SEAL
INCORPORATED BERHAD



THROUGH SYNERGY

Annual Report 2022

Cover Rationale

Like the seamless earth motif outlined in brilliant gold, Seal Incorporated Berhad seeks continuous progress to grow into a world-class organisation through its synergy of strengths.

Presented as planet earth, the core letter 'O' signifies the stakeholders of Seal Incorporated Berhad and its subsidiaries ("the Group") moving forward together into the future as "one", as it actionises its efforts through embedding environmental sustainability as part of its everyday operations and long-term plans. The Group seeks to shape a better tomorrow through a determined pursuit of progress, and optimising its resources to ensure the environmental and social well-being of the communities where it operates.



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CORPORATE INFORMATION

BOARD OF DIRECTORS

Tuan Haji Abdul Hamid bin Mohd Hassan
Chairman, Executive Director

Koay Shean Loong
Executive Director

Datuk Tan Hiang Joo
Senior Independent Non-Executive Director

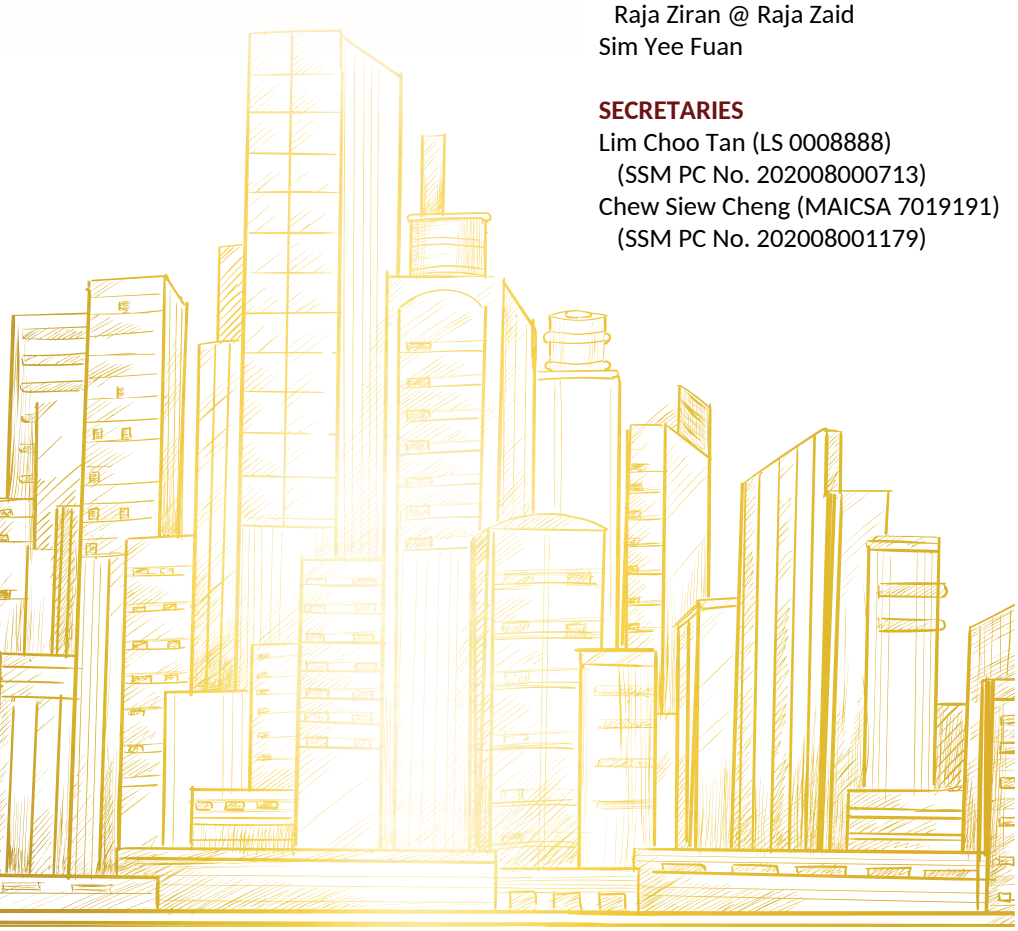
Sim Yee Fuan
Independent Non-Executive Director
(Appointed w.e.f. 28 March 2022)

Datin Sri Tan Guik Lan
Non-Independent Non-Executive Director

Yang Teramat Mulia Raja Kecil Tengah Perak Raja Dato' Seri Iskandar bin Raja Ziran @ Raja Zaid
Independent Non-Executive Director

Yow Yan Seong
Independent Non-Executive Director

Tan Seong Hooi
Independent Non-Executive Director



AUDIT COMMITTEE

Chairman
Sim Yee Fuan

Members
Yang Teramat Mulia Raja Kecil Tengah Perak Raja Dato' Seri Iskandar bin Raja Ziran @ Raja Zaid
Datuk Tan Hiang Joo

REMUNERATION COMMITTEE

Chairman
Yang Teramat Mulia Raja Kecil Tengah Perak Raja Dato' Seri Iskandar bin Raja Ziran @ Raja Zaid

Members
Datuk Tan Hiang Joo
Sim Yee Fuan

NOMINATING COMMITTEE

Chairman
Datuk Tan Hiang Joo

Members
Yang Teramat Mulia Raja Kecil Tengah Perak Raja Dato' Seri Iskandar bin Raja Ziran @ Raja Zaid
Sim Yee Fuan

SECRETARIES

Lim Choo Tan (LS 0008888)
(SSM PC No. 202008000713)
Chew Siew Cheng (MAICSA 7019191)
(SSM PC No. 202008001179)

REGISTERED OFICE

Suite A, Level 9,
Wawasan Open University
54 Jalan Sultan Ahmad Shah
10050 George Town,
Pulau Pinang, Malaysia
Tel No. : +604-2296318/ 2288155
Fax No.: +604-2282118

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. : +603-78904700
Fax No.: +603-78904760

PRINCIPAL PLACE OF BUSINESS

Level 3A, ELIT Avenue Business Park
1-3A-18 Jalan Mayang Pasir 3
11950 Bayan Baru, Penang, Malaysia
Tel No. : +604-6183333
Fax No.: +604-6370333
Website: www.sib.com.my

AUDITORS

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

PRINCIPAL BANKERS

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

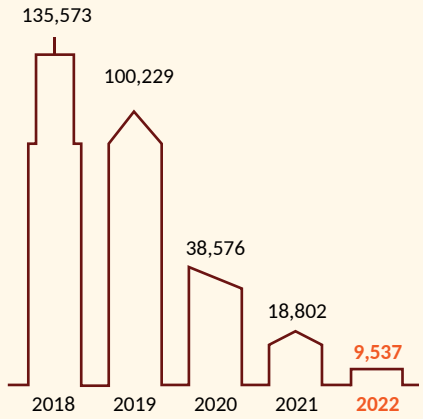
STOCK EXCHANGE LISTING

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

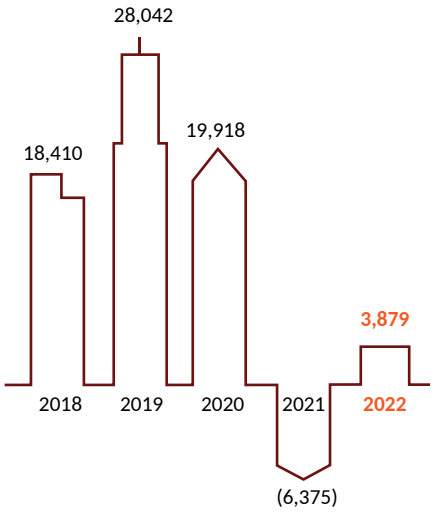
FINANCIAL HIGHLIGHTS

Year	2018	2019	2020	2021	2022
Revenue (RM'000)	135,573	100,229	38,576	18,802	**9,537**
Profit/(Loss) before tax (RM'000)	18,410	28,042	19,918	(6,375)	**3,879**
Profit/(Loss) after tax (RM'000)	14,318	19,844	16,161	(10,436)	**4,551**
Profit/(Loss) attributable to:					
owners of the parent (RM'000)	14,853	19,801	16,070	(10,383)	**4,321**
non-controlling interests (RM'000)	(536)	43	91	(54)	**229**
Total Assets (RM'000)	397,483	429,488	457,676	428,656	**447,716**
Shareholders' equity (RM'000)	266,868	286,669	302,739	292,356	**310,472**
Basic earnings/(losses) per share (sen)	6.27	8.35	6.78	(4.38)	**1.61**
Net assets per share (RM)	1.13	1.21	1.28	1.23	**1.09**

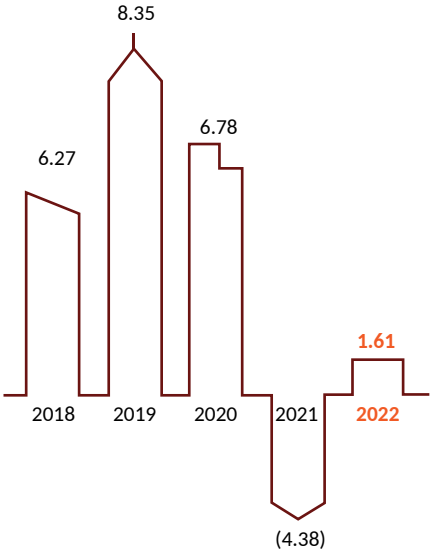
REVENUE (RM'000)



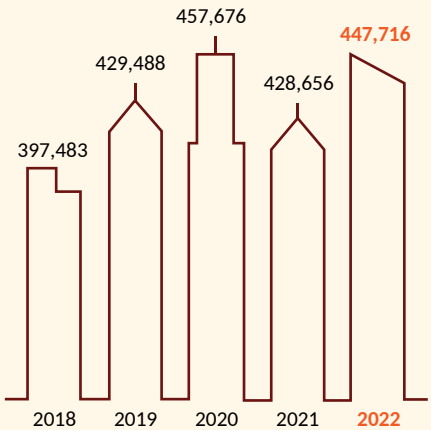
PROFIT/(LOSS) BEFORE TAX (RM'000)



BASIC EARNINGS/(LOSSES) PER SHARE (SEN)



TOTAL ASSETS (RM'000)



MANAGEMENT DISCUSSION AND ANALYSIS

Group's Business and Operation Overview

Starting as a group involved in the integrated timber business, Seal Incorporated Berhad ("SEAL") and its subsidiary companies ("SEAL Group") have not only transformed itself and successfully diversified into construction and property industries with a full spectrum of related businesses namely property development, property management, property investment and building construction but also extended its reach into Klang Valley with its maiden turnkey construction project, namely Queensville, located in the heart of Bandar Sri Permaisuri, Cheras, Kuala Lumpur, the Phase 1 of which has been successfully completed and delivered. Preparatory works for the construction of other phases are underway with construction works scheduled to commence in the financial year 2023.

Malaysia has transitioned into the endemic phase of Covid-19 since 1 April 2022 and with that, measures to ensure effective control and prevention are implemented by the Ministry of Health Malaysia, but the menace remains. Along with that other challenges like rising inflationary pressures around the global economies, the conflict in Eastern Europe, rise in interest rates, and escalating prices of consumer goods and raw materials, are also expected to lead to the cooling down of consumer spending. The SEAL Group is well aware of the circumstances.

However, moving forward, on 27 May 2022 SEAL Group entered into a Sale and Purchase Agreement ("SPA") for the disposal of the development land at Sungai Petani, Kedah for a consideration of RM37 million with an expected gain of approximately RM19 million in the following year due to pending fulfillment of the conditions precedent in the SPA. Barring any unforeseen circumstances, completion of sale as per the SPA is estimated on 30 November 2022. The disposal of the development land will further strengthen SEAL Group's financial position and the proceeds will provide additional cash flow for SEAL Group's working capital and also funding for SEAL Group's existing business operations and/or future investments. SEAL Group will continue to focus on the delivery of Queensville Phase 2 at Bandar Sri Permaisuri, Kuala Lumpur, projected to commence development in the fourth quarter of the year 2022, together with the development of the recently acquired development rights and acquisitions in Penang. Concurrently, SEAL Group will continue to explore and look out for other potential business opportunities to further enhance its business portfolio in particular the property development segment in which opportunities abound in the South West District of Penang island, where it is located.

Financial Performance Review

For the financial year ended 30 June 2022, SEAL Group recorded a revenue of RM9.5 million, a decrease of RM9.3 million compared to RM18.8 million recorded in the preceding financial year 2021. The decrease in revenue was due to the lower sales of completed properties amounting to RM3.0 million, timber-related segment which contributed RM3.0 million as no timber related activity was carried out during the year and the completion of the Queensville Phase 1 project in the second quarter of last financial year under the property construction segment has also contributed to the lower revenue of RM4.0 million.

The Group however recorded a turnaround in profitability, from a loss before tax of RM6.4 million in the preceding financial year 2021 to a profit before tax of RM3.9 million in the financial year 2022. The improved financial results were mainly due to the reversal of tax penalty in the current financial year by the Inland Revenue Board amounting to RM2.0 million, the absence of loss incurred in the prior year of RM6.0 million as a result of the unilateral termination of the construction contract by the main contractor of Queensville Phase 1 project and the recognition of the fair value gain from the property investment segment under current financial year amounting to RM2.9 million.

On revenue, investment properties are the main drivers, contributing approximately 45% to SEAL Group's revenue while property development and construction have a share of about 34% with the marketing-related activities under other segments contributing approximately 21%.

Elit Height and Elit Avenue commercial properties located at Bayan City, Bayan Baru in Penang have shown slight improvement in occupancy rates averaging from 86% to 88%. Additionally, Q Tower Block and Avenue commercial lots, both located at Queensville, Bandar Sri Permaisuri, also shown an improvement in occupancy rate averaging from 68% to 70%. The investment properties segment yield of RM4.3 million in revenue for the financial year 2022 is encouraging given that SEAL Group was obliged on goodwill basis to grant rental reductions to tenants in support of their business sustainability genuinely affected by the movement control order implemented by the Malaysian Government throughout the Covid-19 pandemic.

MANAGEMENT DISCUSSION AND ANALYSIS

Corporate Proposals

Private Placement

SEAL has announced on 27 May 2021 that it proposed to undertake a private placement of up to 47,411,000 new ordinary shares in SEAL, representing not more than 20% of its issued share capital then (excluding treasury shares) ("Private Placement"). The Proposed Private Placement was undertaken in accordance with the general mandate approved by the shareholders of SEAL at its Annual General Meeting duly convened on 21 December 2020, pursuant to Sections 75 and 76 of the Companies Act 2016.

Pursuant to the Private Placement, on 9 September 2021, 23,000,000 new ordinary shares were placed out by SEAL to third parties at an issue price of RM0.346 each and the new shares were successfully listed on Bursa Malaysia Securities Berhad on 13 September 2021. Subsequently, on 16 December 2021, 23,070,000 new ordinary shares were further placed out to third parties at an issue price of RM0.253 each and the new shares were successfully listed on Bursa Malaysia Securities Berhad on 20 December 2021.

The Private Placement has been completed following the allotment of the above shares.

Assignment of Development Rights Agreement

SEAL has announced on 15 December 2021 that Seal Properties (PG) Sdn. Bhd. ("SPPG"), a wholly-owned subsidiary of SEAL, had on 14 December 2021 entered into an Assignment of Development Rights Agreement ("ADRA") with Biopolis Group Sdn. Bhd. (Formerly known as Mutiara Regal Sdn. Bhd.) ("BGSB"), Mutiara Bay Residency Sdn. Bhd. ("MBRSB") and Mutiara Biopolis Developments Sdn. Bhd. ("MBDSB") to acquire from BGSB the rights for a consideration of RM16.50 million in respect of the development of Parcel 6 and Parcel 7 located on part of Lot 20506 held under GRN 175635 in Mukim 13, Daerah Timor Laut, Pulau Pinang.

SEAL has announced on 14 March 2022 that all the conditions precedent set out in the ADRA had been fulfilled and the ADRA had become unconditional.

Shares Subscription Agreements

SEAL has announced on 15 December 2021 that SPPG had on 14 December 2021 entered into Shares Subscription Agreements with BGSB, MBRSB and MBDSB for SPPG to subscribe for new ordinary shares in MBRSB and MBDSB.

On 28 March 2022, SEAL Group announced that the aforesaid shares subscription by SPPG had been completed. Consequently, MBRSB and MBDSB have became subsidiaries of SEAL Group.

Proposed Acquisition

SEAL has announced on 2 January 2022 that SEAL had proposed to undertake the proposed acquisition of 100% equity interest of Daiman Majumas Sdn. Bhd. ("Daiman"), for a total purchase consideration of RM17.00 million, to be satisfied via a combination of cash payment of RM5.00 million and the issuance of 40,677,966 new ordinary shares of SEAL at the issue price of RM0.295 each ("Proposed Acquisition"). The Proposed Acquisition was approved by the shareholders of SEAL at its Extraordinary General Meeting held on 12 May 2022.

The Proposed Acquisition is expected to be completed in the financial year 2023.

MANAGEMENT DISCUSSION AND ANALYSIS

Market Outlook

Bank Negara Malaysia reported that it is keeping its Gross Domestic Product ("GDP") growth projection at 5.3% to 6.3% this year due to the resumption of economic activities, higher private sector expenditure, continued policy support and expansion in global demand, whereas Malaysia's GDP contracted 4.5% in third quarter of last year when the economy was disrupted by intermittent Covid-19 lockdowns. Malaysia's GDP, is subjected to the risk related to global growth would be weaker than the forecast made earlier in the year as a result of higher inflation, the impact of lockdowns in China in its Zero-Covid policy and tighter monetary policy.

Since Covid-19 outbreak, the global and local markets have been impacted and clouded with economic uncertainties. The Malaysian property development and construction related industries have been severely affected by the pandemic as a result of escalating inflation in material costs and shortage of labour. SEAL Group foresees that property development and construction will remain challenging in the coming years.

Business Prospects Moving Forward

The year 2023 will remain a very challenging year for SEAL Group in view of the current state of global affairs affecting the global economy. The Board of Directors of SEAL is optimistic that despite the rising inflation from the global economic crisis, the Malaysian economy will be on the road to recovery albeit at a much slower pace. In this connection, SEAL Group will remain vigilant in its business ventures while observing prudent cautious financial measures to focus on monetising from its property investment segment, the resumption of its timber logging operation and the on-going turnkey construction project for Queensville and planning on its recent development rights and acquisitions in Penang.



SUSTAINABILITY STATEMENT

Seal Incorporated Berhad ("the Company") and its subsidiaries ("the Group") are committed to creating value for all its stakeholders: customers, suppliers, employees, shareholders, business associates, communities and the environment. The Group aims to adopt good sustainability practices, to reduce environmental impacts of its activities, and help its customers to do the same. By doing so, the Group believes its products and solutions benefit its customers, workers and support their wellbeing. The Group consults and collaborates with professionals and innovators across disciplines to improve and enhance its products and solutions.

To summarise its initiatives in the sustainability front, the Board of Directors ("the Board") is pleased to report on the Group's sustainability objectives, strategies and activities material to the Group, the way the Group manages it and other efforts undertaken to complement the Group's sustainability objectives.

This Sustainability Statement ("Statement") is an update of the preceding financial year's Statement. This Statement reporting framework is guided by Global Reporting Initiative ("GRI") Standards as encouraged by Bursa Malaysia Securities Berhad.

Scope and Coverage

This Statement covers sustainability activities and its results in the Group for the financial year ended 30 June 2022 ("FY2022") in the context of Economic, Environmental and Social. It includes the Company and all its subsidiaries located in Malaysia. The Statement covers its main business division i.e. construction with its disclosure focused on sustainability initiatives of its largest revenue contributing project, Queensville, located in Bandar Sri Permaisuri, Cheras, Kuala Lumpur, of which Phase 1 has been fully completed in the prior year and Phase 2 is scheduled to commence in the financial year ending 30 June 2023.

Governance

Key to a sustainable business is a strong sustainability governance structure. The Group's sustainability structure together with operating standards and internal controls help its business implement sustainability strategy across the business, manage goal setting, decision-making process, strengthen relations with external stakeholders and ensure overall accountability.

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



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 strategy supports long-term value creation for all its stakeholders. The Board comprises two (2) Executive Directors, five (5) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director.

The Board has tasked the Executive Directors to review, deliberate and approve the Group's sustainability strategy and initiatives. Sustainability strategies and initiatives put forward by the Executive Directors must be endorsed by the Board. The Sustainability Working Group comprises two (2) Executive Directors, General Managers and Heads of Department ("HODs"). The Executive Directors are supported by a dedicated Sustainability Working Group ("SWG") that is made up of relevant employees within the Group.

The SWG, consisting of representatives from General Managers and HODs, identifies and engages relevant stakeholders, determines and manages material sustainability matters, proposes sustainability initiatives, implements and monitors the Group's sustainability agenda.

SUSTAINABILITY STATEMENT

Sustainability Policy

Developed during the financial year ended 30 June 2014, the Sustainability Policy emphasises on the framework for Economic, Environmental and Social ("EES") and sustainability principles. This policy ensures the Group achieves a sustainable long-term balance and growth between meeting the business goals and preserving the environment while reducing the consumption of raw materials, labour and production costs. The focus areas include:

a) Market place
b) Workplace
c) Community
d) Environment

Stakeholder Engagement

Communication serves as a basic component of good corporate governance. It operates to build a trust relationship the Group maintains with its stakeholders. The Group engages with its stakeholders through various means of communication to enable them to understand its business operations and be able to create long-term value across its stakeholders. The Group seeks their feedback and input on matters important to them. The stakeholders are identified through issues which are material based on their impact to the Group's operations and the number of stakeholders affected.

The table below describes the Group's stakeholder engagement approaches, focus areas relevant to its stakeholders and frequency of its engagement with the stakeholders in FY2022:

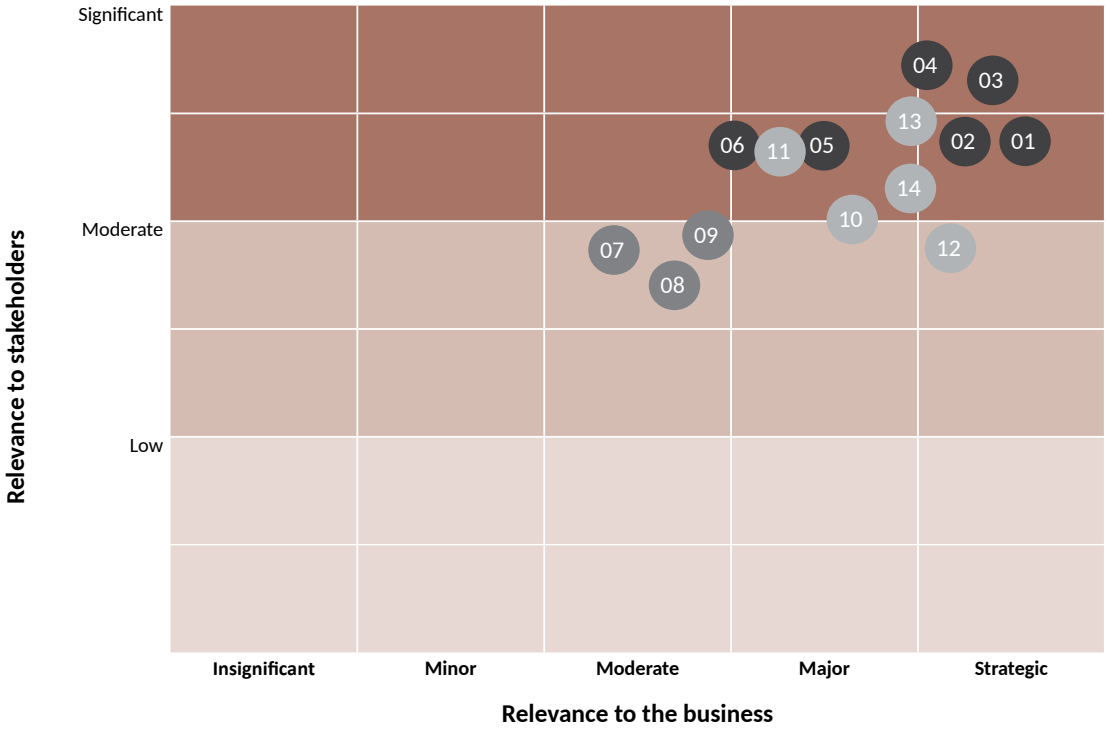
Stakeholders	Focus Areas	Engagement approach	Frequency
Customers	• Product quality and pricing • Market demand • Product development and innovation	• Quality assessment • Customers' feedback	• On-going • Ad-hoc
Employees	• Employee health and safety • Career development and advancement • Communication and engagement	• Internal communications • Performance appraisals • Operational meetings and discussions • Safety at work meetings • Social events with employees • Trainings	• On-going • Annually • On-going • On-going • Ad-hoc • On-going
Vendors and suppliers (including contractors)	• Product quality • Customer service and complaints resolution	• Site visits • Suppliers' performance evaluations • Meetings and discussions	• On-going • Annually • On-going
Shareholders and investors	• Financial performance • Regulatory compliance • Corporate governance • Ethical business conduct • Internal control and risk management	• Annual General Meeting • Financial announcements and reporting • Corporate website	• Annually • Quarterly • On-going
Government regulators and authorities etc	• Regulatory compliance • Approvals and permits • Standards and certifications	• Meetings and consultations • Training programmes and dialogue	• Fortnightly • Ad-hoc
Local communities	• Community wellbeing • Community investment	• Social events and visit • Company website	• Ad-hoc • On-going

SUSTAINABILITY STATEMENT

Materiality Sustainability Matters

In FY2022, the materiality assessment was conducted by the SWG. These sustainability matters were then assessed based on their relevance, importance to the Group's business and internal and external stakeholders.

Guided by Bursa Malaysia Securities Berhad's Sustainability Reporting Guide and Toolkits, they were then compiled and mapped into a materiality matrix. A total of 14 key sustainability matters were identified and evaluated based on its influence on the Group's stakeholders and business and are as shown in the profile below:



01 Financial Performance	02 Market Presence	03 Anti-bribery and Anti-Corruption
04 Product and service quality	05 Supply Chain	06 Cybersecurity
07 Energy and Greenhouse Gas Emission	08 Waste Management	09 Environmental Compliance
10 Diversity and Equal Opportunity	11 Staff Welfare	12 Training and Development
13 Occupational Safety and Health	14 Local Community	

Economic

Walking the talk in our sustainability journey, the Group developed and implemented a corporate-wide strategy for business sustainability that include the stakeholders' interests consideration. While the Group is mandated to achieve commercial success, it is also committed to protecting the natural environment and improving the quality of life for future generations.

The Group's mission is to deliver quality houses that exceed the expectations of the community. The Group is aware that this is achievable through resource minimisation. With this understanding, the Group's list of missions is as follows:

- 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

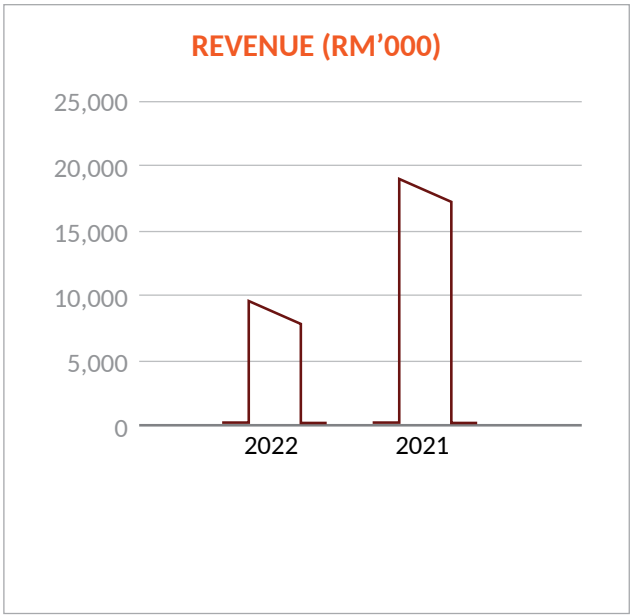
SUSTAINABILITY STATEMENT

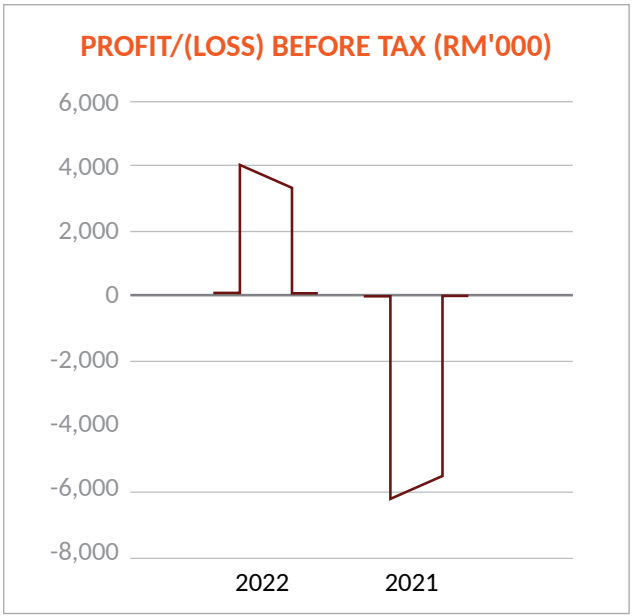
Economic

Financial Performance

The Covid-19 pandemic was known to have created significant adverse impacts on the local and global economy across the sectors, and the Group has not been spared the fallout from the pandemic. Although the worst of the pandemic is behind us, the global and domestic economic outlook is expected to remain uncertain and fragile in the near term due to the ongoing geopolitical conflict which has already triggered inflationary pressures, weakening of the domestic currency, supply chain disruption and tightening of monetary policy.

For FY2022, the Group recorded revenue of RM9.5 million (FY2021: RM18.8 million) and profit before tax of RM3.9 million (FY2021: Loss before tax of RM6.4 million). The Group has taken various efforts and focused on achieving better profits and growth of its business. The Group is confident that the potential profits of the businesses are intact, and it is positioned to benefit from any recovery in the market as and when it comes.





Full set of the audited financial statements for FY2022 are presented on pages 45 to 124. For the details and analysis of our financial results, please refer to the Management Discussion and Analysis on pages 4 to 6 of this Annual Report.

Market Presence

Established in 1962, the Group has evolved to become an established group of companies with a full spectrum of construction and property related business namely building construction, property development, property investment and property management. Over the years, the Group has expanded its local presence from its previous focus on the northern region of Malaysia to our capital city of Kuala Lumpur in the west with the most recent Queensville project. This was made possible due to the continuous recognition in delivering quality services and products with consideration to the highest ethical standards.

Anti-Bribery and Anti-Corruption Policy

The Group is committed to being in compliance with the laws and regulations issued by the regulators and authorities and applies sound standards of ethical conduct and level of integrity in its business activities and operations.

The Group does not tolerate any form of bribery or corruption. The adoption of Anti-Bribery and Anti-Corruption Policy in June 2020 clearly demonstrated that the Group embraces zero-tolerance to bribery and corruption consistent with its objectives. This is also in line with the laws of the Guidelines on Adequate Procedures through Malaysian Anti-Corruption Commission ("MACC") Amendments Act 2018.

Economic

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

This Anti-Bribery and Anti-Corruption Policy is available for viewing on the Company's corporate website at www.sib.com.my/corporate-governance.

Whistleblowing Policy and Procedures

In promoting zero tolerance towards fraud, corruption and other forms of unethical behaviour or conduct, the Group has put in place a mechanism as stipulated in the Whistleblowing Policy and Procedures which is accessible by its employees and third parties. The Group encourages any suspected misconduct or wrongdoings, or any such suspected instances to be reported to the Chairman or any member of the Audit Committee.

In FY2022, there was zero incident (2021: Nil) on whistleblowing cases in relation to ethical business practices or suspicious corruption or unethical behaviour reported to the Chairman or any member of the Audit Committee. The Group will continuously review its policies and processes to enable the compliance of the standards.

The Whistleblowing Policy and Procedures and the process of how to report any suspected cases are available on the Company's corporate website at www.sib.com.my/corporate-governance.

Product and Service Quality

As a service provider, strong branding image and positive reputation, backed by consistent product and service quality are key to meet customers' expectations at all times, the Group places its products and service quality on par with other ESG matters. The Group embraces continuous improvement of its processes involving all departments and senior management team to discuss challenges, identification of root causes and action plans, and monitors the progress of implementation to achieve work efficiency and eliminate waste.

Procurement

The Group is aligned with the Government's policy to buy local products and services, and supports the movement by buying local for its projects and developments. Where the projects operated throughout Malaysia, the Group utilises local vendors, service providers and suppliers and believes this indirectly generates a positive multiplier effect to local businesses and communities in and around the Group's developments. Without the need to ship from abroad, the Group essentially registers lower carbon footprint while enabling local supply chain growth.

Vendors and suppliers are assessed based on a systematic evaluation process, embedded in the Procurement Policy, by the procurement team and end users. Embracing constant engagement with its vendors is part of the Group's processes, as it will not only promote productive working relationship but also meeting specific needs and quality expectation too. The Group hopes the practices will create a sustainable supply chain in the upcoming engagements.

Cybersecurity

The Group is fully conscious that cybercrime in the current digital era is likely to increase. As the technology advances, cybersecurity also progresses and so do the cybercriminal attacks. In handling the cybersecurity attacks, the Group addresses cybersecurity risks with its employees and trains them to handle the attacks. Good security awareness training is important for the staff to always be on the lookout for potential threats.

The Group believes that with a collaborative approach, its employees are able to assist the Group towards keeping it safe from any unsuspicious activities that might lead to a breach.

In FY2022, there were no security incidents (FY2021: Nil) that occurred in the Group.

SUSTAINABILITY STATEMENT

Environment Sustainability

Climate Change

For the past few years, global temperature has been consistently among the hottest on record. The Group recognises the potential impact of human activities on the recent exponential change in global temperature and climate related issues. Thus, the Group is actively taking steps to lower its carbon emissions and is open to ideas in providing solutions towards building a low carbon society.

Being a property developer committed to environment sustainability, the Group prepares itself to work towards reducing its carbon footprint locally and at a global level too. The Group sets priorities on climate action plans and strives to explore sustainable solutions embedded as part of its operations.

Energy and Water Management and Greenhouse Gas Emissions

Measures are undertaken in managing the use of the resources like clean water and electricity. The Group improvise its design to its processes and explore avenues to constantly monitor its energy consumption across its operations to improve energy efficiency.

It is a strategic decision to entail lesser energy consumption, wastages from construction sites, and at the same time generating additional income that contributes positively to the Group.

Other initiatives that we implemented to reduce the overall electricity and water consumption are as follows:

a) Adopting digitalisation and paperless processing in our workplace, where the use of papers was greatly reduced and eliminated, in certain circumstances. We conducted our meetings virtually and teleconference calls between employees and vendors or suppliers.

b) Practice saving electricity by using energy in the most efficient manner. For our Queensville project, the Group incorporated the building design with 'green' features such as enhanced natural lighting during daytime. The Group also utilises LED lighting, which consumes far less electricity as compared to conventional lighting.

   The Group's offices, including its head office in Penang, use a Variable Refrigerant Volume system for its air conditioners, which sets the room temperature to achieve maximum energy efficiency.

c) Rainwater harvesting, which is a cost-effective system of collecting and storing rainwater, has been used for various purposes, including cleaning and watering plants at the Queensville project site.

Waste Management

The Group's waste management strategies are focused on resource reduction. The Group continuously explore areas for improvement with the objective to minimise resource consumption at source. These involve adjustment to raw material consumption parameters, technical re-engineering and solution for process improvement, and collaboration with suppliers to achieve material optimisation and minimisation.

From a property development perspective, the Group consistently strives to ensure that it fulfills statutory requirements, with all its construction, building wastes and effluent handled by professional waste management vendors that are licensed by local authorities.

A waste management plan has been put in place to minimise the generation of waste material. It started with the monitoring of waste production and waste flow with the objective to reduce the waste that is produced, and recycled waste material, if allowable and if not, dispose of the waste in accordance with regulations.

SUSTAINABILITY STATEMENT

Environment Sustainability

Waste Management (cont'd)

Similar to managing waste at the Group's project sites, waste management in office operations also require a proper plan and strategy. In terms of waste that comes from day-to-day office operations such as paper, plastic and other forms of commercial material, the Group's Waste Management Plan (Office Operations) encapsulates the 3Rs of Reduce, Reuse and Recycle. Through thorough monitoring and planning, waste that is generated is separated into the respective 3R categories and then managed accordingly.

The objective is to reduce waste as much as possible; preserving the environment and at the same time saving operational costs. The Group's employees have also been inculcated with waste minimisation habits like recycling paper, double-sided printing of documents to reduce paper usage and printing of documents that are transmitted through electronic communication channels only when necessary.

The Group is pleased to highlight that it did not receive any complaints or penalties by the authorities for improper waste management related to its development projects during the financial year under review (FY2021: Nil).

Environmental Compliance

As a construction and property development company, the Group is mindful of incorporating 'green' aspects into its design elements including innovations that can reduce the consumption of water, energy and raw materials. The Group aims to reduce the impact of its operations on the environment at every stage of the property development value chain. This includes land acquisition, planning and design to procurement, construction, transportation and operation and maintenance.

In accordance with the Group's Environmental Management Procedure at its project sites, initiatives were taken to safeguard the environment. These include the periodic monitoring of air and water quality in and around a project site; consistent spraying of water to reduce air pollution; and putting in place anti-noise elements like barriers and mufflers, as and when necessary.

The Group uses low or near-zero Volatile Organic Components ("VOC") paints, solvents, adhesives to protect air quality; ensures building insulants have zero ozone-depleting potential; and as much as possible, the recycled materials within the construction process.

There was no incident of non-compliance with environmental laws and regulations and the Group has not been penalised or fined for any environmental violation in FY2022 (FY2021: Nil)

Social Investment

Diversity and Equal Opportunity

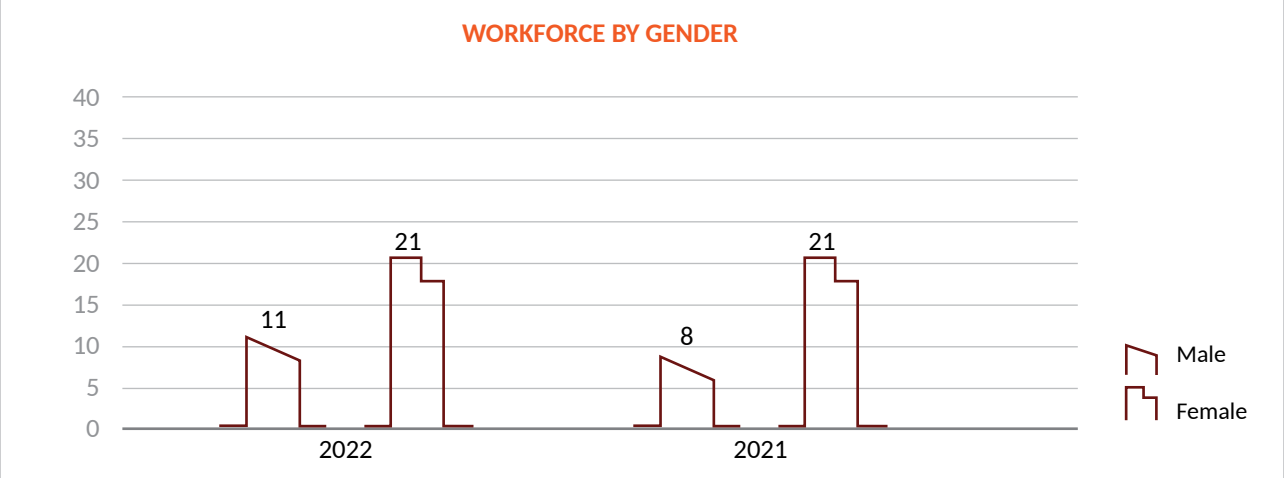
The Group recognises that workforce is the main underlying factor in achieving a sustainable future thereby, a collaborative, multidisciplinary approach is required to effectively tackle workforce issue.

The Group promotes diversity and equal opportunity to all its employees, regardless of gender, age, race, religion and background. The Group recognises the value of each of its talented individuals who carry their own unique perspectives, ideas and experiences, which in turn will enable the Group to succeed in achieving its business goals.

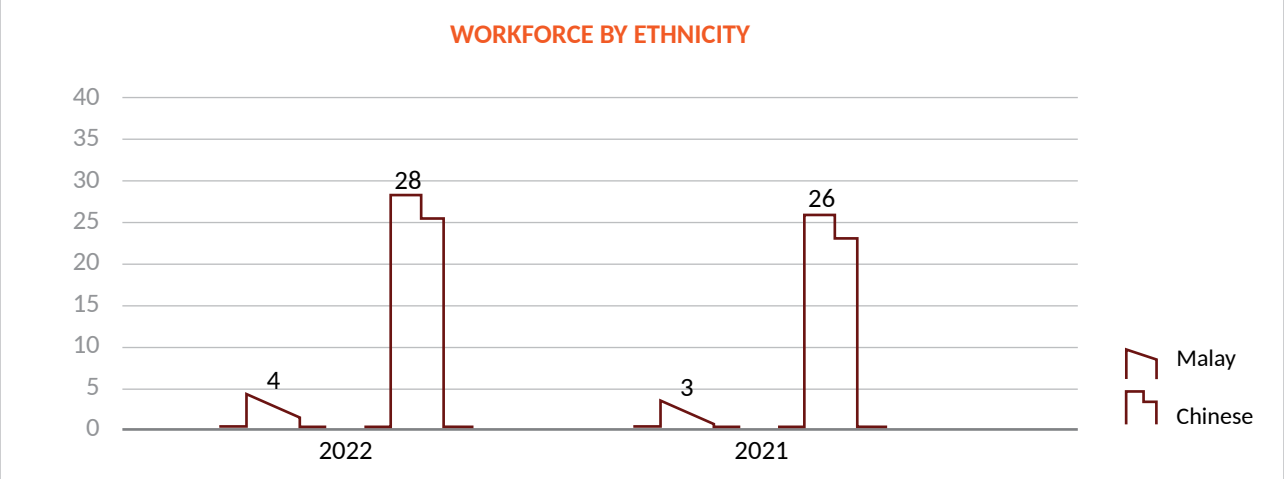
Social Investment

Diversity and Equal Opportunity (cont'd)

In FY2022, the Group's workforce comprises of 34% of males (FY2021: 28%) and 66% of females (FY2021: 72%). The Group continues to exercise prudence in ensuring that it hires the best candidates purely based on their experiences, competence and their future potential to grow, free of any biasness.



The Group understands the significance of contributing back to the communities by way of job creations and boosting the local economy. Being part of the Malaysian property development and construction sector, the Group is proud to say that 100% of its employed workforce are all Malaysians.



Staff Welfare

In its continuous efforts to recognise the employees' contribution to the Group's success, it ensures that its employees are offered competitive remuneration packages beyond the requirement of Employment Act 1955, which includes benefits ranging from hospitalisation and surgical insurance plan, personal accident insurance plan, leave benefits and various allowances.

Medical	Allowances	Leave
• Medical claims • Hospitalisation & surgical scheme • Personal accident scheme	• Travelling allowance • Telephone/mobile phone claims • Overseas work claims	• Maternity leave • Compassionate leave • Annual leave • Sick leave

Source: Extracted from Employee Handbook

SUSTAINABILITY STATEMENT

Social Investment

Training and Development

The Group is cognisant of the importance of fostering a strong learning culture to maintain a high level of competence and expertise amongst its employees. The Group supports its talented employees by enabling them to develop their technical and professional skills through various internal and external training programmes and development opportunities. The Heads of Department play an important role in assisting its employees in identifying their training needs with the aim of ensuring that they are well equipped with the relevant skills and knowledge required for the Group's daily business operations.

The Group has also organised health and safety training programmes with the aim to disseminate important information with regards to the Covid-19 pandemic. This is to ensure that the Group's workforce is well-informed of the latest development regarding the coronavirus and that the appropriate safety and health precautions are being practiced at all times.

The table below summarises the training programmes which have been organised during FY2022:

Training Category	FY2022		FY2021	
	Number of pax	Training Hours	Number of pax	Training Hours
Technical and Professional Development	19	130	39	110
Soft Skills and Personal Development	2	14	-	-
Health and Safety	1	8	86	86
TOTAL	**22**	**152**	**125**	**196**

Apart from the above, a Corporate Retreat was organised by the Group in June 2022 with the aim to foster greater working relationships and teamwork among the staff. The strength of the Group is contingent upon the well-being and unity of its people, as they are the driving force of the Group.





Corporate Retreat to Cameron Highlands, Pahang

Occupational Health and Safety

The Covid-19 pandemic has certainly engrained its mark upon all lives and business operations across the globe. In such a circumstance, the Group believes that it is of utmost importance that the safety and health of its employees, customers as well as the communities that it engages with, continue to be integrated into its daily business operations.

In its relentless endeavour to provide a safe and healthy environment for its employees to work in, the Group's Health and Safety ("HS") Committee was established with the aim to provide effective and sound HS management system encompassing General Health and Safety Policies in the Group's business operations. The committee supports the Group to ensure that it has controls needed to set a high workplace health and safety standards.

The Group's HS Committee is headed by a Chairperson, assisted by two (2) Supervisors and supported by members who are the Heads of Department.



SUSTAINABILITY STATEMENT

Social Investment

Occupational Health and Safety (cont'd)

The HS Committee consistently reviews, monitors and improves the safety and health procedures where necessary, to ensure that the Group is consistently in compliance with the regulatory requirements and industry best practices in its daily operations.

Covid-19 Pandemic Response Plan

In light of the Covid-19 pandemic outbreak in early 2020, the Group is committed to enhancing its Standard Operating Procedures ("SOPs") to incorporate strict prevention and response measures to ensure that the workplace, especially the construction sites, are safe to work in.

As per the guidelines established by the Ministry of International Trade and Industry, Ministry of Health and the Department of Occupational Safety and Health Malaysia, the Group has formulated a set of protocols that will govern its daily business operations in the new norm. The following are some of the established SOPs:

- Update MySejahtera application Covid-19 risk status and check-in daily and send the screenshot to Human Resource department;
- Daily temperature screening (prohibited entrance to premises for temperature of 37.5 °C or higher);
- Use of protective equipment such as face masks at all times;
- Limiting the number of employees and visitors in the workplace at any given time;
- Maintaining social distancing at work (at least 1 meter apart); and
- Cleaning and disinfecting office premises common areas regularly, refilling hand sanitiser dispensers frequently, and disinfecting highly-touched items often.

Local Community

The Group has always regarded the local communities as one of the most important aspect in conducting its business. Being in the construction industry in particular, the Group is compassionate in upholding its responsibility to not only minimise the adverse effects of the activities that it carries out, but also to build meaningful relationships with the people whose lives are affected by them. It is an opportunity for the Group to give back to its community by helping them with matters such as fund raising and giving out care packages, especially to those who were affected by the Covid-19 pandemic outbreak.





In July 2021, the Group made contributions via donation to General Hospital, Pulau Pinang, and supported the White Flag Campaign in Malaysia.

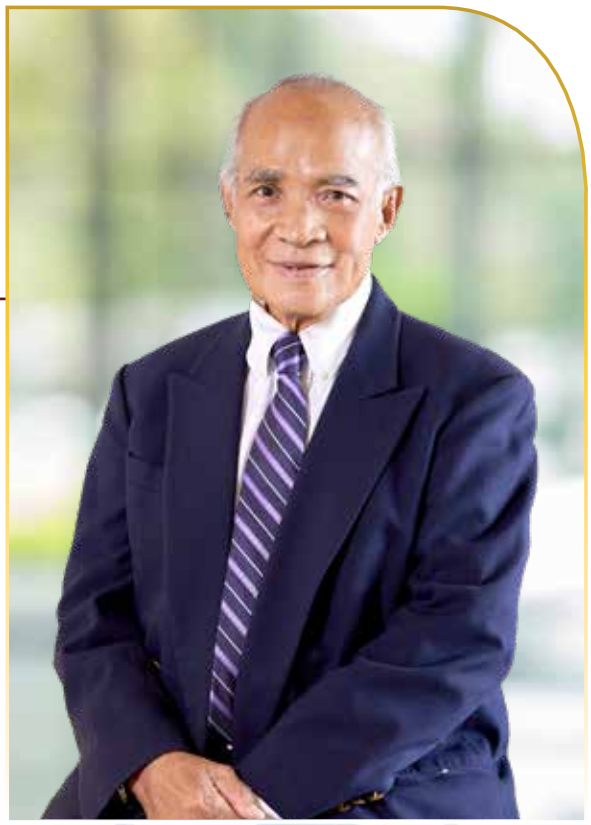


The Group also made a donation to Thean Oon Senior Home in September 2021.

PROFILE OF DIRECTORS

TUAN HAJI ABDUL HAMID BIN MOHD HASSAN

Chairman/ Executive Director



Age	84
Nationality	Malaysian
Gender	Male
Date of Appointment as a Director	7 February 2002

Tuan Haji Abdul Hamid bin Mohd Hassan ("Tuan Haji") was appointed as Deputy Chairman/Independent Non-Executive Director of the Company on 7 February 2002 and re-designated as Deputy Chairman/Executive Director on 5 March 2002. On 28 September 2009, Tuan Haji assumed the position of Executive Chairman of the Company. Tuan Haji was a member of the Remuneration Committee but resigned from the position on 28 October 2016.

Tuan Haji obtained his Higher School Certificate from a local educational institution. He was attached to the Department of Inland Revenue for 33 years, heading several branches of the Inland Revenue before his retirement in June 1993 as its Deputy Director General. Subsequent to his retirement from the public sector, Tuan Haji joined Paramount Malaysia (1963) Sdn. Bhd. as General Manager in July 1993 and left 4 years later, in August 1997. His career continued with See Hoy Chan Sdn. Bhd. group of companies as General Manager of the taxation division before his leaving in January 2002. Tuan Haji was the Vice President of the Chartered Tax Institute of Malaysia from 1993 to 2003 before his promotion as the institute's President, a position which he held until 2007. Having amassed over 40 years of experience in the field of taxation and senior management, Tuan Haji has brought with him invaluable knowledge and expertise to the Group.

Tuan Haji also sits on the Board of Great Eastern Mills Berhad ("GEMB"), a public company within the Group.

Tuan Haji 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 and GEMB, Tuan Haji 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 2022.

PROFILE OF DIRECTORS



KOAY SHEAN LOONG

Executive Director

Age	28
Nationality	Malaysian
Gender	Male
Date of Appointment as a Director	21 December 2020

Mr. Koay Shean Loong ("Mr. Koay") was appointed to the Board as an Executive Director of the Company on 21 December 2020.

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.

In his current position as an Executive Director of the Company, Mr. Koay is instrumental in charting the growth and development of the Group. He oversees all operations and business activities of the Group to ensure that they achieve the desired results consistent with the Group's direction.

Mr. Koay does not have any conflict of interest with the Company. He is the son of Datin Sri Tan Guik Lan ("Datin Sri"), a Non-Independent Non-Executive Director of the Company. Other than Datin Sri, he has no family relationship with any Director and/or major shareholder of 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 2022.

PROFILE OF DIRECTORS

DATUK TAN HIANG JOO

Senior Independent Non-Executive Director

Age	59
Nationality	Malaysian
Gender	Male
Date of Appointment as a Director	3 October 2014



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 Members 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 helms the position of Deputy President of PCCC and acts an advisor of PCCC's Charity Fund Committee. 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 also sits on the Board of Eupe Corporation Berhad, a public company listed on the Main Market of Bursa Malaysia Securities Berhad as its Independent Non-Executive Chairman.

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 2022.

PROFILE OF DIRECTORS



SIM YEE FUAN

Independent Non-Executive Director

Age	56
Nationality	Malaysian
Gender	Male
Date of Appointment as a Director	28 March 2022

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 Members 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 and Group General Manager of Unimech Group Berhad ("UGB"), a public listed company of Bursa Securities.

Besides the Company, Mr Sim also sits on the Board of other public companies listed on Bursa Securities, namely, Saudee Group Berhad, Eurospan Holdings Berhad and Hextar Industries Berhad as their 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 2022.

PROFILE OF DIRECTORS

YANG TERAMAT MULIA RAJA KECIL TENGAH PERAK RAJA DATO' SERI ISKANDAR BIN RAJA ZIRAN @ RAJA ZAID

Independent Non-Executive Director



Age	81
Nationality	Malaysian
Gender	Male
Date of Appointment as a Director	27 February 2017

Yang Teramat Mulia Raja Kecil Tengah Perak Raja Dato' Seri Iskandar bin Raja Ziran @ Raja Zaid ("Yang Teramat Mulia") is Chairman of the Remuneration Committee and a Member of the Audit Committee and Nominating Committee of the Company.

Yang Teramat Mulia graduated from Malay College Kuala Kangsar, Perak with Federation of Malaya Certificate of Education. He started his career in 1996 as a Malay language interpreter for the Magistrate's Court, Sessions Court and the High Court before his promotion as the Registrar of Sessions Court, Penang in 1980. Subsequently in 1994, he was appointed as Senior Registrar of the Subordinate Courts, Penang until his retirement in July 1996.

In July 2016, he was appointed as Yang Teramat Mulia Raja Kecil Tengah Perak by His Royal Highness Sultan Nazrin Muizzuddin Shah Ibni Almarhum Sultan Azlan Muhibbuddin Shah Al-Maghfur-lah, Sultan of Perak on the advice of Majlis Mesyuarat Dewan Negara Perak. He was conferred the title of Dato' Seri by His Royal Highness Sultan of Perak in August 2016.

Yang Teramat Mulia 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.

Besides the Company, Yang Teramat Mulia 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 2022.

PROFILE OF DIRECTORS



DATIN SRI TAN GUIK LAN

Non-Independent Non-Executive Director

Age	51
Nationality	Malaysian
Gender	Female
Date of Appointment as a Director	7 January 2021

Datin Sri Tan Guik Lan ("Datin Sri") completed her high school education and holds senior management positions in several limited companies involve in trading and investment holding since 1999. She is principally involved in managing property investments and corporate matters.

Datin Sri does not have any conflict of interest with the Company. She is the mother of Mr. Koay, an Executive Director of the Company. Other than Mr. Koay, she has no family relationship with any Director and/or major shareholder of the Company.

Besides the Company, Datin Sri does not hold any directorship in public companies and public listed companies. She 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 2022.



YOW YAN SEONG

Independent Non-Executive Director

Age	56
Nationality	Malaysian
Gender	Male
Date of Appointment as a Director	4 September 2020

Mr. Yow Yan Seong ("Mr. Yow") was appointed as an Independent Non-Executive Director of the Company on 4 September 2020.

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 2022.

PROFILE OF DIRECTORS

TAN SEONG HOOI

Independent Non-Executive Director



Age	58
Nationality	Malaysian
Gender	Male
Date of Appointment as a Director	7 January 2021

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 2022.

SENIOR MANAGEMENT TEAM

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 oversee 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.

Senior Manager - Project TAN ZE NAN

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.

LEE HUEY SAN *Corporate Secretary*

Ms. Lee Huey San ("Ms. Lee") joined the Group last year 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 and Ernst and Young, both being among the four largest professional services networks in the world. 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 ("Group") corporate governance practices and processes to meet these challenges.

In this Annual Report, the Company outline 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.http://sib.com.my/announcements.php or Bursa Securities's website. 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 2022 ("FYE 2022"), except for the following practices, which in the opinion of the Board of Directors adequately suit the circumstances and a summary of their justifications are as follows:

Practices	Justification
Practice 5.10: The board discloses in its annual report the company's policies on gender diversity, its targets and measures to meet those targets. For Large Companies, the board must have at least 30% women directors.	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 view points 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 in accordance with Practice 5.10. As at present, the Board comprises one (1) woman Director.
Practice 5.9 The board comprises at least 30% women directors.	The Board comprises a woman Director representing 12.5% of the Board composition. To-date, there are 33% women employees in senior positions of the Group. 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.
Practice 7.2: 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.	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. 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.

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 the 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 Company; 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 Company'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;

e) Ensuring effective risk assessment, compliance and control systems (including compliance with all relevant laws and regulations) are 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, 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 was updated and is available for reference at the Company's website at www.sib.com.my ("Company's website").

In promoting good governance practices and to enhance transparency and accountability, the Board has 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
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.

The yearly performance evaluations of the Board not only focus on financial performance but also include other non-financial performance like sustainability.

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
b) Nominating Committee
c) Remuneration Committee

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") by the Board. 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 Audit Committee ("AC"), Nominating Committee ("NC") and Remuneration Committee ("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 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 33% women employees in senior positions of the Group and one (1) woman Director on the Board i.e., 12.5% 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 eight (8) members, an Executive Chairman, an Executive Director, a Non-Independent Non-Executive Director and five (5) Independent Non-Executive Directors ("INED") which complied with paragraph 15.02 of the MMLR of having at least one-third (1/3) of the Board members as INEDs.

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.

The Board is led by a well experienced Chairman who is responsible for instilling 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 Executive Directors are 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 Non-Executive Directors contribute their knowledge and experience in business strategic plans.

Pursuant to Practice 1.3 of the MCCG, the positions of Chairman and Chief Executive Officer ("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. However, the Company does not have a CEO presently but have another Executive Director besides the Executive Chairman who manages the daily business and operations of the Group and ensure the implementation of the Group's policies and strategic plans. Pursuant to Practice 1.4 of the MCCG, the Executive Chairman is not a member of the Company's AC, NC and RC.

The NC has assessed, reviewed and determined that the Chairmanship of Tuan Haji Abdul Hamid bin Mohd Hassan shall remain based on the following justifications/aspects contributed by him as Chairman of the Board:

a) he has vast experience in the corporate field and extensive experience in taxation matters that enables him to provide the Board with the experience and real-life scenario to better manage and run the Group;
b) he has exercised due care in the interest of the Group and shareholders during his tenure as an Executive Chairman of the Group; and
c) has provided objectivity in decision making and ensured effective checks and balances in the proceedings of the Board.

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 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 six (6) Board Meetings were held during FYE 2022. All Directors 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. 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 during FYE 2022 are as follows:

	Directors	Meeting Attendance
1.	Tuan Haji Abdul Hamid bin Mohd Hassan	6/6
2.	Koay Shean Loong	6/6
3.	Datuk Tan Hiang Joo	6/6
4.	Yang Teramat Mulia Raja Kecil Tengah Perak Raja Dato' Seri Iskandar bin Raja Ziran @ Raja Zaid	6/6
5.	Yow Yan Seong	6/6
6.	Datin Sri Tan Guik Lan	6/6
7.	Tan Seong Hooi	6/6
8.	Sim Yee Fuan* *(Appointed w.e.f. 28 March 2022)*	1/1
9.	Chee Wai Hong # *(Retired w.e.f. 29 December 2021)*	3/3

Notes:

* *Appointed during FYE 2022*

\# *Retired during FYE 2022*

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 Executive Director,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.

Both Company Secretaries' roles and responsibilities include:

a) attend and ensure all Board, Board Committees and General Meetings are properly convened and ensure thatdeliberations 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; and
e) ensure proper upkeep of statutory registers and records of the Company; and 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 comprises exclusively of INEDs. The members and their attendance at NC meeting are as follows:

	Members	Meeting Attendance
1.	Datuk Tan Hiang Joo - Chairman	3/3
2.	Yang Teramat Mulia Raja Kecil Tengah Perak Raja Dato' Seri Iskandar bin Raja Ziran @ Raja Zaid	3/3
3.	Sim Yee Fuan* *(Appointed w.e.f. 28 March 2022)*	1/1
4.	Chee Wai Hong# *(Retired w.e.f. 29 December 2021)*	1/1

Notes:
* *Appointed during FYE 2022*
\# *Retired during FYE 2022*

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

Nominating Committee (cont'd)

The NC has convened three (3) meetings during FYE 2022 and all members attended the meetings except Mr. Chee Wai Hong ("Mr. Chee") who retired as a Director of the Company on 29 December 2021 and Mr. Sim Yee Fuan ("Mr. Sim") who attended a Meeting which was held after his appointment as a Director and NC member of the Company.

The activities of the NC during FYE 2022 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 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) recommended to the Board the appointment of Director;
g) discussed and recommended the re-election of Directors who retired in accordance with the Company's Constitution;
h) recommended to the Board the changes to the Board Committees;
i) reviewed the TOR of the NC and recommended the necessary changes to the Board for adoption; and
j) reviewed and recommended to the Board the Directors' Fit and Proper Policy for adoption.

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 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 Secretaries will ensure that all appointments are proper and all necessary compliance obligations are adhered to. During FYE 2022, the NC has deliberated on the appointment of Mr. Sim as an Independent Non-Executive Director of the Company, Chairman of the AC and Members of the NC and RC and, has recommended Mr. Sim to the Board for appointment.

Re-Appointment and Re-Election of Directors

In accordance with the Company's Constitution, at least 1/3 or the number nearest to 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 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.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

Re-Appointment and Re-Election of Directors (cont'd)

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 2022 evaluated their performances in accordance with the Directors' Fit and Proper Policy and recommended them to the Board for their re-election at the forthcoming AGM.

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 ("MAP") within four 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, including Mr. Sim who was appointed to the Board during FYE 2022 has attended the MAP as at todate.

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 FYE 2022, the following training programmes and seminars were attended by the present Directors of the Company:

Name of Director	Seminars/Courses
Tuan Haji Abdul Hamid bin Mohd Hassan	Budget 2022 - Budget Highlights and Recent Tax Development
Koay Shean Loong	• Reading, Analysing & Interpretation Financial Statements for Better Decision Making for Corporate Managers
Datuk Tan Hiang Joo	• Winning Sustainability Game Through Risk Management and Effective Business Continuity Management for Business Survival • Resolving Boardroom and Shareholders Disputes
Yang Teramat Mulia Raja Kecil Tengah Perak Raja Dato' Seri Iskandar bin Raja Ziran @ Raja Zaid	• Resolving Boardroom and Shareholders Disputes
Yow Yan Seong	• Malaysian Code on Corporate Governance New Compliance Principles and Standards
Datin Sri Tan Guik Lan	• Balancing Risk Management with Sustainability Commitment-Ethics, Regulatory Compliance and Control Environment
Tan Seong Hooi	• Executing Business Transformation for Sustainable Performance
Sim Yee Fuan* *(Appointed w.e.f. 28 March 2022)*	• Creating Competitive Advantage through Sustainability

Notes:

* *Appointed during FYE 2022*

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

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.	Yang Teramat Mulia Raja Kecil Tengah Perak Raja Dato' Seri Iskandar bin Raja Ziran @ Raja Zaid - Chairman	2/2
2.	Datuk Tan Hiang Joo	2/2
3.	Sim Yee Fuan* *(Appointed w.e.f. 28 March 2022)*	1/1
4.	Chee Wai Hong# *(Retired w.e.f. 29 December 2021)*	Nil

Notes:
* *Appointed during FYE 2022*
\# *Retired during FYE 2022*

The RC has convened two (2) meetings during FYE 2022 and all members attended the meetings except Mr. Chee who retired as a Director of the Company on 29 December 2021 and Mr. Sim who attended one of the Meetings which was held after his appointment as a Director and RC member of the Company.

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.

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 reflects the amount paid by other comparable organisations, adjusted for the experience and levels of responsibilities undertaken by the Non-Executive Directors concerned. The Non- Executive Directors' 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.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

Directors' Remuneration (cont'd)

The details of remuneration paid to the Directors in FYE 2022 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	-	-	-	-	-	-	-	-	-	120	10	13	1	144
Koay Shean Loong	-	-	360	50	-	50	460	-	-	360	50	13	50	473
Non-Executive Directors														
Datuk Tan Hiang Joo	48	0.3	-	-	-	-	48.3	48	0.3	-	-	-	-	48.3
Sim Yee Fuan* *(Appointed w.e.f. 28 March 2022)*	12	-	-	-	-	-	12	12	-	-	-	-	-	12
Yang Teramat Mulia Raja Kecil Tengah Perak Raja Dato' Seri Iskandar bin Raja Ziran @ Raja Zaid	48	0.3	-	-	-	-	48.3	48	0.3	-	-	-	-	48.3
Datin Sri Tan Guik Lan	48	0.3	-	-	-	-	48.3	48	0.3	-	-	-	-	48.3
Yow Yan Seong	48	0.3	-	-	-	-	48.3	48	0.3	-	-	-	-	48.3
Tan Seong Hooi	48	0.3	-	-	-	-	48.3	48	0.3	-	-	-	-	48.3
Chee Wai Hong# *(Retired w.e.f. 29 December 2021)*	24	0.3	-	-	-	-	24.3	24	0.3	-	-	-	-	24.3
TOTAL	**276**	**1.8**	**360**	**50**	**-**	**50**	**737.8**	**276**	**1.8**	**480**	**60**	**26**	**51**	**894.8**

Notes:

* *Appointed during FYE 2022*
\# *Retired during FYE 2022*

Senior Management's Remuneration

The remuneration of the Senior Management for FYE 2022 disclosed in band basis is as follows:

Range of Remuneration (RM)	Salaries and EPF	Allowances	Bonus and Incentive	SOCSO and EIS	Benefits-In-Kind
	Number of Senior Management				
Below 50,000	1	6	2	6	1
50,001-100,000	-	-	-	-	-
100,001-150,000	2	-	-	-	-
150,001-200,000	3	-	-	-	-

Notes:

EPF - Employees Provident Fund Contribution
EIS - Employment Insurance System Contribution
SOCSO - Social Security Organisation Contribution

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

Senior Management's Remuneration (cont'd)

	Range of Remuneration (RM)		
	Below 50,000	**100,001-150,000**	**150,001-200,000**
Number of Senior Management	1	2	3

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 FYE 2022 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.

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 five (5) 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 FYE 2022 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.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

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 has established 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 have been continually reviewed by the Board and are in accordance with 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 function adopts a risk-based approach and prepares its audit plans based on significant risks identified. 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.

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 website. The Company's website provides an 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") remain 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 59th 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.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

Conduct of General Meetings (cont'd)

The Board views the AGM and EGM as ideal opportunities to communicate with Shareholders. During the AGM and EGM, 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 59th 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 on the conduct of General Meetings. Arrangements and procedures relating to attendance at the 59th AGM via electronic means, submission of questions during the 59th AGM and voting by appointing proxy at the 59th AGM were set out in the notice of the 59th AGM. An Administrative Guide, which furnished useful information regarding the conduct of 59th AGM to guide the Shareholders in participating in the 59th AGM remotely was sent to the Shareholders ahead of the AGM.

The notice of the 59th AGM was also published in nationally circulated daily newspaper, Bursa Securities' website at www.bursamalaysia.com as well as the Company's website within the prescribed period. The notice of the 59th 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 casted and results of each resolution put to vote were announced at the 59th AGM. An announcement detailing the poll results, including the total number of votes casted for and against each resolution and the respective percentages were announced via Bursa LINK on the same day after the conclusion of the 59th AGM. Minutes of the 59th AGM was published on the Company's website as soon as practicable after the conclusion of the 59th 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 made in accordance with the resolution of the Board of Directors dated 6 October 2022.

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"), the Board is pleased to present the AC Report for the financial year ended 30 June 2022.

During the financial year, 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 members, all of whom are Independent Non-Executive Directors, in compliance with paragraph 15.09(1) of the MMLR:-

Chairman
Sim Yee Fuan
Independent Non-Executive Director

Members
Datuk Tan Hiang Joo
Senior Independent Non-Executive Director

Yang Teramat Mulia Raja Kecil Tengah Perak
Raja Dato' Seri Iskandar bin Raja Ziran @ Raja Zaid
Independent Non-Executive Director

None of the AC members are alternate Director.

The Chairman of the AC, Mr. Sim Yee Fuan ("Mr. Sim") was appointed on 28 March 2022, to fill the vacancy left by Mr. Chee Wai Hong ("Mr. Chee") following Mr. Chee's retirement as a Director of the Company on 29 December 2021. Mr. Sim graduated 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 and is a Chartered Accountant registered with Malaysian Institute of Accountants.

During the financial year ended 30 June 2022, there were five (5) AC meetings held and the details of the attendance of each member of the committee are tabulated below:

	Members	Attendance at Meeting	Percentage of Attendance (%)
(i)	Sim Yee Fuan *(Appointed w.e.f. 28 March 2022)*	1/1	100
(ii)	Datuk Tan Hiang Joo	5/5	100
(iii)	Yang Teramat Mulia Raja Kecil Tengah Perak Raja Dato' Seri Iskandar bin Raja Ziran @ Raja Zaid	5/5	100
(iv)	Chee Wai Hong (Retired w.e.f. 29 December 2021)	3/3	100

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

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.

AUDIT COMMITTEE 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 financial year ended 30 June 2022 in line with its TOR were summarised as follows:-

Financial Reporting

Reviewed the Group's quarterly results and annual audited financial statements of the Group and its related notes to financial statements for the financial year ended 30 June 2022 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 financial year 2022 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 audit 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 audited financial statements 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 financial year ended 30 June 2022, proposed audit reporting schedule and new development on financial reporting standards applicable to the Group;
- reviewed the performance and effectiveness of the external auditors including assessment of their 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 financial year ended 30 June 2022 and were in compliance with the independence requirements;
- Considered the audit fees paid to the external auditors for the financial year ended 30 June 2022. The details of the audit and non-audit services rendered by the external auditors and their affiliates for financial year ended 30 June 2022 are disclosed in Additional Compliance Information of this Annual Report.
- reviewed the extent of assistance rendered by management in the course of audit; and
- reviewed the performance and effectiveness of the external auditors and including assessment of their 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 financial year ended 30 June 2022 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 7 years.

AUDIT COMMITTEE REPORT

SUMMARY OF ACTIVITIES OF THE AC (cont'd)

Compliance and Corporate Governance

- reviewed and recommended the Statement on Risk Management and Internal Control and recommended to the Board for approval and inclusion in the Annual Report; and
- presented the Audit Committee Report to the Board for approval and inclusion in the Annual Report.

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 financial year ended 30 June 2022, the Board is 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, 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 auditor undertakes internal audit function based on the audit plan approved by the AC. The internal auditor reports directly to the AC and the cost incurred for the internal audit function for the financial year was RM24,000.

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.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

Pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, 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").

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 internal control and for reviewing the adequacy and integrity of those systems. In view of the limitations that are inherent in any system of internal control, the internal control system is designed to manage risk within tolerable levels rather than eliminate the risk of failure to achieve business objectives. Hence, such system by its nature can only provide reasonable and not absolute assurance against material misstatement, error or losses.

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 adequacy and effectiveness of this process have been continually reviewed by the Board and are in accordance with the Internal Control Guidance.

RISK MANAGEMENT

The Board and the Management practise 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, or venturing into new operating environment which may entail different risks, and assess the appropriate risk response strategies and controls.

INTERNAL AUDIT

The Board acknowledges the importance of internal audit function and has outsourced the internal audit function to an independent professional services firm, BDO Governance Advisory Sdn. Bhd. ("BDO") in assessing the adequacy and effectiveness of the internal control system. The internal control reviews are carried out as per the annual audit plan approved by the Audit Committee.

The internal audit adopts a risk-based approach in developing its audit plan which addresses all the core auditable areas of the Group based on their risk profile. The audit focuses on high risk areas to ascertain if an adequate action plan is in place to address the risks and concerns identified. The resulting reports from BDO, including the findings, recommendations and Management's responses were presented to the Audit Committee on a half yearly basis. The Management is responsible to ensure that the necessary agreed corrective action items are taken and resolved within the required timeline.

A total of 2 internal control reviews were conducted by BDO for the financial year ended 30 June 2022. The details of the said reviews are delineated as follows:-

Audit Period	Audited Areas
October 2021 - March 2022	• Pre-Project Management
January 2022 - June 2022	• Review of Anti-Bribery and Anti-Corruption Policy and Procedures Pursuant to The Corporate Liability Provision Under Section 17A of the Malaysian Anti - Corruption Commission Act 2009

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

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; and
- Regular visits to operating units by members of the Board and senior management.

REVIEW OF THIS STATEMENT BY EXTERNAL AUDITORS

As required by Paragraph 15.23 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the external auditors have reviewed this Statement for inclusion in this Annual Report. This Statement is reviewed 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 this 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 Executive Directors that the Group's risk management and internal control system have been operating adequately and effectively, in all material aspects, during the financial year under review and up to date of this Statement. Taking this assurance into consideration, the Board is of the view that there were no significant weaknesses in the current system of internal control of the Group that may have material impact on the operations of the Group for the financial year ended 30 June 2022. 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.

This Statement is issued in accordance with the resolution of the Board of Directors dated 6 October 2022.

ADDITIONAL COMPLIANCE INFORMATION

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 2022 is as follows:

	Group RM	Company RM
Audit Fees	115,000	38,000
Non-Audit Fees	3,000	3,000

Status of Utilisation of Proceeds Raised from Corporate Proposal

The Company has allotted a total of 46,070,000 new ordinary shares pursuant to a Private Placement exercise ("Allotment") as follows, which has utilised the general mandate granted by its Shareholders pursuant to Section 76 of the Companies Act 2016 at the Company's 58th Annual General Meeting ("AGM") held on 21 December 2020:-

	Date of Allotment	Number of New Ordinary Shares Allotted	Issue Price Per Ordinary Share Allotted (RM)
(i)	9 September 2021	23,000,000	0.346
(ii)	16 December 2021	23,070,000	0.253
Total		46,070,000	

The Allotment arising from the Private Placement has raised a gross proceed of RM13.79 million ("the Proceed") and the details of utilisation of the Proceed as at todate are as follows:-

Purpose	Amount Allocated for Utilisation (RM'000)	Amount of Actual Utilisation (RM'000)	Unutilised Amount (RM'000)
Working capital for the existing construction project	7,000	6,384	616
Future property development projects	6,664	6,664	-
Expenses for the Private Placement	130	130	-
Total	**13,794**	**13,178**	**616**

Material Contracts

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 2022 or entered into since the end of the previous financial period ended 30 June 2021.

Recurrent Related Party Transactions ("RRPT") of Revenue Nature

There was no RRPT during the financial year.

STATEMENT ON 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
- made an assessment and satisfied with the Group's and the Company's ability to continue as a going concern.

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 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.

DIRECTORS' REPORT
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

The directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended **30 June 2022.**

PRINCIPAL ACTIVITIES

The principal activities of the Company consist of 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 6 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
Profit for the financial year	**4,550,996**	**987,948**
Attributable to:		
Owners of the Company	**4,321,135**	**987,948**
Non-controlling interests	**229,861**	**-**
	4,550,996	**987,948**

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 2022 have not been substantially affected by any item, transaction or event of a material and unusual nature, other than the fair value gain on investment properties of the Group amounting to RM2,882,806 as disclosed in Note 27 to the financial statements.

DIVIDENDS

No dividends have been 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.

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 23,000,000 and 23,070,000 new ordinary shares through a private placement at an issued price of RM0.346 and RM0.253 per ordinary share respectively.

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

DIRECTORS' REPORT
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

TREASURY SHARES

During the financial year, the Company did not repurchase any of its issued ordinary shares from the open market.

As at 30 June 2022, the Company held a total of 5,896,500 treasury shares out of its 289,022,684 issued ordinary shares. The treasury shares are held at a carrying amount of RM2,165,586 and further relevant details are disclosed in Note 18 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:

* **Tuan Haji Abdul Hamid Bin Mohd Hassan**
* **Koay Shean Loong**
Datin Sri Tan Guik Lan
Datuk Tan Hiang Joo
Yang Teramat Mulia Raja Kecil Tengah Perak Raja Dato' Seri Iskandar Bin Raja Ziran @ Raja Zaid
Yow Yan Seong
Tan Seong Hooi
Sim Yee Fuan (appointed on 28.3.2022)
Chee Wai Hong (resigned on 29.12.2021)

Director of a subsidiary:

Nor Azuwan Bin Saleh

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

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 1.7.21	Bought	Sold	Balance at 30.6.22
The Company				
Direct Interest:				
Koay Shean Loong	24,894,200	-	-	24,894,200
Datin Sri Tan Guik Lan	44,784,100	-	-	44,784,100
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	1,733,000	-	-	1,733,000
[1] Sim Yee Fuan	80,000	-	-	80,000

Note:
[1] Deemed interest pursuant to Section 59(11)(c) of the Companies Act 2016 by virtue of shares held by his immediate family members.

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' REPORT
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

DIRECTORS' REMUNERATION AND BENEFITS

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

	COMPANY RM	SUBSIDIARIES RM	GROUP RM
Fees	**276,000**	**-**	**276,000**
Salaries and bonus	**411,800**	**130,000**	**541,800**
Defined contribution plan	**49,200**	**-**	**49,200**
SOCSO and EIS	**924**	**593**	**1,517**
Benefits in-kind	**-**	**26,650**	**26,650**
	737,924	**157,243**	**895,167**

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 AND OFFICERS

The amount of insurance premium paid for professional indemnity for the directors and officers of the Company during the financial year is RM35,000.

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 making of provision for doubtful debts and satisfied themselves that there were no bad debts to be written off and that adequate provision had been made for doubtful debts; and

(ii) to ensure that any current assets which were unlikely to realise their value as shown in the accounting records in the ordinary course of business had 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) that 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) that would render the value attributed to the current assets in the financial statements of the Group and of the Company misleading; or

(iii) that would render any amount stated in the financial statements of the Group and of the Company misleading, or

(iv) that 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.

OTHER STATUTORY INFORMATION (CONT'D)

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

(i) any charge on the assets of the Group and of the Company that 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 that has arisen since the end of the financial year.

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 EVENTS

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

AUDITORS

The total amount of fees paid to or receivable by the auditors, **Grant Thornton Malaysia PLT**, as remuneration for their services as auditors of the Group and of the Company for the financial year ended 30 June 2022 are RM115,000 and RM38,000 respectively.

The Group and the Company have agreed to indemnify the auditors to the extent permissible under the provisions of the Companies Act 2016 in Malaysia. However, no payment has been made under this indemnity for the financial year.

The auditors have expressed their willingness to continue in office.

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

.....	.....
Tuan Haji Abdul Hamid bin Mohd Hassan	**Koay Shean Loong**

Penang,

Date: 6 October 2022

DIRECTORS' STATEMENT

In the opinion of the directors, the financial statements set out on pages 45 to 124 are properly drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at **30 June 2022** 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:

.....
Tuan Haji Abdul Hamid bin Mohd Hassan

.....
Koay Shean Loong

Date: 6 October 2022

STATUTORY DECLARATION

I, **Tuan Haji Abdul Hamid Bin Mohd Hassan,** the director primarily responsible for the financial management of **Seal Incorporated Berhad** do solemnly and sincerely declare that the financial statements set out on pages 45 to 124 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 **6th**)
day of **October 2022.**)

.....
Tuan Haji Abdul Hamid bin Mohd Hassan

Before me,

.....
Goh Suan Bee (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 2022** 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 a summary of accounting policies, as set out on pages 45 to 124.

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 2022** and of their financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical 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.

Key Audit Matters	How our audit addressed the Key Audit Matters
Fair value of investment properties *(Note 5 to the financial statements)* Investment properties of the Group mainly consists of freehold land, freehold and leasehold shoplots, leasehold building and leasehold office lots. We focused on this area as the determination of the fair value of the investment properties requires significant judgement due to the use of the estimates in the valuation techniques based on certain key assumptions.	Our audit procedures in relation to the fair value of the investment properties included, amongst others, the following: • Considered the competency, capabilities and objectivity of the independent external valuers; • Reviewed the valuation reports prepared by the independent external valuers and understood the methodology adopted by the independent external valuers in estimating the fair value of the investment properties; and • Had discussion with the independent external valuers to obtain an understanding of the key input data and key assumptions used by the independent external valuers.

Key Audit Matters (cont'd)

Key Audit Matters	How our audit addressed the Key Audit Matters
Impairment of trade and other receivables (*Note 10 and 11 to the financial statements*) The Group has significant trade and other receivables as at 30 June 2022 which include certain amounts that are long outstanding and these are subject to credit risk exposure. 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.	Our audit procedures in relation to the management's impairment of trade and other receivables included, amongst others, the following: • Obtained an understanding of: - the Group'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 makes 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.

There is no key audit matter to be communicated in the audit of the separate financial statements of the Company.

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.

Responsibilities of the Directors for the Financial Statements

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

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

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF SEAL INCORPORATED BERHAD
(Incorporated in Malaysia)

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 of the Group and of the Company.

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 the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF SEAL INCORPORATED BERHAD
(Incorporated in Malaysia)

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

Penang

Date: 6 October 2022

Loo Wei Teng
No. 03487/03/2024 J
Chartered Accountant

STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2022

	NOTE	GROUP 2022 RM	GROUP 2021 RM	COMPANY 2022 RM	COMPANY 2021 RM
ASSETS					
Non-current assets					
Property, plant and equipment	**4**	**727,785**	802,239	**15,556**	22,887
Investment properties	**5**	**118,919,820**	116,062,014	**770,000**	739,194
Investment in subsidiaries	**6**	**-**	-	**110,708,530**	110,698,530
Timber concessions	**7**	**10,798,931**	10,798,931	**2,194,244**	2,194,244
Inventories	**8**	**95,016,670**	95,016,670	**17,599,245**	17,599,245
Amount due from subsidiaries	**9**	**-**	-	**79,584,511**	72,417,606
		225,463,206	222,679,854	**210,872,086**	203,671,706
Current assets					
Inventories	**8**	**41,877,222**	24,900,932	**-**	-
Trade receivables	**10**	**39,337,128**	53,482,565	**-**	-
Other receivables, deposits and prepayments	**11**	**91,589,828**	83,198,646	**7,932,356**	162,483
Amount due from subsidiaries	**9**	**-**	-	**76,909,657**	84,645,748
Contract assets	**12**	**6,068,882**	5,878,816	**-**	-
Contract costs	**13**	**3,585,911**	761,211	**-**	-
Current tax assets		**3,088,525**	2,823,303	**-**	-
Other investments	**14**	**14,099,477**	13,365,475	**249**	-
Deposits with licensed banks	**15**	**16,376,377**	18,428,123	**5,017,064**	1,045,933
Cash and bank balances		**6,229,243**	3,027,560	**3,049,947**	275,187
		222,252,593	205,866,631	**92,909,273**	86,129,351
Non-current asset held for sale	**16**	**-**	110,000	**-**	110,000
		222,252,593	205,976,631	**92,909,273**	86,239,351
TOTAL ASSETS		**447,715,799**	428,656,485	**303,781,359**	289,911,057

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

STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2022

	NOTE	GROUP 2022 RM	GROUP 2021 RM	COMPANY 2022 RM	COMPANY 2021 RM
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	**17**	**156,424,247**	142,629,537	**156,424,247**	142,629,537
Treasury shares	**18**	**(2,165,586)**	(2,165,586)	**(2,165,586)**	(2,165,586)
Reserves	**19**	**352,940**	352,940	**352,940**	352,940
Retained profits	**20**	**155,860,725**	151,539,590	**140,736,920**	139,748,972
		310,472,326	292,356,481	**295,348,521**	280,565,863
Non-controlling interests		**4,195,773**	5,965,942	**-**	-
Total equity		**314,668,099**	298,322,423	**295,348,521**	280,565,863
Non-current liabilities					
Other payables and accruals	**21**	**16,000,000**	-	**-**	-
Borrowings	**22**	**62,041,491**	66,956,119	**-**	-
Deferred tax liabilities	**23**	**2,358,119**	2,138,331	**6,675**	6,675
		80,399,610	69,094,450	**6,675**	6,675
Current liabilities					
Trade payables	**24**	**11,648,820**	10,493,560	**2,444**	2,444
Other payables and accruals	**21**	**27,369,060**	34,687,211	**402,097**	370,683
Amount due to subsidiaries	**9**	**-**	-	**7,844,940**	7,531,681
Borrowings	**22**	**13,250,128**	13,224,414	**-**	1,256,159
Current tax liabilities		**380,082**	2,834,427	**176,682**	177,552
		52,648,090	61,239,612	**8,426,163**	9,338,519
Total liabilities		**133,047,700**	130,334,062	**8,432,838**	9,345,194
TOTAL EQUITY AND LIABILITIES		**447,715,799**	428,656,485	**303,781,359**	289,911,057

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

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

	NOTE	GROUP 2022 RM	GROUP 2021 RM	COMPANY 2022 RM	COMPANY 2021 RM
Revenue	25	**9,537,589**	18,802,345	**-**	4,930
Direct operating costs	26	**(4,566,926)**	(16,875,387)	**-**	-
Gross profit		**4,970,663**	1,926,958	**-**	4,930
Other income	27	**7,756,428**	4,324,578	**5,173,889**	5,394,824
Administrative expenses		**(5,881,517)**	(9,334,751)	**(3,098,088)**	(1,939,030)
Operating profit/(loss)		**6,845,574**	(3,083,215)	**2,075,801**	3,460,724
Finance costs		**(2,966,266)**	(3,291,690)	**(342,346)**	(259,531)
Profit/(Loss) before tax	28	**3,879,308**	(6,374,905)	**1,733,455**	3,201,193
Tax income/(expense)	29	**671,688**	(4,061,592)	**(745,507)**	(672,164)
Net profit/(loss), representing total comprehensive income/(loss) for the financial year		**4,550,996**	(10,436,497)	**987,948**	2,529,029
Profit/(Loss) attributable to:					
Owners of the Company		**4,321,135**	(10,382,865)	**987,948**	2,529,029
Non-controlling interests		**229,861**	(53,632)	**-**	-
		4,550,996	(10,436,497)	**987,948**	2,529,029
Total comprehensive income/(loss) attributable to:					
Owners of the Company		**4,321,135**	(10,382,865)	**987,948**	2,529,029
Non-controlling interests		**229,861**	(53,632)	**-**	-
		4,550,996	(10,436,497)	**987,948**	2,529,029
Earnings/(Losses) per share attributable to owners of the Company (sen)					
- Basic/Diluted	30	**1.61**	(4.38)		

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

		|---- Attributable to owners of the Company ----|						
				Non-distributable	Distributable			
	NOTE	Share Capital RM	Treasury Shares RM	Reserves RM	Retained Profits RM	Total RM	Non-controlling Interests RM	Total Equity RM
2022								
Balance at beginning		**142,629,537**	**(2,165,586)**	**352,940**	**151,539,590**	**292,356,481**	**5,965,942**	**298,322,423**
Total comprehensive income for the financial year		**-**	**-**	**-**	**4,321,135**	**4,321,135**	**229,861**	**4,550,996**
Transactions with owners of the Company:								
Issuance of ordinary shares	**17**	**13,794,710**	**-**	**-**	**-**	**13,794,710**	**-**	**13,794,710**
Dividends paid to non-controlling interests		**-**	**-**	**-**	**-**	**-**	**(2,000,000)**	**(2,000,000)**
Acquisition of subsidiaries		**-**	**-**	**-**	**-**	**-**	**(30)**	**(30)**
Total transactions with owners		**13,794,710**	**-**	**-**	**-**	**13,794,710**	**(2,000,030)**	**11,794,680**
Balance at end		**156,424,247**	**(2,165,586)**	**352,940**	**155,860,725**	**310,472,326**	**4,195,773**	**314,668,099**
2021								
Balance at beginning		142,629,537	(2,165,586)	352,940	161,922,455	302,739,346	6,019,574	308,758,920
Total comprehensive loss for the financial year		-	-	-	(10,382,865)	(10,382,865)	(53,632)	(10,436,497)
Balance at end		142,629,537	(2,165,586)	352,940	151,539,590	292,356,481	5,965,942	298,322,423

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

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

	NOTE	Share Capital RM	Treasury Shares RM	Non-distributable Reserves RM	Distributable Retained Profits RM	Total Equity RM
2022						
Balance at beginning		**142,629,537**	**(2,165,586)**	**352,940**	**139,748,972**	**280,565,863**
Total comprehensive income for the financial year		**-**	**-**	**-**	**987,948**	**987,948**
Transactions with owners of the Company:						
Issuance of ordinary shares	**17**	**13,794,710**	**-**	**-**	**-**	**13,794,710**
Balance at end		**156,424,247**	**(2,165,586)**	**352,940**	**140,736,920**	**295,348,521**
2021						
Balance at beginning		142,629,537	(2,165,586)	352,940	137,219,943	278,036,834
Total comprehensive income for the financial year		-	-	-	2,529,029	2,529,029
Balance at end		142,629,537	(2,165,586)	352,940	139,748,972	280,565,863

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

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

	NOTE	GROUP 2022 RM	GROUP 2021 RM	COMPANY 2022 RM	COMPANY 2021 RM
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit/(Loss) before tax		**3,879,308**	(6,374,905)	**1,733,455**	3,201,193
Adjustments for:					
Allowance for expected credit losses on amount due from subsidiaries		**-**	-	**209,625**	-
Deposit written off		**2,050**	-	**-**	-
Depreciation of property, plant and equipment		**190,349**	305,138	**7,331**	9,030
Dividend income from investment in quoted unit trusts		**(156,295)**	(304,330)	**(9,999)**	(16,846)
Fair value (gain)/loss on investment properties, net		**(2,857,806)**	30,569	**(30,806)**	30,806
Fair value gain on other investments		**(95,434)**	-	**-**	-
Gain on disposal of property, plant and equipment		**-**	(139,775)	**-**	-
Impairment loss on investment in a subsidiary		**-**	-	**-**	30,164
Interest expense		**2,966,266**	3,291,690	**342,346**	259,531
Interest income		**(1,060,098)**	(472,426)	**(5,046,584)**	(4,626,001)
Property, plant and equipment written off		**995**	29,993	**-**	-
Reversal of allowance for expected credit losses		**(2,145)**	(19,962)	**-**	-
Reversal of impairment loss on investment in subsidiaries		**-**	-	**-**	(659,862)
Operating profit/(loss) before working capital changes		**2,867,190**	(3,654,008)	**(2,794,632)**	(1,771,985)
Changes in:					
Inventories		**(15,164,287)**	3,560,156	**-**	-
Receivables		**5,755,350**	17,045,910	**(7,769,873)**	(11,011)
Payables		**8,024,073**	(9,156,288)	**31,414**	(440,946)
Contract assets		**(190,066)**	(1,346,099)	**-**	-
Contract costs		**(2,824,700)**	-	**-**	-
Cash (used in)/generated from operations		**(1,532,440)**	6,449,671	**(10,533,091)**	(2,223,942)
Income tax paid		**(1,849,898)**	(2,127,189)	**(743,760)**	(880,516)
Real property gains tax paid		**(2,617)**	-	**(2,617)**	-
Income tax refunded		**24,424**	-	**-**	-
Interest received		**10,366**	34,785	**-**	-
Interest paid		**(2,966,266)**	(3,246,540)	**(71,537)**	(37,922)
Net cash (used in)/generated from operating activities		**(6,316,431)**	1,110,727	**(11,351,005)**	(3,142,380)

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

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

	NOTE	GROUP 2022 RM	GROUP 2021 RM	COMPANY 2022 RM	COMPANY 2021 RM
CASH FLOWS FROM INVESTING ACTIVITIES					
Additions of investment in a subsidiary		**-**	-	**(10,000)**	-
Dividend received from investment in quoted unit trusts		**156,295**	304,330	**9,999**	16,846
Interest received		**1,049,732**	437,641	**106,248**	39,950
Net cash inflow from acquisition of subsidiaries		**3**	-	**-**	-
Net change in subsidiaries' balances		**-**	-	**5,342,347**	(4,000,157)
Proceeds from disposal of non-current assets held for sale		**110,000**	705,000	**110,000**	705,000
Proceeds from disposal of other investments		**32,466,842**	14,378,472	**6,299,751**	5,000,000
Proceeds from disposal of property, plant and equipment		**-**	391,230	**-**	-
Purchase of other investments		**(33,105,410)**	(9,298,199)	**(6,300,000)**	(1,200,000)
Purchase of property, plant and equipment		**(116,890)**	(132,910)	**-**	-
Subsequent expenditure incurred on investment properties		**-**	(24,763)	**-**	-
Withdrawal of deposits with licensed banks		**532,938**	173,421	**-**	-
Net cash generated from investing activities		**1,093,510**	6,934,222	**5,558,345**	561,639
CASH FLOWS FROM FINANCING ACTIVITIES					
Dividends paid to non-controlling interests		**(2,000,000)**	-	**-**	-
Issuance of ordinary shares		**13,794,710**	-	**13,794,710**	-
Repayment of finance lease liabilities	**B**	**(61,129)**	(325,089)	**-**	-
Drawdown of term loans	**B**	**-**	10,000,000	**-**	-
Repayment of term loans	**B**	**(3,491,573)**	(2,497,356)	**-**	-
Net changes of commodity financing	**B**	**-**	(14,815,630)	**-**	-
Repayment of domestic recourse factoring	**B**	**-**	(3,350,667)	**-**	-
Net cash generated from/(used in) financing activities		**8,242,008**	(10,988,742)	**13,794,710**	-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		**3,019,087**	(2,943,793)	**8,002,050**	(2,580,741)
CASH AND CASH EQUIVALENTS AT BEGINNING		**6,882,062**	9,825,855	**64,961**	2,645,702
CASH AND CASH EQUIVALENTS AT END	**A**	**9,901,149**	6,882,062	**8,067,011**	64,961

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

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

	GROUP		COMPANY	
	2022	2021	**2022**	2021
	RM	RM	**RM**	RM
A. **Cash and cash equivalents**				
Deposits with licensed banks	**16,376,377**	18,428,123	**5,017,064**	1,045,933
Cash and bank balances	**6,229,243**	3,027,560	**3,049,947**	275,187
Bank overdrafts	**(8,219,099)**	(9,555,311)	**-**	(1,256,159)
	14,386,521	11,900,372	**8,067,011**	64,961
Less: Deposits pledged with licensed banks	**(4,485,372)**	(5,018,310)	**-**	-
	9,901,149	6,882,062	**8,067,011**	64,961

B. **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			
2022			
Borrowings excluding bank overdrafts, representing total liabilities arising from financing activities	**70,625,222**	**(3,552,702)**	**67,072,520**
2021			
Borrowings excluding bank overdrafts, representing total liabilities arising from financing activities	81,613,964	(10,988,742)	70,625,222

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

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2022

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 A, Level 9, Wawasan Open University, 54, Jalan Sultan Ahmad Shah, 10050 Georgetown, Penang.

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 6 October 2022.

Principal Activities

The principal activities of the Company consist of 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 6 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 Company have been prepared in accordance with applicable Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards ("IFRS") 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 unless otherwise indicated in the summary of accounting policies as set out in Note 3.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to by the Group and the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

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

2. BASIS OF PREPARATION (CONT'D)

2.2 Basis of Measurement (cont'd)

The Group and the Company use valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to their fair value measurement as a whole:

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2: Valuation techniques for which the lowest level input that is significant to their fair value measurement is directly or indirectly observable.

Level 3: Valuation techniques for which the lowest level input that is significant to their fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group and the Company determine whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to their fair value measurement as a whole) at the end of each reporting year.

For the purpose of fair value disclosures, the Group and the Company have determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy as explained above.

2.3 Functional and Presentation Currency

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

2.4 Adoption of 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 amendments to MFRSs that are mandatory for the current financial year:

Effective for annual periods beginning on or after 1 January 2021
Amendments to MFRS 9 Financial Instruments, MFRS 139 Financial Instruments: Recognition and Measurement, MFRS 7 Financial Instruments: Disclosures, MFRS 4 Insurance Contracts and MFRS 16 Leases: Interest Rate Benchmark Reform - Phase 2

Effective for annual periods beginning on or after 1 April 2021
Amendment to MFRS 16 Leases: Covid-19 - Related Rent Concessions beyond 30 June 2021

Initial application for the above amendments to MFRSs did not have any material impact to the financial statements of the Group and of the Company.

2.5 Standards Issued But Not Yet Effective

The Group and the Company have not applied the following standards that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective for the Group and the Company:

2. BASIS OF PREPARATION (CONT'D)

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

Effective for annual periods beginning on or after 1 January 2022

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

Effective for annual periods beginning on or after 1 January 2023

MFRS 17 Insurance Contracts
Amendments to MFRS 4 Insurance Contracts - Extension of the Temporary Exemption from Applying MFRS 9
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: Classification of Liabilities as Current or Non-Current
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

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 standards is not expected to have any material impacts to the financial statements of the Group and of the Company upon adoption.

2.6 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.

2.6.1 Judgements made in applying accounting policies

In the process of applying the Group's and the Company'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:

(i) Non-current asset held for sale

In the previous financial year, the Company had entered into a Sale and Purchase Agreement to dispose of one of its investment properties, commercial shop lot for a cash consideration of RM110,000. Therefore, the investment property had been classified as non-current asset held for sale. The investment property was considered to meet the criteria as held for sale at that date for the following reasons:

2. BASIS OF PREPARATION (CONT'D)

2.6 Significant Accounting Estimates and Judgements (cont'd)

2.6.1 Judgements made in applying accounting policies (cont'd)

(i) Non-current asset held for sale (cont'd)

- The carrying amount of the commercial shop lot would be recovered principally through sale transaction rather than through continuing use;
- Sale and Purchase Agreement had been signed and the management was committed to sell the commercial shop lot in its current condition; and
- The sale expected to be completed within one year from the date of the financial year ended.

(ii) 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.

2.6.2 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 uses 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 historical observed default rates. The Group 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 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 trade receivables is disclosed in Note 33.3.1 to the financial statements.

2. BASIS OF PREPARATION (CONT'D)

2.6 Significant Accounting Estimates and Judgements (cont'd)

2.6.2 Key sources of estimation uncertainty (cont'd)

(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) Inventories

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.

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 8 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.

2. BASIS OF PREPARATION (CONT'D)

2.6 Significant Accounting Estimates and Judgements (cont'd)

2.6.2 Key sources of estimation uncertainty (cont'd)

(v) Impairment in 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** (2021: RM30,164) was recognised in profit or loss to write down a subsidiary to its 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. A reversal of impairment loss in relation to certain subsidiaries which amounted to **RM Nil** (2021: RM659,862) was recognised in profit or loss.

3. ACCOUNTING POLICIES

The following accounting policies adopted by the Group and by the Company are consistent with those adopted in the previous financial years unless otherwise indicated below.

3.1 Consolidation

(i) Subsidiaries

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

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

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

Upon disposal of investment in subsidiaries, the difference between the net disposal proceeds and their carrying amount is included in profit or loss.

3. ACCOUNTING POLICIES (CONT'D)

3.1 Consolidation (cont'd)

(ii) Basis of consolidation

The Group financial statements consolidate the audited financial statements of the Company and all of its subsidiaries, which have been prepared in accordance with the Group's accounting policies. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group. The financial statements of the Company and its subsidiaries are all drawn up to the same reporting date.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in asset, such as inventory and property, plant and equipment) are eliminated in full in preparing the consolidated financial statements. Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Temporary differences arising from the elimination of profits and losses resulting from intragroup transactions will be treated in accordance to Note 3.14 to the financial statements.

Subsidiaries are consolidated from the date on which control is transferred to the Group and are no longer consolidated from the date that control ceases.

Changes in the Company owners' ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the parent.

(iii) Business combination

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

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

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

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

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

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

3. ACCOUNTING POLICIES (CONT'D)

3.1 Consolidation (cont'd)

(iv) Acquisitions of non-controlling interests

The Group treats all changes in its ownership interest in a subsidiary that do not result in a loss of control as equity transactions between the Group and its non-controlling interest holders. Any difference between the Group's share of net assets before and after the change, and any consideration received or paid, is adjusted to or against Group reserve.

(v) Loss of control

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as an equity accounted investee or as a fair value through comprehensive income depending on the level of influence retained.

(vi) Non-controlling interests

Non-controlling interests at the end of the reporting period, being the equity in a subsidiary not attributable directly or indirectly to the equity holders of the Company, are presented in the statements of financial position and statements of changes in equity within equity, separately from equity attributable to the owners of the Company. Non-controlling interests in the results of the Group is presented in the statements of comprehensive income as an allocation of the profit or loss and the comprehensive income for the year between non-controlling interests and owners of the Company.

Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

(vii) Transactions eliminated on consolidation

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

Unrealised profits arising on transactions between the Group and its associate which are included in the carrying amount of the related assets and liabilities are eliminated to the extent of the Group's interest in the associate. Unrealised losses on such transactions are also eliminated unless cost cannot be recovered.

3.2 Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the Company and the cost of the item can be measured reliably.

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	10% - 20%
Office equipment, furniture and fittings	10% - 20%
Motor vehicles	10% - 20%

3. ACCOUNTING POLICIES (CONT'D)

3.2 Property, Plant and Equipment (cont'd)

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

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

3.3 Investment Properties

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value. Gains or losses arising from changes in the fair values of investment properties are recognised in profit or loss in the year in which they arise, including the corresponding tax effect.

Investment property under construction is stated at cost until the construction is complete or when its fair value becomes reliably determinable. Any gains or losses arising from the difference between the fair value of the investment property and its previous carrying amount is to be recognised in profit or loss.

A property interest under an operating lease is classified and accounted for as an investment property on a property-by-property basis when the Group and the Company hold it to earn rentals or for capital appreciation or both. Any such property interest under an operating lease classified as an investment property is carried at fair value.

Investment properties are derecognised when either they have been disposed off or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in profit or loss in the year in which they arise.

3.4 Leases

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

3.4.1 Group as lessee

Short term leases and leases of low-value assets

The Group applies the short-term lease and leases of low-value assets recognition exemption to its leases of machinery and office equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option or the leased assets considered to be of low value). Lease payments on short term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

3. ACCOUNTING POLICIES (CONT'D)

3.4 Leases (cont'd)

3.4.2 Group as lessor

Leases in which the Group and the Company do not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue and other income in the statements of comprehensive income. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as other operating income in the period in which they are earned.

3.5 Inventories

Inventories comprise land held for development, property development costs, and completed development properties held for sale.

Inventories are valued 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.

3.5.1 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.

3.5.2 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 inventory properties cost is 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.

3.5.3 Completed development properties

Completed development units represent completed commercial 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.

3. ACCOUNTING POLICIES (CONT'D)

3.6 Timber Concession

Timber concession is the cost of timber logs to be extracted and/or rights conferred for timber extraction and are stated at cost. Timber concession cost is charged to profit or loss based on the percentage of the volume of timber extracted compared to the total estimated volume of timber available for extraction.

3.7 Impairment of Non-Financial Assets

The Group and the Company assess at the end of each reporting period whether there is an indication that an asset may be impaired. For the purpose of impairment testing, recoverable amount (i.e. the higher of the fair value less cost to sell and value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash-generating units ("CGU") to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in the profit or loss except for assets that were previously revalued where the revaluation surplus was taken to other comprehensive income. In this case the impairment loss is also recognised in other comprehensive income up to the amount of any previous revaluation surplus.

An impairment loss for an asset is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

3.8 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

3.8.1 Financial assets

(i) Initial recognition and measurement

Financial assets are measured at initial recognition at fair value and subsequently measured at amortised cost ("AC"), fair value through other comprehensive income ("FVOCI"), and fair value through profit or loss ("FVTPL").

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group and the Company have applied the practical expedient, the Group and the Company initially measure a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, at its transaction costs.

In order for a financial asset to be classified and measured at AC or FVOCI, it needs to give rise to cash flows that are 'solely payments of principal and interest ("SPPI")' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at FVTPL, irrespective of the business model.

3. ACCOUNTING POLICIES (CONT'D)

3.8 Financial Instruments (cont'd)

3.8.1 Financial assets (cont'd)

(i) Initial recognition and measurement (cont'd)

The Group's and the Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at AC are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at FVOCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group or the Company commits to purchase or sell the asset.

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through other comprehensive income with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through other comprehensive income with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

The Group and the Company do not have any financial assets at FVOCI as at the end of the reporting period.

Financial assets at amortised cost ("AC")

Financial assets at AC are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Group's and the Company's financial assets at AC includes trade and other receivables, amount due from subsidiaries, deposits with licensed banks and cash and bank balances.

Financial assets at fair value through profit or loss ("FVTPL")

Financial assets at FVTPL are carried in the statements of financial position at fair value with net changes in fair value recognised in statements of comprehensive income.

This category includes derivative instruments and listed equity investments which the Group had not irrevocably elected to classify at FVOCI. Dividends on listed equity investments are recognised as other income in the statements of comprehensive income when the right of payment has been established.

The Group's financial assets at FVTPL includes investments in quoted unit trusts included under other investments.

3. ACCOUNTING POLICIES (CONT'D)

3.8 Financial Instruments (cont'd)

3.8.1 Financial assets (cont'd)

(iii) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's and the Company's statements of financial position) when:

- the rights to receive cash flows from the asset have expired, or
- the Group and the Company have transferred their rights to receive cash flows from the asset or have assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group and the Company have transferred substantially all the risks and rewards of the asset, or (b) the Group and the Company have neither transferred nor retained substantially all the risks and rewards of the asset, but have transferred control of the asset.

When the Group and the Company have transferred their rights to receive cash flows from an asset or have entered into a pass-through arrangement, it evaluates if, and to what extent, they have retained the risks and rewards of ownership. When they have neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group and the Company continue to recognise the transferred asset to the extent of their continuing involvement. In that case, the Group and the Company also recognise an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group and the Company have retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group and the Company could be required to repay.

(iv) Impairment

The Group and the Company recognise allowance for expected credit losses ("ECLs") on financial assets measured at amortised cost, debt investments measured at fair value through other comprehensive income, contract assets, and lease receivables. ECLs are a probability-weighted estimate of credit losses.

The Group and the Company measure loss allowances at an amount equal to lifetime expected credit loss, except for debt securities that are determined to have low credit risk at the reporting date, cash and bank balance and other debt securities for which credit risk has not increased significantly since initial recognition, which are measured at 12-month expected credit loss. Loss allowances for trade and other receivables, contract assets and lease receivables are always measured at an amount equal to lifetime expected credit loss.

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

3. ACCOUNTING POLICIES (CONT'D)

3.8 Financial Instruments (cont'd)

3.8.1 Financial assets (cont'd)

(iv) Impairment (cont'd)

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

The Group estimates the expected credit losses on trade receivables using a provision matrix with reference to historical credit loss experience.

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

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

The gross carrying amount of a financial asset is written off (either partially or fully) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group and the Company determine that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts owing. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group and the Company's procedures for recovery amounts due.

3.8.2 Financial liabilities

(i) Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's and the Company's financial liabilities include trade and other payables, amount due to subsidiaries and borrowings.

(ii) Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost

The Group and the Company do not have any financial liabilities at fair value through profit or loss as at the end of the reporting period.

3. ACCOUNTING POLICIES (CONT'D)

3.8 Financial Instruments (cont'd)

3.8.2 Financial liabilities (cont'd)

(ii) Subsequent measurement (cont'd)

Financial liabilities at amortised cost

After initial recognition, trade and other payables, amount due to subsidiaries and interest-bearing borrowings are subsequently measured at amortised cost using the effective interest ("EIR") method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statements of comprehensive income.

(iii) Derecognition

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

3.8.3 Offsetting of financial instruments

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

3.8.4 Financial guarantee contracts

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

Financial guarantee contracts are recognised initially as a liability at fair value, net of transaction costs. Subsequent to initial recognition, financial guarantee contracts are recognised as income in statements of comprehensive income over the period of the guarantee. If the debtor fails to make payment relating to financial guarantee contract when it is due and the Company, as the issuer, is required to reimburse the holder for the associated loss, the liability is measured at the higher of the best estimate of the expenditure required to settle the present obligation at the reporting date and the amount initially recognised less cumulative amortisation.

3.9 Cash and Cash Equivalents

Cash comprises cash in hand, cash at bank and demand deposits. Cash equivalents are short term and highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value, against which bank overdraft balances, if any, are deducted and net of fixed deposit pledged.

3. ACCOUNTING POLICIES (CONT'D)

3.10 Provisions

Provisions are recognised when the Group and the Company have a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount can be made.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as finance cost expense.

3.11 Revenue From Contracts with Customers

Revenue from contracts with customers is recognised when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

The performance obligations to recognise revenue are as follows:

(i) 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.

(ii) Sales of completed unit

The Group recognises sales at a point in time for the sale of completed properties, when the control of the properties has been transferred to the purchasers, being when the properties 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.

(iii) Sale of timber

Revenue from sale of timber is recognised at a point in time when control of the goods is transferred to the customer, generally on the delivery of the goods.

(iv) Provision of services

Revenue arising from provision of marketing services is recognised at a point in time upon the services rendered and completed. Revenue arising from property management services is recognised over the time as the customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs.

3. ACCOUNTING POLICIES (CONT'D)

3.11 Revenue From Contracts with Customers (cont'd)

(v) Rental income

Rental income is accounted for on a straight-line basis over the lease terms. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

(vi) Interest income

Interest income is recognised as it accrues using the effective interest rate method in profit or loss.

(vii) Dividend income

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

3.11.1 Contract balances

This refers to the closing balances of the trade receivables and contract assets as at the end of the reporting period.

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e. only the passage of time is required before payment of the consideration is due).

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. In the case of construction contracts, a contract asset is the excess of cumulative revenue earned over the billings to-date.

3.11.2 Contract cost

Cost to obtain a contract

The Group recognises incremental costs of obtaining contracts when the Group expects to recover these costs.

Costs to fulfil a contract

The Group recognises a contract cost that relates directly to a contract or to an anticipated contract as an asset when the cost generates or enhances resources of the Group, will be used in satisfying performance obligations in the future and it is expected to be recovered.

These contracts costs are initially measured at cost and amortised on a systematic basis that is consistent with the pattern of revenue recognition to which the assets relate. An impairment loss is recognised in the profit or loss when the carrying amount of the contract cost exceeds the expected revenue less expected cost that will be incurred. Where the impairment condition no longer exists or has improved, the impairment loss is reversed to the extent that the carrying amount of the contracts cost does not exceed the amount that would have been recognised had there been no impairment loss recognised previously.

3. ACCOUNTING POLICIES (CONT'D)

3.12 Employee Benefits

Short term benefits

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

Defined contribution plans

As required by law, companies in Malaysia make contributions to the national pension scheme, the Employees Provident Fund ("EPF"). Such contributions are recognised as expenses as and when incurred.

3.13 Borrowing Costs

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest rate method.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets.

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

3.14 Income Tax

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

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

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities in the statements of financial position and their tax bases. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

3. ACCOUNTING POLICIES (CONT'D)

3.14 Income Tax (cont'd)

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the reporting date, except for investment properties carried at fair value model. Where investment properties are carried at their fair value in accordance with the accounting policy set out in Note 3.3 to the financial statements, the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying value 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.

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

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

3.15 Sales and Service Tax ("SST")

Revenue, expenses and assets are recognised net of SST except:

- when the SST incurred in a purchase of asset or service is not recoverable from the authority, in which case the SST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- receivables and payables that are stated with SST inclusive.

The net SST payable to the taxation authority is included as part of payables in the statements of financial position.

3.16 Segment Reporting

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

3.17 Contingencies

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

3. ACCOUNTING POLICIES (CONT'D)

3.18 Non-current Asset Held for Sale

Non-current assets that are expected to be recovered primarily through sale rather than through continuing use, are classified as held for sale.

Classification of the asset as held for sale occurs only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary and the sale must be highly probable. Management must be committed to a plan to sell the assets which are expected to qualify for recognition as a completed sale within one year from the date of classification. Action required to complete the plan should indicate that it is unlikely that significant changes to the plan will be made or the plan will be withdrawn.

Immediately before classification as held for sale, the assets are remeasured in accordance with the Company's accounting policies. Thereafter generally the assets are measured at the lower of their carrying amount and fair value less costs to sell.

3.19 Share Capital, Share Issuance Costs and Dividends

Classification

Ordinary shares are classified as equity. Other shares are classified as equity and/or liability according to the economic substance of the particular instrument.

Share issuance costs

Incremental external costs directly attributable to the issuance of new shares are deducted against equity.

Dividends

Dividends on ordinary shares are accounted for in shareholder's equity as an appropriation of retained profits and recognised as a liability in the period in which they are declared or approved.

3.20 Treasury Shares

When shares of the Company, that have not been cancelled, recognised as equity are reacquired, the amount of consideration paid is recognised directly in equity. Reacquired shares are classified as treasury shares and presented as a deduction from total equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of treasury shares. When treasury shares are reissued by resale, the difference between the sales consideration net of directly attributable costs and the carrying amount of the treasury shares is recognised in equity.

3.21 Related Parties

A related party is a person or entity that is related to the Group. A related party transaction is a transfer of resources, services or obligations between the Group and its related party, regardless of whether a price is charged.

(a) A person or a close member of that person's family is related to the Group if that person:

(i) Has control or joint control over the Group;
(ii) Has significant influence over the Group; or
(iii) Is a member of the key management personnel of the Group.

3. ACCOUNTING POLICIES (CONT'D)

3.21 Related Parties (cont'd)

(b) An entity is related to the Group if any of the following conditions applies:

(i) The entity and the Group are members of the same group.
(ii) One entity is an associate or joint venture of the other entity.
(iii) Both entities are joint ventures of the same third party.
(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
(v) The entity is a post-employment benefit plan for the benefits of employees of either the Group or an entity related to the Group.
(vi) The entity is controlled or jointly-controlled by a person identified in (a) above.
(vii) A person identified in (a) (i) above has significant influence over the Group or is a member of the key management personnel of the entity.
(viii) The entity, or any member of a group of which it is a party, provides key management personnel services to the Group.

4. PROPERTY, PLANT AND EQUIPMENT

GROUP

	Shoplot RM	Plant and machinery RM	Office equipment, furniture and fittings RM	Motor vehicles RM	Total RM
2022					
At cost					
Balance at beginning	**347,614**	**91,274**	**1,421,116**	**1,151,117**	**3,011,121**
Additions	**-**	**-**	**116,890**	**-**	**116,890**
Written off	**-**	**-**	**(6,842)**	**-**	**(6,842)**
Balance at end	**347,614**	**91,274**	**1,531,164**	**1,151,117**	**3,121,169**
Accumulated depreciation					
Balance at beginning	**58,800**	**91,273**	**1,023,883**	**1,034,926**	**2,208,882**
Current charge	**5,891**	**-**	**107,258**	**77,200**	**190,349**
Written off	**-**	**-**	**(5,847)**	**-**	**(5,847)**
Balance at end	**64,691**	**91,273**	**1,125,294**	**1,112,126**	**2,393,384**
Carrying amount	**282,923**	**1**	**405,870**	**38,991**	**727,785**

4. **PROPERTY, PLANT AND EQUIPMENT** (CONT'D)

GROUP

	Shoplot RM	Plant and machinery RM	Office equipment, furniture and fittings RM	Motor vehicles RM	Total RM
2021					
At cost					
Balance at beginning	347,614	91,740	1,376,162	2,355,004	4,170,520
Additions	-	-	132,910	-	132,910
Disposal	-	-	-	(1,203,887)	(1,203,887)
Written off	-	(466)	(87,956)	-	(88,422)
Balance at end	347,614	91,274	1,421,116	1,151,117	3,011,121
Accumulated depreciation					
Balance at beginning	52,908	91,738	986,222	1,783,737	2,914,605
Current charge	5,892	-	95,625	203,621	305,138
Disposal	-	-	-	(952,432)	(952,432)
Written off	-	(465)	(57,964)	-	(58,429)
Balance at end	58,800	91,273	1,023,883	1,034,926	2,208,882
Carrying amount	288,814	1	397,233	116,191	802,239

COMPANY

	Plant and machinery RM	**Office equipment, furniture and fittings RM**	**Motor vehicles RM**	**Total RM**
2022				
At cost				
Balance at beginning/at end	**84,740**	**120,395**	**16,380**	**221,515**
Accumulated depreciation				
Balance at beginning	**84,739**	**99,145**	**14,744**	**198,628**
Current charge	**-**	**5,696**	**1,635**	**7,331**
Balance at end	**84,739**	**104,841**	**16,379**	**205,959**
Carrying amount	**1**	**15,554**	**1**	**15,556**

4. **PROPERTY, PLANT AND EQUIPMENT** (CONT'D)

COMPANY

	Plant and machinery RM	Office equipment, furniture and fittings RM	Motor vehicles RM	Total RM
2021				
At cost				
Balance at beginning/end	84,740	120,395	16,380	221,515
Accumulated depreciation				
Balance at beginning	84,739	93,391	11,468	189,598
Current charge	-	5,754	3,276	9,030
Balance at end	84,739	99,145	14,744	198,628
Carrying amount	1	21,250	1,636	22,887

GROUP

(i) The carrying amount of motor vehicles which are pledged as securities for the finance lease liabilities as disclosed in Note 22 to the financial statements are **RM38,986** (2021: RM104,438).

(ii) The information of right-of-use assets which are included in the property, plant and equipment is as follows:

	Carrying amount RM	**Current depreciation RM**	**Disposal RM**
2022			
Shoplot	**282,923**	**5,891**	**-**
Motor vehicles	**38,986**	**24,621**	**-**
2021			
Shoplot	288,814	5,892	-
Motor vehicles	104,438	122,621	227,362

5. INVESTMENT PROPERTIES

	GROUP		COMPANY	
	2022	2021	**2022**	2021
	RM	RM	**RM**	RM
Investment properties at fair value:				
Balance at beginning	**116,062,014**	116,177,820	**739,194**	880,000
Additions	**-**	24,763	**-**	-
Net fair value gain/(loss) recognised in profit or loss	**2,857,806**	(30,569)	**30,806**	(30,806)
Reclassified to non-current asset held for sale	**-**	(110,000)	**-**	(110,000)
Balance at end	**118,919,820**	116,062,014	**770,000**	739,194

The reconciliation of the fair value is shown above.

The investment properties consist of the following:

	GROUP		COMPANY	
	2022	2021	**2022**	2021
	RM	RM	**RM**	RM
Freehold land	**320,000**	320,000	**320,000**	320,000
Freehold shoplots	**60,530,000**	60,524,194	**450,000**	419,194
Leasehold building	**37,820**	37,820	**-**	-
Leasehold office lots	**29,960,000**	27,810,000	**-**	-
Leasehold shoplots	**28,072,000**	27,370,000	**-**	-
	118,919,820	116,062,014	**770,000**	739,194

(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 22 to the financial statements is **RM118,112,000** (2021: RM86,990,000).

(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	
	2022	2021	**2022**	2021
	RM	RM	**RM**	RM
Rental income	**4,312,890**	4,843,404	**-**	4,930
Direct operating expenses of investment properties:				
- income generating	**410,610**	488,296	**-**	1,462
- non-income generating	**50,966**	93,836	**2,924**	4,387

5. INVESTMENT PROPERTIES (CONT'D)

Future minimum rental receivables under non-cancellable operating leases are as follows:

	GROUP		COMPANY	
	2022	2021	**2022**	2021
	RM	RM	**RM**	RM
Within one year	**3,125,713**	4,310,819	**-**	-
More than one year and less than five years	**1,100,578**	2,427,429	**-**	-
	4,226,291	6,738,248	**-**	-

(iii) Fair value measurement of the investment properties is disclosed in Note 34.1 to the financial statements.

6. INVESTMENT IN SUBSIDIARIES

	COMPANY	
	2022	2021
	RM	RM
Unquoted shares, at cost	**27,177,329**	27,167,329
Unquoted redeemable preference shares, at cost	**99,308,000**	99,308,000
	126,485,329	126,475,329
Less: Allowance for impairment		
Balance at beginning	**(15,776,799)**	(16,406,497)
Current year	**-**	(30,164)
Reversal	**-**	659,862
Balance at end	**(15,776,799)**	(15,776,799)
	110,708,530	110,698,530

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

	Effective Equity Interest		
Name of Subsidiaries	**2022**	2021	**Principal Activities**
	%	%	
Great Eastern Mills Berhad ("GEM")[(1)]	**78**	78	Dormant.
Sam Koh Company Sdn. Berhad	**100**	100	Extraction and sale of timber. However, the Company does not undertake any activity during the financial year.
Seal Ventures Sdn. Bhd. ("SVSB")	**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.

6. INVESTMENT IN SUBSIDIARIES (CONT'D)

Name of Subsidiaries	Effective Equity Interest 2022 %	2021 %	Principal Activities
SM Management Sdn. Bhd.	**100**	100	Providing administrative services.
Seal Land Sdn. Bhd.	**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.	**100**	100	Property development.
Seal Mall (KL) Sdn. Bhd.	**100**	100	Dormant.
Seal Management Sdn. Bhd.	**100**	100	Dormant.
Seal Meditech Sdn. Bhd. ("SMSB")	**100**	-	Dormant.
Indirect - held through Seal Properties Sdn. Bhd.			
Seal Lifestyle Development Sdn. Bhd.	**100**	100	Dormant.
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.
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.

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6. INVESTMENT IN SUBSIDIARIES (CONT'D)

Name of Subsidiaries	Effective Equity Interest		Principal Activities
	2022	2021	
	%	%	
Mutiara Bay Residency Sdn. Bhd. ("MBRSB")	**99.80**	-	Property development.
Mutiara Biopolis Developments Sdn. Bhd. ("MBDSB")	**99.90**	-	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.

6.1 Subscription of ordinary shares in subsidiaries

2022

During the financial year, the Company has subscribed 10,000 ordinary shares in SMSB, representing 100% equity interest in SMSB for a cash consideration of RM10,000.

6.2 Acquisition of subsidiaries

2022

On 28 March 2022, the subsidiary of the Company, Seal Properties (PG) Sdn. Bhd. has subscribed 998 and 999 new ordinary shares in MBRSB and MBDSB respectively, representing 99.8% and 99.9% equity interest in MBRSB and MBDSB respectively for a cash consideration of RM998 and RM999 respectively.

6.3 Impairment on investment in subsidiaries

2021

The Company reviews the investment in subsidiaries for impairment annually. 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, there was an impairment loss of RM30,164 provided in respect of investment in SVSB and reversal of impairment loss of RM659,862 provided in respect of investment in GEM in the previous financial year.

6.4 Subsidiary with material non-controlling interests ("NCI")

The details of the material NCI are as follows:

	SPBC	
	2022	2021
NCI percentage of ownership interest and voting interest (%)	**40%**	40%
Carrying amount of NCI (RM)	**4,137,878**	5,901,332
Profit/(Loss) allocated to NCI (RM)	**236,545**	(66,139)

6. INVESTMENT IN SUBSIDIARIES (CONT'D)

6.4 Subsidiary 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	
	2022	2021
	RM	RM
Assets and liabilities		
Non-current assets	**4,891**	6,040
Current assets	**10,399,739**	15,066,418
Current liabilities	**(59,936)**	(319,127)
Net assets	**10,344,694**	14,753,331
Results		
Other income	**928,093**	290,512
Net profit/(loss), representing total comprehensive income/(loss) for the financial year	**591,363**	(165,348)
Net cash generated from/(used in):		
Operating activities	**4,637,728**	(132,683)
Investing activities	**486,608**	106,166
Financing activities	**(5,000,000)**	1,000
Net change in cash and cash equivalents	**124,336**	(25,517)
Other information		
Dividends paid to non-controlling interests	**(2,000,000)**	-

7. TIMBER CONCESSIONS

	GROUP		COMPANY	
	2022	2021	**2022**	2021
	RM	RM	**RM**	RM
Timber concessions	**15,663,341**	15,663,341	**7,058,654**	7,058,654
Less: Accumulated impairment loss	**(4,864,410)**	(4,864,410)	**(4,864,410)**	(4,864,410)
	10,798,931	10,798,931	**2,194,244**	2,194,244

8. INVENTORIES

		GROUP		COMPANY	
		2022	2021	**2022**	2021
	Note	**RM**	RM	**RM**	RM
Non-current:					
Land held for development	8.1	**95,016,670**	95,016,670	**17,599,245**	17,599,245
Current:					
Property development costs	8.2	**36,273,315**	17,160,616	**-**	-
Completed development properties	8.3	**5,603,907**	7,740,316	**-**	-
		41,877,222	24,900,932	**-**	-
		136,893,892	119,917,602	**17,599,245**	17,599,245

8. INVENTORIES (CONT'D)

	GROUP		COMPANY	
	2022	2021	**2022**	2021
	RM	RM	**RM**	RM
Cost of inventories recognised in profit or loss:				
Inventories recognised as cost of sales	**2,136,409**	3,560,156	-	-

8.1 Land held for development

	GROUP		COMPANY	
	2022	2021	**2022**	2021
	RM	RM	**RM**	RM
Land	**94,477,480**	94,477,480	**17,060,055**	17,060,055
Development costs	**539,190**	539,190	**539,190**	539,190
	95,016,670	95,016,670	**17,599,245**	17,599,245
Represented by:				
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	**539,190**	539,190	**539,190**	539,190
	95,016,670	95,016,670	**17,599,245**	17,599,245

The carrying amount of the Group's and the Company's freehold land and leasehold land which are pledged to a licensed bank as securities for banking facilities granted to the Group and the Company as disclosed in Note 22 to the financial statements is **RM17,060,055** (2021: RM17,060,055).

8.2 Property development costs

	GROUP	
	2022	2021
	RM	RM
Balance at beginning		
Freehold land, at cost	**13,337,260**	13,337,260
Development costs	**3,823,356**	3,823,356
	17,160,616	17,160,616
Arising from acquisition of subsidiaries		
Development costs	**1,812,003**	-
Costs incurred during the financial year		
Freehold land, at cost	**16,500,000**	-
Development costs	**800,696**	-
	17,300,696	-
	36,273,315	17,160,616
Represented by:		
Freehold land	**29,837,260**	13,337,260
Development costs	**6,436,055**	3,823,356
	36,273,315	17,160,616

8. INVENTORIES (CONT'D)

8.2 Property development costs (cont'd)

Included herein is freehold land amounting to **RM13,337,260** (2021: RM13,337,260) which is pledged to a licensed bank as securities for banking facilities granted to a subsidiary as disclosed in Note 22 to the financial statements.

8.3 Completed development properties

Included herein are completed development properties amounting to **RM2,399,033** (2021: RM3,928,988) which are pledged to a licensed bank as securities for banking facilities granted to certain subsidiaries as disclosed in Note 22 to the financial statements.

9. AMOUNT DUE FROM/TO SUBSIDIARIES

	COMPANY	
	2022	2021
	RM	RM
Non-current		
Non-trade related		
- Interest bearing at **3% to 7.95%** (2021: 3% to 7.95%) per annum	**79,584,511**	72,417,606
Current		
Trade related	**1,808,364**	1,808,364
Non-trade related		
- Non-interest bearing	**31,446**	21,298
Less: Allowance for expected credit losses	**(26,881)**	-
	4,565	21,298
- Interest bearing at **3% to 7.95%** (2021: 3% to 7.95%) per annum	**75,697,236**	83,233,850
Less: Allowance for expected credit losses	**(600,508)**	(417,764)
	75,096,728	82,816,086
Total current amount due from subsidiaries	**76,909,657**	84,645,748
Total amount due from subsidiaries	**156,494,168**	157,063,354
Amount due to subsidiaries		
Non-trade related		
- Interest bearing at **3%** (2021: 3%) per annum	**7,844,940**	7,531,681

The movement of allowance for expected credit losses during the financial year is as follows:

	COMPANY	
	2022	2021
	RM	RM
Balance at beginning	**417,764**	417,764
Current year	**209,625**	-
Balance at end	**627,389**	417,764

The amount due from subsidiaries is unsecured. The non-trade related amounts are classified based on expected timing of realisation while the trade related amount is payable on normal credit terms.

The amount due to subsidiaries is non-trade related, unsecured and repayable on demand.

10. TRADE RECEIVABLES

	GROUP		COMPANY	
	2022	2021	**2022**	2021
	RM	RM	**RM**	RM
Trade receivables	**47,309,668**	61,457,250	**135,124**	135,124
Less: Allowance for expected credit losses				
Balance at beginning	**7,974,685**	7,994,647	**135,124**	135,124
Reversal	**(2,145)**	(19,962)	**-**	-
Balance at end	**(7,972,540)**	(7,974,685)	**(135,124)**	(135,124)
	39,337,128	53,482,565	**-**	-

Included in the Group's trade receivables is retention sum receivables of **RM4,838,169** (2021: RM5,007,185).

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** (2021: 14 to 21 days) from the date of the progress billings.

(ii) Construction : Credit term is **30 days** (2021: 30 days) from the date of the progress billings.

(iii) Others : Credit term ranges from **7 to 90 days** (2021: 7 to 90 days).

11. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	GROUP		COMPANY	
	2022	2021	**2022**	2021
	RM	RM	**RM**	RM
*Other receivables	**82,950,708**	77,219,440	**769,849**	769,849
Less: Allowance for expected credit losses	**(769,849)**	(769,849)	**(769,849)**	(769,849)
	82,180,859	76,449,591	**-**	-
#Stakeholders' sum	**265,000**	5,447,000	**-**	-
^Deposits	**8,196,449**	402,309	**7,752,851**	760
Prepayments	**15,521,146**	15,221,658	**15,096,845**	15,079,063
Less: Accumulated impairment loss	**(14,917,340)**	(14,917,340)	**(14,917,340)**	(14,917,340)
	603,806	304,318	**179,505**	161,723
Accrued income	**343,714**	595,428	**-**	-
	91,589,828	83,198,646	**7,932,356**	162,483

11. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (CONT'D)

GROUP

* On 19 February 2013, Seal Properties (KL) Sdn. Bhd. entered into a Turnkey Agreement with Dwitasik 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 is **RM80,316,498** (2021: RM74,764,461) 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.

\# 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 Paramont"), 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.

^ Included in the deposits of the Group and of the Company are an amount of:

(i) **RM1,700,000** being 10% deposit paid to acquire 100% equity interest in Daiman Majumas Sdn. Bhd. ("Daiman") as disclosed in Note 37(i) to the financial statements; and

(ii) **RM5,978,610** being payment to Perbadanan Pembangunan Pulau Pinang in accordance to Clause 4.1(d) of Share Sale Agreement of acquiring Daiman as disclosed in Note 37(i) to the financial statements.

12. CONTRACT ASSETS

	GROUP	
	2022	2021
	RM	RM
Construction contracts		
Balance at beginning	**5,334,329**	3,880,328
Revenue recognised during the year	**363,414**	4,386,458
Progress billings during the year	**(77,611)**	(2,932,457)
Balance at end	**5,620,132**	5,334,329
Project management fee		
Balance at beginning	**544,487**	652,389
Revenue (reversed)/recognised during the year	**(25,677)**	79,181
Progress billings during the year	**(70,060)**	(187,083)
Balance at end	**448,750**	544,487
	6,068,882	5,878,816

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

	Note	GROUP 2022 RM	GROUP 2021 RM
Cost to obtain contract	**13.1**	**1,850,000**	-
Cost to fulfil contract	**13.2**	**1,735,911**	761,211
		3,585,911	761,211

13.1 Cost to obtain contract

Cost to obtain contract is in relation to the commission paid to intermediaries as a result of obtaining contracts and they are recoverable. These costs will be recognised to profit or loss when the related revenue is recognised.

13.2 Cost to fulfil contract

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 are presented as contract fulfilment costs.

These costs are amortised to profit or loss when the related revenues are recognised.

14. OTHER INVESTMENTS

	GROUP 2022 RM	GROUP 2021 RM	COMPANY 2022 RM	COMPANY 2021 RM
Financial assets at fair value through profit or loss				
- Investment in quoted unit trusts	**14,099,477**	13,365,475	**249**	-

15. DEPOSITS WITH LICENSED BANKS

Included herein are the Group's fixed deposits amounting to **RM4,485,372** (2021: RM5,018,310) which are pledged to licensed banks as securities for banking facilities granted to certain subsidiaries as disclosed in Note 22 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 range from **1.50% to 3.10%** (2021: 1.60% to 3.25%) per annum and **1 month to 12 months** (2021: 1 month to 12 months) respectively while the effective interest rates per annum and maturities of the fixed deposits with licensed banks of the Company as at the end of the reporting period range from **1.85% to 1.95%** (2021: 1.85%) per annum and **1 month to 2 months** (2021: 1 month) respectively.

16. NON-CURRENT ASSET HELD FOR SALE

	GROUP AND COMPANY 2022 RM	GROUP AND COMPANY 2021 RM
Freehold shoplot:		
Reclassified from investment properties	**-**	110,000

16. NON-CURRENT ASSET HELD FOR SALE (CONT'D)

2021

On 10 May 2021, the Group and the Company have entered into a Sale and Purchase Agreement to dispose of a commercial shoplot for a cash consideration of RM110,000. The disposal transaction has been completed on 16 August 2021.

17. SHARE CAPITAL

	Number of ordinary shares		Amount	
	2022	2021	**2022**	2021
			RM	RM
Issued and fully paid with no par value:				
Balance at beginning	**242,952,684**	242,952,684	**142,629,537**	142,629,537
Issuance of ordinary shares	**46,070,000**	-	**13,794,710**	-
Balance at end	**289,022,684**	242,952,684	**156,424,247**	142,629,537

During the financial year, the Company has increased its issued and fully paid up ordinary share capital by way of issuance of 23,000,000 and 23,070,000 new ordinary shares through a private placement at an issued price of RM0.346 and RM0.253 per ordinary share respectively.

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

18. 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 29 December 2021.

Of the total **289,022,684** (2021: 242,952,684) issued and fully paid ordinary shares as at the end of the reporting period, **5,896,500** (2021: 5,896,500) 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 **283,126,184** (2021: 237,056,184) ordinary shares.

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

19. RESERVES

	GROUP AND COMPANY	
	2022	2021
	RM	RM
Asset revaluation reserve	**352,940**	352,940

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

20. 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.

21. OTHER PAYABLES AND ACCRUALS

	GROUP		COMPANY	
	2022	2021	**2022**	2021
	RM	RM	**RM**	RM
Non-current				
Accrued development costs	**16,000,000**	-	**-**	-
Current				
Other payables	**915,569**	2,710,671	**70,476**	71,549
Accruals:				
- Accrued development costs	**6,500,000**	16,000,000	**-**	-
- Accrued profit sharing #	**4,494,464**	4,487,145	**-**	-
- Others	**9,613,420**	8,877,594	**331,621**	291,434
	20,607,884	29,364,739	**331,621**	291,434
Deposits received	**5,776,505**	2,512,386	**-**	7,700
Rental received in advance	**54,939**	67,564	**-**	-
SST payables	**14,163**	31,851	**-**	-
	27,369,060	34,687,211	**402,097**	370,683
Total other payables and accruals	**43,369,060**	34,687,211	**402,097**	370,683

GROUP

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.

22. BORROWINGS

	GROUP	
	2022	2021
	RM	RM
Non-current liabilities		
Secured:		
Finance lease liabilities		
Minimum payments:		
Within 1 year	**24,564**	63,714
More than 1 year and less than 2 years	**14,324**	24,564
More than 2 years and less than 5 years	**-**	14,324
	38,888	102,602
Future finance charges	**(1,331)**	(3,916)
	37,557	98,686
Amount due within 1 year included under current liabilities	**(23,429)**	(61,128)
	14,128	37,558
Term loans		
Total amount repayable	**67,034,963**	70,526,536
Amount due within 1 year included under current liabilities	**(5,007,600)**	(3,607,975)
	62,027,363	66,918,561
	62,041,491	66,956,119
Current liabilities		
Secured:		
Bank overdrafts	**8,219,099**	9,555,311
Finance lease liabilities	**23,429**	61,128
Term loans	**5,007,600**	3,607,975
	13,250,128	13,224,414
Total borrowings	**75,291,619**	80,180,533

	COMPANY	
	2022	2021
	RM	RM
Current liabilities		
Secured:		
Bank overdrafts	**-**	1,256,159

The borrowings of the Group and of the Company are secured by way of:

(i) Legal charge over the Group's freehold shoplots, leasehold office lots and leasehold 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 8.1 and Note 8.2 to the financial statements;
(iv) First party legal charge over certain completed development properties as disclosed in Note 8.3 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 a subsidiary; and
(vii) Leased assets as disclosed in Note 4 to the financial statements.

22. 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						
2022						
Bank overdrafts	**6.20**	**8,219,099**	**8,219,099**	**-**	**-**	**-**
Finance lease liabilities	**2.33**	**37,557**	**23,429**	**14,128**	**-**	**-**
Term loans	**3.44 to 5.15**	**67,034,963**	**5,007,600**	**5,099,667**	**15,771,686**	**41,156,010**
2021						
Bank overdrafts	6.20 to 6.45	9,555,311	9,555,311	-	-	-
Finance lease liabilities	2.33 to 2.60	98,686	61,128	23,430	14,128	-
Term loans	3.44 to 4.65	70,526,536	3,607,975	5,184,335	15,786,342	45,947,884
COMPANY						
2021						
Bank overdrafts	6.45	1,256,159	1,256,159	-	-	-

23. DEFERRED TAX LIABILITIES

	GROUP		COMPANY	
	2022 RM	2021 RM	**2022 RM**	2021 RM
Balance at beginning	**2,138,331**	1,993,127	**6,675**	10,374
Recognised in profit or loss	**221,788**	145,204	**-**	(3,699)
	2,360,119	2,138,331	**6,675**	6,675
Over provision in prior year	**(2,000)**	-	**-**	-
Balance at end	**2,358,119**	2,138,331	**6,675**	6,675

23. DEFERRED TAX LIABILITIES (CONT'D)

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

	GROUP		COMPANY	
	2022	2021	**2022**	2021
	RM	RM	**RM**	RM
Property, plant and equipment	**37,000**	37,000	**3,000**	3,000
Investment properties	**2,321,119**	1,958,428	**3,675**	3,675
Other deductible temporary difference	**-**	142,903	**-**	-
	2,358,119	2,138,331	**6,675**	6,675

24. TRADE PAYABLES

	GROUP		COMPANY	
	2022	2021	**2022**	2021
	RM	RM	**RM**	RM
Trade payables	**2,316,458**	927,811	**2,444**	2,444
Retention sum payables	**9,332,362**	9,565,749	**-**	-
	11,648,820	10,493,560	**2,444**	2,444

The trade payables are non-interest bearing and are normally settled within **30 to 90 days** (2021: 30 to 90 days) credit terms.

25. REVENUE

25.1 Disaggregated revenue information

	GROUP		COMPANY	
	2022	2021	**2022**	2021
	RM	RM	**RM**	RM
Types of revenue or services				
Sales of completed development properties	**2,870,112**	5,820,224	**-**	-
Construction contract revenue	**363,414**	4,386,458	**-**	-
Project management fee				
- Current year	**-**	79,181	**-**	-
- Reversal during the financial year	**(25,677)**	-	**-**	-
Sales of timber	**-**	3,004,028	**-**	-
Provision of marketing services	**2,016,850**	644,050	**-**	-
Property management services	**-**	25,000	**-**	-
Total revenue from contracts with customers	**5,224,699**	13,958,941	**-**	-
Rental income, representing other revenue	**4,312,890**	4,843,404	**-**	4,930
Total revenue	**9,537,589**	18,802,345	**-**	4,930

25. REVENUE (CONT'D)

25.1 Disaggregated revenue information (cont'd)

	GROUP		COMPANY	
	2022	2021	**2022**	2021
	RM	RM	**RM**	RM
Timing of revenue recognition				
Performance obligation satisfied over time	**337,737**	4,490,639	**-**	-
Performance obligation satisfied at a point in time	**4,886,962**	9,468,302	**-**	-
Total revenue from contracts with customers	**5,224,699**	13,958,941	**-**	-

Geographical segments

The Group's and the Company's revenue are derived from Malaysia only.

25.2 Performance obligations

The performance obligations of the respective revenue are disclosed in Note 3.11 to the financial statements.

26. DIRECT OPERATING COSTS

	GROUP	
	2022	2021
	RM	RM
Rental operating costs	**1,415,279**	1,327,946
Completed development properties costs	**2,136,409**	3,560,156
Construction contract costs	**1,015,238**	9,218,100
Timber related costs	**-**	2,769,185
	4,566,926	16,875,387

27. OTHER INCOME

	GROUP		COMPANY	
	2022	2021	**2022**	2021
	RM	RM	**RM**	RM
Administrative income	**3,476,708**	3,065,190	**-**	-
Deposits forfeited	**16,667**	9,794	**-**	-
Dividend income from investment in quoted unit trusts	**156,295**	304,330	**9,999**	16,846
Fair value gain on investment properties	**2,882,806**	237	**30,806**	-
Fair value gain on other investments	**95,434**	-	**-**	-
Gain on disposal of property, plant and equipment	**-**	139,775	**-**	-
Interest income				
- Financial institutions	**342,271**	470,666	**106,248**	39,950
- Amount due from subsidiaries	**-**	-	**4,940,336**	4,586,051
- Stakeholder's sum	**717,360**	-	**-**	-
- Others	**467**	1,760	**-**	-
Miscellaneous income	**27,700**	137,125	**86,500**	92,115
Realised gain on foreign exchange	**254**	-	**-**	-
Rental income	**38,321**	175,739	**-**	-
Reversal of allowance for expected credit losses on trade receivables	**2,145**	19,962	**-**	-
Reversal of impairment loss on investment in subsidiaries	**-**	-	**-**	659,862
	7,756,428	4,324,578	**5,173,889**	5,394,824

28. PROFIT/(LOSS) BEFORE TAX

This is arrived at after charging:

	GROUP		COMPANY	
	2022	2021	**2022**	2021
	RM	RM	**RM**	RM
Allowance for expected credit losses on amount due from subsidiaries	**-**	-	**209,625**	-
Audit fee				
- statutory audit				
- current year	**115,000**	111,000	**38,000**	38,000
- under provision in prior year	**-**	1,000	**-**	-
- other services	**3,000**	3,000	**3,000**	3,000
- other auditors				
- under provision in prior year	**100**	-	**-**	-
Administrative fee	**-**	-	**638,000**	257,000
Deposit written off	**2,050**	-	**-**	-

28. PROFIT/(LOSS) BEFORE TAX (CONT'D)

	GROUP		COMPANY	
	2022	2021	**2022**	2021
	RM	RM	**RM**	RM
Depreciation of property, plant and equipment	**190,349**	305,138	**7,331**	9,030
Directors' fees	**276,000**	240,000	**276,000**	240,000
Expense relating to lease of low value assets	**-**	1,738	**-**	-
Fair value loss on investment properties	**25,000**	30,806	**-**	30,806
Human resources service fee	**-**	-	**72,000**	72,000
Impairment loss on investment in a subsidiary	**-**	-	**-**	30,164
Information technology support service fee	**-**	-	**72,000**	72,000
Interest expenses on:				
- Bank overdrafts	**71,076**	73,274	**71,537**	37,922
- Finance lease liabilities	**2,585**	11,416	**-**	-
- Term loans	**2,892,605**	2,626,407	**-**	-
- Late payment	**-**	580,593	**-**	-
- Amount due from subsidiaries	**-**	-	**270,809**	221,609
Property, plant and equipment written off	**995**	29,993	**-**	-
* Staff costs	**3,184,135**	3,316,811	**461,924**	332,860

* **Staff costs**				
- Salaries, wages, overtime, allowances, incentive and bonus	**2,838,621**	2,949,673	**411,800**	296,161
- EPF	**319,828**	337,349	**49,200**	35,544
- SOCSO	**23,110**	26,844	**829**	1,036
- Employment Insurance System ('EIS')	**2,576**	2,945	**95**	119
	3,184,135	3,316,811	**461,924**	332,860

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

	GROUP		COMPANY	
	2022	2021	**2022**	2021
	RM	RM	**RM**	RM
Executive directors of the Company:				
Salaries and bonus	**540,000**	426,161	**410,000**	296,161
EPF	**49,200**	35,544	**49,200**	35,544
SOCSO and EIS	**1,517**	1,748	**924**	1,155
	590,717	463,453	**460,124**	332,860
Benefits-in-kind	**26,650**	31,415	**-**	-
Balance carried forward	**617,367**	494,868	**460,124**	332,860

28. PROFIT/(LOSS) BEFORE TAX (CONT'D)

	GROUP		COMPANY	
	2022	2021	**2022**	2021
	RM	RM	**RM**	RM
Balance brought forward	**617,367**	494,868	**460,124**	332,860
Non-executive directors of the Company:				
- Directors' fees	**276,000**	240,000	**276,000**	240,000
- Allowances	**1,800**	-	**1,800**	-
	277,800	240,000	**277,800**	240,000
	895,167	734,868	**737,924**	572,860

29. TAX INCOME/(EXPENSE)

	GROUP		COMPANY	
	2022	2021	**2022**	2021
	RM	RM	**RM**	RM
Malaysian income tax:				
Based on results for the financial year				
- Current tax	**(1,168,600)**	(1,225,000)	**(760,000)**	(843,000)
- Real property gains tax	**(2,617)**	-	**(2,617)**	-
- Deferred tax relating to the origination and reversal of temporary differences	**(221,788)**	(145,204)	**-**	3,699
	(1,393,005)	(1,370,204)	**(762,617)**	(839,301)
Over/(Under) provision in prior year				
- Current tax	**2,062,693**	(2,691,388)	**17,110**	167,137
- Deferred tax	**2,000**	-	**-**	-
	2,064,693	(2,691,388)	**17,110**	167,137
	671,688	(4,061,592)	**(745,507)**	(672,164)

The reconciliation of tax income/(expense) of the Group and of the Company is as follows:

	GROUP		COMPANY	
	2022	2021	**2022**	2021
	RM	RM	**RM**	RM
Profit/(Loss) before tax	**3,879,308**	(6,374,905)	**1,733,455**	3,201,193
Income tax at Malaysian statutory tax rate of 24%	**(931,034)**	1,529,977	**(416,029)**	(768,286)
Income not subject to tax	**752,288**	842,556	**35,293**	173,396
Expenses not deductible for tax purposes	**(545,182)**	(2,712,897)	**(379,264)**	(244,411)
Deferred tax assets not recognised	**(511,200)**	(1,379,840)	**-**	-
Utilisation of unrecognised deferred tax assets	**127,440**	350,000	**-**	-
Effect of real property gains tax	**(2,617)**	-	**(2,617)**	-
Balance carried forward	**(1,110,305)**	(1,370,204)	**(762,617)**	(839,301)

29. TAX INCOME/(EXPENSE) (CONT'D)

	GROUP		COMPANY	
	2022	2021	**2022**	2021
	RM	RM	**RM**	RM
Balance brought forward	**(1,110,305)**	(1,370,204)	**(762,617)**	(839,301)
Effect of real property gain tax applied on the fair value of the investment properties	**(282,700)**	-	**-**	-
	(1,393,005)	(1,370,204)	**(762,617)**	(839,301)
Over/(Under) provision in prior year	**2,064,693**	(2,691,388)	**17,110**	167,137
	671,688	(4,061,592)	**(745,507)**	(672,164)

In the previous financial year, three subsidiaries were subjected to an Inland Revenue Board ("IRB") tax investigation covering the years of assessment 2014 to 2020. The estimated tax exposure arising from the tax investigation was approximately RM4,916,965 inclusive of estimated tax penalty based on the issues raised by IRB.

During the financial year, the abovementioned tax investigation for the two subsidiaries has been finalised by IRB with the additional assessments and tax penalty of RM635,392. The over provision of tax expense with the tax penalty of RM3,853,556 has been adjusted during the financial year. The remaining balance of RM428,017 inclusive of estimated tax penalty for one of the subsidiary is yet to be finalised as at the date of the report.

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:

	GROUP	
	2022	2021
	RM	RM
Unabsorbed capital allowances	**2,324,000**	2,283,000
Unused tax losses	**36,603,000**	35,023,000
Other deductible temporary differences	**69,000**	91,000
	38,996,000	37,397,000

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	
	2022	2021
	RM	RM
Unabsorbed capital allowances	**2,324,000**	2,283,000
Unused tax losses	**36,603,000**	35,023,000

The unused tax losses which were previously allowed to be utilised for seven (7) consecutive years of assessment ("YAs") effective from YA 2019 was extended to ten (10) consecutive YAs during the financial year. However, unabsorbed capital allowances can be carried forward indefinitely.

29. TAX INCOME/(EXPENSE) (CONT'D)

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

	2022 **RM**	2021 RM
YA 2026	**-**	26,398,000
YA 2027	**-**	217,000
YA 2028	**-**	876,000
YA 2029	**26,398,000**	7,532,000
YA 2030	**217,000**	-
YA 2031	**728,000**	-
YA 2032	**7,238,000**	-
YA 2033	**2,022,000**	-
	36,603,000	35,023,000

30. EARNINGS/(LOSSES) PER SHARE

Basic earnings/(losses) per share is calculated by dividing the profit/(loss) 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	
	2022	2021
Profit/(Loss) attributable to owners of the Company (RM)	**4,321,135**	(10,382,865)
Weighted average number of ordinary shares	**267,970,485**	237,056,184
Basic earnings/(losses) per share (sen)	**1.61**	(4.38)

The earnings/(losses) 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

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
2022									
Revenue									
External sales	-	4,312,890	-	2,870,112	337,737	2,016,850	-		9,537,589
Inter-segment sales	-	313,200	-	-	-	3,688,000	(4,001,200)	A	-
Total revenue	-	4,626,090	-	2,870,112	337,737	5,704,850	(4,001,200)		9,537,589
Result									
Segment results	958	3,593,394	(13,544)	2,186,327	3,366,731	(3,348,390)			5,785,476
Interest income									1,060,098
Operating profit									6,845,574
Finance costs									(2,966,266)
Profit before tax									3,879,308
Tax income									671,688
Profit for the financial year									4,550,996
Assets									
Segment assets	6,954,172	141,184,452	11,892,945	154,051,694	127,519,025	3,024,986			444,627,274
Current tax assets									3,088,525
Total assets									447,715,799

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
2022									
Liabilities									
Segment liabilities	**3,230,231**	**66,291,174**	**1,409,018**	**30,348,035**	**28,658,584**	**372,457**			**130,309,499**
Deferred tax liabilities									**2,358,119**
Current tax liabilities									**380,082**
Total liabilities									**133,047,700**
Other information									
Additions to non-current assets	**-**	**2,072**	**-**	**-**	**52,270**	**62,548**		**B**	**116,890**
Depreciation of property, plant and equipment	**3,123**	**10,970**	**-**	**9,225**	**49,357**	**117,674**			**190,349**
Non-cash (income)/ expenses other than depreciation	**(8,974)**	**(2,874,390)**	**(7,049)**	**(62,922)**	**-**	**995**		**C**	**(2,952,340)**

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
2021									
Revenue									
External sales	(17,300)	4,885,704	3,004,028	5,820,224	4,465,639	644,050	-		18,802,345
Inter-segment sales	-	313,200	-	-	4,724,447	4,122,000	(9,159,647)	A	-
Total revenue	(17,300)	5,198,904	3,004,028	5,820,224	9,190,086	4,766,050	(9,159,647)		18,802,345
Result									
Segment results	989,774	1,865,068	13,079	(224,741)	(2,790,109)	(3,408,712)			(3,555,641)
Interest income									472,426
Operating loss									(3,083,215)
Finance costs									(3,291,690)
Loss before tax									(6,374,905)
Tax expense									(4,061,592)
Loss for the financial year									(10,436,497)
Assets									
Segment assets	5,738,019	129,959,525	12,068,362	140,467,390	134,223,028	3,376,858			425,833,182
Current tax assets									2,823,303
Total assets									428,656,485

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
2021									
Liabilities									
Segment liabilities	4,548,161	86,251,896	1,565,566	2,831,705	29,581,691	582,285			125,361,304
Deferred tax liabilities									2,138,331
Current tax liabilities									2,834,427
Total liabilities									130,334,062
Other information									
Additions to non-current assets	-	4,186	-	-	5,000	123,724		B	132,910
Depreciation of property, plant and equipment	5,465	12,583	-	9,500	159,768	117,822			305,138
Non-cash (income)/ expenses other than depreciation	7,595	30,569	-	(88,999)	(50,776)	2,436		C	(99,175)

31. SEGMENT INFORMATION (CONT'D)

Notes to segment information:

A Inter-segment revenue is eliminated on consolidation.

B Additions to non-current assets consists of total costs incurred during the financial year to acquire property, plant and equipment and investment properties.

C Other material non-cash income other than depreciation consists of the following items:

	2022	2021
	RM	RM
Deposit written off	**2,050**	-
Fair value (gain)/loss on investment properties, net	**(2,857,806)**	30,569
Fair value gain on other investments	**(95,434)**	-
Gain on disposal of property, plant and equipment	**-**	(139,775)
Property, plant and equipment written off	**995**	29,993
Reversal of allowance for expected credit losses on trade receivables	**(2,145)**	(19,962)
	(2,952,340)	(99,175)

By geographical segments

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

Information about major customers

Total revenue from **1** (2021: 1) major customer which contributed more than 10% of the Group's revenue from the construction and provision of marketing services segments amounted to **RM2,354,587** (2021: RM5,130,678).

32. RELATED PARTY DISCLOSURES

(i) Identify of related parties

The Group and the Company have related party relationship with its subsidiaries and key management personnel.

(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 Group and of the Company are as follows:

	GROUP	
	2022	2021
	RM	RM
Disposal of a motor vehicle to a former director	**-**	207,230

32. RELATED PARTY DISCLOSURES (CONT'D)

	COMPANY	
	2022	2021
	RM	RM
Administrative fee paid/payable to a subsidiary	**638,000**	257,000
Human resources service fee paid/payable to a subsidiary	**72,000**	72,000
Information technology support service fee paid/payables to a subsidiary	**72,000**	72,000
Interest expense paid/payable to subsidiaries	**270,809**	221,609
Interest income received/receivable from subsidiaries	**4,940,336**	4,586,051
Corporate guarantee fee received/receivable from subsidiaries	**86,500**	86,288
Payment on behalf to subsidiaries	**200,375**	18,949

(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	
	2022	2021	**2022**	2021
	RM	RM	**RM**	RM
Directors' fees	**276,000**	240,000	**276,000**	240,000
Short term employee benefits	**1,283,806**	811,118	**412,724**	297,316
Defined contribution plan	**132,094**	75,459	**49,200**	35,544
	1,691,900	1,126,577	**737,924**	572,860
Analysed as:				
- Directors	**895,167**	734,868	**737,924**	573,860
- Key management personnel	**796,733**	391,709	**-**	-
	1,691,900	1,126,577	**737,924**	572,860

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			
2022			
Financial assets			
Trade receivables	**39,337,128**	**39,337,128**	**-**
Other receivables and refundable deposits	**90,642,308**	**90,642,308**	**-**
Other investments	**14,099,477**	**-**	**14,099,477**
Deposits with licensed banks	**16,376,377**	**16,376,377**	**-**
Cash and bank balances	**6,229,243**	**6,229,243**	**-**
	166,684,533	**152,585,056**	**14,099,477**
Financial liabilities			
Borrowings	**75,291,619**	**75,291,619**	**-**
Trade payables	**11,648,820**	**11,648,820**	**-**
Other payables and accruals excluding SST payables and rental received in advance	**43,299,958**	**43,299,958**	**-**
	130,240,397	**130,240,397**	**-**
2021			
Financial assets			
Trade receivables	53,482,565	53,482,565	-
Other receivables and refundable deposits	82,298,900	82,298,900	-
Other investments	13,365,475	-	13,365,475
Deposits with licensed banks	18,428,123	18,428,123	-
Cash and bank balances	3,027,560	3,027,560	-
	170,602,623	157,237,148	13,365,475
Financial liabilities			
Borrowings	80,180,533	80,180,533	-
Trade payables	10,493,560	10,493,560	-
Other payables and accruals excluding SST payables and rental received in advance	34,587,796	34,587,796	-
	125,261,889	125,261,889	-
COMPANY			
2022			
Financial assets			
Other receivables and refundable deposits	**7,752,851**	**7,752,851**	**-**
Amount due from subsidiaries	**156,494,168**	**156,494,168**	**-**
Other investments	**249**	**-**	**249**
Deposits with licensed banks	**5,017,064**	**5,017,064**	**-**
Cash and bank balances	**3,049,947**	**3,049,947**	**-**
	172,314,279	**172,314,030**	**249**

33. FINANCIAL INSTRUMENTS (CONT'D)

33.1 Categories of financial instruments (Cont'd)

	Carrying amount RM	AC RM	FVTPL RM
Financial liabilities			
Trade payables	**2,444**	**2,444**	**-**
Other payables and accruals	**402,097**	**402,097**	**-**
Amount due to subsidiaries	**7,844,940**	**7,844,940**	**-**
	8,249,481	**8,249,481**	**-**
2021			
Financial assets			
Other receivables and refundable deposits	760	760	-
Amount due from subsidiaries	157,063,354	157,063,354	-
Deposits with licensed banks	1,045,933	1,045,933	-
Cash and bank balances	275,187	275,187	-
	158,385,234	158,385,234	-
Financial liabilities			
Borrowings	1,256,159	1,256,159	-
Trade payables	2,444	2,444	-
Other payables and accruals	370,683	370,683	-
Amount due to subsidiaries	7,531,681	7,531,681	-
	9,160,967	9,160,967	-

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 advances to subsidiaries and financial guarantees provided to financial institutions in respect of credit facilities granted to certain subsidiaries.

33.3.1 Receivables

The maximum exposure to credit risk arising from trade receivables are represented by their carrying amounts in the statements of financial position.

The Group will take into consideration factors such as the relationship with the customers, their payment history and credit worthiness in deciding whether credit shall be extended. The Group subjects new customers to credit verification procedures. 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.

33. FINANCIAL INSTRUMENTS (CONT'D)

33.3 Credit risk (Cont'd)

33.3.1 Receivables (Cont'd)

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 of 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** (2021: 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			
2022			
Not past due	**7,212,339**	**-**	**7,212,339**
Past due 1 to 30 days	**316,598**	**-**	**316,598**
Past due 31 to 60 days	**95,768**	**-**	**95,768**
Past due more than 60 days	**31,712,423**	**-**	**31,712,423**
	32,124,789	**-**	**32,124,789**
Impaired	**7,972,540**	**(7,972,540)**	**-**
	47,309,668	**(7,972,540)**	**39,337,128**
2021			
Not past due	8,529,263	-	8,529,263
Past due 1 to 30 days	117,780	-	117,780
Past due 31 to 60 days	398,662	-	398,662
Past due more than 60 days	44,436,860	-	44,436,860
	44,953,302	-	44,953,302
Impaired	7,974,685	(7,974,685)	-
	61,457,250	(7,974,685)	53,482,565

33. FINANCIAL INSTRUMENTS (CONT'D)

33.3 Credit risk (Cont'd)

33.3.1 Receivables (Cont'd)

	Gross RM	Allowance for expected credit losses RM	Net RM
COMPANY			
2022			
Past due more than 60 days	**135,124**	**(135,124)**	**-**
2021			
Past due more than 60 days	135,124	(135,124)	-

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 **RM32,124,789** (2021: RM44,953,302) 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 (2021: 1 customer) representing **93%** (2021: 92%) of the total trade receivables.

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.

33. FINANCIAL INSTRUMENTS (CONT'D)

33.3 Credit risk (Cont'd)

33.3.1 Receivables (Cont'd)

Maximum exposure to credit risk (Cont'd)

	Gross RM	Allowance for expected credit losses RM	Net RM
Credit risk rating			
GROUP			
2022			
Low risk	**45,406,010**	**-**	**45,406,010**
Individually impaired	**7,972,540**	**(7,972,540)**	**-**
	53,378,550	**(7,972,540)**	**45,406,010**
2021			
Low risk	59,361,381	-	59,361,381
Individually impaired	7,974,685	(7,974,685)	-
	67,336,066	(7,974,685)	59,361,381

In managing the credit risk of the trade receivables, 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 at an amount equal to lifetime ECL using a simplified approach. The expected credit losses on trade receivables are estimated based on past default experience and an analysis of the trade receivables' current financial position, adjusted for factors that are specific to the trade receivables such as liquidation and bankruptcy. Forward looking information such as gross domestic product has been incorporated in determining the expected credit losses.

Trade receivables are usually collectable and the Group does not have much historical bad debts written off or impairment of trade receivables. 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.

33.3.2 Other receivable

The Group finances 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 has significant exposure of credit risk on a non-trade receivable which represents **90%** (2021: 92%) of the total other receivables.

33. FINANCIAL INSTRUMENTS (CONT'D)

33.3 Credit risk (Cont'd)

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 in the statements of financial position.

As at the end of the reporting period, there was no indication that the advances to the subsidiaries are not recoverable. 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	
	2022	2021
	RM	RM
Corporate guarantees issued to financial institutions for banking facilities granted to certain subsidiaries		
- Limit	**85,500,000**	96,650,000
- Maximum exposure	**75,362,499**	78,074,484

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.

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.

33. FINANCIAL INSTRUMENTS (CONT'D)

33.4 Liquidity risk (Cont'd)

The table below summarises the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on the undiscounted contractual payments:

	Carrying amount RM	Contractual cash flows 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						
2022						
Non-derivative financial liabilities						
Borrowings	**75,291,619**	**97,121,694**	**16,280,127**	**7,929,605**	**22,774,319**	**50,137,643**
Trade payables	**11,648,820**	**11,648,820**	**11,648,820**	**-**	**-**	**-**
Other payables and accruals excluding SST payables and rental received in advance	**43,299,958**	**43,299,958**	**43,299,958**	**-**	**-**	**-**
Total undiscounted financial liabilities	**130,240,397**	**152,070,472**	**71,228,905**	**7,929,605**	**22,774,319**	**50,137,643**
2021						
Non-derivative financial liabilities						
Borrowings	80,180,533	102,338,442	16,007,590	7,944,490	22,711,882	55,674,480
Trade payables	10,493,560	10,493,560	10,493,560	-	-	-
Other payables and accruals excluding SST payables and rental received in advance	34,587,796	34,587,796	34,587,796	-	-	-
Total undiscounted financial liabilities	125,261,889	147,419,798	61,088,946	7,944,490	22,711,882	55,674,480

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 **RM75,362,499** (2021: RM78,074,484) 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.

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.

33. FINANCIAL INSTRUMENTS (CONT'D)

33.5 Interest rate risk (Cont'd)

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	
	2022	2021	**2022**	2021
	RM	RM	**RM**	RM
Fixed rate instruments				
Financial assets	**16,376,377**	18,428,123	**159,698,303**	156,279,625
Financial liabilities	**37,557**	98,686	**7,844,940**	7,531,681
Floating rate instruments				
Financial liabilities	**75,254,062**	80,081,847	**-**	1,256,159

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

An increase of 25 basis point at the end of the reporting period would have (decreased)/increase the profit/(loss) before tax of the Group by **RM153,742** (2021: RM136,485) and of the Company by **RM Nil** (2021: RM1,470) and a corresponding decrease would have an equal but opposite effect. This analysis assumes that all other variables remain constant.

33.6 Market price risk

The Group and the Company are exposed to price risk through their investments in unit trust funds which are classified as financial assets at fair value through profit or loss. 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 would have increase/(decreased) in profit/(loss) before tax 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 trust.

	GROUP		COMPANY	
	2022	2021	**2022**	2021
	RM	RM	**RM**	RM
Increase/(Decrease) in profit/(loss) before tax	**704,974**	(668,274)	**12**	-

34. FAIR VALUE MEASUREMENT

The carrying amounts of the Group's and the Company's financial assets (other than investments in quoted financial instruments) 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 amount of the non-current portion of finance lease liabilities is 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 the Company's investment properties based on the followings:

(i) With reference to valuation report by external independent qualified property valuer using the market comparison method, being comparison of current price in an active market for similar properties in the same location and condition and where necessary, adjusting for location, accessibility, visibility, time, size, present market trends and other differences; and

(ii) Current market values with reference to the selling prices of similar properties.

Details of the Group's and the Company's investment properties and non-current asset held for sale 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					
2022					
Investment properties	**-**	**-**	**118,919,820**	**118,919,820**	**118,919,820**
2021					
Investment properties	-	-	116,062,014	116,062,014	116,062,014
Non-current asset held for sale	-	-	110,000	110,000	110,000
COMPANY					
2022					
Investment properties	**-**	**-**	**770,000**	**770,000**	**770,000**
2021					
Investment properties	-	-	739,194	739,194	739,194
Non-current asset held for sale	-	-	110,000	110,000	110,000

34. FAIR VALUE MEASUREMENT (CONT'D)

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					
2022					
Financial asset					
Other investments	**14,099,477**	**-**	**-**	**14,099,477**	**14,099,477**
2021					
Financial asset					
Other investments	13,365,475	-	-	13,365,475	13,365,475
COMPANY					
2022					
Financial asset					
Other investments	**249**	**-**	**-**	**249**	**249**

Policy of transfer

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.

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.

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. Selling prices of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input in this valuation approach is price per square foot of comparable properties.

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	
	2022	2021	**2022**	2021
	RM	RM	**RM**	RM
Total borrowings	**75,291,619**	80,180,533	**-**	1,256,159
Less: Cash and banks balances	**(6,229,243)**	(3,027,560)	**(3,049,947)**	(275,187)
Deposits with licensed banks	**(16,376,377)**	(18,428,123)	**(5,017,064)**	(1,045,933)
Net debt/(Net cash)	**52,685,999**	58,724,850	**(8,067,011)**	(64,961)
Total equity	**314,668,099**	298,322,423	**295,348,521**	280,565,863
Gearing ratio	**0.17**	0.20	**-**	-

36. MATERIAL LITIGATION

On 16 December 2019, Seal Properties (KL) Sdn. Bhd. ("SPKL"), a subsidiary of the Company has filed a Writ and Statement of Claim against Wabina Constructions & Engineering Sdn. Bhd. ("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.

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.

36. MATERIAL LITIGATION (CONT'D)

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 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. Currently, all proceedings have been stayed pursuant to Section 10 of the Arbitration Act 2005 and the dispute is now 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 hearing for arbitration is now rescheduled from 9 January 2023 to 12 January 2023 and from 20 February 2023 until 24 February 2023.

On 8 May 2020, Wabina had issued a Notice of Demand to SPKL demanding for a sum of RM7,381,333 (Interim Certificate of Payment No. 32 to 36 together with interests and costs) pursuant to the Adjudication Decision dated 24 February 2020. RM7,381,333 has been released by the Company's solicitor to Wabina in the prior financial year. SPKL, however, had appealed the Adjudication Decision to Court of Appeal. On 30 September 2021, the Court of Appeal had dismissed SPKL's appeal. Thereafter, SPKL filed a Motion for leave to appeal together with the affidavit in support to Federal Court and the Federal Court has dismissed SPKL's application for leave with costs of RM30,000 on 7 April 2022.

Wabina had also served a Notice of Adjudication pursuant to Sections 7 and 8 of the Construction Industry Payment and Adjudication Act 2012 on SPKL with the intention to claim the overdue payment of RM8,688 under Interim Certificate of Payment No. 37 and RM21,190,132 under progress claim No. 38. The Tribunal has handed down the Adjudication Decision on 18 May 2021 and held the following:

No.	Description	Amount RM
i.	Interim Certificate of Payment No. 37	8,688
ii.	Progress claim No. 38	5,180,381
iii.	Legal cost	65,000
iv.	Adjudicator fee	89,615
v.	Other expenses	19,687
	Total	5,363,371

vi. Payment shall be paid within 30 days from the date of decision
vii. Late payment interest at 5% per annum from the decision date

The progress claim No. 38 under the Notice of Adjudication was submitted by Wabina after the termination of the contract on 5 August 2019. There is overlapping of the progress claim No. 38 as it is included part of the Final Account Claim of RM26,401,538. In any event, SPKL has disputed the progress claim No. 38 on the basis that Wabina has no contractual basis to submit any further progress payments after the termination of the contract on 5 August 2019.

Pursuant to the Adjudication Decision on 18 May 2021, Wabina has subsequently filed an Originating Summons at the High Court to enforce the Adjudication Decision and the same is now fixed for hearing on 14 November 2022. In the meantime, SPKL has filed an Originating Summons at the Penang High Court to stay the Adjudication Decision, pending final determination of the proceedings before the Arbitration. The High Court had on 6 April 2022 allowed SPKL's application to stay the Adjudication Decision pending the disposal of the Arbitration. Dissatisfied with the said High Court's decision, Wabina has appealed to the Court of Appeal.

On 1 July 2021, SPKL had filed an Originating Summons, an injunction against Wabina, to restrain Wabina from presenting or filing a petition to wind-up SPKL. The High Court had granted interim injunctions to restrain Wabina from presenting winding-up petition against SPKL until the disposal of the Originating Summon. This matter has been struck out by the High Court in light of the stay granted by the High Court.

36. MATERIAL LITIGATION (CONT'D)

Wabina had applied for Judicial Review proceedings to set aside the Companies (Exemption) (No. 2) Order 2020. The Judicial Review proceedings is mainly against Malaysia Government and in particular, the Ministry of Domestic Trade and Consumers Affairs. However, SPKL was named as a respondent in the Judicial Review proceedings since Wabina is alleging that the Companies (Exemption) (No. 2) Order 2020 is preventing Wabina from presenting a winding-up petition against SPKL within 21 days of service of a Section 466 statutory notice demanding for payment of the adjudicated sum. The Court in the hearing held on 15 December 2021 has dismissed Wabina's Judicial Review application with costs to be paid to SPKL.

37. SIGNIFICANT EVENTS

(i) The Company has entered into a Share Sale Agreement dated 1 January 2022 with Wan Chun Yeow and Chen Chieh Rong, both collectively be referred to as the shareholders of Daiman Majumas Sdn. Bhd. ("Daiman"), to acquire 100% equity interest in Daiman for a total purchase consideration of RM17,000,000 to be satisfied via a combination of cash payment of RM5,000,000 and the issuance of 40,677,966 new ordinary shares of the Company at the issue price of RM0.295 per ordinary share. The transaction has yet to be completed as at the date of this report.

(ii) Seal Properties (SP) Sdn. Bhd., a wholly-owned subsidiary of the Company, has entered into a Sale and Purchase Agreement dated 27 May 2022 with Smart Budget Economy Sdn. Bhd. to dispose the development land located at Bandar Sungai Petani, Daerah Kuala Muda, Kedah for a cash consideration of RM37,000,000. The transaction has yet to be completed as at the date of this report.

GROUP PROPERTIES

AS AT 30 JUNE 2022

Location of property	Date of Acquisition/ (Age of Building)	Area/Unit	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 September 1999	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 September 1999	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 October 1999	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 October 1999	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 October 1999	940.00 sq.metres	Freehold	Vacant land for development	961,615
G.M 5796, Lot No. 117 Mukim Kuah Langkawi, Kedah	11 October 1999	4,324.00 sq.metres	Freehold	Vacant land for development	4,518,030

GROUP PROPERTIES

AS AT 30 JUNE 2022

Location of property	Date of Acquisition/ (Age of Building)	Area/Unit	Tenure	Description/ Existing Use	Carrying Amount (RM)
Subsidiary companies					
Bayan City Jalan Mayang Pasir 3 11950 Bayan Baru, Penang	25 July 2013 and 15 March 2017	58 units	Freehold	Commercial and residential lot	60,080,000
"Kompleks Permaisuri Q" No 6, Jalan Sri Permaisuri, Bandar Sri Permaisuri, Cheras 56000 Kuala Lumpur	2 April 2019 and 5 August 2019	57 units	Leasehold	Commercial and Office lot	58,032,000
H.S.(D) 122369 to H.S.(D) 122378 PT 99382 to PT 99391 Bandar Sungai Petani Kuala Muda, Kedah	19 January 2010	7,511.00 sq.metres	Freehold	Development	1,914,364
H.S.(D) 90454 PT 48857 Bandar Sungai Petani Kuala Muda, Kedah	5 March 2013 and 3 April 2013	375,655.70 sq.metres	Freehold	Development	15,287,592
Lot No. 72020 Mukim 12, Daerah Barat Daya Penang	2 August 2017	2.91 hectare	Freehold	Development	77,417,425

ANALYSIS OF SHAREHOLDINGS

AS AT 30 SEPTEMBER 2022

Total number of shares issued	:	283,126,184 *(Excluding 5,896,500 of 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	230	3.82	8,160	*
100 to 1,000	1,829	30.35	1,610,412	0.57
1,001 to 10,000	2,899	48.10	12,538,084	4.43
10,001 to 100,000	902	14.97	29,016,445	10.25
100,001 to less than 5% of issued shares	164	2.72	150,274,783	53.08
5% and above of issued shares	3	0.05	89,678,300	31.67
TOTAL	6,027	100.00	283,126,184	100.00

Note:

*Negligible

2. THIRTY LARGEST SECURITIES ACCOUNT HOLDERS

	Name	No. of shares	% of total issued capital
1.	AMSEC Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Tan Guik Lan	44,784,100	15.82
2.	Koay Shean Loong	24,894,200	8.79
3.	Kesan Anggun Sdn. Bhd.	20,000,000	7.06
4.	Poly Dynamic Motion Sdn. Bhd.	13,364,200	4.72
5.	Hunza Properties Berhad	12,256,100	4.33
6.	Affin Hwang Nominees (Tempatan) Sdn. Bhd. Southern Corporation (Nibong Tebal) Sdn. Bhd. for Tan Lee Sim	11,700,000	4.13
7.	Public Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for She Siew Pheng	8,467,100	2.99
8.	Song Kim Lee	7,650,000	2.70
9.	Maybank Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Resolute Accomplishment Sdn. Bhd.	5,660,300	2.00
10.	Maybank Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Triumphant View Sdn. Bhd.	5,048,417	1.78
11.	Song Phaik Gim	5,000,000	1.77
12.	Maybank Nominees (Tempatan) Sdn. Bhd. Tan Kok Hiong	4,700,000	1.66
13.	Resolute Accomplishment Sdn. Bhd.	4,010,800	1.42
14.	Goh Chin Heng	2,848,400	1.01
15.	Foo Keng Wai	2,800,000	0.99
16.	Yow Yan Seong	2,349,100	0.83

ANALYSIS OF SHAREHOLDINGS

AS AT 30 SEPTEMBER 2022

2. THIRTY LARGEST SECURITIES ACCOUNT HOLDERS

	Name	No. of shares	% of total issued capital
17.	See Lam Tean @ Tan-See Lam Tean	2,212,200	0.78
18.	Tee Ah Swee	2,019,700	0.71
19.	Fong Chee Poong	2,000,000	0.71
20.	Maybank Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Phuah Cheng Peng	2,000,000	0.71
21.	Fang Siew Poh	1,906,900	0.67
22.	Chew Chong Kee	1,906, 000	0.67
23.	Tee Ah Swee	1,822,400	0.64
24.	Lim Pei Tiam #@ Liam Ahat Kiat	1,800,000	0.64
25.	Lee Kah Soon	1,700,000	0.60
26.	Phuah Lee Pieng	1,683,600	0.59
27.	Loh Kah Foh	1,681,000	0.59
28.	Chai Mooi Chong	1,368,800	0.48
29.	Maybank Nominees (Tempatan) Sdn. Bhd. Chua Eng Ho Wa'a @ Chua Eng Wah	1,324,300	0.47
30.	Suraindran A/L Kandasamy	1,200,000	0.42

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:

		Direct Interest		Indirect Interest	
	Name	No. of shares held	% of issued capital	No. of shares held	% of issued capital
1.	Datin Sri Tan Guik Lan	44,784,100	15.82	-	-
2.	Koay Shean Loong	24,894,200	8.79	-	-
3.	Kesan Anggun Sdn. Bhd.	20,000,000	7.06	-	-
4.	Poly Dynamic Motion Sdn. Bhd.	13,364,200	4.72	-	-
5.	Chuah Chong Ewe	1,075,000	0.38	13,364,200^	4.72^
6.	Yow Kah Wai	-	-	20,000,000*	7.06*
7.	Saw Seng Kew	-	-	20,000,000*	7.06*

^Deemed interest by virtue of his interest in Poly Dynamic Motion Sdn. Bhd.
*Deemed interest by virtue of his interest in Kesan Anggun Sdn. Bhd.

ANALYSIS OF SHAREHOLDINGS

AS AT 30 SEPTEMBER 2022

4. DIRECTORS' SHAREHOLDINGS

	Name	Direct Interest		Indirect Interest	
		No. of shares held	% of issued capital	No. of shares held	% of issued capital
1.	Tuan Haji Abdul Hamid bin Mohd Hassan	-	-	-	-
2.	Koay Shean Loong	24,894,200	8.79	-	-
3.	Datuk Tan Hiang Joo	29,000	0.01	-	-
4.	Sim Yee Fuan	-	-	80,000^	0.03^
5.	Yang Teramat Mulia Raja Kecil Tengah Perak Raja Dato' Seri Iskandar bin Raja Ziran @ Raja Zaid	-	-	-	-
6.	Datin Sri Tan Guik Lan	44,784,100	15.82	-	-
7.	Yow Yan Seong	3,008,400	1.06	1,733,000^	0.61^
8.	Tan Seong Hooi	65,000	0.02	-	-

^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 Sixtieth Annual General Meeting ("60th 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, 22 December 2022 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, 22 December 2022
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 60th AGM. 2. Submission of questions by logging in to the Boardroom Smart Investor Portal at https://investor.boardroomlimited.com prior to the 60th AGM.

AGENDA

As ORDINARY BUSINESS **Ordinary Resolution**

1. To receive the Audited Financial Statements for the financial year ended 30 June 2022 together with the Directors' and Auditors' Reports thereon. ***Please refer to Note 2***

2. To approve payment of Directors' fees of RM276,000 in respect of the financial year ended 30 June 2022. ***Resolution 1***

3. To approve the payment of benefits payable to the Directors up to an amount of RM220,000 from 22 December 2022 until the next Annual General Meeting ("AGM") of the Company to be held in year 2023. ***Resolution 2***

4. 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) Datuk Tan Hiang Joo ***Resolution 3***

   (ii) Yang Teramat Mulia Raja Kecil Tengah Perak Raja Dato' Seri Iskandar bin Raja Ziran @ Raja Zaid ***Resolution 4***

5. To re-elect Mr. Sim Yee Fuan retiring under the provision of Article 99 of the Company's Constitution and who being eligible has offered himself for re-election. ***Resolution 5***

6. To re-appoint Grant Thornton Malaysia PLT as Auditors of the Company to hold office until the conclusion of the next AGM and to authorise the Directors to fix their remuneration. ***Resolution 6***

NOTICE OF ANNUAL GENERAL MEETING

As SPECIAL BUSINESS

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

7. **Proposed Authority to Allot and Issue Shares** ***Resolution 7***

"That subject to the Companies Act 2016, 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 Companies Act 2016, 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 Annual General Meeting of the Company held next after the approval was given or at the expiry of the period within which the next Annual General Meeting 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.

And That pursuant to Section 85 of the Companies Act 2016 read together with Article 60 of the Company's Constitution, approval be and is hereby given to the Company to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares ranking equally to the existing issued shares arising from any issuance of new shares pursuant to Sections 75 and 76 of the Companies Act 2016."

8. **Proposed Renewal of Share Buy Back Authority** ***Resolution 8***

"That subject to the Companies Act 2016, the provisions of the Company's Constitution, the Main Market Listing Requirements ("MMLR") of Bursa Securities and the approvals of all relevant governmental and/or regulatory authorities, the Company be and is hereby authorised, to the fullest extent permitted by law, to purchase such amount of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interests of the Company ("the Proposed Share Buy Back") provided that:

(i) the aggregate number of shares purchased does not exceed ten per centum (10%) of the total issued shares of the Company as quoted on Bursa Securities as at the point of purchase;
(ii) the maximum amount of funds to be allocated by the Company pursuant to the Proposed Share Buy Back shall not exceed the retained profits of the Company based on its latest audited financial statements available up to the date of a transaction pursuant to the Proposed Share Buy Back; and
(iii) the shares purchased by the Company pursuant to the Proposed Share Buy Back may be dealt with in all or any of the following manner (as selected by the Company):-
    (a) the shares so purchased may be cancelled; and/or
    (b) the shares so purchased may be retained in treasury for distribution as dividend to the shareholders and/or resold on the market of Bursa Securities and/or subsequently cancelled; and/or
    (c) part of the shares so purchased may be retained as treasury shares with the remainder being cancelled.

NOTICE OF ANNUAL GENERAL MEETING

8. **Proposed Renewal of Share Buy Back Authority (cont'd)**

That any authority conferred by this resolution may only continue to be in force until:

(i) the conclusion of the next AGM of the Company following the general meeting at which such resolution was passed at which time it shall lapse unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions;
(ii) the expiration of the period within which the next AGM after that date is required by law to be held; or
(iii) revoked or varied by ordinary resolution passed by the shareholders in general meeting, whichever occurs first.

And that authority be and is hereby given unconditionally and generally to the Directors of the Company to take all such steps as are necessary or expedient (including without limitation, the opening and maintaining of central depository account(s) under the Securities Industry (Central Depositories) Act, 1991, and the entering into all other agreements, arrangements and guarantee with any party or parties) to implement, finalise and give full effect to the aforesaid purchase with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities and with the fullest power to do all such acts and things thereafter (including without limitation, the cancellation or retention as treasury shares of all or any part of the purchased shares) in accordance with the Companies Act 2016, the provisions of the Constitution of the Company and the MMLR and/or guidelines of Bursa Securities and all other relevant governmental and/or regulatory authorities."

9. To consider any other business for which due notice shall have been given in accordance with the Companies Act 2016 and the Company's Constitution.

By Order of the Board

Lim Choo Tan (LS 0008888) (SSM PC No. 202008000713)
Chew Siew Cheng (MAICSA 7019191) (SSM PC No. 202008001179)
Joint Company Secretaries

Penang, 28 October 2022

NOTES:

1. Proxy

1.1 The 60th 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 60th AGM in this Annual Report in order 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.

NOTICE OF ANNUAL GENERAL MEETING

NOTES:

1. Proxy (cont'd)

1.3 For the purpose of determining who shall be entitled to attend the meeting, only members whose names appear on the Record of Depositors as at 15 December 2022 shall be eligible to participate and vote at the 60th AGM.

1.4 Every member is entitled to appoint not more than two (2) persons as his proxy. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his 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 who holds ordinary shares in the Company for multiple owners in one securities account ("Omnibus Account"), is entitled to appoint another person as his proxy to exercise all or any of his rights to participate, speak and vote in his stead at the 60th 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 60th 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 60th AGM or by submitting the questions by logging in to the Boardroom Smart Investor Portal at https://investor.boardroomlimited.com prior to the 60th AGM.

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 60th 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 60th AGM or any adjournments thereof:-

(a) In Hardcopy Form

The proxy form 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 60th AGM in this Annual Report; or

(ii) The proxy forms shall be electronically lodged to bsr.helpdesk@boardroomlimited.com or fax to (+603)78904670.

1.10 The last date and time for lodging the proxy form is Tuesday, 20 December 2022, 10.30a.m.

NOTICE OF ANNUAL GENERAL MEETING

NOTES:

2. Item 1 of the Agenda
Audited Financial Statements for the Financial Year Ended 30 June 2022

The audited financial statements are laid in accordance with Section 340(1)(a) of the Companies Act 2016 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 for the Financial Year Ended 30 June 2022

The proposed Directors' fees of RM276,000 for the financial year ended 30 June 2022, an increase of RM36,000 from RM240,000 in the financial year ended 30 June 2021, is to be paid to all Non-Executive Directors of the Company for the financial year ended 30 June 2022. The increase is due to an additional Non-Executive Director being appointed during the financial year ended 30 June 2022 and a Non-Executive Director who retired during the same financial year. The payment of Directors' fees to all Non-Executive Directors in respect of financial year ended 30 June 2022 will only be made if the proposed Resolution 1 has been passed at the 60th AGM pursuant to the Company's Constitution and Section 230(1)(b) of the Companies Act 2016.

4. Ordinary Resolution 2
Payment of Benefits Payable to the Directors

Section 230(1) of the Companies Act 2016 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 Directors pursuant to Section 230(1)(b) of the Companies Act 2016 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 applicable period from 22 December 2022 up to the conclusion of the next AGM. The benefits comprise of Directors and Officers Liability Insurance, benefits in kind, bonus, meeting allowance and others for Directors.

5. Ordinary Resolutions 3 and 4
Re-election of Directors under Article 101(a) of the Company's Constitution

Article 101(a) of the Company's Constitution states that one-third (1/3) of the Directors shall retire from office 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.

In determining the eligibility of the Directors due for retirement to stand for re-election at the forthcoming 60th 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 Article 101(a) of the Company's Constitution at the forthcoming 60th AGM of the Company. During a Board Meeting held, all the retiring Directors have offered themselves for re-election, and abstained from deliberation as well as decision on their own eligibility to stand for re-election at the forthcoming 60th AGM.

6. Ordinary Resolution 5
Re-election of Director under Article 99 of the Company's Constitution

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. Sim Yee Fuan ("Mr. Sim") was appointed as an Independent Non-Executive Director of the Company on 28 March 2022 and thus will retire at the forthcoming 60th AGM.

NOTICE OF ANNUAL GENERAL MEETING

NOTES:

6. Ordinary Resolution 5 (cont'd)

Re-election of Director under Article 99 of the Company's Constitution (cont'd)

In determining the eligibility of Mr. Sim to stand for re-election at the forthcoming 60th AGM, the NC has assessed Mr. Sim and was satisfied with the assessment.

The Board approved the NC's recommendation for the re-election of Mr. Sim as a Director of the Company pursuant to Article 99 of the Company's Constitution at the forthcoming 60th AGM of the Company. During a Board Meeting held, Mr. Sim has offered himself for re-election, and abstained from deliberation as well as decision on his own eligibility to stand for re-election at the forthcoming 60th AGM.

7. Ordinary Resolution 6
Re-appointment of Auditors

The Audit Committee ("AC") have reviewed the performance and considered the re-appointment of Grant Thornton Malaysia PLT as Auditors of the Company and collectively agreed that Grant Thornton Malaysia PLT has met the relevant criteria as prescribed by Paragraph 15.21 of the MMLR among others.

The Board approved the AC's recommendation for Grant Thornton Malaysia PLT to be re-appointed as Auditors of the Company at the forthcoming 60th AGM.

8. Ordinary Resolution 7
Authority to Allot and Issue Shares

The Company wishes to renew the general mandate on the authority to issue shares pursuant to the Companies Act 2016 at the 60th AGM of the Company. The Company had been granted a general mandate by its shareholders at the AGM of the Company held on 29 December 2021 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 Previous Mandate granted by the shareholders had not been utilised and hence, no proceeds were raised therefrom.

The proposed Ordinary Resolution 7, 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.

9. Ordinary Resolution 8
Proposed Renewal of Share Buy Back Authority

The proposed Resolution 8 if passed, will empower the Directors to purchase the Company's shares through Bursa Securities up to 10% of the total number of issued shares of the Company. Details of the Proposed Share Buy Back are contained in the Share Buy Back Statement dated 28 October 2022.

NOTICE OF ANNUAL GENERAL MEETING

STATEMENT ACCOMPANYING NOTICE OF AGM PURSUANT TO PARAGRAPH 8.27(2) OF THE MMLR

(i) **Details of individuals who are standing for election as Directors**

No individual is standing for election as a Director at the forthcoming 60th AGM of the Company.

(ii) **The renewal of General Mandate for issue 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 Companies Act 2016 are set out in Note 8 of the Notice of the 60th AGM.

Personal Data Privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s) to participate and vote at the 60th 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 the processing and administration by the Company (or its agents) of proxies and representatives appointed for the 60th AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 60th 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 SIXTIETH ("60TH") ANNUAL GENERAL MEETING ("AGM")

Day, Date and Time	**:**	Thursday, 22 December 2022 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 AGM. (ii) Shareholders may submit questions by logging in to the Boardroom Smart Investor Portal at https://investor.boardroomlimited.com prior to the AGM.

FULLY VIRTUAL MEETING

The Company will continue to leverage on technology to facilitate communication and engagement with shareholders by conducting the Sixtieth ("60th") AGM on 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 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 AGM. Therefore, it is your responsibility to ensure that connectivity for the duration of the 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 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.

ADMINISTRATIVE GUIDE

ONLINE REGISTRATION PROCEDURES

PROCEDURE		ACTION
BEFORE THE DAY OF THE AGM		
1.	Register Online with Boardroom Smart Investor Portal ***(For first time registration only)***	*[Note: If you have already signed up with Boardroom Smart Investor Portal, you are not required to register. You may proceed to Step 2.]* a. Open an internet browser. Latest version of ***Chrome, Firefox, Safari, Edge or Opera*** is recommended. b. Go to Boardroom Smart Investor Portal ("BSIP") website @ https://investor.boardroomlimited.com. c. Click **Register** to sign up for a BSIP account. d. Complete registration with all required information. Upload and attach your MyKad front and back image and click Register. e. 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. f. 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. g. Once your mobile number is verified, registration of your new BSIP account will be pending for final verification. h. An e-mail will be sent to you to inform the approval of your BSIP account within one (1) business day. Subsequently, you can login at https://investor.boardroomlimited.com with the e-mail address and password filled up by you during registration to proceed.
2.	Submit request for remote participation	Registration for remote access will be opened on Friday, 21 October 2022. Please note that the closing time to submit your request is at 10.30 a.m. on Tuesday, 20 December 2022 (48 hours before the commencement of the AGM). **Individual Members** a. Open an internet browser. Latest version of **Chrome, Firefox, Safari, Edge or Opera** is recommended. b. Go to BSIP website at https://investor.boardroomlimited.com. c. Login with your registered email address and password. ***[Note: If you do not have an account with BSIP, please sign-up/register with Boardroom Smart Investor Portal for free - refer to Step 1 for guide.]*** d. Select and click on **Corporate Meeting.** e. Go to "**SEAL INCORPORATED BERHAD 60TH ANNUAL GENERAL MEETING**" and click "**Enter**". f. Go to Virtual and click on "**Register for RPEV**". g. Read and agree to the General Terms & Conditions. h. Enter your CDS Account Number and click Submit to complete your request. i. You will receive a notification that your RPEV registration has been received and is being verified. j. Upon system verification against the AGM's Record of Depositors ("**ROD**") as at 15 December 2022, you will receive an email from Boardroom Share Registrars Sdn Bhd ("Boardroom") either approving or rejecting your registration for the remote participation. k. If approved, RPEV credential will be provided in your email. l. Please note that one (1) user ID and password can only log on to one (1) device at a time. m. If rejected, a rejection note will be provided in your email. Note: Closing date and time for submission of request is at 10.30am of 20 December 2022 (48 hours before the AGM)

ADMINISTRATIVE GUIDE

ONLINE REGISTRATION PROCEDURES

PROCEDURE		ACTION
BEFORE THE DAY OF THE AGM		
		Appointment of Proxy a. Open an internet browser. Latest version of **Chrome, Firefox, Safari, Edge or Opera** is recommended. b. Go to BSIP website @ https://investor.boardroomlimited.com. c. Login with your registered email address and password. ***[Note: If you do not have an account with BSIP, please sign-up/register with Boardroom Smart Investor Portal for free - refer to Step 1 for guide.]*** d. Select and click on Corporate Meeting. e. Go to "**SEAL INCORPORATED BERHAD 60TH ANNUAL GENERAL MEETING**" and click "**Enter**". f. Go to PROXY and click on "**Submit eProxy Form**". g. Read and agree to the Terms and Conditions. h. Enter your CDS Account Number and insert the number of securities. i. Appoint the Chairman of the meeting or your proxy(ies) and enter the required particulars for your proxy(ies). j. Indicate your voting instructions – **FOR or AGAINST**, otherwise your proxy(ies) will decide your vote during meeting. k. Review and confirm your proxy(ies) appointment. l. Click submit. m. Download or print the eProxy Form as acknowledgement. Note: Closing date and time for proxy form submission is at 10.30am of 20 December 2022 (48 hours before the AGM) **Corporate Shareholders, Authorised Nominee and Exempt Authorised Nominee** a. 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. b. 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. c. You will receive notification from Boardroom that your request has been received. d. Upon system verification of your registration against the **AGM ROD as at 15 December 2022**, you will receive your remote access User ID and Password along with the email from Boardroom if your registration is approved. e. Please note that one (1) user ID and password can only log on to one (1) device at a time. Note: Closing date and time for proxy form submission is at 10.30am of 20 December 2022 (48 hours before the AGM)

ADMINISTRATIVE GUIDE

ONLINE REGISTRATION PROCEDURES

PROCEDURE		ACTION
ON THE DAY OF THE AGM		
1.	Login to Meeting Platform	a. The Meeting Platform will be open for login one (1) hour before the commencement of the AGM. b. The Meeting Platform can be accessed via one of the following: ➢ Scan the QR Code provided in the user login guide. ➢ Navigate to the website at https://meeting.boardroomlimited.my c. Enter the Meeting ID No and sign in with the user ID and password provided to you via the email notification in Step 2.
2.	Participate	[Note: Please follow the User Guides provided in the confirmation email above to view the live webcast, submit questions and vote.] a. If you would like to view the live webcast, select the broadcast icon. b. If you would like to ask a question during the AGM, select the messaging icon. c. Type your message within the chat box and click the send button once complete.
3.	Voting	a. Once the meeting is open for voting the polling icon will appear with the resolutions and your voting choices. b. To vote, simply select your voting direction from the options provided. A confirmation message will appear to show your vote has been received. c. To change your vote, simply select another voting direction. d. If you wish to cancel your vote, please press "Cancel".
4.	End of Participation	a. Upon the announcement by the Chairman on the closure of the AGM, the live webcast will end. b. You can now logout from the Meeting Platform.

RECORD OF DEPOSITORS FOR THE AGM

For the purpose of determining whether a member is entitled to attend, participate and vote at the AGM, the Company shall be requesting the Record of Depositors as at **15 December 2022.** Only shareholders whose names appear in the Record of Depositors as at **15 December 2022** shall be entitled to attend, participate and vote at the AGM or appoint proxy/proxies on his/her behalf.

PROXY FORM

Please ensure that the hard copy of the original proxy form 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, online registration procedure 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.

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 AGM by yourself, please write to bsr.helpdesk@boardroomlimited.com to revoke the earlier appointed proxy 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 AGM of the Company.

ADMINISTRATIVE GUIDE

ENQUIRY

If you have any general enquiry prior to the AGM, please contact the Share Registrar during office hours (Monday to Friday) between 8.30 am to 5.30 pm except on public holidays, details 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 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:		
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:		
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 Sixtieth ("60th") Annual General Meeting of the Company to be conducted on fully virtual basis via online meeting platform at https://meeting.boardroomlimited.my (Domain Registration No. with MYNIC - D6A357657) on Thursday, 22 December 2022 at 10.30 a.m., and 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.		
2.	To approve the payment of benefits payable to the Directors.		
3.	To re-elect Datuk Tan Hiang Joo as a Director of the Company.		
4.	To re-elect Yang Teramat Mulia Raja Kecil Tengah Perak Raja Dato' Seri Iskandar bin Raja Ziran @ Raja Zaid as a Director of the Company.		
5.	To re-elect Mr. Sim Yee Fuan as a Director of the Company.		
6.	To re-appoint Grant Thornton Malaysia PLT as Auditors and to authorise the Directors to fix their remuneration.		
	Special Business	**FOR**	**AGAINST**
7.	Authority to Allot and Issue Shares pursuant to Sections 75 and 76 of the Companies Act, 2016.		
8.	Proposed Renewal of Share Buy Back Authority.		

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 any resolution, the proxy shall vote as he thinks fit, or at his discretion, abstain from voting.

Please note that the short description 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 60th 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

Please fold across the line and close

Notes:

1. The 60th 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 60th AGM in order 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 attend the meeting, only members whose names appear on the Record of Depositors as at 15 December 2022 shall be eligible to participate and vote at the 60th AGM.
4. Every member is entitled to appoint not more than two (2) persons as his proxy. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy.
5. Every Member including authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 (SICDA), and an Exempt Authorised Nominee who holds ordinary shares in the Company for multiple owners in one securities account ("Omnibus Account"), is entitled to appoint another person as his proxy to exercise all or any of his rights to participate, speak and vote in his stead at the 60th 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 60th 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.

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

8. 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 60th AGM or any adjournments thereof:-
   (a) **In Hardcopy Form**

   The proxy form 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 60th AGM in this Annual Report; or

   (ii) The proxy forms shall be electronically lodged to bsr.helpdesk@boardroomlimited.com or fax to (+603)78904670.
9. The last date and time for lodging the proxy form is Tuesday, 20 December 2022, 10.30a.m.
10. 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 60th 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 the processing and administration by the Company (or its agents) of proxies and representatives appointed for the 60th AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 60th 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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