song Kim Lee	9,968,700	2.37
12.	AMSEC Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Chen Khai Voon	9,263,300	2.21
13.	Tan Hsiang Lock	7,130,800	1.70
14.	Maybank Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Resolute Accomplishment Sdn. Bhd.	5,660,300	1.35
15.	CGS International Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Ng Kim Liang	5,479,300	1.31
16.	Maybank Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Triumphant View Sdn. Bhd.	5,048,417	1.20
17.	Apex Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Chew Kuan Fah	4,121,000	0.98
18.	HLIB Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Chew Yik Wai	3,873,700	0.92
19.	Tng Kee Meng	3,800,000	0.91
20.	Lo Boon Chai	3,480,000	0.83
21.	Lim Chun Jeah	3,212,500	0.77
22.	Chen Voon Choy	3,127,000	0.74
23.	Lim Kong Joo	2,462,900	0.59
24.	Yow Yan Seong	2,349,100	0.56
25.	Public Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Lo Boon Chai	2,300,000	0.55
26.	Public Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for She Siew Pheng	2,289,000	0.55
27.	Lim Joo Kong	1,900,000	0.45
28.	Phuah Lee Pieng	1,683,600	0.40
29.	Fong Chee Poong	1,600,000	0.38
30.	Lee Kah Soon	1,500,000	0.36

ANALYSIS OF SHAREHOLDINGS

AS AT 25 SEPTEMBER 2024

3. SUBSTANTIAL SHAREHOLDERS

Base on the Register of Substantial Shareholders required to be kept under Section 144 of the Companies Act 2016, the following are the substantial shareholders of the Company:

Name	Direct Interest		Indirect Interest	
	No. of shares held	% of issued capital	No. of shares held	% of issued capital
1. Chen Khai Voon	128,706,360	30.66	-	-
2. Koay Shean Loong	24,894,200	5.93	20,000,000*	4.76*
3. Kesan Anggun Sdn. Bhd.#	20,000,000	4.76	-	-

* Deemed interest by virtue of his interest in Kesan Anggun Sdn. Bhd.

Ceased as substantial shareholder as at 29 September 2023 due to dilution in shareholding.

4. DIRECTORS' SHAREHOLDINGS

Name	Direct Interest		Indirect Interest	
	No. of shares held	% of issued capital	No. of shares held	% of issued capital
1. Lee Swee Kheng	-	-	400,000^	0.10
2. Koay Shean Loong	24,894,200	5.93	20,000,000*	4.76*
3. Datuk Tan Hiang Joo	29,000	0.01	-	-
4. Sim Yee Fuan	-	-	-	-
5. Yow Yan Seong	3,008,400	0.72	822,000^	0.20^
6. Tan Seong Hooi	65,000	0.02	-	-
7. Datuk Wira Syed Amir Syakib Arsalan bin Syed Ibrahim	-	-	-	-

* Deemed interest by virtue of his interest in Kesan Anggun Sdn. Bhd.

^ Held in the name of immediate family members and is treated as interest of the Director in accordance with Section 59(11)(c) of the Companies Act 2016.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Sixty-second (“62nd”) Annual General Meeting (“AGM”) of Seal Incorporated Berhad will be conducted on fully virtual basis via online meeting platform at <https://meeting.boardroomlimited.my> (Domain Registration No. with MYNIC - D6A357657) on Thursday, 19 December 2024 at 10:30 a.m., or at any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modifications, the resolutions set out in this notice:-

- Day and Date** : Thursday, 19 December 2024
Time : 10:30 a.m.
Online Meeting Platform/Venue : Fully virtual via online meeting platform at <https://meeting.boardroomlimited.my> (Domain Registration No. with MYNIC - D6A357657)
Mode of Communication : 1. Typed text in the online meeting platform during the 62nd AGM.
2. Submission of questions by logging in to the Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com> prior to the 62nd AGM.

AGENDA

AS ORDINARY BUSINESS

Ordinary Resolution

1. To receive the Audited Financial Statements for the financial year ended 30 June 2024 together with the Directors’ and Auditors’ Reports thereon. **Please refer to Note 2**
2. To approve the payment of Directors’ fees and benefits amounting to RM930,000 to the Non-Executive Directors of the Company. **Resolution 1
Please refer to Note 3**
3. To re-elect the following Directors retiring under the provision of Article 101(a) of the Company’s Constitution and who being eligible, have offered themselves for re-election:-
 - (i) Mr. Tan Seong Hooi **Resolution 2**
 - (ii) Mr. Sim Yee Fuan **Resolution 3
Please refer to Note 4**
4. To re-elect Datuk Wira Syed Amir Syakib Arsalan bin Syed Ibrahim retiring under the provision of Article 99 of the Company’s Constitution and who being eligible, has offered himself for re-election. **Resolution 4
Please refer to Note 4**
5. To re-appoint Grant Thornton Malaysia PLT as Auditors of the Company to hold office until the conclusion of the next AGM of the Company and to authorise the Directors to fix their remuneration. **Resolution 5
Please refer to Note 5**

NOTICE OF ANNUAL GENERAL MEETING

AS SPECIAL BUSINESS

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

6. Proposed Authority to Issue and Allot Shares

Resolution 6
Please refer to Note 6

“That subject to the Companies Act 2016 (“Act”), the Company’s Constitution and approvals from Bursa Malaysia Securities Berhad (“Bursa Securities”), and any other governmental and/or regulatory authorities, the Directors of the Company be and are hereby empowered pursuant to Sections 75 and 76 of the Act, to issue and allot shares in the capital of the Company from time to time at such price to such persons and upon such terms and conditions, for such purposes as the Directors of the Company may in their absolute discretion deem fit, provided always that the aggregate number of shares to be issued pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company (excluding treasury shares) for the time being and such authority shall continue to be in force until the conclusion of the AGM of the Company held next after the approval was given or at the expiry of the period within which the next AGM is required to be held after the approval was given, whichever is the earlier.

That the Directors of the Company be and are hereby empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities.”

7. Proposed Payment of Retirement Gratuity to Tuan Haji Abdul Hamid bin Mohd Hassan

Resolution 7
Please refer to Note 7

“That approval be and is hereby given to the Company to make a payment of retirement gratuity of RM115,000 (“Proposed Payment of Retirement Gratuity”) to Tuan Haji Abdul Hamid bin Mohd Hassan, the former Chairman/Executive Director of the Company, who has resigned as the Company’s Chairman/Executive Director on 24 June 2024, in recognition and in appreciation of his long dedicated service, commitment and contribution to the Group.

And that authority be and is hereby given to the Directors of the Company to take all such actions as they may consider necessary and/or desirable to give full effect to the Proposed Payment of Retirement Gratuity.”

8. Proposed Payment of Retirement Gratuity to Yang Teramat Mulia Raja Kecil Tengah Perak Raja Dato’ Seri Iskandar bin Raja Ziran @ Raja Zaid

Resolution 8
Please refer to Note 8

“That approval be and is hereby given to the Company to make a payment of retirement gratuity of RM40,000 (“Proposed Payment of Retirement Gratuity”) to Yang Teramat Mulia Raja Kecil Tengah Perak Raja Dato’ Seri Iskandar bin Raja Ziran @ Raja Zaid, the former Independent Non-Executive Director (“INED”) of the Company, who has resigned as the Company’s INED on 24 June 2024, in recognition and in appreciation of his dedicated service, commitment and contribution to the Company.

And that authority be and is hereby given to the Directors of the Company to take all such actions as they may consider necessary and/or desirable to give full effect to the Proposed Payment of Retirement Gratuity.”

NOTICE OF ANNUAL GENERAL MEETING

9. Proposed Payment of Retirement Gratuity to Datuk Tan Hiang Joo

Resolution 9
Please refer to Note 9

“That approval be and is hereby given to the Company to make a payment of retirement gratuity of RM55,000 ("Proposed Payment of Retirement Gratuity") to Datuk Tan Hiang Joo, the Senior Independent Non-Executive Director ("SINED") of the Company, who has served the Board for a cumulative period of more than nine (9) years and has indicated his intention to retire and vacate office as SINED of the Company upon the conclusion of the 62nd AGM of the Company.

And that authority be and is hereby given to the Directors of the Company to take all such actions as they may consider necessary and/or desirable to give full effect to the Proposed Payment of Retirement Gratuity.”

10. To consider any other business for which due notice shall have been given in accordance with the Act and the Company's Constitution.

By Order of the Board

Yeow Sze Min (MAICSA 7065735) (SSM PC No. 201908003120)
Company Secretary

Penang, 30 October 2024

NOTES:

1. Proxy

- 1.1 The 62nd AGM will be conducted on fully virtual basis via online meeting platform at <https://meeting.boardroomlimited.my> (Domain Registration No. with MYNIC - D6A357657). Please follow the procedures provided in the Administrative Guide for the 62nd AGM to register, participate and vote remotely via the Remote Participation and Electronic Voting facilities.
- 1.2 According to the Guidance Note and Frequently Asked Questions on the Conduct of General Meetings for Listed Issuers revised by the Securities Commission Malaysia on 7 April 2022, an online meeting platform located in Malaysia is recognised as the meeting venue and all meeting participants of a fully virtual general meeting are required to participate in the meeting online.
- 1.3 For the purpose of determining who shall be entitled to participate and vote at the 62nd AGM, only members whose names appear on the Record of Depositors as at **13 December 2024** shall be eligible to participate and vote at the 62nd AGM.
- 1.4 Every member is entitled to appoint not more than two (2) persons as his/her proxy in accordance with the Company's Constitution. Where a member appoints two (2) proxies, the appointment shall be invalid unless he/she specifies the proportions of his/her shareholdings to be represented by each proxy.
- 1.5 Every Member including authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, and an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple owners in one securities account ("Omnibus Account"), is entitled to appoint another person as his/her proxy to exercise all or any of his/her rights to participate, speak and vote in his/her stead at the 62nd AGM, and that such proxy need not be a member of the Company. There shall be no restriction as to the qualification of the proxy save that the proxy must be of full age. A proxy appointed by the member shall have the same rights as the member to participate, speak and vote at the 62nd AGM. The members or their proxies may submit questions to the Company via real time submission of typed texts in the online meeting platform during the 62nd AGM or by submitting the questions by logging in to the Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com> prior to the 62nd AGM.

NOTICE OF ANNUAL GENERAL MEETING

NOTES:

1. Proxy (cont'd)

- 1.6 Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for 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.
- 1.7 The instrument appointing a proxy or representative and the duly registered power of attorney or other authority, if any, shall be in writing under the hand of the appointer or his/her attorney duly appointed under a Power of Attorney or, if such appointer is a corporation, either under its common seal or under the hand of two (2) authorised officers, one of whom shall be a Director or its attorney duly appointed under a Power of Attorney. If under the hand of attorney/authorised officer, the Power of Attorney or Letter of Authorisation must be attached.
- 1.8 Pursuant to Paragraph 8.29A of the MMLR of Bursa Securities, all resolutions set out in the Notice of the 62nd AGM will be put to vote on a poll.
- 1.9 The instrument appointing the proxy(ies) may be made in hardcopy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the 62nd AGM or any adjournments thereof:

(a) In Hardcopy Form

The Form of Proxy shall be completed and returned in accordance with the instructions therein to the Share Registrar at Boardroom Share Registrars Sdn Bhd at Ground Floor or 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia.

(b) By Electronic Means

- (i) Through Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com>. Please follow the procedures provided in the Administrative Guide of the 62nd AGM; or
- (ii) The Form of Proxy shall be electronically lodged to BSR.helpdesk@boardroomlimited.com or fax to (+603) 78904670.

1.10 The last date and time for lodging the Form of Proxy is Tuesday, 17 December 2024 at 10:30 a.m.

2. Item 1 of the Agenda

Audited Financial Statements for the Financial Year Ended 30 June 2024

The Audited Financial Statements are laid in accordance with Section 340(1)(a) of the Act for discussion only under Agenda 1. They do not require shareholders' approval and hence, will not be put forward for voting.

3. Ordinary Resolution 1

Payment of Directors' Fees and Benefits

The proposed payment of Directors' fees and benefits amounting to RM930,000 to the Non-Executive Directors ("NEDs") of the Company comprise the following:-

- (i) Directors' fees of RM278,000 for the financial year ended 30 June 2024 ("FY2024");
- (ii) Directors' fees of RM576,000 for the period from 1 July 2024 until the conclusion of the next AGM of the Company to be held in year 2025 ("the Period"); and
- (iii) Directors benefits up to an amount of RM76,000 from 19 December 2024 until the next AGM of the Company to be held in year 2025.

NOTICE OF ANNUAL GENERAL MEETING

NOTES:

3. Ordinary Resolution 1 (cont'd) Payment of Directors' Fees and Benefits

The payment of Directors' fees to all NEDs in respect of FY2024 will only be made if the proposed Ordinary Resolution 1 has been passed at the 62nd AGM pursuant to the Company's Constitution and Section 230(1)(b) of the Act.

Details of Directors' fees for the FY2024 are enumerated under the Corporate Governance Overview Statement in this Annual Report.

The proposed Directors' fees of up to RM576,000 if passed, will facilitate the payment of Directors' fees to the Directors for the Period. The amount of Directors' fees payable includes fees payable to Directors as members of Board and Board Committees. The amount also includes a contingency sum to cater to unforeseen circumstances such as the appointment of any additional Director and/or for the formation of additional Board Committees during the Period.

Section 230(1) of the Act provides amongst others, that the fees of the Directors and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting. The benefits payable to the NEDs pursuant to Section 230(1)(b) of the Act have been reviewed by the Board of Directors of the Company, which recognises that the benefits payable are in the best interest of the Company for the Period. The benefits comprise Directors and Officers Liability Insurance, meeting allowance and others for NEDs.

4. Ordinary Resolutions 2, 3 and 4 Re-election of Directors

Article 101(a) of the Company's Constitution states that one-third (1/3) of the Directors shall retire from office by rotation and shall be eligible for re-election at each AGM. All Directors shall retire from office at least once in each three (3) years but shall be eligible for re-election.

Article 99 of the Company's Constitution states that any Director so appointed shall hold office only until the conclusion of the next following AGM and shall then be eligible for re-election.

Mr. Tan Seong Hooi and Mr. Sim Yee Fuan who retire in accordance with Article 101(a) of the Company's Constitution and being eligible, have offered themselves for re-election.

Datuk Wira Syed Amir Syakib Arsalan bin Syed Ibrahim who was appointed as an INED of the Company on 24 June 2024 is subject to retirement in accordance with Article 99 of the Company's Constitution and being eligible, has offered himself for re-election.

In determining the eligibility of the Directors due for retirement to stand for re-election at the forthcoming 62nd AGM, the Nominating Committee ("NC") has assessed the retiring Directors and was satisfied with the assessments.

The Board approved the NC's recommendation for the re-election of the retiring Directors pursuant to Articles 101(a) and 99 respectively of the Company's Constitution at the forthcoming 62nd AGM of the Company. During a Board Meeting held, all the retiring Directors had abstained from deliberation as well as decision on their own eligibility to stand for re-election at the forthcoming 62nd AGM.

Meanwhile, Datuk Tan Hiang Joo, the SINED of the Company who has served on the Board for a cumulative term of more than nine (9) years, has indicated his intention to retire and served his notice to vacate office as SINED of the Company upon the conclusion of the 62nd AGM of the Company. Hence, he shall retire as a Director at the conclusion of the 62nd AGM of the Company, in line with Practice 5.3 of the Malaysian Code on Corporate Governance 2021.

NOTICE OF ANNUAL GENERAL MEETING

NOTES:

5. **Ordinary Resolution 5** **Re-appointment of Auditors**

The Audit Committee (“AC”) have reviewed the performance and considered the re-appointment of Grant Thornton Malaysia PLT (“GTM”) as Auditors of the Company and collectively agreed that GTM has met the relevant criteria as prescribed by Paragraph 15.21 of the MMLR among others.

The Board approved the AC’s recommendation for GTM to be re-appointed as Auditors of the Company at the forthcoming 62nd AGM.

6. **Ordinary Resolution 6** **Authority to Issue and Allot Shares**

The Company wishes to renew the general mandate on the authority to issue and allot shares pursuant to the Act at the 62nd AGM of the Company. The Company had been granted a general mandate by its shareholders at the Sixty-first (61st) AGM of the Company held on 21 December 2023 whereby the Board has been authorised to issue and allot new shares not exceeding ten per centum (10%) of the total number of issued shares of the Company (excluding treasury shares) at the time of issue (“Previous Mandate”).

The proposed Ordinary Resolution 6, if passed, will empower the Directors to issue and allot shares up to an amount not exceeding 10% of the total number of issued shares of the Company for the time being for such purposes and to such persons as the Directors consider would be in the best interest of the Company.

As at the date of the Notice, no new shares in the Company were issued pursuant to the Previous Mandate and it will lapse at the conclusion of the forthcoming AGM to be held on 19 December 2024.

7. **Ordinary Resolution 7** **Proposed Payment of Retirement Gratuity to Tuan Haji Abdul Hamid bin Mohd Hassan**

Tuan Haji Abdul Hamid bin Mohd Hassan (“Tuan Haji”) has been with the Group since the early days. He was appointed as Deputy Chairman/Independent Non-Executive Director of the Company on 7 February 2002 and re-designated as Deputy Chairman/Executive Director of the Company on 5 March 2002. On 28 September 2009, Tuan Haji assumed the position of Executive Chairman of the Company. Tuan Haji has also previously served as a member of the Company’s Remuneration Committee. He has played significant roles in providing the necessary guidance and oversight to the Group. The proposed payment of retirement gratuity is in recognition of his long dedicated service, commitment and contribution to the Group.

8. **Ordinary Resolution 8** **Proposed Payment of Retirement Gratuity to Yang Teramat Mulia Raja Kecil Tengah Perak Raja Dato’ Seri Iskandar bin Raja Ziran @ Raja Zaid**

Yang Teramat Mulia Raja Kecil Tengah Perak Raja Dato’ Seri Iskandar bin Raja Ziran @ Raja Zaid (“YTM Raja Iskandar”) was appointed as INED of the Company on 27 February 2017. YTM Raja Iskandar has also previously served as Chairman of the Company’s Remuneration Committee and member of the Audit Committee and Nominating Committee. The proposed payment of retirement gratuity is in recognition of his dedicated service, commitment and contribution to the Board and Board Committees.

9. **Ordinary Resolution 9** **Proposed Payment of Retirement Gratuity to Datuk Tan Hiang Joo**

Datuk Tan Hiang Joo (“Datuk Tan”) was appointed as INED of the Company on 3 October 2014 and on 4 October 2019, he was appointed as SINED of the Company. He has served the Board for a cumulative period of more than nine (9) years. Datuk Tan is also Chairman of the Company’s Nominating Committee and member of the Audit Committee and Remuneration Committee. The proposed payment of retirement gratuity is in recognition of his dedicated service, commitment and contribution to the Board and Board Committees.

NOTICE OF ANNUAL GENERAL MEETING

STATEMENT ACCOMPANYING NOTICE OF 62ND AGM PURSUANT TO PARAGRAPH 8.27(2) OF THE MMLR

Renewal of General mandate for issuance of securities in accordance with Paragraph 6.03(3) of the MMLR

Details of the renewal of the General Mandate to issue securities in the Company pursuant to Sections 75 and 76 of the Act are set out in Note 6 of the Notice of the 62nd AGM.

Personal Data Privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s) to participate and vote at the 62nd AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of processing and administration by the Company (or its agents) of proxies and representatives appointed for the 62nd AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 62nd AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

ADMINISTRATIVE GUIDE

ADMINISTRATIVE GUIDE FOR THE FULLY VIRTUAL 62ND ANNUAL GENERAL MEETING (“62nd AGM”)

- Day, Date and Time** : Thursday, 19 December 2024 at 10:30 a.m. or at any adjournment thereof.
- Main Venue** : Fully virtual via online meeting platform at <https://meeting.boardroomlimited.my> (Domain Registration No. with MYNIC - D6A357657).
- Mode of Meeting** : (i) Typed text in the online meeting platform during the 62nd AGM.
(ii) Shareholders may submit questions by logging in to the Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com> prior to the 62nd AGM.

FULLY VIRTUAL MEETING

The Company will continue to leverage on technology to facilitate communication and engagement with shareholders by conducting the 62nd AGM on a fully virtual basis through live streaming and online Remote Participation and Electronic Voting (“RPEV”) facilities. This is also in line with Practice 13.3 of the Malaysian Code on Corporate Governance 2021 where the Board of Directors should leverage on technology to facilitate electronic voting and encourage greater remote participation from shareholders.

Kindly ensure that you are connected to the internet at all times to participate and/or vote at the 62nd AGM. Therefore, it is your responsibility to ensure that connectivity for the duration of the 62nd AGM is maintained. Kindly note that the quality of the live webcast is dependent on the bandwidth and stability of the internet connection of the Shareholder(s)/ Proxy(ies)/Corporate Representative(s) (collectively, the “Participants”).

VOTING PROCEDURE

Pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, voting at the 62nd AGM will be conducted by poll. Poll Administrator and Independent Scrutineers will be appointed to conduct the polling process and verify the results of the poll respectively.

ONLINE REGISTRATION PROCEDURES

PROCEDURE		ACTION
BEFORE THE DAY OF THE 62ND AGM		
Step 1	Register Online with Boardroom Smart Investor Portal (“BSIP”) (For first time registration only)	<p>[Note: If you have already signed up with BSIP, you are not required to register. You may proceed to Step 2.]</p> <ol style="list-style-type: none"> Go to BSIP’s website at https://investor.boardroomlimited.com. Click “Register” to sign up for a BSIP account. Please select the correct account type i.e. sign up as “Shareholder” or “Corporate Holder”. Complete the registration with all the required information. Upload a softcopy of your or your representative’s MyKad/Identification Card (front and back) or Passport. For Corporate Holder, kindly upload the authorisation letter as well. Click “Sign Up”. You will receive an e-mail from BSIP Online for e-mail address verification. Click on “Verify E-mail Address” from the e-mail received to proceed with the registration.

ADMINISTRATIVE GUIDE

ONLINE REGISTRATION PROCEDURES

PROCEDURE		ACTION
BEFORE THE DAY OF THE 62ND AGM		
		<p>g. Once your email address is verified, you will be re-directed to BSIP Online for verification of mobile number. Click on “Request OTP Code” and an OTP code will be sent to the registered mobile number. You will need to enter the OTP Code and click “Enter” to complete the process.</p> <p>h. Once your email address is verified, you will be re-directed to BSIP Online for verification of mobile number. Click on “Request OTP Code” and an OTP code will be sent to the registered mobile number. You will need to enter the OTP Code and click “Enter” to complete the process.</p> <p>i. Your registration will be verified and approved within one (1) business day and an email notification will be provided to you.</p>
Step 2	Submit request for remote participation (User ID and Password)	<p>Registration for remote access will be opened on Wednesday, 30 October 2024. Please note that the closing time to submit your request is at 10:30 a.m. on Tuesday, 17 December 2024 (48 hours before the commencement of the 62nd AGM).</p> <p>Individual Members</p> <p>a. Log in to https://investor.boardroomlimited.com using your user ID and password from Step 1 above.</p> <p>b. Go to “SEAL INCORPORATED BERHAD SIXTY-SECOND (62ND) ANNUAL GENERAL MEETING” from the list of Meeting Event(s) and click “Enter”.</p> <p>c. Go to Virtual and click on “Register for RPEV”.</p> <p>d. Read and agree to the General Terms and Conditions.</p> <p>e. Enter your Central Depository System (“CDS”) Account Number and click “Submit” to complete your request.</p> <p>f. You will receive a notification that your RPEV registration has been received and is being verified.</p> <p>g. Upon system verification against the 62nd AGM’s Record of Depositors (“ROD”) as at 13 December 2024, you will receive an email from Boardroom Share Registrars Sdn. Bhd. (“Boardroom”) either approving or rejecting your registration for the remote participation.</p> <p>h. If approved, RPEV credential will be provided in your email.</p> <p>i. Please note that one (1) user ID and password can only log in to one (1) device at a time.</p> <p>j. If rejected, a rejection note will be provided in your email.</p> <p>Note: Closing date and time for submission of request is at 10:30 a.m. on Tuesday, 17 December 2024 (48 hours before the 62nd AGM).</p>



ADMINISTRATIVE GUIDE

ONLINE REGISTRATION PROCEDURES

PROCEDURE	ACTION
BEFORE THE DAY OF THE 62ND AGM	
	<p>Appointment of Proxy</p> <ol style="list-style-type: none"> Go to BSIP's website at https://investor.boardroomlimited.com using your user ID and password from Step 1 above. Select and click on "Meeting Event(s)". Go to "SEAL INCORPORATED BERHAD SIXTY-SECOND (62ND) ANNUAL GENERAL MEETING" and click "Enter". Go to PROXY and click on "Submit eProxy Form". Read and agree to the Terms and Conditions. Enter your CDS Account Number and insert the number of securities. Appoint the Chairman of the meeting or your proxy(ies) and enter the required particulars for your proxy(ies). Indicate your voting instructions - FOR or AGAINST, otherwise your proxy(ies) will decide your vote during the meeting. Review and confirm your proxy(ies) appointment. Click "Submit". Download or print the eProxy Form as acknowledgement. <p>Note: Closing date and time for submission of the Form of Proxy is at 10:30 a.m. on Tuesday, 17 December 2024 (48 hours before the 62nd AGM).</p> <p>Corporate Shareholders (via email)</p> <ol style="list-style-type: none"> Write in to BSR.helpdesk@boardroomlimited.com by providing the name of the Member, CDS Account Number, accompanied with the Certificate of Appointment of Corporate Representative or Form of Proxy to submit the request. Please provide a copy of the Corporate Representative's or Proxy holder's MyKad/Identification Card (front and back) or Passport as well as his/her email address. <p>Authorised Nominee and Exempt Authorised Nominee (via BSIP)</p> <ol style="list-style-type: none"> Log in to https://investor.boardroomlimited.com using your user ID and password from Step 1 above. Select "SEAL INCORPORATED BERHAD SIXTY-SECOND (62ND) ANNUAL GENERAL MEETING" from the list of Corporate Meetings and click "Enter". Click on "Submit eProxy Form". Proceed to download the file format for "Submission of Proxy Form" from BSIP. Prepare the file for the appointment of proxies by inserting the required data. Proceed to upload the duly completed proxy appointment file. Review and confirm your proxy appointment and click "Submit". Download or print the eProxy form as acknowledgement.

ADMINISTRATIVE GUIDE

ONLINE REGISTRATION PROCEDURES

PROCEDURE		ACTION
ON THE DAY OF THE 62ND AGM		
Step 3	Log in to Meeting Platform	<ol style="list-style-type: none"> The Meeting Platform will be open for log in one (1) hour before the commencement of the 62nd AGM. The Meeting Platform can be accessed via one of the following: <ul style="list-style-type: none"> ➤ Scan the QR Code provided in the user log in guide. ➤ Navigate to the website at https://meeting.boardroomlimited.my. Enter the Meeting ID No. and sign in with the user ID and password provided to you via the email notification from Step 2 above.
	Participate	<p>[Note: Please follow the User Guide provided in the confirmation email from Step 2 above to view the live webcast, submit questions and vote.]</p> <ol style="list-style-type: none"> If you would like to view the live webcast, select the broadcast icon.  If you would like to ask a question during the 62nd AGM, select the messaging icon. Type your message within the chat box and click the send button once complete.
	Voting	<ol style="list-style-type: none"> Once the meeting is open for voting, the polling icon  will appear with the resolutions and your voting choices. To vote, simply select your voting direction from the options provided. A confirmation message will appear to show your vote has been received. To change your vote, simply select another voting direction. If you wish to cancel your vote, please click "Cancel".
	End of Participation	<ol style="list-style-type: none"> Upon the announcement by the Chairman on the closure of the 62nd AGM, the live webcast will end. You can now log out from the Meeting Platform.

RECORD OF DEPOSITORS FOR THE 62ND AGM

For the purpose of determining whether a member is entitled to participate and vote at the 62nd AGM, the Company shall be requesting the Record of Depositors as at 13 December 2024. Only shareholders whose names appear in the Record of Depositors as at 13 December 2024 shall be entitled to participate and vote at the 62nd AGM or appoint proxy/proxies on his/her behalf.

FORM OF PROXY

Please ensure that the hard copy of the original Form of Proxy is deposited with the Share Registrar, Boardroom Share Registrars Sdn. Bhd. at Ground Floor or 11th Floor, Menara Symphony, No. 5 Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia or via electronic means through Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com> (kindly refer to Step 2 of the Online Registration Procedures above) not less than forty-eight (48) hours before the time appointed for holding the meeting or at any adjournment thereof, and in default the instrument of proxy shall not be treated as valid.

ADMINISTRATIVE GUIDE

REVOCATION OF PROXY

If you have submitted your Form(s) of Proxy and subsequently decide to appoint another person or wish to participate in the 62nd AGM by yourself, please write to BSR.helpdesk@boardroomlimited.com to revoke the earlier appointed proxy forty-eight (48) hours before the meeting. On revocation, your proxy(ies) will not be allowed to participate in the Meeting. In such an event, you should advise your proxy(ies) accordingly.

NO REFRESHMENTS AND NO DOOR GIFTS

There will be no distribution of refreshments and door gifts for the 62nd AGM of the Company.

ENQUIRY

If you have any general enquiry prior to the 62nd AGM, please contact the Share Registrar during office hours (Monday to Friday) between 8:30 a.m. to 5:30 p.m. except on public holidays. The contact details of the Share Registrar are as follows:

Boardroom Share Registrars Sdn. Bhd.

General Line : 603-7890 4700 (Helpdesk)

Fax Number : 603-7890 4670

Email : BSR.helpdesk@boardroomlimited.com

Personal Data Policy

By registering for the remote participation and electronic voting meeting and/or submitting the instrument appointing a proxy(ies) and/or representative(s), the member of the Company has consented to the use of such data for purposes of processing and administration by the Company (or its agents); and to comply with any laws, listing rules, regulations and/or guidelines. The member agrees that he/she will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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SEAL

SEAL INCORPORATED BERHAD
Registration No.: 196201000416 (4887-M)
Incorporated in Malaysia

FORM OF PROXY

No. of Shares Held	CDS Account No.	Telephone No.	Email Address

I/We _____ NRIC/Passport No./ Company No. _____
(FULL NAME IN BLOCK CAPITALS)

of _____
(FULL ADDRESS)

being a member of **SEAL INCORPORATED BERHAD**, hereby appoint the following person(s):

Proxy 1	No. of Shares	%
Full Name of Proxy as per NRIC/Passport:		
NRIC / Passport No.:		
Full Address:		
Email Address:		
Contact No.:		

and/or failing him/her;

Proxy 2	No. of Shares	%
Full Name of Proxy as per NRIC /Passport:		
NRIC / Passport No.:		
Full Address:		
Email Address:		
Contact No.:		
TOTAL NO. OF SHARES AND %TO BE REPRESENTED BY PROXY 1 AND PROXY 2		

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 Sixty-second Annual General Meeting ("62nd AGM") of Seal Incorporated Berhad ("Seal" or the "Company") to be conducted on a fully virtual basis via the online meeting platform at <https://meeting.boardroomlimited.my> (Domain Registration No. with MYNIC - D6A357657) on Thursday, 19 December 2024 at 10:30 a.m. or at any adjournment thereof in the manner indicated below in respect of the following Resolutions:

Ordinary Resolution	Ordinary Business	FOR	AGAINST
1.	To approve the payment of Directors' Fees and Benefits.		
2.	To re-elect Mr. Tan Seong Hooi as a Director of the Company.		
3.	To re-elect Mr. Sim Yee Fuan as a Director of the Company.		
4.	To re-elect Datuk Wira Syed Amir Syakib Arsalan bin Syed Ibrahim as a Director of the Company.		
5.	To re-appoint Grant Thornton Malaysia PLT as Auditors and to authorise the Directors to fix their remuneration.		
	Special Business		
6.	Authority to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016.		
7.	To approve the Payment of Retirement Gratuity to Tuan Haji Abdul Hamid bin Mohd Hassan.		
8.	To approve the Payment of Retirement Gratuity to Yang Teramat Mulia Raja Kecil Tengah Perak Raja Dato' Seri Iskandar bin Raja Ziran @ Raja Zaid.		
9.	To approve the Payment of Retirement Gratuity to Datuk Tan Hiang Joo.		

Note:

Please indicate with (√) or (X) how you wish your vote to be cast. If you do not indicate how you wish your proxy to vote on the resolutions, the proxy shall vote as he thinks fit, or at his discretion, abstain from voting.

Please note that the short descriptions given above on the Resolutions to be passed do not in any way whatsoever reflect the intent and purpose of the Resolutions. Shareholders are encouraged to refer to the Notice of the 62nd AGM for the full purpose and intent of the Resolutions to be passed.

Date:

Signature of shareholder

Common Seal to be affixed here if Shareholder is a Corporation
(If applicable)



Please fold across the line and close

Notes:

1. The 62nd AGM will be conducted on fully virtual basis via online meeting platform at <https://meeting.boardroomlimited.my> (Domain Registration No. with MYNIC - D6A357657). Please follow the procedures provided in the Administrative Guide for the 62nd AGM to register, participate and vote remotely via the Remote Participation and Electronic Voting facilities.
2. According to the Guidance Note and Frequently Asked Questions on the Conduct of General Meetings for Listed Issuers revised by the Securities Commission Malaysia on 7 April 2022, an online meeting platform located in Malaysia is recognised as the meeting venue and all meeting participants of a fully virtual general meeting are required to participate in the meeting online.
3. For the purpose of determining who shall be entitled to participate and vote at the 62nd AGM, only members whose names appear on the Record of Depositors as at **13 December 2024** shall be eligible to participate and vote at the 62nd AGM.
4. Every member is entitled to appoint not more than two (2) persons as his proxy in accordance with the Company's Constitution. Where a member appoints two (2) proxies, the appointment shall be invalid unless he/her specifies the proportions of his/her shareholdings to be represented by each proxy.
5. Every Member including authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, and an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple owners in one securities account ("Omnibus Account"), is entitled to appoint another person as his/her proxy to exercise all or any of his/her rights to participate, speak and vote in his/her stead at the 62nd AGM, and that such proxy need not be a member of the Company. There shall be no restriction as to the qualification of the proxy save that the proxy must be of full age. A proxy appointed by the member shall have the same rights as the member to participate, speak and vote at the 62nd AGM. The members or their proxies may submit questions to the Company via real time submission of typed texts in the online meeting platform during the 62nd AGM or by submitting the questions by logging in to the Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com> prior to the 62nd AGM.
6. Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for 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.
7. The instrument appointing a proxy or representative and the duly registered power of attorney or other authority, if any, shall be in writing under the hand of the appointer or his/her attorney duly appointed under a Power of Attorney or, if such appointer is a corporation, either under its common seal or under the hand of two (2) authorised officers, one of whom shall be a Director or its attorney duly appointed under a Power of Attorney. If under the hand of attorney/authorised officer, the Power of Attorney or Letter of Authorisation must be attached.
8. Pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of the 62nd AGM will be put to vote on a poll.

Please fold across the line and close

80 SEN
STAMP
(Within
Malaysia)

The Share Registrar

SEAL INCORPORATED BERHAD

Registration No.: 196201000416 (4887-M)

Ground Floor or 11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan
Malaysia

Please fold across the line and close

9. The instrument appointing the proxy(ies) may be made in hardcopy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the 62nd AGM or any adjournments thereof:
 - (a) **In Hardcopy Form**
The Form of Proxy shall be completed and returned in accordance with the instructions therein to the Share Registrar at Boardroom Share Registrars Sdn Bhd at Ground Floor or 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia.
 - (b) **By Electronic Means**
 - (i) Through Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com>. Please follow the procedures provided in the Administrative Guide of the 62nd AGM; or
 - (ii) The Form of Proxy shall be electronically lodged to BSR.helpdesk@boardroomlimited.com or fax to (+603) 78904670.
10. The last date and time for lodging the Form of Proxy is Tuesday, 17 December 2024, at 10:30 a.m.
11. Any alteration in this form must be initialed.

Personal Data Privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s) to participate and vote at the 62nd AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of processing and administration by the Company (or its agents) of proxies and representatives appointed for the 62nd AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 62nd AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

SEAL

INCORPORATED BERHAD

Registration No.: 196201000416 (4887-M)

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