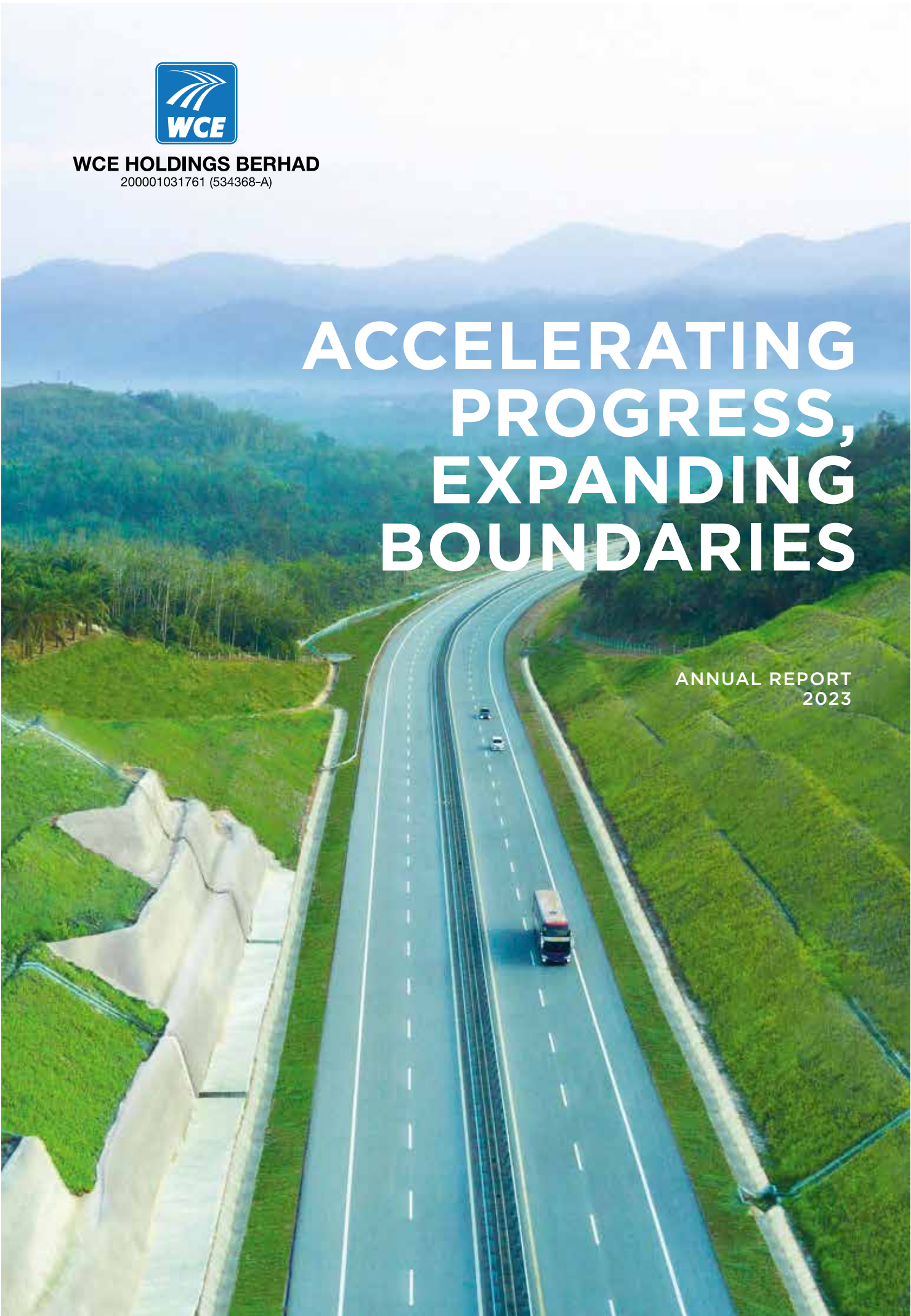




WCE HOLDINGS BERHAD
200001031761 (534368-A)

ACCELERATING PROGRESS, EXPANDING BOUNDARIES

ANNUAL REPORT
2023





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CORPORATE PROFILE



ACCELERATING PROGRESS, EXPANDING BOUNDARIES

Incorporated in December 2000 and listed on 17 November 2003, WCE Holdings Berhad is primarily focused on the execution of the West Coast Expressway Project by its 80%-owned subsidiary, West Coast Expressway Sdn Bhd, an ISO9001:2015 and ISO14001:2015 company. This build-operate-transfer privatisation project involves the development of a 316km highway (including 83km of toll free sections of Federal Route 5 that was upgraded by Jabatan Kerja Raya) connecting the west coast of Peninsular Malaysia from Banting in Selangor to Taiping in Perak.

To-date, the overall construction progress of the Project is 87% and the construction for the remaining sections are on-going. Currently, four (4) out of eleven (11) sections have been completed and opened for toll operations. The completed sections are Section 5 (New North Klang Straits Bypass - Bandar Bukit Raja Utara), Section 8 (Hutan Melintang - Teluk Intan), Section 9 (Kampung Lekir - Changkat Cermin) and Section 10 (Changkat Cermin - Beruas). The Group is targeting to complete the following four (4) sections before the end of 2023:

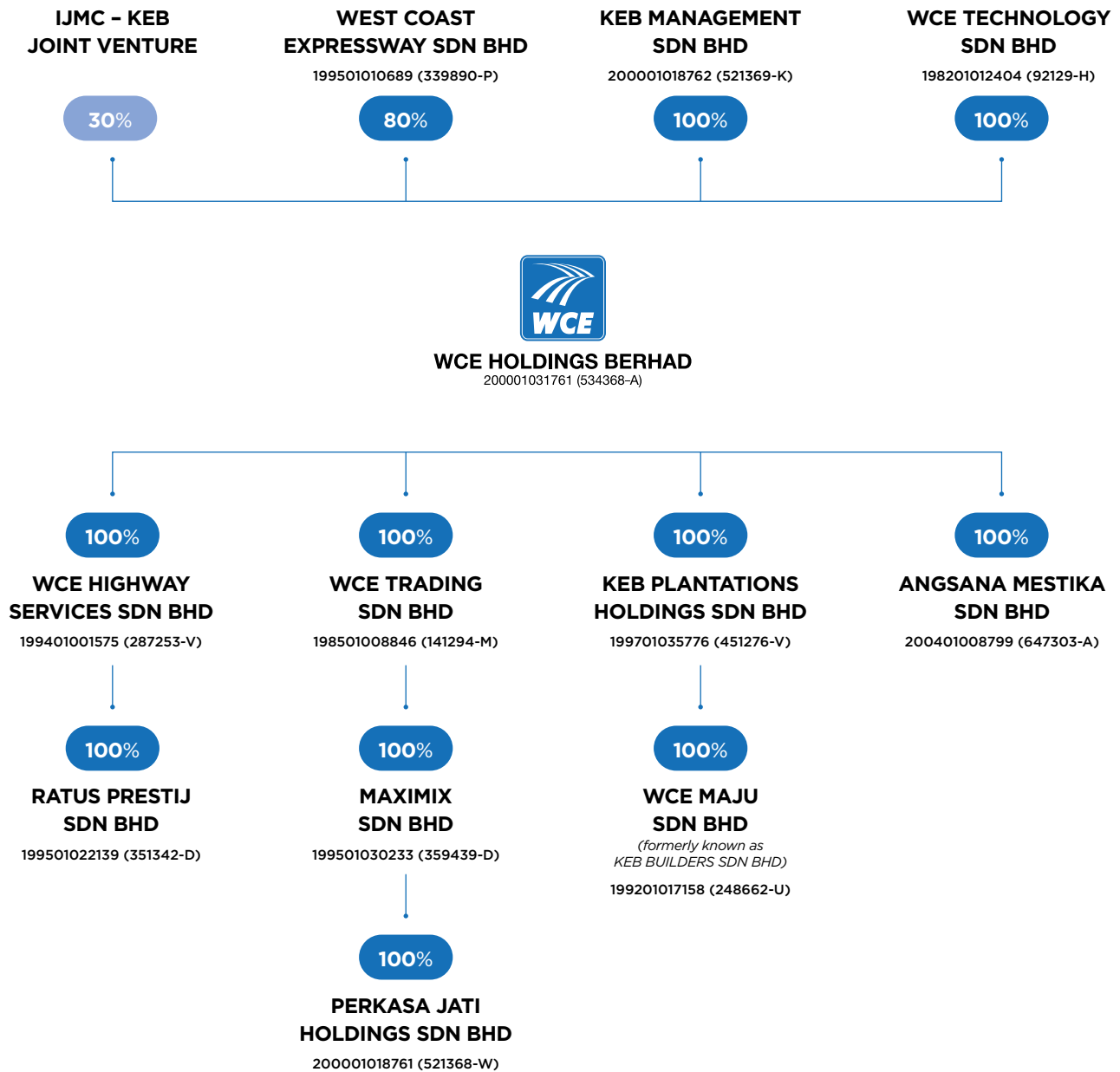
- Section 1: Banting - South Klang Valley Expressway (SKVE)
- Section 2: SKVE - Shah Alam Expressway (KESAS)
- Section 6: Bandar Bukit Raja Utara - Assam Jawa (connected to LATAR)
- Section 11: Beruas - Taiping South (connected to PLUS)



In the construction sector, the Group is also involved in construction of the proposed access from West Coast Expressway to a mixed development project in Kota Seri Langat known as the Seri Langat Project, and construction of Section 7, Part 2 of 2 ("Section 7B") of the WCE Project which is approximately 10km in length from the beginning of the Assam Jawa Interchange towards Tanjung Karang Interchange.

During the financial year 2023, the Group completed the share sale of its 40% equity interest in Radiant Pillar Sdn Bhd, for a total consideration of RM494 million. The proceeds from the disposal will be utilised for the WCE Project. With this disposal, the Group is no longer involved in the property sector.

Moving forward, the Group is confident that its ventures in infrastructure and construction activities will position itself positively on a sustainable growth path.

CORPORATE STRUCTURE



 Subsidiaries Company
 Jointly Controlled Entity

CORPORATE INFORMATION

BOARD OF DIRECTORS

Datuk Ir. Hamzah bin Hasan

Chairman/Independent Non-Executive Director

Datuk Wira Hj. Hamza bin Taib

Senior Independent Non-Executive Director

Ms Lee Chui Sum

Independent Non-Executive Director

Mr Tan Chor Teck

Independent Non-Executive Director

Datuk Oh Chong Peng

Non-Independent Non-Executive Director

Mr Lee Chun Fai

Non-Independent Non-Executive Director

Mr Tang King Hua

Non-Independent Non-Executive Director

Mr Vuitton Pang Hee Cheah

Non-Independent Non-Executive Director

COMPANY SECRETARIES

Mr Raw Koon Beng (MIA 8521)

Ms Wong Wai Foong (MAICSA 7001358)

Ms Fong Seah Lih (MAICSA 7062297)

AUDIT COMMITTEE

Ms Lee Chui Sum | Chairman

Datuk Wira Hj. Hamza bin Taib | Member

Datuk Oh Chong Peng | Member

Mr Tan Chor Teck | Member

Mr Tang King Hua | Member

NOMINATION COMMITTEE

Datuk Wira Hj. Hamza bin Taib | Chairman

Datuk Oh Chong Peng | Member

Ms Lee Chui Sum | Member

Mr Tan Chor Teck | Member

Mr Tang King Hua | Member

REMUNERATION COMMITTEE

Mr Tan Chor Teck | Chairman

Datuk Oh Chong Peng | Member

Datuk Wira Hj. Hamza bin Taib | Member

Mr Lee Chun Fai | Member

Ms Lee Chui Sum | Member

PRINCIPAL BANKERS

RHB Investment Bank Berhad

RHB Bank Berhad

Malayan Banking Berhad

CORPORATE OFFICE

Pejabat Pengurusan Lebuhraya

Pesisiran Pantai Barat

Jalan Meru/KU5

Bandar Bukit Raja

41050 Klang

Tel No. : +603 3082 1999

Fax No. : +603 3082 1988

Website : www.wcehb.com.my

Email : info@wcehb.com.my

REGISTERED OFFICE

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Vertical Business Suite

Avenue 3, Bangsar South

No. 8 Jalan Kerinchi

59200 Kuala Lumpur

Tel No. : +603 2783 9191

Fax No. : +603 2783 9111

Website : www.tricorglobal.com/locations/malaysia

Email : info@my.tricorglobal.com

SHARE REGISTRAR

Metra Management Sdn Bhd

35th Floor, Menara Multi-Purpose

Capital Square

8 Jalan Munshi Abdullah

50100 Kuala Lumpur

Tel No. : +603 2698 3232

Fax No. : +603 2698 0313

Email : corporate@mweh.com.my

AUDITORS

Baker Tilly Monteiro Heng PLT (LLP0019411-LCA) & AF 0117

Chartered Accountants

Baker Tilly Tower

Level 10, Tower 1, Avenue 5

Bangsar South City

59200 Kuala Lumpur

Tel No. : +603 2297 1000

Fax No. : +603 2282 9980

STOCK EXCHANGE LISTING

Main Market of

Bursa Malaysia Securities Berhad

Stock Code : 3565

Stock Name : WCEHB

PROFILE OF DIRECTORS

DATUK IR. HAMZAH BIN HASAN
Chairman/Independent Non-Executive Director

Nationality: **Malaysian** | Age: **72** | Gender: **Male**
Number of Board Meetings attended during the year: **5**

Datuk Ir. Hamzah bin Hasan, a Malaysian, male, aged 72, was appointed as the Independent Non-Executive Director of the Company on 2 January 2015 and was appointed as the Chairman of the Company on 23 November 2017. He was also appointed as the Chairman and Director of West Coast Expressway Sdn Bhd, an 80%-owned subsidiary of the Company on 15 April 2015.



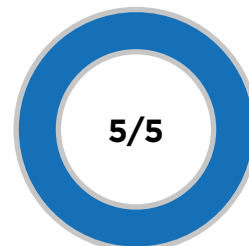
He obtained his Bachelor of Science (Honours) degree in Civil Engineering from Glasgow University, United Kingdom in 1975 and obtained his Master of Science (Construction Management) from Loughborough University, United Kingdom in 1987. He is a Professional Engineer of the Board of Engineers Malaysia, Fellow of Chartered Institute of Building, Fellow of Royal Institute of Chartered Surveyors, Fellow of Institution of Engineers Malaysia, Fellow of Institute of Value Engineering Malaysia, ASEAN Federation of Engineering Organisations and Honorary Fellow of the Project Management Institute Malaysia.

He started his career as a Civil Engineer in the Public Works Department (“**JKR**”) in 1975. Since then he has served JKR for 23 years until 1998. With his vast experience in both the public and private sectors, he was appointed as the Chief Executive Officer of the Construction Industry Development Board (“**CIDB**”) in 2003 and then served as the Chairman of CIDB from 2011 to February 2014 and the Chairman of Malaysian Highway Authority from 17 February 2014 to 31 December 2014. He also served as director of the School of Professional and Continuing Education, University of Technology Malaysia until 12 June 2023.

He has no family relationship with any directors or major shareholders of the Company. There is no conflict of interest with the Company. He has no conviction for offences within the past five (5) years. There was no public sanction or penalty imposed by any regulatory bodies on him during the financial year.

He attended all five (5) Board of Directors’ meeting held during the financial year ended 31 March 2023.

Number of meetings



PROFILE OF DIRECTORS (CONT'D)

DATUK OH CHONG PENG

Non-independent Non-Executive Director

Nationality: **Malaysian** | Age: **79** | Gender: **Male**
Number of Board Meetings attended during the year: **5**

Datuk Oh Chong Peng, a Malaysian, male, aged 79, was appointed as the Independent Non-Executive Director of the Company on 28 September 2007. He will achieve a tenure of sixteen (16) years on 27 September 2023. Pursuant to the revised Main Market Listing Requirements of Bursa Malaysia Securities Berhad, on 1 June 2023, he was redesignated as a Non-Independent Non-Executive Director of the Company and in consequence, his membership as the Chairman of the Audit Committee of the Company and the Chairman of the Remuneration Committee was redesignated as the member of the Audit Committee and the Remuneration Committee respectively.



He undertook his accountancy training in London and qualified as a Chartered Accountant in 1969. He is a Fellow of the Institute of Chartered Accountants, England and Wales. He joined Coopers & Lybrand (now known as PricewaterhouseCoopers PLT) in London in 1969 and in Malaysia in 1971. He was a partner of Coopers & Lybrand Malaysia from 1974 until his retirement in 1997.

He is currently an independent non-executive director of several public listed companies, Malayan Flour Mills Berhad and PUC Berhad. He is also a Director of Saujana Resort (M) Berhad, an unlisted company. In addition, he is also a Trustee of UTAR Education Foundation.

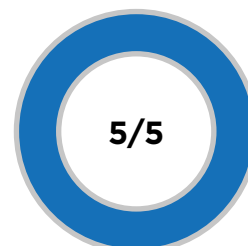
His past appointments include being a Government appointed member of Bursa Malaysia Berhad (formerly known as Kuala Lumpur Stock Exchange) (1990-1996) and member of its Listing Committee (2008-2009); a Government appointed member of Malaysian Accounting Standards Board (2003-2009); and a Council Member (1981-2003), a past president (1994-1996) of the Malaysian Institute of Certified Public Accountants; a trustee of Huaren Education Foundation (1993-2009); Chairman of Labuan Financial Services Authority, was a Board member prior to appointment as Chairman in 2018 (1996-2020); and a Director of Powertek Berhad (1997-2003); Rashid Hussain Berhad Group of companies (1998-2003); UEM Land Berhad (formerly

known as Renong Berhad) (2001-2003); Nanyang Press Holdings Berhad (2001-2005); Land & General Berhad (1999-2007); Rohas Eucos Industries Berhad (2007-2008); Huaren Holdings Sdn Bhd (1987-2009); Star Publications Berhad (1987-2009); IJM Corporation Berhad (2002-2012); IJM Plantations Berhad (2003-2012); Alliance Financial Group Berhad (formerly known as Malaysian Plantations Berhad) (2006-2017), British American Tobacco (Malaysia) Berhad (1998-2019) and Dialog Group Berhad (2009- 2020).

He has no family relationship with any directors or major shareholders of the Company. There is no conflict of interest with the Company. He has no conviction for offences within the past five (5) years. There was no public sanction or penalty by any regulatory bodies on him during the financial year.

He attended all five (5) Board of Directors meetings held during the financial year ended 31 March 2023.

Number of meetings



PROFILE OF DIRECTORS (CONT'D)

LEE CHUI SUM

Independent Non-Executive Director

Nationality: **Malaysian** | Age: **61** | Gender: **Female**
Number of Board Meetings attended during the year: **1**

Ms. Lee Chui Sum, a Malaysian, female, aged 61, was appointed as an Independent Non-Executive Director of the Company on 8 February 2023. She was also appointed as a member of the Audit Committee of the Company on the same date. On 1 June 2023, she was redesignated as the Chairman of the Audit Committee, and appointed as a member of the Nomination Committee and the Remuneration Committee of the Company.



Between 1981 and 1997, she was employed by Coopers & Lybrand Malaysia (legacy firm of PricewaterhouseCoopers Malaysia), having started her career with the firm as an articled clerk. During this period, she qualified as a Certified Public Accountant (CPA). She led audits of listed and unlisted groups and companies across a broad spectrum of industries including stockbrokers, banks, insurance, manufacturing and trading concerns. She also served two years in the Shanghai and Beijing offices of Coopers & Lybrand China during which she set up the training function for professional staff whilst managing a portfolio of local audit clients.

Having rejoined PricewaterhouseCoopers Malaysia (PwC) during the Asian Financial Crisis in 1998, she changed focus to debt restructuring and insolvency. She advised clients in undertaking formal and informal multi-lender loan restructuring schemes involving local and foreign loans as well as bonds. She also pioneered advisory services to Malaysian banks in their sale of non-performing loans portfolios.

In 2007, she was made a partner of PwC Malaysia specialising in Deals. She led/project-managed engagements involving various forms of corporate and debt restructuring, reorganisation, cash flow monitoring, asset ring fencing and performance improvement for clients ranging from financial institutions and corporates to government ministries or government-related agencies until her retirement in June 2022.

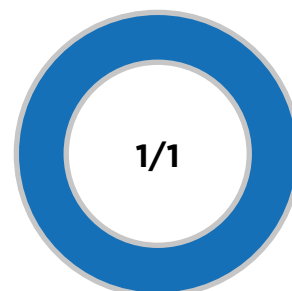
Chui Sum is a founding member of the Malaysian chapter of International Women's Insolvency and Restructuring Confederation (IWIRC) and served as its co-chair from 2020 to 2021.

She does not hold any directorship in other public companies.

She has no family relationship with any directors or major shareholders of the Company. There is no conflict of interest with the Company. She has no conviction for offences within the past five (5) years. There was no public sanctions or penalty by any regulatory bodies on her during the financial year.

Since her appointment, she has attended one (1) Board of Directors meeting held during the financial year ended 31 March 2023.

Number of meetings



PROFILE OF DIRECTORS (CONT'D)

DATUK WIRA HJ. HAMZA BIN TAIB Senior Independent Non-Executive Director

Nationality: **Malaysian** | Age: **67** | Gender: **Male**
Number of Board Meetings attended during the year: **5**

Datuk Wira Hj. Hamza bin Taib, a Malaysian, male, aged 67, was appointed as the Independent Non-Executive Director of the Company on 23 November 2017. He is a member of the Audit Committee and the Chairman of the Nomination Committee of the Company. On 1 June 2023, he was appointed as a member of the Remuneration Committee of the Company and the Senior Independent Non-Executive Director of the Company.



He graduated with LLB (Hons) Bachelor of Law from the International Islamic University Malaysia in 1998 and also obtained a LLB (Hons) Diploma in Shariah Legal Practice from the same university in 2007.

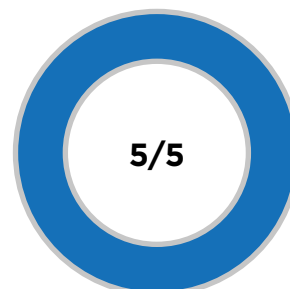
He has been with the Royal Malaysian Police for more than 41 years and with that, he gained extensive experience in investigation, management and legal matters particularly in the areas of criminal investigation, commercial crime investigation, traffic investigation and internal affairs investigation. He started his career as an Investigation Officer in 1976 attached to the Criminal Investigation Department of the Kuantan Contingent Police Headquarters of the Royal Malaysian Police. He was then promoted as the Head of Division of the Criminal Investigation Department of the Raub District Police Headquarter in 1978 and in 2003 he was the Perak State Traffic Chief. In 2005, he was the Kuala Lumpur Traffic Chief and in 2007, he was the Federal Traffic Chief. He was the Deputy Commissioner of Police for Sarawak in 2008 and the Commissioner of Police for Sabah in 2010. In 2014, he was appointed as the Deputy Director of Commercial Crime Investigation and promoted to the rank of Commissioner of Police with the Royal Malaysian Police until his retirement in 2017. Thereafter, he was appointed as Advocate and Solicitor of High Court of Malaya in 2017 and is currently the Senior Associate of a prominent legal firm.

He is currently a director of Berjaya Guards Services Sdn Bhd, a subsidiary of Berjaya Land Berhad, a Security Adviser for Padiberas Nasional Bhd and a director of a private limited company.

He has no family relationship with any directors or major shareholders of the Company. There is no conflict of interest with the Company. He has no conviction for offences within the past five (5) years. There was no public sanction or penalty by any regulatory bodies on him during the financial year.

He attended all five (5) Board of Directors meetings held during the financial year ended 31 March 2023.

Number of meetings



PROFILE OF DIRECTORS (CONT'D)

TAN CHOR TECK

Independent Non-Executive Director

Nationality: **Malaysian** | Age: **60** | Gender: **Male**
Number of Board Meetings attended during the year: **5**

Mr. Tan Chor Teck, a Malaysian, male, aged 60, was appointed as the Independent Non-Executive Director of the Company on 26 February 2018. He is a member of the Audit Committee and Remuneration Committee of the Company. On 1 June 2023, he was redesignated as the Chairman of the Remuneration Committee of the Company and was appointed as a member of the Nomination Committee of the Company.



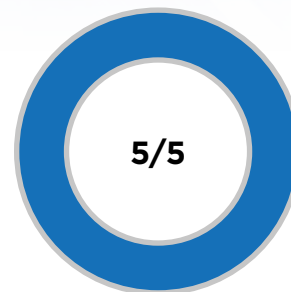
He graduated with a degree in Law & Arts from Melbourne University in 1984 and a degree in Film Directing from the Australian Film TV and Radio School in 1988. He was working professionally in film and TV directing and producing in Sydney until his return to Malaysia in 1996. He subsequently left the film-making industry to head his family businesses, mainly in property development and management, and private investments focused on regional equities.

He is a director of several private limited companies. Previously, he was a director in MWE Holdings Berhad, a public company listed on the main Market of Bursa Malaysia Securities Berhad prior to 11 October 2018.

He has no family relationship with any directors or major shareholders of the Company. There is no conflict of interest with the Company. He has no conviction for offences within the past five (5) years. There was no public sanction or penalty by any regulatory bodies on him during the financial year.

He attended all five (5) Board of Directors meetings held during the financial year ended 31 March 2023.

Number of meetings



PROFILE OF DIRECTORS (CONT'D)

LEE CHUN FAI

Non-Independent Non-Executive Director

Nationality: **Malaysian** | Age: **52** | Gender: **Male**
Number of Board Meetings attended during the year: **5**

Mr. Lee Chun Fai, a Malaysian, male, aged 52, was appointed as the Non-Independent Non-Executive Director of the Company on 17 February 2014. He is a member of the Remuneration Committee of the Company.



He graduated with a Bachelor of Accountancy (Honours) Degree from University Utara Malaysia in 1995 and a Master of Business Administration from Northwestern University (Kellogg School of Management) and The Hong Kong University of Science & Technology in 2012.

He started his career with a public accounting firm. In October 1995, he joined Road Builder (M) Holdings Bhd (“**RBH Group**”) and was the Head of Corporate Services Division of RBH Group prior to the acquisition of RBH Group in 2007 by IJM Corporation Berhad (“**IJM**”), a public listed company.

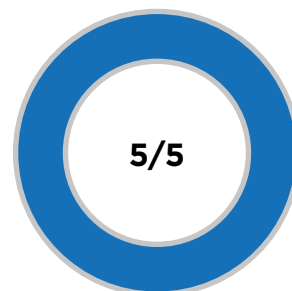
Currently, he is the Chief Executive Officer and Managing Director of IJM. Previously, he served as the Deputy Chief Executive Officer and the Deputy Managing Director of IJM and was the Head of Corporate Strategy & Investment and Infrastructure Division of IJM Group.

His directorships in other public companies include IJM Land Berhad, Road Builder (M) Holdings Bhd, Seban Golf & Marina Resort Berhad and Malaysian South-South Corporation Berhad.

He has no family relationship with any directors or major shareholders of the Company. There is no conflict of interest with the Company. He has no conviction for offences within the past five (5) years. There was no public sanction or penalty by any regulatory bodies on him during the financial year.

He attended all five (5) Board of Directors meetings held during the financial year ended 31 March 2023.

Number of meetings



PROFILE OF DIRECTORS (CONT'D)

TANG KING HUA

Non-Independent Non-Executive Director

Nationality: **Malaysian** | Age: **65** | Gender: **Male**
Number of Board Meetings attended during the year: **5**

Mr. Tang King Hua, a Malaysian, male, aged 65, was appointed as the Non-Independent Non-Executive Director of the Company on 17 February 2014. He is a member of the Audit Committee and Nomination Committee of the Company. He was also appointed as the Director of West Coast Expressway Sdn Bhd, an 80%-owned subsidiary of the Company on 2 April 2014.



He graduated with a Bachelor's degree in Industrial Engineering from Canada Technical University of Nova Scotia in 1982. He is an Industrial Engineer by profession and held various managerial positions in related industries before joining Eastrade Electronics (M) Sdn Bhd ("**EESB**") in 1986 as Operations Manager. Subsequently, he was appointed as the Managing Director of EESB and was actively involved in the operations of EESB.

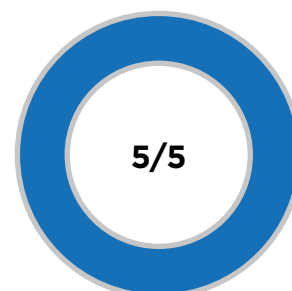
In 1991, he joined Davex Group of Companies, an electronic division of MWE Holdings Berhad ("**MWE**"), as its Managing Director where he was responsible for the overall profitability and viability of Davex Group. On 2 February 2000, he was appointed as an Executive Director of MWE, and subsequently as a Managing Director of MWE on 28 August 2002. MWE was a public company listed on the Main Market of Bursa Malaysia Securities Berhad prior to 11 October 2018. On 10 June 2019, MWE was converted to a private limited company and now known as MWE Holdings Sdn Bhd.

He is currently also a director of MWE Golf & Country Club Berhad and Davex Holdings Berhad, unlisted public companies and director in several private limited companies.

He has no family relationship with any directors or major shareholders of the Company. There is no conflict of interest with the Company. He has no convictions for offences within the past five (5) years. There was no public sanction or penalty by any regulatory bodies on him during the financial year.

He attended all five (5) Board of Directors meetings held during the financial year ended 31 March 2023.

Number of meetings



PROFILE OF DIRECTORS (CONT'D)

VUITTON PANG HEE CHEAH

Non-Independent Non-Executive Director

Nationality: **Malaysian** | Age: **42** | Gender: **Male**
Number of Board Meetings attended during the year: **5**

Mr. Vuitton Pang Hee Cheah, a Malaysian, male, aged 42, was appointed as the Non-Independent Non-Executive Director of the Company on 23 February 2018.

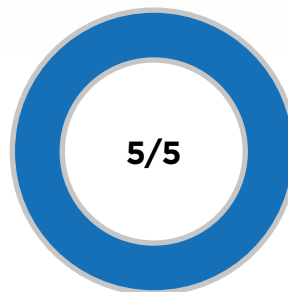


He graduated with a double degree in Information Systems and Commerce from the University of Melbourne in 2004. He started his career as a Management Associate for OSK Investment Bank Berhad (“**OSK**”). While at OSK, he was exposed to different aspects of banking namely Asset Management, Corporate Finance and Venture Capital. After three (3) years with OSK, he joined Mamee-Double Decker (M) Berhad (“**Mamee**”) in April 2009 and assumed the role of Business Development Manager. He was responsible for managing Mamee group’s investor relations and corporate exercises which saw the group’s market capitalisation more than doubling in value. He also played an instrumental role in the privatisation of Mamee in 2012. He is currently the Director of Corporate Strategy and Finance for Mamee-Double Decker (M) Sdn Bhd.

He has no family relationship with any directors or major shareholders of the Company. There is no conflict of interest with the Company. He has no conviction for offences within the past five (5) years. There was no public sanction or penalty by any regulatory bodies on him during the financial year.

He attended all five (5) Board of Directors meetings held during the financial year ended 31 March 2023.

Number of meetings



PROFILE OF CHIEF EXECUTIVE OFFICER

LYNDON ALFRED FELIX Chief Executive Officer

Nationality: **Malaysian** | Age: **49** | Gender: **Male**

Mr. Lyndon, a Malaysian, male, aged 49, was appointed as the Chief Executive Officer of the Company on 17 February 2022 and a Director of West Coast Expressway Sdn Bhd, an 80%-owned subsidiary of the Company on 2 April 2014.



He graduated with a Bachelor of Arts (Hons) in Accounting & Finance from Middlesex University, United Kingdom in 1996 and completed the Association of Chartered Certified Accountants professional examinations and was appointed as a member in 2001. He started his career with PricewaterhouseCoopers where he was attached to the audit/assurance division as a Senior Associate from 1997 to 2002. He then joined IJM Corporation Berhad (“IJM”) and was instrumental in establishing the Internal Audit Department for the Group. In his role as Head of Internal Audit, he played an integral part in enhancing the internal control and risk management processes across the Group and has vast experience in the construction, property, infrastructure, plantations and industries sectors. He was appointed as the Chief Financial Officer of the Company on 17 February 2014 taking on a key role in the strategic and corporate activities undertaken by the Group where he played a leading role in key stakeholder engagement with government agencies, shareholders, regulators and bankers.

His interest in the securities of the Company is stated on page 194 of this Annual Report (Statement on Directors’ and Chief Executive Officer’s Interest).

Mr. Lyndon has no directorship in any public companies and listed public companies. He has no family relationship with any directors or major shareholders of the Company. There is no conflict of interest with the Company. He has no convictions for offences within the past five (5) years. There was no public sanction or penalty imposed by any regulatory bodies on him during the financial year.

PROFILE OF GENERAL MANAGERS

MEJ (B) IR. GNANASEKARAN A/L MARIASOOSAY General Manager

Nationality: **Malaysian** | Age: **62** | Gender: **Male**

Ir. Gnanasekaran, a Malaysian, male, aged 62, joined West Coast Expressway Sdn Bhd (“WCE”), an 80%-owned subsidiary of the Company as a General Manager on 1 March 2014. He was appointed as a director of WCE on 16 February 2022.



He holds a Bachelor’s Degree in Engineering from the University of New South Wales, Sydney, Australia. He started his career in the Malaysian Armed Forces in 1985 and left upon completion of his contract in 1995 with the rank of Major.

Prior to joining WCE, he has been involved in various construction projects, including the Petronas Gas Processing Plant 5 & 6 in Paka, Terengganu, the Kuala Lumpur Middle Ring Road Package 3 (Seri Gombak Interchange) and the Seremban - Gemas Electrified Double Track Project. He is a member of the Institution of Engineers Malaysia and a Professional Engineer registered with the Board of Engineers Malaysia since 1996.

He has no directorship in any public companies or listed public companies. He has no family relationship with any directors or major shareholders of the Company. There is no conflict of interest with the Company. He has no conviction for offences within the past five (5) years. There was no public sanction or penalty imposed by any regulatory bodies on him during the financial year.

PROFILE OF GENERAL MANAGERS (CONT'D)

LIM SHEE SHEE

Finance and Accounts

Nationality: **Malaysian** | Age: **37** | Gender: **Female**

Ms Lim, a Malaysian, female, aged 37, joined the Company as Senior Manager of Finance and Accounts on 6 November 2017. She was promoted to General Manager of Finance and Accounts on 17 February 2022.



She graduated from Tunku Abdul Rahman University College with an Advanced Diploma in Accounting (Financial Accounting) in 2008. She is a Chartered Accountant of the Malaysian Institute of Accountants and a Fellow Member of Association of Chartered Certified Accountants.

She has 15 years of working experience including 9 years in a public accounting firm. Prior to her appointment with the Company, she was employed in Baker Tilly Monteiro Heng as Associate Director in audit and assurance department.

She has no directorship in any public companies or listed public companies. She has no family relationship with any directors or major shareholders of the Company. There is no conflict of interest with the Company. She has no conviction for offences within the past five (5) years. There was no public sanction or penalty imposed by any regulatory bodies on her during the financial year.

PROFILE OF GENERAL MANAGERS (CONT'D)

TUAN SYED MOHAMMED IDID BIN SYED AHMED IDID General Manager

Nationality: **Malaysian** | Age: **55** | Gender: **Male**

Tn Syed Idid, a Malaysian, male, aged 55, joined West Coast Expressway Sdn Bhd (“WCE”), an 80%-owned subsidiary of the Company as a General Manager on 2 May 2023 to head the newly formed Strategic Communication & Stakeholder Engagement Department.



Tn Syed Idid brings with him a wealth of experience and expertise in public relations. He holds a Diploma in Public Relations from the Institute of Public Relations Malaysia since 1994 and becoming a member of the Institute in 2017. Additionally, he has been a life member of the Public Relations Communications Association of Malaysia since 2001.

Before joining WCE, Tn Syed Idid played a crucial role in various public engagement activities for PLUS Malaysia Berhad. Through his efforts, media coverage achieved a remarkable 91% positive sentiment, leading to the company's elevation to the 3rd position in the Ipsos Malaysia 2022 Malaysian Corporate Trust Index. He executed regular engagements with the media, prioritising the message of safe driving, and successfully strengthened the company's image and reputation through a well-thought-out branding and digital management strategy. Tn Syed Idid's proven agility in winning over stakeholders, coupled with his delivery of a contemporary crisis communication framework, effectively accelerated fans growth across corporate media platforms.

Tn Syed Idid's professional journey began as a journalist with Golf Malaysia from 1990 to 1992. He then held positions as Executive Corporate Communication with Malaysian National Insurance (1993-1995), Consultant with Burson-Marsteller (1995-1996), Accounts Manager with MDK Consultants (1996-1999), Manager for External Affairs of Standard Chartered Bank Malaysia Berhad (1999-2001), Chief Executive Officer/Principal Consultant with Perception to Reality, a boutique public relation firm (2002-2008), Chief Engagement Officer with MediaBond Public Relations, another boutique public relation firm (2008-2015), General Manager of Communication & Public Affairs of the Perbadanan Insurans Deposit Malaysia, a Government agency (2015-2017), operated his own consultancy firm, Syed Idid Associates (2017-2019), and served as the Head of Corporate Communications of Plus Malaysia Berhad from 2019 to 2023.

Tn Syed Idid currently does not hold any directorship in public or listed public companies and has no family relationship with any directors or major shareholders of the Company. There is no conflict of interest with the Company. He has no convictions for any offenses within the past five (5) years. There was no public sanction or penalty imposed by any regulatory bodies on him during the financial year.

PROFILE OF KEY SENIOR MANAGEMENT

RAW KOON BENG Company Secretary

Nationality: **Malaysian** | Age: **58** | Gender: **Male**

Mr. Raw, a Malaysian, male, aged 58, was appointed Company Secretary of WCE Holdings Behad on 11 August 2010. He is a member of the Malaysian Institute of Certified Public Accountants and Malaysian Institute of Accountants since 1993 and 1994 respectively.



He has 12 years of working experience in public auditing / accounting firms, six years each in KPMG Peat Marwick and Ernst & Young respectively. Thereafter, 15 years of working experience in public listed companies. Prior to his appointment as Company Secretary in the Company, he was at IJM Corporation Berhad as a senior manager in the Accounts and Finance Department.

He has no directorship in any public companies or listed public companies. He has no family relationship with any directors or major shareholders of the Company. There is no conflict of interest with the Company. He has no conviction for offences within the past five (5) years. There was no public sanction or penalty imposed by any regulatory bodies on him during the financial year.

IR. MAZLI BIN AB. RAHMAN Senior Manager - Technical

Nationality: **Malaysian** | Age: **56** | Gender: **Male**

Ir. Mazli, a Malaysian, male, aged 56, joined West Coast Expressway Sdn Bhd (“WCE”), an 80%-owned subsidiary of the Company on 1 November 2013 as Senior Technical Manager.



He holds a Bachelor degree in Civil Engineering from Marquette University, United States of America. He is a member of the Board of Engineers Malaysia and the Institution of Engineers Malaysia.

He worked for various engineering consultants undertaking design works for civil and infrastructure since 1989, after gaining more

than 15 years of work experience, he worked as Assistant Resident Engineer for 3 years and thereafter, Resident Engineer until 2013, supervising the construction of the roads, highways and the Mass Rapid Transit.

He has no directorship in any public companies or listed public companies. He has no family relationship with any directors

or major shareholders of the Company. There is no conflict of interest with the Company. He has no conviction for offences within the past five (5) years. There was no public sanction or penalty imposed by any regulatory bodies on him during the financial year.

PROFILE OF KEY SENIOR MANAGEMENT (CONT'D)

HWA TEE HAI

Senior Manager - Management Information System

Nationality: **Malaysian** | Age: **49** | Gender: **Male**

Mr Hwa, a Malaysian, male, aged 49, joined West Coast Expressway Sdn Bhd (“WCE”), an 80%-owned subsidiary of the Company on 1 November 2013 as Senior Manager of the Management Information System (MIS) Department. His employment with WCE was transferred to WCE Holdings Berhad on 1 April 2023.



He graduated from University Putra Malaysia (“UPM”) in 1988 with a Bachelor Degree in Computer Science. He completed his Master Degree in Business Administration from Putra Business School of UPM in year 2014.

He started his career as a System Administrator (1998-2002) in Besraya (M) Sdn Bhd and New Pantai Expressway Sdn Bhd,

wholly-owned subsidiaries of Road Builder (M) Holdings Bhd group. Subsequently, he was promoted to Assistant Manager (2003-2005), Manager (2006-2008) and Senior Manager (2009-2013) in the Toll Operations and the MIS Department of the IJM Corporation Berhad Malaysia Toll Division. He was responsible for toll operations and management information system for highways in Malaysia.

He has no directorship in any public companies or listed public companies. He has no family relationship with any directors or major shareholders of the Company. There is no conflict of interest with the Company. He has no conviction for offences within the past five (5) years. There was no public sanction or penalty imposed by any regulatory bodies on him during the financial year.

CHA SIOW WEI (JOYCE)

Senior Manager - Human Resources and Administration

Nationality: **Malaysian** | Age: **41** | Gender: **Female**

Ms Joyce Cha, a Malaysian, female, aged 41, joined West Coast Expressway Sdn Bhd (WCE), an 80%-owned subsidiary of the WCE Holdings Berhad on 7 March 2022 as a Senior Manager of the Human Resources and Administration Department. Her employment with WCE was transferred to WCE Holdings Berhad on 1 April 2023. She graduated from University Putra Malaysia with a Bachelor’s degree in Business Administration in 2005.



Ms Joyce Cha has over 16 years of experience in Human Resources Management. Prior to her appointment with the company, she was with MRCB George Kent Sdn Bhd (Light Rail Transit 3 Project) as Human Resources Manager for more than 6 years.

She has no directorship in any public companies or listed public companies. She has no family relationship with any directors or major shareholders of the Company. There is no conflict of interest with the Company. She has no conviction for offences within the past five (5) years.

There was no public sanction or penalty imposed by any regulatory bodies on her during the financial year.

PROFILE OF KEY SENIOR MANAGEMENT (CONT'D)

IR SYED MUHD NAGUIB SYED MOHD

Manager - Highway Operations

Nationality: **Malaysian** | Age: **41** | Gender: **Male**

Ir Syed Naguib, a Malaysian, male, aged 41, joined West Coast Expressway Sdn Bhd, an 80%-owned subsidiary of the WCE Holdings Berhad on 1 October 2014 as a Manager of the Highway Operations Department.



He holds a Bachelor degree in Civil Engineering (Hons) from MARA University of Technology (UiTM). He is a member of the Institution of Engineers Malaysia and a Professional Engineer registered with the Board of Engineers Malaysia since 2015. He has more than 14 years of progressive working experience mainly in the field of highway development consisting of highway planning, feasibility study, detailed design,

land acquisition, construction, and maintenance & operations phase of expressway. He was also appointed as Pakar Industri Negara (Pembinaan & Bangunan) by the Department of Skills Development, the Ministry of Human Resources, Malaysia since 2014.

He has no directorship in any public companies or listed public companies. He has no family

relationship with any directors or major shareholders of the Company. There is no conflict of interest with the Company. He has no conviction for offences within the past five (5) years. There was no public sanction or penalty imposed by any regulatory bodies on him during the financial year.

FINANCIAL HIGHLIGHTS

	2023	2022	2021	2020	2019
GROUP	RM MILLION				
Total assets	7,252	6,435	6,127	5,614	4,792
Shareholders' fund	1,109	1,012	1,082	1,154	700
Net current asset	558	87	471	517	512
Revenue	507	607	375	815	760
Profit/(Loss) before tax	68	(139)	(105)	(56)	23
Earnings/(Loss) per share (sen)	3.26	(4.50)	(6.76)	(3.25)	2.04
Net asset per share (RM)	0.37	0.34	0.60	0.89	0.70
Return on total assets	1.0%	(2.2%)	(2.0%)	(0.9%)	0.5%
Return on equity	6.5%	(14.2%)	(11.1%)	(4.4%)	2.9%
Gearing ratio	3.72	3.78	3.25	2.71	4.10
COMPANY	RM MILLION				
Total assets	1,841	1,485	1,343	1,269	948
Shareholders' fund	1,594	1,218	1,139	1,063	586
Net current assets/ (liabilities)	77	(159)	(66)	49	(151)
Profit before tax	397	52	82	1	24
Return on total assets	20.4%	2.3%	4.2%	(0.9%)	2.0%
Return on equity	23.6%	2.8%	4.9%	(1.1%)	3.3%
Gearing ratio	0.00	0.03	0.00	0.00	0.26

Total Assets (RM Million)

2023	7,252
2022	6,435
2021	6,127
2020	5,614
2019	4,792

Shareholders' Fund (RM Million)

2023	1,109
2022	1,012
2021	1,082
2020	1,154
2019	700

Revenue (RM Million)

2023	507
2022	607
2021	375
2020	815
2019	760

MANAGEMENT DISCUSSION AND ANALYSIS



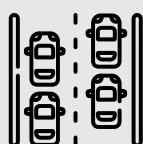
MANAGEMENT DISCUSSION AND ANALYSIS

We are pleased to report that the Group attained commendable progress both in financial and operational performance to-date, despite the challenging economic environment. In respect of our single biggest business activity, the West Coast Expressway (“WCE”) Project, the following significant milestones were achieved:



Construction

Significant strides have been made in addressing and resolving operational challenges encountered resulting in good construction progress with an overall completion at 87%. We are on track to complete another 4 sections by the end of 2023



Traffic Performance

Traffic growth of 65% in peak daily traffic volume against previous year



Funding

Secured Reimbursable Land Cost financing amounting to RM400.0 million for the remaining land acquisition costs and funding from the disposal of Radiant Pillar Sdn Bhd amounting to RM494.0 million

PROFIT BEFORE TAX (RM Million)

RM **68.0**



REVENUE (RM Million)

RM **506.8**

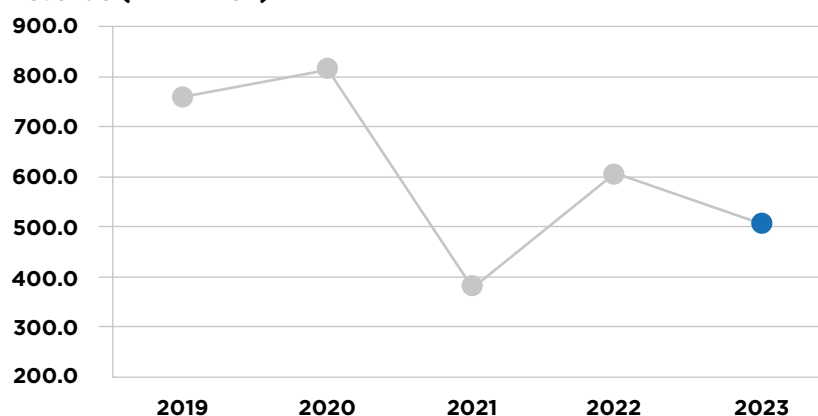


RETURN ON EQUITY

6.5%



Revenue (RM million)



The Group’s revenue is mainly derived from highway concession activities of the WCE Project. For this financial year the revenue recorded was RM506.8 million. This is lower compared to the previous financial year where the revenue recorded was RM606.9 million as land acquisition progress is at its tail end. The commencement of toll operations since Jan 2021 has contributed positively to the cash flows and

operating results (before interest and tax) of the Group. The opening of these sections provide a safer, smoother and more efficient route for road users travelling between the different localities served by the various interchanges along the alignment. The highway concession segment has reported 59% increase in toll collection revenue to RM44.1 million as compared to RM27.8 million in the previous financial year.

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

The following is the summary of the financial performance of the Group for the financial year ended 31 March 2023 as compared to the previous financial year.

	2023	2022
FINANCIAL RESULTS	in RM'000	in RM'000
Revenue	506,770	606,911
Profit/(loss) before tax	68,001	(139,340)
Profit/(loss) after tax	72,594	(143,251)

The Group has recorded a profit before tax of RM68.0 million during the financial year as compared to loss before tax of RM139.3 million in the previous financial year. The profit is mainly due to the gain on disposal of the investment in associates of RM208.0 million during the financial year.

The toll concession segment has reported a loss before tax in the current year mainly due to interest expense in relation to the project financing for completed sections of the Project. MFRS 123 Borrowing Costs states that an entity shall cease capitalising borrowing costs when all the activities necessary to prepare the qualifying asset for its intended use is substantially completed. The interest expense was capitalised as part of the infrastructure development expenditure prior to the completion of the construction works. Upon the completion of sectional construction, the interest expense for these sections will be charged to the profit or loss. During the financial year, the Group recognised interest expenses of RM156.8 million as compared to RM143.0 million in the previous financial year.

Going forward, the Group is expected to incur losses in the early years of toll operations due to the cessation of capitalisation of interest expenses for completed sections and the non-cash expenditure in respect of the amortisation of infrastructure development expenditure. Nevertheless, the commencement of toll operations of the West Coast Expressway is expected to improve the future financial performance of the Group in terms of cash flows and to provide the Group stable recurrent income over the concession period.

WEST COAST EXPRESSWAY PROJECT

Project Financing

The Group's 80%-owned subsidiary West Coast Expressway Sdn Bhd ("WCESB") is the concessionaire for the Project, a 316km highway (including 83km of toll free sections of Federal Route 5 that was upgraded by Jabatan Kerja Raya) connecting west coast of Peninsular Malaysia from Banting in Selangor to Taiping in Perak.



MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

NNKSB - Bandar Bukit Raja (Selatan)



The Project is part financed via borrowings, including a Government Support Loan (“GSL”) of RM2,240.0 million, syndicated term loans from licensed financial institutions of RM1,500.0 million and the issuance of debt securities, Sukuk Murabahah Bond of RM1,000.0 million. As at 31 March 2023, WCESB has drawn down RM2,190.0 million and RM1,394.3 million from the GSL and Term Loans facilities respectively. The Sukuk Bonds were issued en bloc in August 2015.

In addition, the Project is also funded by WCESB’s equity contribution by its shareholders, via the issuance of share capital, subordinated advances and issuance of Redeemable Unsecured Murabahah Loan Stocks (“RUMS”). As at 31 March 2023, WCESB has raised a total of RM1,377.5 million from the issuance of RUMS.

The utilisation of the above facilities is required to be made in proportion to the amount financed. Any drawdown in excess of utilisation is placed in licensed Islamic financial institutions in Malaysia, earning profit/interest.

During the financial year ended 31 March 2023, the Group has secured an additional government’s loan through Reimbursable Land Cost (“RLC”) Financing of up to RM400.00 million (“RLC Financing”) to part-finance the land acquisition cost for the Project. The RLC financing has been fully drawn down and will be utilised for the remaining land acquisition for the WCE Project, particularly in resolving the final portion of land acquisition at Section 3 of the WCE Project.



“
The highway concession segment has reported 59% increase in toll collection revenue to RM44.1 million as compared to RM27.8 million in the previous financial year.”

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

Project Development

The Project is divided into the following eleven (11) sections:

Section 1

Banting - South Klang Valley Expressway (SKVE)

Section 2

SKVE - Shah Alam Expressway (KESAS)

Section 3

KESAS - Federal Highway Route 2

Section 4

Federal Highway Route 2 - New North Klang Straits Bypass (NNKSB)

Section 5

NNKSB - Bandar Bukit Raja Utara

Section 6

NNKSB - Bandar Bukit Raja Utara

Section 7

Assam Jawa - Tanjung Karang

Section 8

Hutan Melintang - Teluk Intan

Section 9

Kampung Lekir - Changkat Cermin

Section 10

Changkat Cermin - Beruas

Section 11

Beruas - Taiping South

During the financial year, the Group incurred additional RM564.89 million in Infrastructure Development Expenditure ("IDE") and cumulatively up to 31 March 2023, the Group had incurred a total IDE of RM6,200.1 million. To-date, the percentage of the overall completion of the construction of the Project is 87%. Currently, the following four (4) out of eleven (11) sections have been completed and opened for toll operations.

Section 5 - NNKSB - Bandar Bukit Raja Utara



Section 8 - Hutan Melintang - Teluk Intan



Section 9 - Kampung Lekir - Changkat Cermin



Section 10 - Changkat Cermin - Beruas



MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

The management observes the importance of expediting the land acquisition process while also being mindful of the impact on the affected communities. Through persistent efforts and close collaboration with relevant authorities and stakeholders, the Group has made substantial progress to overcome the challenges associated with the remaining land acquisition and is confident that it will be fully completed soon.

The Group is targeting to complete the following four (4) sections before the end of 2023:

● **Section 1 - Banting - South Klang Valley Expressway (SKVE)**

● **Section 2 - SKVE - Shah Alam Expressway (KESAS)**

● **Section 6 - Bandar Bukit Raja Utara - Assam Jawa**

● **Section 11 - Beruas - Taiping South**



The completion of these four (4) sections will also provide connections to several existing highways, namely the South Klang Valley Expressway (SKVE), the Shah Alam Expressway (KESAS), the Kuala Lumpur - Kuala Selangor Expressway (LATAR) and the North South Expressway (NSE), which would enhance the accessibility and connectivity of these areas along the alignment. As such, the additional 4 sectional openings will further improve our future financial performance of the Group in terms of revenue, cash flows and operating results.

The final 3 sections namely, Section 3, Section 4 and Section 7 are targeted for completion by the financial year 2025.

TRAFFIC PERFORMANCE

Currently, our four opened sections which have been operating since 2019 is witnessing encouraging traffic volume, with an average of 50,000 to 60,000 vehicles passing through daily, an increase of 65% from the previous financial year. The Group continues to see traffic volume growth where it recently reached a new peak of 100,000 daily vehicles during the recent Hari Raya festive celebration compared to 60,000 daily vehicles in the previous year. The Group anticipates that even higher numbers will be recorded as more sections of the WCE become accessible to commuters.

The WCE Project was designed with the primary objective of enhancing regional connectivity particularly along the west coast region, promoting economic development in the areas where the highway traverses and to ease congestion of adjacent roads or expressways. One of the significant objectives behind the design of the WCE Project was to alleviate congestion at the existing NSE, where NSE often experiences heavy traffic volumes, especially during peak hours and festive or holiday seasons. The WCE Project was envisioned as a complementary expressway to address this congestion issue. Moreover, the alignment of WCE along the west coast of the peninsular is located closer to a few main ports in the country and also provides flatter travel terrain, making it more conducive for commercial or heavy vehicles.



“ **100,000 daily vehicles during the recent Hari Raya festive celebration** ”

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

TRAFFIC PERFORMANCE (CONT'D)

As WCE continues to expand with the target completion of Sections 1, 2, 6 and 11 by end of 2023, the highway is expected to see a substantial increase in toll revenue.

The Group is exposed to certain anticipated or known risks that may have material effect on our operations, performance, financial condition and liquidity. These risks and our strategies to mitigate them are stated in the Statement on Risk Management and Internal Control on page 74 to 77 of this Annual Report.

QUALITY MANAGEMENT SYSTEM (ISO:9001) AND ENVIRONMENTAL MANAGEMENT SYSTEM (ISO:14001)

The Group continues to maintain the certification of the ISO 9001:2015 Quality Management System by Sirim QAS International. The high-level structure and integration of quality and risk in the ISO 9001:2015 allows the leadership team to make fast and better informed decisions to complement the overall company strategy.

The Group has continued to maintain the ISO14001:2015 accreditation certified since 27 February 2018. The system has greater focus on leadership and proactive initiatives to protect the environment from harm and degradation, such as sustainable resource use and climate change mitigation. This will lead the Group to mitigate environmental impact and strive for continual improvement.



MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

CONSTRUCTION ACTIVITIES

WCE Maju Sdn Bhd (formerly known as KEB Builders Sdn Bhd) ("WCE Maju"), a wholly owned subsidiary of the Company, has entered into a Memorandum of Agreement ("MOA") to undertake, on a design, build and manage basis, the construction works of a proposed access from West Coast Expressway to a mixed development project in Kota Seri Langat. This Proposed Access will be known as the Kota Seri Langat "Left-In and Left-Out Interchange" and includes the construction works of a bridge, main drainage, water pipes and associated works for a total consideration of RM126.8 million ("the Seri Langat Project").

WCE Maju had also accepted a Letter of Award by IJMC-KEB JV on 2 April 2021 to construct and complete Section 7, Part 2 of 2 ("Section 7B") of the WCE Project which is approximately 10km in length from the beginning of the Assam Jawa Interchange towards the Tanjung Karang Interchange.

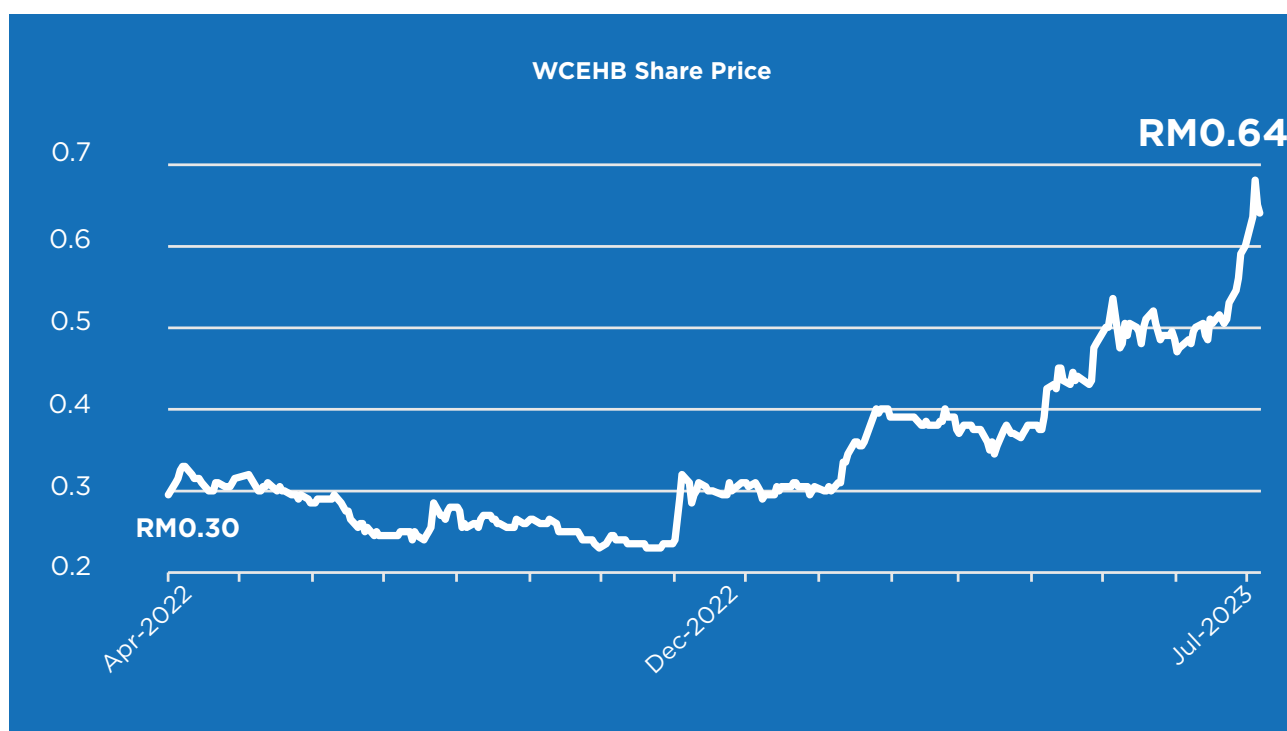
Going forward, the Group expects the construction activities undertaken by WCE Maju to contribute positively towards the future earnings of WCEHB Group.

Sitiawan Utara Interchange

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

STRATEGIC COMMUNICATIONS AND STAKEHOLDER ENGAGEMENT

The Group recognises the importance of fostering strong investor relations and effective corporate communication with our stakeholders including investors, shareholders, financiers, analysts and road users, the general public. As of to-date, we are pleased to report that the share price has increased from RM0.30 to RM0.64 (market capitalisation has increased from RM896.3 million to RM1,912.1 million).



Investor Relations

The Group provides comprehensive and accurate quarterly and annual financial reports to ensure transparency in our financial performance on a timely basis, which are accessible via our website. We maintain open lines of communication with both current and potential investors as well as analysts and fund managers. Besides addressing their queries and providing updates on the Project, during the year, we have several briefings and site visit.



MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

Corporate Communications and Media Coverage

With a keen understanding of the importance of public perception, the management has dedicated considerable effort towards actively participating in media interactions, diligently addressing inquiries, and providing comprehensive updates on developments in the Group. Our media engagements cover news and media groups, social media and online platforms as well as our annual and quarterly reports. These reflect a strategic approach aimed at fostering positive relationships, bolstering organizational reputation, and disseminating accurate information to stakeholders and the wider public.



Media articles featuring WCE during the year

DIVIDEND POLICY

The Board will deliberate a dividend policy after the completion of the Project and when future operating cash flows can be more clearly determined.

APPRECIATION

There are many parties who have helped the Group in its journey so far and we would like to extend our heartfelt appreciation and gratitude to our shareholders, lenders, contractors, business associates, management and staff for their continuous support and commitment to the Group. We also wish to extend our sincere gratitude to the Government of Malaysia through the Kementerian Kerja Raya, Lembaga Lebuhraya Malaysia, Kementerian Kewangan Malaysia, Unit Kerjasama Awam Swasta, the State Governments of Perak and Selangor, Securities Commission, Bursa Malaysia Securities Berhad and all relevant authorities for their support.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“Board”) of WCE Holdings Berhad (“WCEHB” or “the Company”) recognises the importance of good corporate governance and fully supports the principles and recommendations as set out in the updated Malaysian Code on Corporate Governance 2021 (“Code”). The Board is therefore, committed towards instilling a high standard of corporate governance throughout the Group as a fundamental part of discharging its responsibility to enhance shareholders’ value and the financial performance of the Group. The Board will continue to apply principles and best practices as set out in the Code and evaluate the status of the Group’s practices and procedures from time to time.

This statement provides an overview of the Group’s application of the principles of the Code pursuant to paragraph 15.25 of Bursa Malaysia Securities Berhad (“Bursa Malaysia”) Main Market Listing Requirements (“Listing Requirements”).

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

(1) Board Responsibilities

The Board is fully responsible for the Group’s overall strategic plans on business performance, overseeing the proper conduct of business, succession planning, risk management, shareholders’ communication, internal control, management information systems and statutory matters, while the management is accountable for the execution of the expressed policies and attainment of the Group’s expressed corporate objectives.

The duties and responsibilities of the Board as outlined in the Board Charter include amongst others, the following:

- (a) promote good corporate governance culture within the Group which reinforces ethical, prudent and professional behavior;
- (b) review and adopt the overall strategic plans and programmes for the Group, ensuring that the strategic plan supports long term value creation and includes strategies on economic, environmental and social considerations underpinning sustainability;
- (c) oversee and evaluate the conduct of business of the Group which includes supervision and assessment of Management’s performance to determine whether the business is properly managed;
- (d) understand the principal risks of the Group, set the risk appetite within which Management is expected to operate and ensure there is an appropriate risk management framework to identify, analyse, manage and monitor significant financial and non-financial risks;
- (e) ensure there is a sound framework for internal controls and risk management;
- (f) ensure the senior management has the necessary skills and expertise, and there are measure in place to provide for the orderly succession of the Board and senior management;
- (g) ensure the Company has in place procedures to enable effective communication with stakeholders;
- (h) ensure the adequacy and the integrity of the financial and non-financial reporting of the Group; and
- (i) oversee the Sustainability Risk and Opportunities, such as:
 - setting the Group’s sustainability strategies, priorities and targets,
 - ensure the Group’s sustainability strategies, priorities, targets and performance are communicated to its internal and external stakeholders, and
 - to stay abreast with and understand the sustainability issues relevant to the Group’s business, including climate-related risks and opportunities.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

(1) Board Responsibilities (Cont'd)

In all Board meetings, major operating divisions report their respective progress, financial achievement, performance compared to approved budget, business outlook and challenges including proposed resolutions thereon.

As part of its effort to ensure the effective discharge of the Board's duties, the Board has delegated certain functions to the following Committees with each operating with clearly defined terms of reference that provide independent oversight of the Management and to ensure that there are appropriate checks and balances:

- (a) Audit Committee
- (b) Nomination Committee
- (c) Remuneration Committee
- (d) Executive Committee

The Chairman of the respective Committees reports to the Board on the outcome of the Committee meeting and for action by the Board where appropriate.

(2) Board Charter

The Board is guided by the Board Charter which outlines the duties and responsibilities and matters reserved for the Board in discharging their duties. The Board Charter was updated on 24 May 2022 and is available on the Company's website at www.wcehb.com.my.

The Board Charter was established to ensure that all Board members are aware of their fiduciary duties and responsibilities, various legislations and regulations affecting their conduct, the need to safeguard the interests of the shareholders, customers and other stakeholders and that a high standard of corporate governance is applied in all their dealings on behalf of the Company. The Board Charter also serves as a source of reference and primary induction literature, providing insights to prospective board members and senior management.

The Board Charter clearly sets out the division of responsibility and powers of duties between the Board and management, the different committees established by the Board and between the Chairman and the Chief Executive Officer.

(3) Board Composition

The Board currently has eight members comprising four Independent Non-Executive Directors and four Non-Independent Non-Executive Directors. The Senior Independent Non-Executive Director is Datuk Wira Hj Hamza bin Taib who will attend to any query or concern relating the Group where the Chairman and the Chief Executive Officer are conflicted.

Independent Non-Executive Directors provides the necessary balance of power and authority to the Board with a mix of industry-specific knowledge and broad business and commercial experience. They ensure that all proposals by management are fully deliberated and examined after taking into account the interest of shareholders and stakeholders. The Independent Non-Executive Directors play crucial roles in providing unbiased and independent views, advice and judgment to the Board to safeguard the interest of minority shareholders.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

(3) Board Composition (Cont'd)

The role of the Independent Non-Executive Chairman and Chief Executive Officer is distinct and separated to ensure balance of power and authority. The Independent Non-Executive Chairman is responsible for the leadership, effectiveness, conduct and governance of the Board, while the Chief Executive Officer has overall responsibility for the day-to-day management of the business and implementation of the Board's policies and decisions. The Chief Executive Officer is also responsible to ensure due execution of the strategic goals, effective operation within the Group, and to explain, clarify and inform the Board on matters pertaining to the Group.

(4) Board Diversity

The Directors have a diverse set of skills, experience and knowledge necessary to govern the Group. The Directors are professionals in the field of engineering, finance, accounting, economic, legal, manufacturing and experienced senior public administrators. Together, they bring a wide range of competencies, capabilities, technical skills and relevant business experience to ensure that the Group continues to be a competitive leader with a strong reputation for technical and professional competence. In evaluating candidate for appointment to the Board, the Nomination Committee and the Board will always evaluate and match the criteria of the candidate based on experience, skill, competency, knowledge, potential contribution, boardroom diversity (including gender, ethnicity and age), guided by the Company's Fit and Proper Policy.

The Board consists of qualified individuals with diverse set of skills, experience and knowledge to govern the Group. The Non-Executive Directors are professionals in the field of engineering, finance, accounting, economics, legal, manufacturing and senior public administrators.

The profiles of the Directors are set out on pages 4 to 11 of this Annual Report. Such information is also available on the Company's website, www.wcehb.com.my.

(5) Code of Ethics and Conduct

The Board has made a commitment to create a corporate culture within the Group to operate the business in an ethical manner and to uphold a high standard of professionalism and exemplary corporate conduct. The Code of Ethics and Conduct which sets out the principles and standards of business ethics and conduct of the Group has been adopted and is applicable to all Directors and employees of the Group. It was reviewed on 8 July 2021 and is available on the Company's website at www.wcehb.com.my.

(6) Whistle Blowing Policy

The Company recognises that any genuine commitment of detecting and preventing actual or suspected unethical, unlawful, illegal, wrongful or other improper conduct must include a mechanism whereby employees can report his/her concerns freely without fear, reprisal or intimidation. Accordingly, the Company has adopted a Whistle Blowing Policy which has been disseminated to all employees.

The Whistle Blowing Policy was updated on 8 July 2021 and is available on the Company's website, www.wcehb.com.my.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

(7) Anti-Bribery and Corruption Policy

The Company adopts a zero-tolerance policy against all forms of Bribery and Corruption by its directors, management, employees and any individual/organisation acting for the Company and on its behalf and takes strong stance against such acts. The Board of Directors, Managements, its Employees and Individuals/Organisation acting for the Company and on its behalf are strictly prohibited from directly or indirectly soliciting, accepting or offering bribes in relation to the Company's businesses and operations.

The Anti-Bribery and Corruption Policy was updated on 21 August 2020 and is available on the Company's website, www.wcehb.com.my.

(8) Board Meetings and Supply of Information to the Board

Board meetings schedule are determined one year ahead to enable Directors to fit their schedule to the Board meeting dates. The Board conduct at least five regular scheduled meetings annually, with additional meetings convened as and when necessary, to consider all matters relating to the overall control, business performance and strategy of the Company.

In fostering the commitment of the Board that the Directors shall devote sufficient time to carry out their responsibilities, the Directors are required to notify the Chairman before accepting any new directorship and to indicate the time expected to be spent on the new appointment. The Chairman shall also notify the Board if he has any new directorship or significant commitments outside the Company. All the Directors shall not hold more than five directorships in public listed companies.

The Board is satisfied with the level of time commitment given by the Directors towards fulfilling their roles and responsibilities as Directors of the Company. During the financial year ended 31 March 2023, five Board meetings were held and the attendance record of the Directors were satisfactory as evidenced in the table set out below:

Directors	Number of meetings attended
Datuk Ir. Hamzah bin Hasan (Chairman)	5 out of 5
Datuk Oh Chong Peng	5 out of 5
Datuk Wira Hj. Hamza bin Taib	5 out of 5
Mr Lee Chun Fai	5 out of 5
Ms Lee Chui Sum (appointed on 8 February 2023)	1 out of 1
Mr Tan Chor Teck	5 out of 5
Mr Tang King Hua	5 out of 5
Mr Vuitton Pang Hee Cheah	5 out of 5

All the Directors complied with the minimum requirements on the attendance at Board meetings as stipulated in the Listing Requirements of Bursa Malaysia. In the intervals between Board meetings, for any matters requiring Board's decisions, the Board's approvals are obtained through written resolutions. The resolutions passed are then noted at the next Board meeting.

A full agenda of the meeting and all Board papers are distributed on a timely manner prior to Board Meetings to enable the Directors to review and consider the agenda items to be discussed at the meeting and where necessary, to obtain further explanations in order to be fully briefed before the meeting. The Board papers include reports relevant to the issues of the meeting, covering the areas of strategic, financial, operational and regulatory compliance matters.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

(8) Board Meetings and Supply of Information to the Board (Cont'd)

In discharging their duties, the Directors have access to all information within the Company and to the advice and services of Senior Management staff and Company Secretary. If necessary, the Directors may seek independent professional advice and information in furtherance of their duties at the Company's expense, so as to ensure the Directors are able to make independent and informed decisions. Any such request is presented to the Board for approval.

Senior Management staff, as well as advisers and professionals appointed on corporate proposals, may be invited to attend Board meetings to provide the Board with their views and explanations and to furnish clarification on issues that may be raised by the Directors.

The Directors are notified of any corporate announcements released to Bursa Malaysia. The minutes of previous Board meeting were circulated to all Directors at least five days for their perusal/comment or to seek clarification before being included in the Board papers.

The Board papers were then circulated to all Directors at least five business days before the Board meeting for confirmation at the commencement of the Board meeting as a correct record of proceedings of the previous Board meeting.

The Company Secretary plays an important advisory role and is a source of information and advice to the Board and its Committees on issues relating to compliance with laws, rules, regulations, board policies and procedures and compliance with the relevant regulatory requirements affecting the Company and Group. The Board is supported by a suitably qualified and competent Company Secretary who is a member of a professional body.

Every Board member has ready and unrestricted access to the advice and services of the Company Secretary who is capable of carrying out the duties and responsibilities, to which the post entails. The roles and responsibilities of the Company Secretary include the following:

- (a) advise the Board and management on governance issues;
- (b) ensure compliance of listing and related statutory obligations;
- (c) attend Board, Committees and general meetings, and ensure the proper recording of minutes;
- (d) ensure proper upkeep of statutory registers and records;
- (e) assist Chairman in the preparation for and conduct of meetings;
- (f) assist Chairman in determining the annual Board plan and the administration of other strategic issues;
- (g) assist the induction of new directors, and continuously update the Board on changes to listing rules, other related legislations and regulations; and
- (h) serve as a focal point for stakeholders' communication and engagement on corporate governance issues.

The Company Secretaries ensure that deliberations at Board and Board Committee meetings are documented and subsequently communicated to the Management for appropriate actions. The Board is updated by the Company Secretaries on the follow-up of its decisions and recommendations by the Management.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

(9) Nomination Committee

The Nomination Committee comprises three Independent Non-Executive Directors and two Non-Independent Non-Executive Directors. During the financial year ended 31 March 2023, two meetings were held and attended by all the members. The details of the members are as follows:

Members	Designation
Datuk Wira Hj. Hamza bin Taib (Chairman)	Senior Independent Non-Executive Director
Ms Lee Chui Sum (appointed on 1 June 2023)	Independent Non-Executive Director
Mr Tan Chor Teck (appointed on 1 June 2023)	Independent Non-Executive Director
Datuk Oh Chong Peng	Non-Independent Non-Executive Director
Mr Tang King Hua	Non-Independent Non-Executive Director

The terms of reference of the Nomination Committee was reviewed and updated on 24 May 2022 and is available on the Company's website, www.wcehb.com.my.

The Nomination Committee is responsible for making recommendations to the Board of suitable candidates for appointment as Director, after which the Secretary ensures that all appointments are properly made and all legal and regulatory compliance are met. In the making these recommendations, the Nomination Committee evaluate and match the criteria of the candidate based on experience, skill, competency, knowledge, potential contribution and boardroom diversity (including gender, ethnicity and age), guided by the Company's Fit and Proper Policy. In the case of candidates proposed for appointment as Independent Non-Executive Directors, the proposed candidates will be required to confirm compliance to the criteria of an independent director as prescribed in the Listing Requirements prior to recommending to the Board for approval.

The re-appointment of an Independent Director who has served for a cumulative term of more than twelve years, in order to continue serving in the same capacity, will require the Board of Directors to justify, recommend and seek shareholders' approval for that individual to continue as such, on a yearly basis.

During the financial year, the Nomination Committee:

- assessed and recommended the appointment of Ms Lee Chui Sum as an Independent Non-Executive Director and a member of the Audit Committee of the Company.
- conducted an annual assessment of the Directors and the effectiveness of the Board as a whole, Board committees and the contribution of each individual Director. Board evaluation comprises Self & Peer Assessment and independence of Independent Director. The assessment criteria include contributions to interaction, roles and duties, knowledge and integrity, governance and risk management. The annual assessment also covers assessment of required mix of skills, experience and other qualities including core competencies which the Directors should bring to the Board and identified areas for improvement. All assessments and evaluations carried out by the Nomination Committee in discharging its functions have been properly documented.
- assessed and received affirmation by way of director's declaration of fit and proper from all directors of the Company and Subsidiaries who will retire by rotation pursuant to the Constitution of the Company and subsidiary companies, and

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

(9) Nomination Committee (Cont'd)

- (d) assessed and recommended the re-designation of Datuk Oh Chong Peng, as a Non-Independent Non-Executive Director of the Board. The Committee acknowledged his performance, commitment and contribution in terms of skill, experience and time commitment.
- (e) assessed and recommend the appointment of Ms Lee Chui Sum as the Chairman of Audit Committee and the re-designation of Datuk Oh Chong Peng as a member of Audit Committee.
- (f) assessed and recommended Ms Lee Chui Sum as a member of the Nomination Committee and the Remuneration Committee.
- (g) assessed and recommended a re-designation of Mr Tan Chor Teck as the Chairman of Remuneration Committee and the re-designation of Datuk Oh Chong Peng as a member of the Remuneration Committee.
- (h) With the Chairman of the Nomination Committee abstained from deliberating in the meeting, the members of the Nomination Committee recommended Datuk Wira Hj Hamza bin Taib of the following:
 - (i) his appointment as a member of the Remuneration Committee, and
 - (ii) his re-designation as Senior Independent Non-Executive Director of the Company.

(10) Appointment to the Board / Reelection of Directors

Appointment of new director is a matter for consideration and decision of the Board upon the recommendation of the Nomination Committee. The Board will consider using independent sources in identifying suitable candidates for appointment of directors in the future via directors' registry, open advertisement or through independent search firms.

During the financial year, the Committee assessed the candidacy of Ms Lee Chui Sum, recommended by the management of the Company and recommended her appointment to the Board of Director of the Company.

In accordance with the Constitution of the Company, all Directors who are newly appointed to the Board, are subject to re-election by shareholders subsequent to their appointment at the immediate Annual General Meeting. The Constitution also provide that one-third of the Directors shall retire from office and be eligible for re-election at every Annual General Meeting. All Directors shall submit themselves for re-election at least once every three years.

The re-election of each Director is voted on separately. To assist shareholders in their decision, sufficient information, such as personal profile, meetings' attendance and the shareholdings of each Director standing for re-election, are furnished in this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

(11) Directors' Training and Continuing Education Programme

All the Directors have attended the Mandatory Accreditation Programme prescribed by Bursa Malaysia. The Company is aware of the importance of continuous training for its Directors to enable them to effectively discharge their duties and sustain active participation in the Board deliberations and will continuously evaluate and determine the training needs of its Directors.

The Directors are also aware of their duty to continuously update their knowledge and enhance their skills through appropriate continuing education programmes. They are provided with the opportunity, and are encouraged, to attend training to keep themselves updated on relevant new legislation, financial reporting requirements, best practices and changing commercial and other risks.

All the Directors have attended at least one training session during the financial year ended 31 March 2023. Some of these training programmes, seminars or forum are as follows:

1. Plan Your Journey – Lessons for the Boardroom,
2. AOB Conversation with Audit Committees,
3. Why Investors Care about ESG,
4. Global Megatrend to Watch Out for,
5. Tall Building and Living in the Space Age: The Enigma & Convergence of Science and Art,
6. Section 17A of the MACC Act 2009,
7. Transforming Your Business with Data,
8. Decarbonised Economy – Accelerating the Net Zero Transition,
9. Climate Strategy – Transaction Risks and Opportunities,
10. The Board “Agender”,
11. Update on Sustainability & Task Force on Climate-Related Financial Disclosure, and
12. Reshaping Malaysia's Narratives Series: Strengthening Resilience and Sustainability Growth.

The Company Secretary has circulated the relevant guidelines on statutory and regulatory requirements to the Board for reference. The external auditors have also briefed the Board members on the changes to the Malaysian Financial Reporting Standards that affect the Company and Group's financial statements during the year.

(12) Directors' and Senior Management Remuneration Policy and Procedure

The Board believes in a remuneration policy that fairly supports Directors' responsibilities and fiduciary duties in steering the Group to achieve its long-term objectives and enhance shareholders' value.

The Board's objective, in this respect is to offer competitive remuneration packages in order to attract, develop and retain directors of such caliber to provide the necessary skills and experience to commensurate with the responsibilities of an effective Board.

Remuneration Committee is primarily responsible for recommending the policy and reward framework of directors' remuneration, terms and remuneration of chief executive officer and senior management, to the Board for approval in order to align with the business strategy and long-term objectives of the Group and the Company.

The remuneration of chief executive officer and senior management will be reviewed annually to ensure that the remuneration package remains sufficiently attractive to attract and retain relevant experience and expertise to govern the Group effectively.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

(12) Directors' and Senior Management Remuneration Policy and Procedure (Cont'd)

The determination of the remuneration of non-executive directors are a matter for the Board as a whole following the relevant recommendation made by the Remuneration Committee, with the Director concerned abstaining from deliberation and voting on his own remuneration. The remuneration of non-executive directors comprises of director's fee and other emoluments which are determined by the Board. The remuneration of the non-executive directors reflects the contribution and level of responsibilities undertaken by the particular non-executive director. Director's remuneration will be subject to the approval of shareholders at the Annual General Meeting.

The Remuneration Committee comprises three Independent Non-Executive Directors and two Non-Independent Non-Executive Directors.

Members	Designation
Mr Tan Chor Teck (Chairman) (re-designated Chairman with effect of 1 June 2023)	Independent Non-Executive Director
Datuk Wira Hj Hamza bin Taib (appointed with effect of 1 June 2023)	Independent Non-Executive Director
Ms Lee Chui Sum (appointed with effect of 1 June 2023)	Independent Non-Executive Director
Datuk Oh Chong Peng (re-designated member with effect of 1 June 2023)	Non-Independent Non-Executive Director
Mr Lee Chun Fai	Non-Independent Non-Executive Director

During the financial year ended 31 March 2023, one meeting was held and were attended by all the members.

With effect of 1 June 2023, as recommended by the Nomination, the Board of Directors of the Company approved the following:

- re-designation of Mr Tan Chor Teck as Chairman of the Remuneration Committee and the re-designation of Datuk Oh Chong Peng as a member of the Remuneration Committee, and
- appointment of Datuk Wira Hj Hamza bin Taib and Ms Lee Chui Sum as a member of the Remuneration Committee.

The terms of reference of the Remuneration Committee was updated on 22 February 2018 and is available on the Company's website, www.wcehb.com.my.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

(12) Directors' and Senior Management Remuneration Policy and Procedure (Cont'd)

The details of the Directors' remuneration in the Company and Group for the financial year ended 31 March 2023 are as follows:

	Fees RM	Salary and Bonus RM	Benefits- in-kind RM	Meeting Allowance RM	Total RM
Directors of the Company:					
Datuk Ir Hamzah bin Hasan	213,101	-	-	8,400	221,501
Datuk Oh Chong Peng	200,000	-	-	8,400	208,400
Mr Tang King Hua	151,000	-	-	8,400	159,400
Ms Lee Chui Sum*	18,663	-	-	2,400	21,063
Mr Lee Chun Fai	123,000	-	-	8,400	131,400
Datuk Wira Hj. Hamza bin Taib	156,000	-	-	8,400	164,400
Mr Vuitton Pang Hee Cheah	103,000	-	-	8,400	111,400
Mr Tan Chor Teck	151,000	-	-	8,400	159,400
	1,115,764	-	-	61,200	1,176,964
Directors of subsidiary companies:					
Mr Tang King Hua	-	-	-	2,400	2,400
Datuk Ir Hamzah bin Hasan	-	-	13,325	2,400	15,725
Dato' David Frederick Wilson	-	-	-	2,400	2,400
Mr Lyndon Alfred Felix	-	899,000	24,600	-	923,600
Mr Gnanasekaran a/l Mariasoosay	-	708,852	8,229	-	717,081
	1,115,764	1,607,852	46,154	68,400	2,838,170

* For period from 8 February 2023 to 31 March 2023.

Details of the remuneration of the top five senior management staff of the Company and Group (including salary, benefits-in-kind and other emoluments) during the financial year ended 31 March 2023 are disclosed on an aggregate basis and in each successive band of RM50,000 as follows:

Range of remuneration	Number of top 5 senior management staff
RM900,001 to RM950,000	1
RM700,001 to RM750,000	1
RM300,001 to RM350,000	1
RM250,001 to RM300,000	1
RM200,001 to RM250,000	1

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

(13) Executive Committee

The Executive Committee consists of the directors and senior management staff of the Group. The Executive Committee shall preferably meet on quarterly basis or whenever deemed necessary to review the performance of the Group's operating divisions.

During the financial year ended 31 March 2023, four meetings were held which were attended by the members of the Committee. The details of the members are as follows:

Members	Designation
Mr Lyndon Alfred Felix (Chairman)	Chief Executive Officer
Mr Tang King Hua	Non-Independent Non-Executive Director
Mr Gnanasekaran a/l Mariasoosay	General Manager
Ms Lim Shee Shee	General Manager - Finance and Accounts

The terms of reference of the Executive Committee was reviewed on 24 May 2022 and is available on the Company's website, www.wcehb.com.my.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

(1) Financial Reporting

The Board is responsible to ensure that the annual financial statements and quarterly announcements of results of the Group presents a fair, balanced and meaningful assessment of the Group's and the Company's financial position, performance and prospects. The Board ensures that the Group's financial statements are drawn up in accordance with the provisions of the Companies Act 2016 ("Act") and the applicable approved accounting standards in Malaysia.

The Board is assisted by the Audit Committee to oversee the financial reporting processes and the quality of the financial reporting of the Group. The Audit Committee reviews and scrutinises the information of the Group's annual and quarterly financial statements in terms of the overall accuracy, adequacy and completeness of disclosure and ensuring the Group's financial statements comply with applicable financial reporting standards.

The Statement of Directors' Responsibilities for the Preparation of Financial of the Company and the Group is set out on page 84 of this Annual Report.

(2) Audit Committee

The Group's financial reporting, audit, risk management and internal control system are reviewed by the Audit Committee which comprises three Independent Non-Executive Directors and two Non-Independent Non-Executive Director.

On 8 February 2023, Ms Lee Chui Sum was appointed a member of the Audit Committee. On 1 June 2023, Ms Lee Chui Sum was re-designated as the Chairman of the Audit Committee of the Company and Datuk Oh Chong Peng was re-designated as a member of the Audit Committee.

Currently, the Audit Committee is chaired by Ms Lee Chui Sum and the members of the Audit Committee are Datuk Wira Hj. Hamza bin Taib, Mr Tan Chor Teck, Datuk Oh Chong Peng and Mr Tang King Hua.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

(2) Audit Committee (Cont'd)

The composition, attendance of meeting and summary of the activities carried out by the Audit Committee during the financial year are disclosed in the Audit Committee Report on pages 78 to 83 of this Annual report. The activities of the Audit Committee are governed by the terms of reference that is approved by the Board.

The Audit Committee meets no fewer than five times a year. During the financial year ended 31 March 2023, a total of five Audit Committee meetings were held.

Audit Committee meetings is always held before the Board's meeting to ensure that all critical issues highlighted can be brought to the attention of the Board on a timely basis. The Chairman of the Audit Committee will report to the Board on the outcome of the Audit Committee meeting and for action by the Board where appropriate.

The Audit Committee meets with the Group's external auditors to review the scope and adequacy of the audit processes, the annual financial statements and their audit findings. In line with the good corporate governance practices, the Audit Committee also meets with the external auditors at least once a year to discuss audit plans, audit findings and the financial statements of the Group and of the Company. The meeting is held without the presence of the Chief Executive Officer and senior management. The Audit Committee also meets with the external auditors whenever it deems necessary.

The terms of reference of the Audit Committee was updated on 8 July 2021 and is available on the Company's website, www.wcehb.com.my.

(3) External Auditors

On an annual basis, the Audit Committee will review the suitability and independence of the external auditors. The Audit Committee would also review the provision of non-audit services by the external auditors and their associates and noted the following for the financial year ended 31 March 2023:

	Audit Fees RM'000	Non-Audit Fees RM'000	TOTAL RM'000
By Company	174	12	186
By Subsidiaries	165	67	232
TOTAL	339	79	418

The Audit Committee has obtained written assurance from the external auditor that they were, and had been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

The Audit Committee is satisfied with the competence and independence of the external auditors and had recommended the re-appointment of the external auditors to the shareholders at the Annual General Meeting. The external auditors are invited to attend the Annual General Meeting of the Company and are available to answer shareholders' questions on the matters with regard to the audit, its preparation and content of the audit report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

(4) Risk Management and Internal Control

The Board acknowledges its responsibilities for maintaining a reliable system of internal controls within the Group which covers the financial controls, the operational and compliance controls and risks management. The internal control system is designed to meet the Group's needs and to manage risks. This is a continuing process which included risk assessments, internal controls reviews and internal audit checks on all companies within the Group. This will ensure that the Group's and the Company's assets are safeguarded to preserve shareholders' investment.

The Audit Committee is entrusted to provide advice and assistance to the Board in fulfilling its statutory and fiduciary responsibilities relating to the Group's and the Company's internal audit functions, risk management and compliance systems and practices, financial statements, accounting and control systems and matters that may significantly impact the financial condition or affairs of the business.

The Statement on Risk Management and Internal Control, which provides an overview of the state of risk management and internal control and processes within the Group, is set out on page 74 to 77 of this Annual Report.

(5) Internal Audit Function

The Board has an overall responsibility for maintaining a sound system of internal controls to safeguard shareholders' investment. As the system of internal controls are designed to mitigate rather than eliminate the likelihood of error or fraud, the system can only provide reasonable assurance against material misstatement or loss.

The Group's and the Company's internal audit service was outsourced to an independent professional service provider. The internal audit service performs regular reviews of business processes, appraisal on the effectiveness of governance, risk management and internal controls processes and reports regularly to the Audit Committee. The internal audit engagement is focused on areas of priority according to their risk assessment and in accordance with the annual audit plans approved by the Audit Committee. The Audit Committee reviews and approves the internal audit plan on an annual basis. Areas of improvement as highlighted by the internal audit service were implemented by management.

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

(1) Effective Communication with Stakeholders

The Board is aware of the need to establish corporate disclosure policies and procedures to enable a comprehensive, accurate and timely disclosures relating to the Company, to the regulators, shareholders and stakeholders. The Company has identified personnel authorised and responsible to approve and disclose material information to shareholders and stakeholders to ensure compliance with the Listing Requirements. The Board has delegated the authority to the Chief Executive Officer to approve all announcements for release to Bursa Malaysia. The Chief Executive Officer works closely with the Board, Senior Management and the Company Secretary who are privy to the information to maintain strict confidentiality of the information.

The Company continues to recognise the importance of transparency and accountability to its shareholders which are key element of good corporate governance. The Board ensures that shareholders are informed of the financial performance and major development in the Group. Such information is communicated to shareholders by timely release of quarterly financial results, circulars, annual reports, announcements and press releases.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONT'D)

(1) Effective Communication with Stakeholders (Cont'd)

Apart from the mandatory announcements through Bursa Malaysia, the information on the Company is available on the Company's website at www.wcehb.com.my.

The Group believes that by consistently maintaining a high level of disclosure and extensive communication with its shareholders, the shareholders and investors will be able to make informed investment decision. Shareholders who wish to reach the Company or Group can do so through the "Contact Us" page in our website at www.wcehb.com.my.

The Annual General Meeting ("AGM") is another principal forum for communication and dialogue with shareholders. The notices of meeting and the annual reports are sent out to shareholders at least 28 days before the date of the meeting in accordance with the Code. During AGM, the Board presents the progress and performance of the business as contained in the Annual Report including the responses to questions by the Minority Shareholder Watchdog group in relation to strategy and financial performance of the Group and corporate governance matters which were submitted to the Company prior to the AGM. The Board also provides opportunities for shareholders to raise questions pertaining to the business activities of the Company and Group. Members of the Board, Chairman of the Audit Committee, Nomination Committee, Remuneration Committee, Executive Committee, Risk Management Committee and Sustainability Committee as well as the external auditors of the Company are present to provide responses to questions from the shareholders during the meeting. Shareholders' suggestions received during the AGM are reviewed and considered for implementation whenever possible.

A press conference is normally held after each AGM and/or general meetings of the Company to provide the media an opportunity to receive an update from the Board on the proceedings of the meeting and to address any queries or areas of interest.

(2) Shareholders' Conduct and Participation at General Meetings

The Company provides information to the shareholders with regards to, amongst others, details of the AGM or Extraordinary General Meeting ("EGM"), their entitlements to attend the AGM/EGM, the right to appoint proxy and also, the qualifications of a proxy via its Annual Report and/or Circular to Shareholders which contains the Notice of AGM/EGM which sets out the business to be transacted at the AGM/EGM and is also published in a major local newspaper.

Items of special business included in the Notice of AGM will be accompanied by an explanation of the proposed resolutions.

General meetings are an important venue through which the shareholders can exercise their rights. In physical and/or hybrid general meetings, the Board would ensure suitability of venue and timing of meeting to encourage shareholders' participation in the meetings. In virtual meetings, shareholders attend the meetings using a Remote Participation and Voting ("RPV") facility to speak in the form of real time submission of typed texts and vote online using an electronic poll voting system.

Pursuant to Paragraph 8.29A of the Listing Requirement, all resolutions set out in the notice of any general meetings shall be voted by poll as it more accurately and fairly reflects shareholders' view by ensuring that every vote is recognised, in accordance with the principal of "one share one vote".

This Statement is made in accordance with a resolution of the Board of Directors dated 6 July 2023.

SUSTAINABILITY STATEMENT

About This Sustainability Statement

Sustainability has become an integral part of today's corporate agenda, reflecting the growing recognition of the need for responsible business practices in today's evolving landscape. WCE Holdings Berhad ("WCE") and its subsidiaries ("WCE Group", the "Group", "us" and "we") recognise the importance of sustainability and are committed to integrating sustainable practices into our operations that can make a positive impact. Through this sustainability statement, we demonstrate the Group's proactive efforts and commitment to sustainability, transparency and accountability to our stakeholders.

The Board is pleased to present our Sustainability Statement (the "Statement") which highlights sustainability matters that are material to the Group, the way the Group manages it and activities undertaken to complement the Group's sustainability efforts. We understand the strong relationship between business and sustainability, which is increasingly influencing market decisions and a driving force to the Group to address sustainability risks and revolve our business decisions into achieving positive outcomes on economic, environmental and social ("EES") performance. Through this statement, we disclose our approach in identifying and measuring material sustainability matters and our actions to shape a structured sustainability focus that delivers valuable solutions.



WCE Selangor Regional Office

REPORTING STANDARDS, SCOPE AND BOUNDARY

This statement is prepared in accordance with Practice Note 9 of the Main Market Listing Requirements, Sustainability Reporting Guide, 2nd Edition issued by Bursa Malaysia Securities Berhad ("Bursa Malaysia") and the data collected as guided by the Global Reporting Initiative ("GRI") Standard covering financial year ("FY") period from 1 April 2022 to 31 March 2023.

The scope of this statement covers the business operation of WCE and all its subsidiaries located in Malaysia but excludes data from joint venture entities.

SUSTAINABILITY STATEMENT (CONT'D)

FEEDBACK

We welcome stakeholder feedback on our Report and any of the issues discussed herein. Comments, queries and suggestions regarding the content of this Report may be emailed to info@wcehb.com.my.

OUR COMMITMENT TOWARDS SUSTAINABILITY

At WCE Group, we are committed to our corporate mission – to build an expressway for the convenience of the nation without compromising the balance of nature and ecology.

Both WCE's Sustainability Committee and Sustainability Reporting Framework were established in January 2018 and chaired by our Chief Executive Officer ("CEO"). WCE's Sustainability Committee roles include overseeing sustainability reporting processes, metrics and targets of key sustainability matters, covering economic, environmental and social aspects.

In line with the GRI Standards that are applicable to WCE, significant efforts were also put through to capture information for disclosure of key sustainability matters. These efforts include establishing a centralised reporting database for sustainability and aligning our corporate activities in a manner that will enable us to capture sustainability information.

SUSTAINABILITY HIGHLIGHTS



Economic Value
Revenue: RM507 mil.
(FY2022: RM607 mil.)

Health and Safety
Nil (FY2022: Nil)
Lost Time Injury



Anti-bribery and Corruption
Nil cases (FY2022: Nil)

Training & Education
9.44
(FY2022: 5.39) average training hours



Environmental
Nil penalties
(FY2022: Nil) from DoE

Renewable Energy (Solar) Power Generation
510,375 kWh
(FY 2022 : 409,018 kWh)



SUSTAINABILITY GOVERNANCE STRUCTURE

The Board of Directors ("BOD") oversee the management of WCE Group's sustainability strategy. They are supported by the Sustainability Committee spearheaded by our CEO, to oversee WCE Group's objectives, policies and practices pertaining to sustainability matters. These include formulating sustainability strategies, identifying sustainability-related risks, evaluating sustainability performance targets and monitoring the implementation of the sustainability framework.

The Sustainability Committee is supported by the Senior Management and Heads of Department in executing sustainability related policies and practices. These include assessing and identifying sustainability matters, implementing sustainability programmes and initiatives, and monitoring and reviewing the progress.

SUSTAINABILITY STATEMENT (CONT'D)



Raya Celebration 2023 at Perak Regional Office



Distribution of Bubur Lambuk at Toll Plaza

STAKEHOLDER ENGAGEMENT









Stakeholder inclusivity is an integral aspect of WCE Group's approach to sustainability. Engaging stakeholders over a wide range of issues and concerns enable the Board and Management to develop a more comprehensive perspective of materiality.

WCE Group defines stakeholders as individuals, groups and entities that are impacted by the Group's business operations and / or, individuals, groups or entities that are capable of impacting WCE Group's business and operations. Stakeholders are prioritised based on the degree of their influence and dependence on WCE Group. The prioritisation is reassessed periodically. Stakeholders' views are also garnered in determining material sustainability matters for the Group.

 Stakeholders	 Focus Areas	 Engagement approach	 Frequency
Shareholders & investors 	<ul style="list-style-type: none"> • Financial performance • Regulatory compliance • Corporate governance • Ethical business conduct • Internal control and risk management 	<ul style="list-style-type: none"> • Financial and Corporate announcement and reporting • General meetings • Corporate website 	<ul style="list-style-type: none"> • Annually • On-going • Periodically • Quarterly
Subcontractors & suppliers 	<ul style="list-style-type: none"> • Business continuity • Contractual terms and agreement • Quality and timely delivery • Subcontractors/ suppliers' compliance capabilities and commitment 	<ul style="list-style-type: none"> • Direct engagement • Meetings and discussions 	<ul style="list-style-type: none"> • Annually • Ad-hoc • Periodically • Quarterly

SUSTAINABILITY STATEMENT (CONT'D)

STAKEHOLDER ENGAGEMENT (CONT'D)

 Stakeholders	 Focus Areas	 Engagement approach	 Frequency
Joint Venture & Business Partners 	<ul style="list-style-type: none"> • Honouring contractual terms and conditions • Continued business opportunities 	<ul style="list-style-type: none"> • Face-to-face meetings 	<ul style="list-style-type: none"> • On-going
Employees 	<ul style="list-style-type: none"> • Job security and competitive remuneration package • Employee Health and Safety • Career development and advancement 	<ul style="list-style-type: none"> • Performance appraisals • Team building activities • Social events with employees • Meetings and discussions • Trainings 	<ul style="list-style-type: none"> • Annually • On-going • Periodically • Quarterly
Government regulators 	<ul style="list-style-type: none"> • Regulatory compliance • Approvals and permits • Standards and certifications 	<ul style="list-style-type: none"> • Meetings and consultations • Training programmes and dialogue • Audit and verification 	<ul style="list-style-type: none"> • Annually • On-going • Periodically • Quarterly
Local communities 	<ul style="list-style-type: none"> • Good corporate citizenship 	<ul style="list-style-type: none"> • Corporate social responsibility programmes 	<ul style="list-style-type: none"> • Annually

SUSTAINABILITY STATEMENT (CONT'D)

MATERIALITY SUSTAINABILITY MATTERS

We have engaged our stakeholders, both internally and externally, to identify and prioritise key sustainability matters. The facilitation of materiality assessment was driven by a desktop review on the Group's business operation and risk areas, input from the Board of Directors and the Sustainability Committee, as well as engagement with key champions. Through our materiality assessment, we have identified the key sustainability matters as outlined in the table below:



1. Economic

- Value Creation from Project Market Presence
- Sustainable Procurement
- Anti-bribery and Anti-corruption







2. Environment

- Tackling Carbon Footprint
- Energy Consumption
- Water Consumption
- Biodiversity
- Effluent and Waste
- Environmental Compliance











3. Social

- Employment Diversity and Equal Opportunity
- Occupational Health and Safety
- Training and Education
- Human Rights
- Local Community Engagement
- Socioeconomic Compliance

Theme	Materiality	Description
Economic	Value Creation from Project 	Monitoring of construction progress against scheduled opening and enhance financial health of the Group.
	Market Presence 	Creating economic value and socioeconomic contribution to its stakeholders.
	Sustainable Procurement 	Integrating sustainable procurement processes through more environmental friendly, responsible and ethical practices.
	Anti-bribery and Anti-corruption 	For all employees, directors, and business associates in the Group to conduct our business dealings in an ethical manner.

SUSTAINABILITY STATEMENT (CONT'D)

MATERIALITY SUSTAINABILITY MATTERS (CONT'D)

Theme	Materiality	Description
	Tackling Carbon Footprint 	Measuring, monitoring, and reducing greenhouse gas (GHG) emissions across our key operational activities. Initiating efforts in mitigating our carbon footprint.
	Energy Consumption 	Keeping track of and eliminating unnecessary energy use and reduce carbon emissions.
	Water Consumption 	Monitoring water consumption and preventing wasteful water use.
<div style="background-color: #4CAF50; color: white; padding: 5px; text-align: center; font-weight: bold;">Environment</div> 	Biodiversity 	Minimising impact of the construction on surrounding biodiversity.
	Effluent and Waste 	Proper waste management throughout the organisation's business operations including 3R practices (Reduce, Reuse, and Recycle).
	Environmental Compliance 	Reducing negative environmental impact in highway construction and highway operation activities and adhering to relevant environmental standards and other requirements.

SUSTAINABILITY STATEMENT (CONT'D)

MATERIALITY SUSTAINABILITY MATTERS (CONT'D)

Theme	Materiality	Description
	Employment Diversity and Equal Opportunity 	Providing equal opportunities to all employees. Diversity pushes innovation through exchange of ideas and perspectives, and strengthens the organisation.
	Occupational Health and Safety 	Integrating principles of health and safety throughout business operations.
	Training and Education 	Engaging with employees to ensure talent attraction and retention for a skilled workforce. This entails providing training and development, benefits, and a healthy work environment.
Social	Human Rights 	Incorporating human rights concepts into the company, preventing the violation of others' rights, and dealing with any adverse effects on human rights that arise from the business.
	Local Community Engagement 	Carrying out efforts to manage impact on the communities surrounding our project construction and operation sites.
	Socioeconomic Compliance 	Comply with national laws and regulations thereby reducing financial risk and impact.



OPS Selamat Tahun Baru Cina 2023

SUSTAINABILITY STATEMENT (CONT'D)

1.1 ECONOMIC

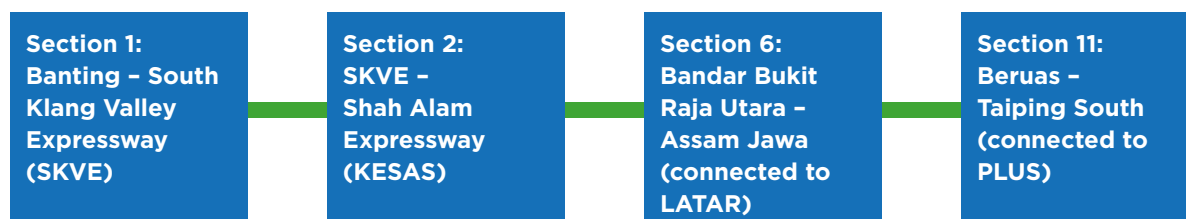
WCE is committed to upholding the values of sustainable business operations which aims to create economic value by delivering a high-quality expressway to our road users as well as sustainable economic value to our various stakeholders.

VALUE CREATION FROM PROJECT

Our key revenue generator for WCE is the West Coast Expressway Project (“WCE Project”). The WCE project was planned and designed to enhance connectivity to the existing expressways (such as PLUS, SKVE, NKVE, NNKSB, LATAR, KESAS and etc.) and provide road users with alternative routes while travelling. The entire expressway with 21 interchanges will enhance traffic flow in the West Coast region through a reduction in travel time and associated logistics costs. It is also a catalyst for economic growth through the enhancement of trade activities and the expected emergence of new township developments along the new growth corridor.

The WCE Project is divided into 11 sections whereby 4 sections have been opened for traffic and commenced tolling. Whilst it is normal for such highway concessions to incur net losses in its early years due to cessation of capitalisation of interest and amortisation of infrastructure development expenditure, the Group remains confident of the long-term viability of the project. This is premised on our projections made in the project financial model and reports from the independent traffic consultant, which indicate stable income and traffic growth over the concession period.

Most importantly, WCE Group’s focus is to expedite the completion of the WCE project, to commence highway operations and enhance overall financial health of the Group. In essence, prioritisation of construction progress and sustainability hinges on robust and improving direct economic performance. The Group is targeting to open the following 4 sections before the end of 2023:



To ensure the long-term financial sustainability of the WCE Project, the Group has the requisite funding in place via the Government Support Loan, Commercial Debts, Reimbursable Land Cost Financing and Equity Injection for the remaining project cost.

In order to supplement its primary business, the WCE Project, the Group will continue to look for other business opportunities, particularly in the construction industry and ancillary businesses along the expressway.

SUSTAINABILITY STATEMENT (CONT'D)

1.1 ECONOMIC (CONT'D)

MARKET PRESENCE

Through the development of the WCE Project, a wide range of economic value is created and distributed to our stakeholders. The project creates job opportunities during both the construction and highway operation stages, which enables the development of supply chains and other socio-economic contributions. Beneficiaries include shareholders, local communities, financiers and investors, government and public users. The diagrams below show value created and distributed to stakeholders.

Value Distributed to various Stakeholders			
Stakeholders	FY2021 (RM'000)	FY2022 (RM'000)	FY2023 (RM'000)
Providers of Capital (Interest paid on loans and borrowings)	120,460	119,720	136,442
Government (Income tax paid)	1,529	3,402	3,169
Subcontractors & suppliers (Payment made on infrastructure development expenditure)	227,870	452,017	374,250
Employees and Directors	11,940	13,162	11,991

SUSTAINABLE PROCUREMENT

Effective and transparent procurement practice is important to the Group to ensure fair and non-discriminatory competition. Project sub-contractors are selected via tender processes and governed through its Tendering Management Standard Operating Procedures. For good governance and enhanced transparency, WCE has adopted online tender practices from invitation, submission to evaluation processes, increasing the efficiency and timeliness of completing the procurement processes.

A Tender Committee was set up to govern the evaluation and selection of sub-contractors, incorporating combination of technical, financial and pricing criteria. We emphasise on selecting sub-contractors with good performance track records and particular focus on compliance towards regulatory and environmental best practices. An annual performance review on all sub-contractors were carried out to ensure quality in terms of delivery of products and services to the Group. In addition, we are committed towards the selection of local subcontractors, where possible, to stimulate economic activities and growth along the highway alignment, and develop strong relationships with our business partners that are built on mutual trust. During the FY2023, all purchases of materials and services, and appointment of sub-contractors are local.

SUSTAINABILITY STATEMENT (CONT'D)

1.1 ECONOMIC (CONT'D)

ANTI-BRIBERY AND ANTI-CORRUPTION

Conducting business activities responsibly is the foundation of any successful business. We are committed to conduct business in an ethical manner and this has been communicated to all employees, directors and business associates.

WCE has in place several compliance-related policies concerning business ethics, bribery and corruption. These include Code of Ethics & Conduct and Anti-Bribery and Corruption (“ABC”) Policy, both set out the principles and standards of behaviour that are expected of employees of the Group when dealing with customers, suppliers, business associates and external parties.

WCE’s Code of Ethics & Conduct sets out the principles and standards of business ethics and conduct of the Group. It addresses various key areas of concern including conflict of interest, insider information and securities trading, protection of assets and funds, business records and control, compliance to the law, personal gifting, health and safety and sexual harassment. All Directors and employees are expected to adhere with our policies and maintain ethical manner when performing their duties.

Our ABC Policy sets out guidelines and assigns responsibility for the development of controls and conduct of investigations related to allegations of bribery and corruption. In our ABC Policy, WCE adopts a zero tolerance stance to Bribery or Corruption. All Employees, Directors and Business Associates of WCE are prohibited from soliciting, receiving, procuring, offering, or giving bribes in any form whatsoever, and are required to adhere to the laws of Malaysia and countries where we have operations.

Any employees and third parties suspecting misconduct or wrongdoing, are encouraged to report through our Whistle Blowing Policy which is available in our website. During the year, there were no instances or complaints (FY2022: Nil) on suspected corrupt or unethical behaviour reported to us.



Both set out the principles and standards of behaviour that are expected of employees of the Group when dealing with customers, suppliers, business associates and external parties.



There were no instances or complaints (FY2022: Nil) on suspected corrupt or unethical behaviour reported to us.

SUSTAINABILITY STATEMENT (CONT'D)

1.2 ENVIRONMENT

The Group is committed to environmental sustainability and recognises the significance of responsible ways of operating to minimise our impact on nature. This includes our dedication to minimising our environmental footprint, promoting resource efficiency and contributing to the preservation of the natural environment. In FY2023, we began our journey in establishing and reporting on carbon emissions generated from our business activities, as part of our progress in developing an overall carbon reduction strategy.

At its most preliminary level, WCE's approach in managing environmental impact is through the adoption of best practices and adherence to relevant international and local standards. We are committed to carry out businesses in a community and environmentally friendly manner based on the following **CARE** principles:



Complying to all environmental and other relevant legal requirements;



Applying a continual improvement concept while implementing our Environmental Management System ("EMS") and monitoring its performance;



Reducing and preventing pollution by disposing wastes according to regulated means, conserving natural resources and adopting environmentally friendly approaches in all activities to minimise water, air and noise pollution; and



Educating employees on the importance of sustainable development and pollution prevention.

The construction of the WCE project complied with the Environmental Impact Assessment ("EIA") Approval Conditions resulting in minimal impact to the environment. We continue to strive to ensure our operating activities are carried out in a manner which mitigates or prevents environmental pollution in order to minimise irreversible environmental damage.

TACKLING CARBON FOOTPRINT

WCEHB is committed towards raising awareness among our employees and business partners in managing our carbon footprint by reducing construction waste, lowering GHG emissions and optimising utilisation of natural resources in all sites where we operate.

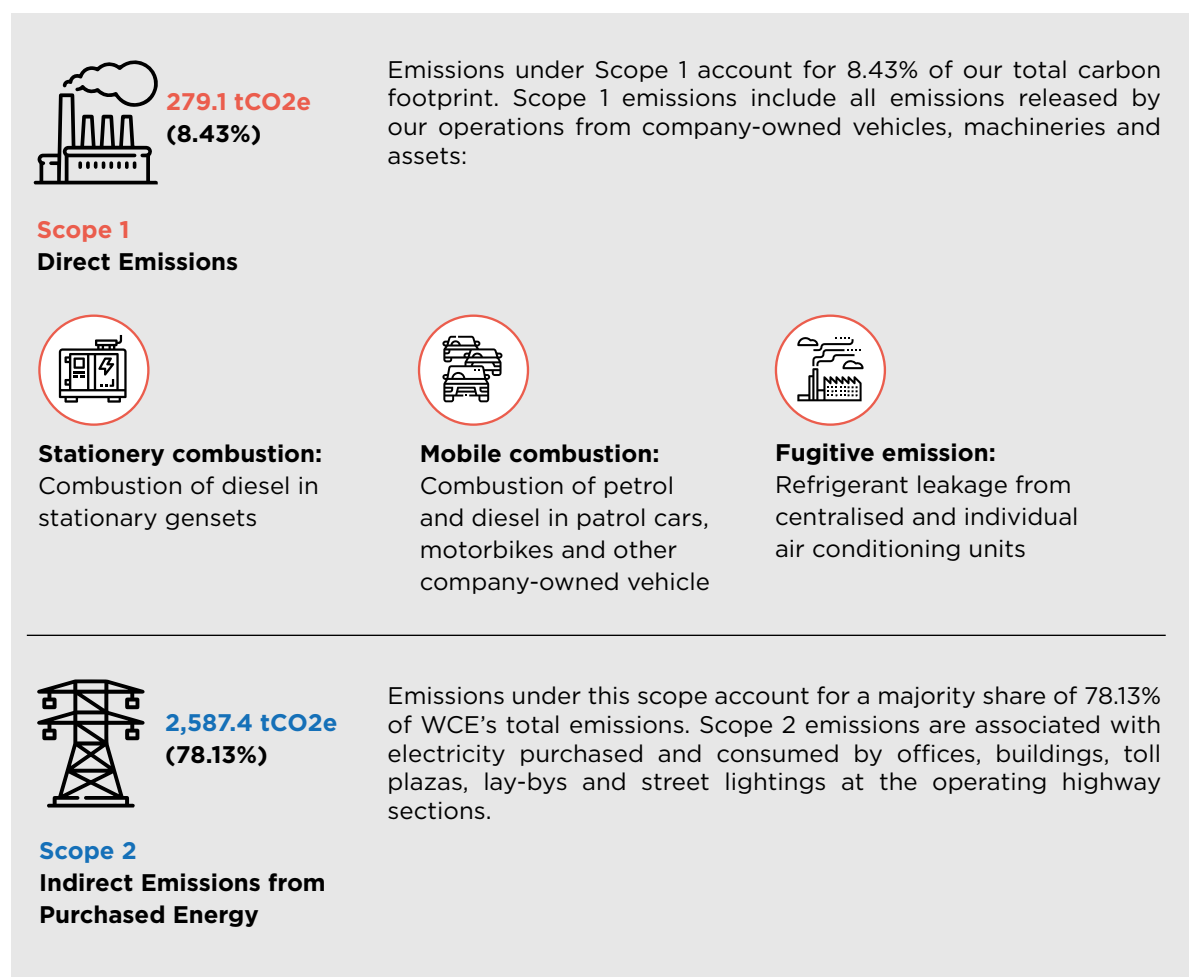
Electricity is mostly sourced from the national grid and used for our office premises and toll operations. Given that a large part of the grid in Peninsular Malaysia is supplied by fossil fired coal plants, consumption of electricity indirectly contributes to GHG emissions, particularly carbon emission.

SUSTAINABILITY STATEMENT (CONT'D)

1.2 ENVIRONMENT (CONT'D)

As part of WCE's initiatives in "tackling carbon footprint" and in support of the country's vision towards decarbonisation and low carbon economy, we began our GHG emissions assessment across the Group's operation and maintenance activities on operating highway sections, i.e. Sections 5, 8, 9 and 10 in FY2023. In establishing our GHG emissions inventory, we used FY2023 data to calculate the Group's profile of Scope 1 and Scope 2 emissions as well as four categories under Scope 3 emissions.

The total emission for WCE in the reporting period of FY2023 is 3,311.7 tCO₂e. The total emission broken down by Scope is as follows:



SUSTAINABILITY STATEMENT (CONT'D)

1.2 ENVIRONMENT (CONT'D)



445.2 tCO₂e
(13.44%)

Emissions under this scope include all other indirect emissions generated across our value chain that accounts for 13.44% of WCE's total emissions. For FY2023, we collated reliable data for four out of the 15 categories under Scope 3:

Scope 3 Other Indirect Emissions



Category 1: Purchased Goods & Services

Purchase of goods for operation and maintenance at operating sections



Category 5: Waste Generated in Operations

Municipal solid wastes/ general wastes and scheduled wastes generated at current operating sections and offices which are transported and disposed-off via landfilling



Category 6: Business Travel

All land transportation resulting from business-related activities in vehicles not owned or operated by WCE



Category 7: Employee Commuting

Commuting of employees between their homes and their respective base worksites using vehicles not owned or operated by WCE

SUSTAINABILITY STATEMENT (CONT'D)

1.2 ENVIRONMENT (CONT'D)

EMISSIONS AVOIDANCE IN FY2023

Emissions avoidance is the most effective carbon management strategy over a multi-decadal timescale to achieve atmospheric CO₂ stabilization and a subsequent decline. This prevents, in the first place, stable underground carbon deposits from entering either the atmosphere or less stable carbon pools on land and in the oceans. For WCE, the emission avoidance initiatives include usage of renewable energy (Solar Panels at all existing offices and operating toll plazas) and recycle waste. For FY2023, solar energy generated is 510,375 kWh and recycle waste is 8.3 tonnes. The total emission avoidance from each initiative is as follows.

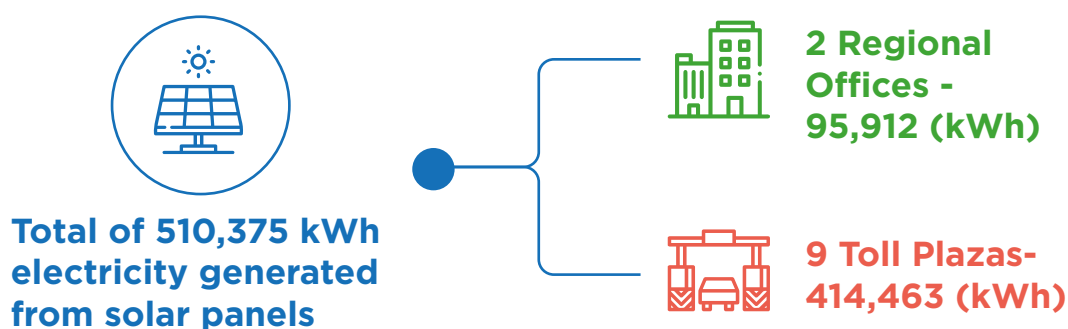
Initiative	Avoidance (tCO ₂ e)
Electricity generated from solar panels (based on 510,375 kWh of solar energy generated)	398.1
Waste diverted from landfills (based on 8.3 tonnes of total waste recycling)	0.1
Total	398.2



Rooftop Solar Panels at WCE Headquarters and Kampung Lekir Toll Plaza

From April 2022 to March 2023, we recorded a total of 510,375 kWh electricity generated from solar PV and 13% of our energy consumption used from renewable energy sources.

As climate change can significantly impact the Group's business operations, we are considering new opportunities by accelerating the ongoing transition to a low carbon economy.



SUSTAINABILITY STATEMENT (CONT'D)

1.2 ENVIRONMENT (CONT'D)

ENERGY CONSUMPTION

The energy conservation measures in daily operations are monitored monthly under WCE Group's Environmental Management System ("EMS") objectives. We measure the reduction or minimisation of energy consumption as part of our efforts to reduce global warming.



Periodic reminder to employees to be mindful of energy conservation through notices and memo

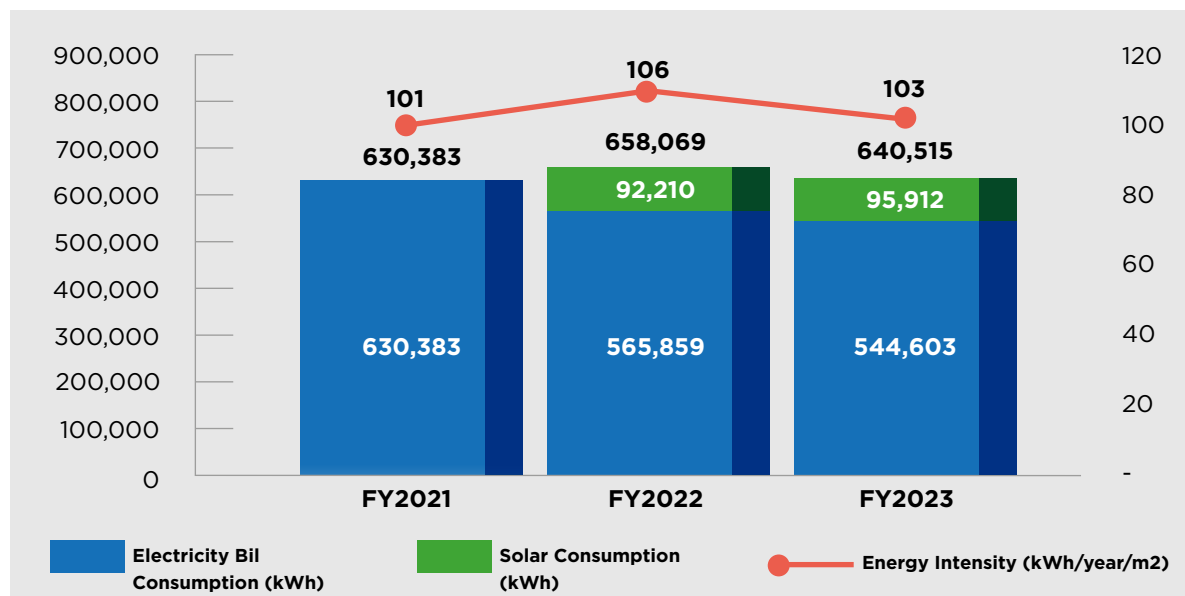


Embed energy conservation culture in workplace



Use energy-efficient LED lights in Offices and Toll Plazas

The energy consumption of WCE's office premises from year FY2021 to FY2023 is shown below:



The Group consumed 640,515 kWh of electricity in the FY2023, slightly reduced by 2.67% as compared to 658,069 kWh in the FY2022. The usage of renewable energy from solar panels was started since July 2021 (second quarter of FY2022). During the FY2022, total renewal energy consumed contributed 15% (FY2022: 14%) of the total energy consumption.

The energy intensity for WCE's office premises for FY2023 is recorded at 103 kWh/m³/year compared to 106 kWh/m³/year in FY2022. According to the data published by Sustainable Energy Development Authority, the typical energy intensity of commercial office buildings in Malaysia ranges between 250 and 300 kWh/m³/year. We are pleased to report that the energy intensity of WCE's regional offices is below the benchmark.

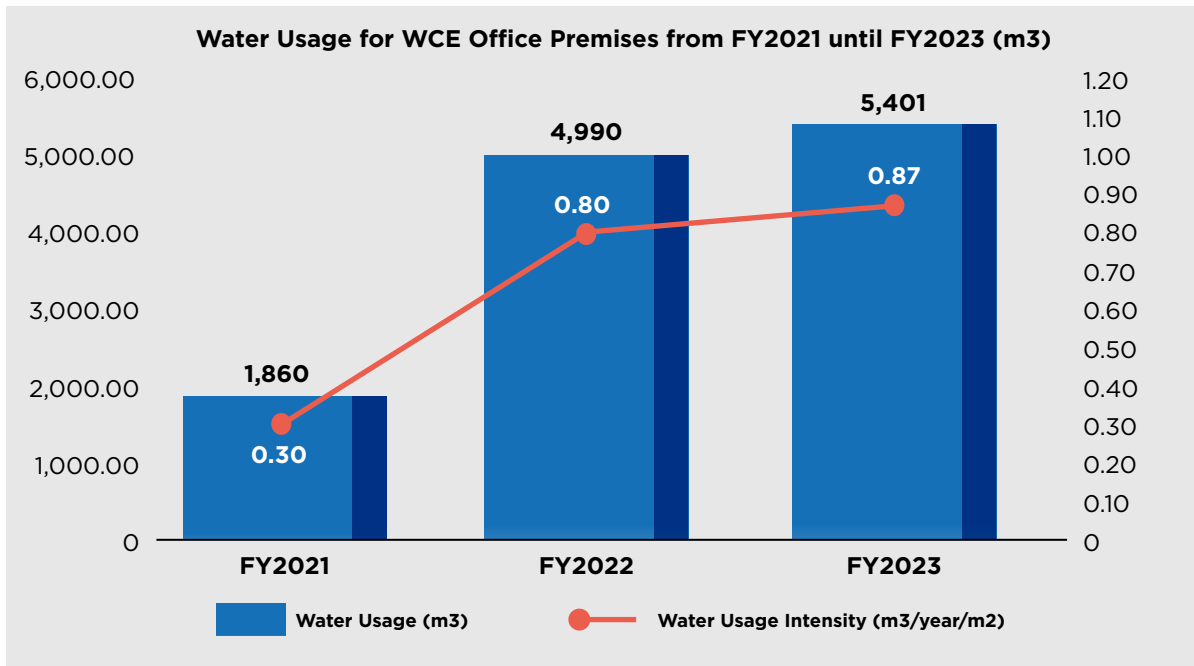
The Group is also pleased to report that WCE acquired the Green Building Certificate through the participation in the Voluntary Sustainable Energy Low Carbon Building Assessment (GreenPASS) for both of WCE's regional offices. This certification is authorised and approved by the Sustainable Energy Development Authority (SEDA) Malaysia.

SUSTAINABILITY STATEMENT (CONT'D)

1.2 ENVIRONMENT (CONT'D)

WATER CONSUMPTION

In line with WCE Group’s EMS objectives, we also measure monthly water consumption at the office premises.



Water usage for FY2023 increased about 5.5% in line with the increase in work activity and staff. Besides recording annual water consumption, the washrooms and lavatories in WCE’s offices and toll plazas are built with water-efficient fixtures such as push tap faucets and dual flush toilets. Controlled water flow would impact annual water consumption. According to the “Leadership in Energy and Environment” (LEED) rating system, water-efficient fixtures and fittings such as push taps and dual flush toilets could reduce indoor portable water consumption.

BIODIVERSITY

Through the Preliminary Environmental Impact Assessment (“PEIA”), we have minimised the impact of the construction of WCE on the surrounding biodiversity as well as to maximise the preservation of flora and fauna by moving any protected species to the conservation areas identified. WCE is in the process of replanting trees along the expressway upon the completion of the project and is in support of the Program Penghijauan Malaysia through Kempen Penanaman 100 Juta Pokok under Rancangan Malaysia ke-12 (RMK12). To-date, WCE has officially recorded and registered 11 trees under this campaign and will continuously update the tree inventory to support this initiative.





SUSTAINABILITY STATEMENT (CONT'D)

1.2 ENVIRONMENT (CONT'D)

EFFLUENT AND WASTE

Managing waste in a responsible and ethical manner is important in ensuring compliance with the relevant regulations and to prevent pollution to the environment. As the WCE Project is under the construction development stage, construction wastes generally produced comprise mostly earth and other excavation debris, concrete waste, steel scraps, and scheduled wastes.

We employ good waste management practices ranging from allocating proper construction bins at all construction sites, storage areas for scheduled waste and appoint only licensed contractors to treat and dispose scheduled wastes.

Waste Collected (Tonnes)			
Type of Waste	FY 2021	FY 2022	FY 2023
 Hazardous waste	0.196	-	0.0037
 Non-hazardous waste	4.8	23.3	303.17
Total	4.996	23.3	303.1737







Increase in wastes during the year is in line with the intensified operational activities during the FY2023.

SUSTAINABILITY STATEMENT (CONT'D)

1.2 ENVIRONMENT (CONT'D)

ENVIRONMENTAL COMPLIANCE

In mitigating the impact of construction activity on the environment, the Group appointed external consultants to conduct environmental compliance audits for all sections of the WCE Project. The compliance audit undertakes periodic air, water quality, vibration and noise monitoring in line with the monitoring programmes outlined by PEIA to ensure readings do not exceed limits set in the standards by the respective regulatory bodies.

Monitoring components	Compliance with Standards	Reporting Requirement
Air Quality 	Malaysian Air Quality Guidelines	Department of Environment ("DoE")
Ambient Air Quality 	Malaysian Ambient Air Quality Standard ("MAAQS")	
Noise Quality 	Planning Guides for Environmental Noise Limit and Control	
River Water Quality 	National Water Quality Standards	DOE & Lembaga Urus Air Selangor
Site Trap 	EIA Condition of Approval	DoE
Vibration 	Schedule of Recommended Vibration Limits	DoE

The Group EMS complies with the Management Standard International Organisation for Standardisation for Environmental Management System ("ISO 14001:2015") and other requirements. We have also adopted essential best practices to control and prevent environmental pollution which comprises water pollution control, air and noise pollution control as well as waste management.

SUSTAINABILITY STATEMENT (CONT'D)

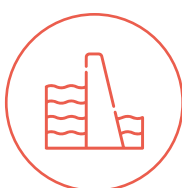
1.2 ENVIRONMENT (CONT'D)

ENVIRONMENTAL COMPLIANCE (CONT'D)

We have undertaken environmental control measures and activities to ensure adherence to regulatory and guidelines issued by DoE, which include:



Installation of Gabion Check Dams



Installation of Silt Fence



Scheduled Waste & Chemical Storage



Usage of Silt Fences and Sand Bags

With the implementation of EMS and good practices, the Group did not violate any environmental laws and regulations and has not been penalised or fined for any major environmental violation in financial year ended 31 March 2023.

1.3 SOCIAL

As Malaysia's construction industry continues to be a primary driver in boosting the country's economic and social development agenda, we will continue to leverage on this as one of Malaysia's leading infrastructure developers in playing a leading role in nation building.

EMPLOYMENT DIVERSITY AND EQUAL OPPORTUNITY

We acknowledge our employees, referred to as our People, as the most valuable asset to drive our company's success. The management of our People has been guided internally by the WCE Employee Handbook, Terms and Conditions of Service as well as WCE's Code of Ethics & Conduct.

DIVERSITY

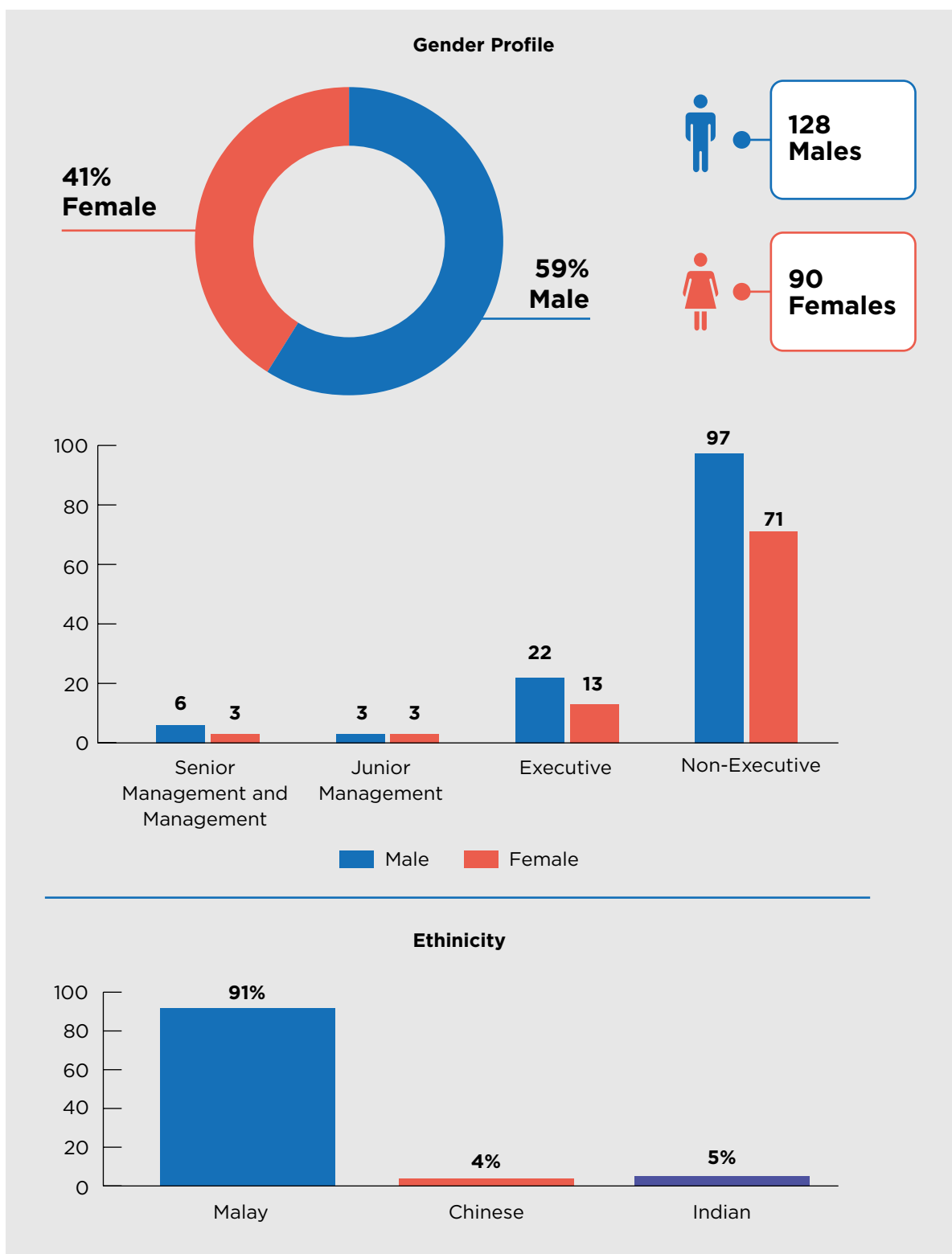
Diversified, developed and highly engaged employees are the pillars of the Group's human resource and talent practices. We do not discriminate against any race, gender or minority during our hiring practices. Our employees' racial composition includes 91% Malay, 4% Chinese and 5% Indian. In terms of gender profile, we have 128 male employees and 90 female employees comprising 6 males and 3 females at Senior Management and Management level, 3 males and 3 females at Junior Management, 22 males and 13 females at Executive level and 97 males and 71 females at non-executive level.

As part of the Group's commitment to foster equal opportunities, inclusion efforts are widely practised to provide employees with equal access to opportunities and resources.

SUSTAINABILITY STATEMENT (CONT'D)

1.3 SOCIAL (CONT'D)

DIVERSITY (CONT'D)



SUSTAINABILITY STATEMENT (CONT'D)

1.3 SOCIAL (CONT'D)

EMPLOYEE BENEFITS

We offer competitive compensation packages with significant benefits, as our employees receive Annual Physical Examination, Hospitalisation & Surgical Insurance as well as life insurance and disability coverage through our Group Personal Accident Benefits and Group Term Assurance with Critical Illness Benefits. Our employees also receive medical benefits, maternity and paternity leaves. Our compensation and benefits packages are regularly reviewed and updated in line with market practices and offerings.



HUMAN RIGHTS

WCE supports the rights of employees as provided by the law. This includes the right to mandatory benefits and welfare, humane working conditions and the right to freedom of association, to bargain collectively and to express grievances.

Employees are free to join, support or participate in any legal association, cultural society, professional body or political entity so long as such associations are not illegal, i.e. involvement in outlawed groups.

As much as possible, WCE provides sufficient notice periods for both major and minor operational changes that could affect employees. Such changes include changes to employment conditions, location of work, nature of work and any changes to remunerations or benefits as well as contract status such as promotions, probationary periods and dismissals.

Employees are entitled to and are encouraged to seek further clarification or information regarding any operational change. Employees also have the right to voice any grievance or dissatisfaction arising from the change with their immediate superior or the Human Resource Department.

In FY2023, there were no complaints in relation to the operational changes which resulted in constructive dismissals.

SUSTAINABILITY STATEMENT (CONT'D)

1.3 SOCIAL (CONT'D)

CREATING A POSITIVE WORK ENVIRONMENT

We believe that striking a good balance between work and active social programmes is important in fostering teamwork and boosting morale. During the year, the Group organised its inaugural WCE Sports Day as well as staff celebrations in conjunction with Hari Raya and Chinese New Year



CNY Celebration 2023



WCE Fitpatrol 2023 (PRO)



Raya 2023 at Selangor Regional Office



WCE Sports Day 2023



WCE Sports Day 2023 Futsal Game



WCE Sports Day 2023 Badminton Game

SUSTAINABILITY STATEMENT (CONT'D)

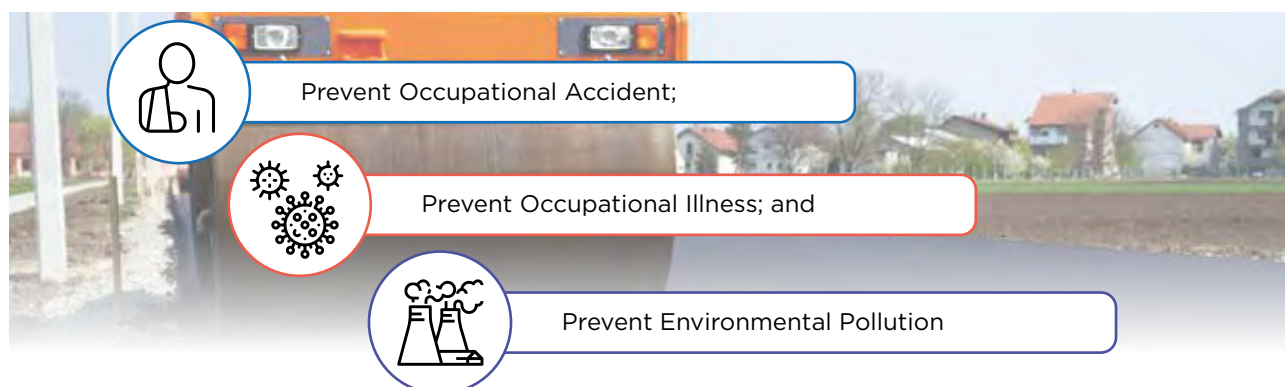
1.3 SOCIAL (CONT'D)

OCCUPATIONAL HEALTH AND SAFETY

Instilling a culture of safety in our workplace is of the highest priority for WCE. We take pride in our achievement towards maintaining high standards on occupational health and safety measures to ensure compliance with regulatory requirements. We believe that a safe and conducive workplace for our employees is the foundation for a motivated and productive workforce.

HEALTH, SAFETY AND ENVIRONMENT POLICY

The WCE Project is governed by the highest standards for health, safety and environment (“HSE”). This is done by ensuring our activities are not detrimental to the environmental, safety and health of our employees, sub-contractors, customers or any member of the community. The following principles are adhered to:




The project management team, contractors and all those involved in the project will be guided by the motto, **“Health, Safety and Environment is Everyone’s responsibility”** through ensuring the following:

- 

Compliance

 - Comply with all applicable laws and regulations
- 

Risk Management

 - Conduct Hazard Identification, Risk Assessment and Control (“HIRAC”) to ensure risk mitigation and measures for high risk work are in place
 - Minimise health and safety risk through adoption of best practices
- 

Prevention

 - Dissemination of relevant information to everyone involved
 - Provide appropriate training to our employees and other related parties
 - Provide personal protective equipment to employees and visitors at project sites
- 

Monitor, Report and Review

 - Review performance and objectives periodically
 - Committed to monitor health and safety performance to ensure standards are being met and continuously improved, which indicates that management control is effective

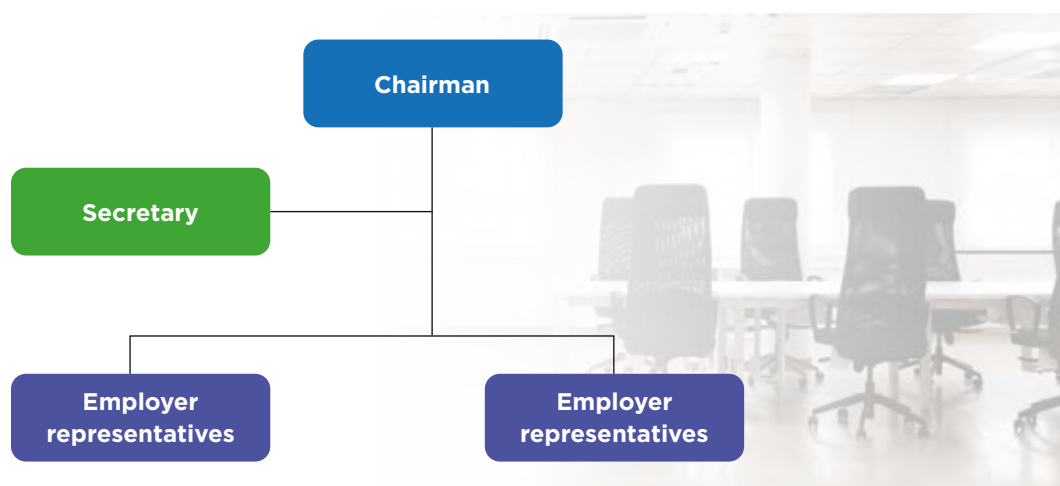
SUSTAINABILITY STATEMENT (CONT'D)

1.3 SOCIAL (CONT'D)

OCCUPATIONAL HEALTH AND SAFETY COMMITTEE

We have established the Occupational Health and Safety (“OHS”) Committee to oversee the health and safety matters, review adequacy of Health and Safety policy and practices, and address regulatory compliance issues through meetings on a quarterly basis.

The OHS Committee is headed by a Chairman and its member comprising employees and employer representatives.



HEALTH AND SAFETY TRAININGS

Beyond having in place standards and systems, it is crucial for us to raise health and safety awareness among our employees to prevent workplace accidents. Series of on-job training and daily safety briefings were conducted at project sites on emergency response, HSE management, toolbox briefings, handling of plant and machineries and environmental management system.

As WCE continuously ensures a high level of health and safety compliance, HSE policies, principles and laws, we are pleased to report that we achieved zero accidents and no lost time injury during the financial year (FY2022: Nil).

O

accidents and no lost time injury during the financial year (FY2022: Nil)



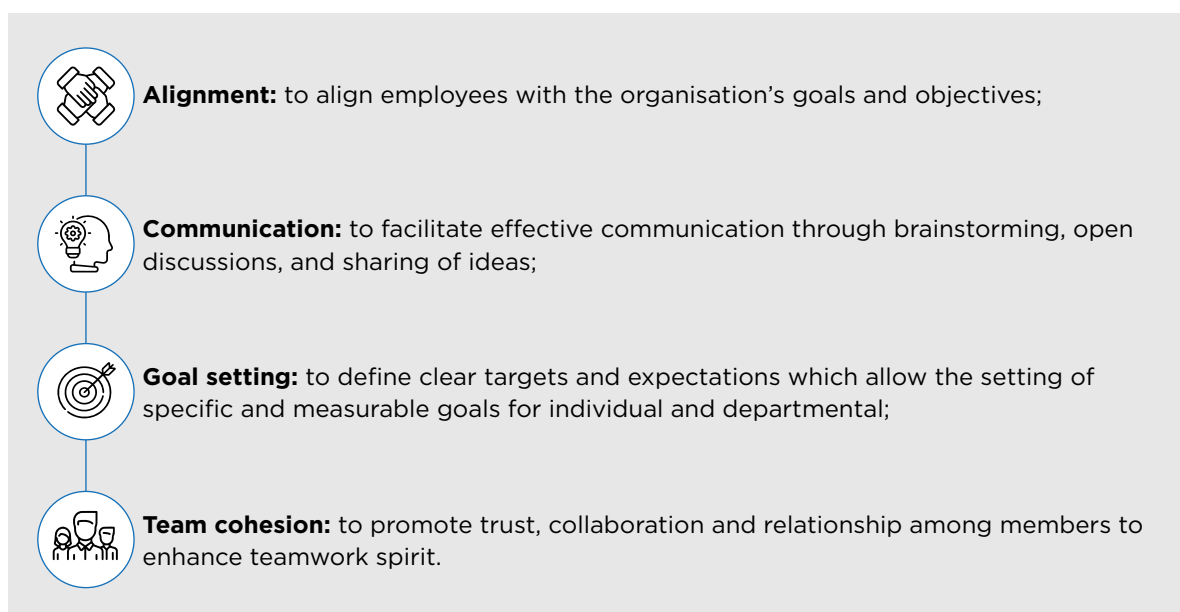
SUSTAINABILITY STATEMENT (CONT'D)

1.3 SOCIAL (CONT'D)

TRAINING AND EDUCATION

The Group emphasises nurturing our employees through its learning and development platforms to build and enhance their competencies and skills. The Group believes that learning and development are fundamental to continuous improvement of operational performance.

In WCE, development needs are identified through frequent interaction between superiors and employees as well as the Annual Performance Appraisal. We adopt a Balanced Scorecard performance management tool covering four elements which are Financial, Customer, Internal and Learning & Growth. The Learning & Growth perspective is under the Leadership Competencies whereby the assessment pertaining to self-growth and strategic thinking. WCE practices a transparent approach with the appraisal being conducted between the employee and his or her superior. Areas for improvement are identified and plans formulated to close the performance gaps. To further improve the Human Capital Management functions, the Group had in FY2023 organised a Key Performance Indicator (“KPI”) workshop and team building event with the aim to achieve the following key objectives:



WCE offers subsidies for approved self-development courses as well as study and examination leave to encourage employees to upskill their knowledge and capability. In FY2023, a total of 19 training programmes were attended by our employees with an average of 19 training hours per employee.

Training	FY2021	FY2022	FY2023
Total employees	193	201	218
Average training hours per year per employee	0.78	5.39	9.44

SUSTAINABILITY STATEMENT (CONT'D)

1.3 SOCIAL (CONT'D)

SOCIOECONOMIC COMPLIANCE

It is in our interest to comply with national laws and regulations in the countries where we operate. We ensure that our employees are aware and fully comprehend of our standards in all sustainability aspects. Measures and controls such as standard operating procedures, audits and inspections by local authorities are in place, among others, to strengthen compliance with regulations, thereby reducing financial risk and impact.

The following is a list of key laws and regulations that are related to our business activities:



Labour

- Employment Act 1955
- Personal Data Protection Act 2010
- Workmen Compensation Act 1952
- Employees' Social Security Act 1969
- Employees Provident Fund Act 1991
- Income Tax Act 1967



Safety and Health

- Occupational Safety & Health Act, 1994
- Fire Service Act, 1988
- Construction Industry Standards by Construction Industry Development Board Malaysia

SUSTAINABILITY STATEMENT (CONT'D)

1.3 SOCIAL (CONT'D)

LOCAL COMMUNITIES

We are conscious of the interconnection between our business and the communities in which we operate. While contributing to the growth of the economy, we are also committed to giving back to society through various initiatives.

During FY2023, several social and environmental activities were initiated as part of the WCE Corporate Social Responsibility (“CSR”) programme to engage the communities and areas along our alignment. The activities are listed as follows:



3rd December 2022
Taman Paya Bakau, Sijangkang, Selangor

Planting 32 Mangrove trees and release 500 fish seeds to Sungai Langat

3rd December 2022
Kampung Kuantan Firefly Park
Planting 32 Berembang Trees and cleaning park area



3rd December 2022
Rumah Penyayang Ulin Nuha, Jalan Kebun, Klang

Cleaning orphanage home and park area



3rd December 2022
Tanjung Harapan Beach, Klang
Cleaning of beach area and 70kg waste has been collected



SUSTAINABILITY STATEMENT (CONT'D)

1.3 SOCIAL (CONT'D)

LOCAL COMMUNITIES (CONT'D)

3rd December 2022
Pusat Konservasi Tuntung, Bota, Perak
 Cleaning conservation area and release 20 tuntung into wildlife



13th January 2023
SMK Tengku Idris Kapar, Klang
 Donation for Majlis Apresiasi Ko-Kurikulum 2022



1st March 2023
Internal
 Book Donation Campaign for Rumah Penyayang Ulin Nuha



10th March 2023
MPP MBSA Zone 6
 Donation for "Back to School"



28th March 2023
MPKK Kampung Sungai Kandis, Klang
 Donation of Solar Lamps

ADDITIONAL COMPLIANCE INFORMATION

AS AT 31 MARCH 2023

1.0 MATERIAL CONTRACTS

KEB Management Sdn Bhd, a wholly-owned subsidiary of the Company, and WCE Maju Sdn Bhd (formerly known as KEB Builders Sdn Bhd), a wholly-owned subsidiary of KEB Plantations Holdings Sdn Bhd, which in turn is a wholly-owned subsidiary of the Company, had on 25 November 2022 entered into a conditional share sale agreement with IJM Properties Sdn Bhd (“IJMP”) for the proposed disposal of a total of 400,000 ordinary shares in Radiant Pillar Sdn Bhd (“RPSB”) (“Sale Shares”), representing their entire 40% equity interest in RPSB to IJMP, for a total cash consideration of RM494.00 million (“Disposal Consideration”) (“SSA”) (“Proposed Disposal”).

IJM Corporation Berhad (“IJM”) is the Company’s major shareholder and is deemed interested in the Proposed Disposal by virtue of it being the holding company of IJM Land Berhad, which in turn is the holding company of IJMP. Mr Lee Chun Fai, our Non-Independent Non-Executive Director, is deemed as an interested director in the Proposed Disposal by virtue of him being IJM’s nominee director of the Company. He was the Deputy Chief Executive Officer and Deputy Managing Director of IJM.

The Company obtained the approval for the Proposed Disposal from its non-interested shareholders at the extraordinary general meeting held on 20 February 2023 and on 28 February 2023, the SSA was completed.

Other than the above-mentioned Proposed Disposal, there were no material contracts entered by the Company and its subsidiaries involving its Directors’, Chief Executive Officer’s and Major Shareholders’ interests, either still subsisting at the end of the financial year or entered into since the end of the previous financial year end.

2.0 MATERIAL CONTRACTS RELATING TO LOANS

There were no material contracts relating to loans entered by the Company and its subsidiaries involving its Directors’, Chief Executive Officer’s and Major Shareholders’ interests, either still subsisting at the end of the financial year or entered into since the end of the previous financial year end.

3.0 STATUS OF UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSALS

KEB Management Sdn Bhd, a wholly-owned subsidiary of the Company, and WCE Maju Sdn Bhd (formerly known as KEB Builders Sdn Bhd), a wholly-owned subsidiary of KEB Plantations Holdings Sdn Bhd (“KEBP”), which in turn is a wholly-owned subsidiary of the Company, had on 25 November 2022 entered into a conditional share sale agreement with IJM Properties Sdn Bhd (“IJMP”) for the proposed disposal of a total of 400,000 ordinary shares in Radiant Pillar Sdn Bhd (“RPSB”) (“Sale Shares”), representing their entire 40% equity interest in RPSB to IJMP, for a total cash consideration of RM494.00 million (“Disposal Consideration”) (“SSA”) (“Proposed Disposal”).

ADDITIONAL COMPLIANCE INFORMATION (CONT'D)

AS AT 31 MARCH 2023

3.0 STATUS OF UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSALS (CONT'D)

The Proposed Disposal was completed on 28 February 2023 and the utilisation of proceeds as at 31 March 2023 is as follows:

	Proposed utilisation RM'000	Utilisation as at 31 Mar 2023 RM'000	Balance as at 31 Mar 2023 RM'000	Intended timeframe for utilisation from 31 Mar 2023 RM'000
- Injection as equity into WCESB	375,610	(40,960)	334,650	Within 11 months
- Payment of non-trade payable	68,250	-	68,520	Within 11 months
- Repayment of a term loan	48,500	(48,500)	-	Completed
- Estimated expenses in relation to the Proposed Disposal	1,640	(1,393)	247	Within 1 month
	494,000	(90,853)	403,147	

4.0 RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

Details of recurrent related party transactions made during the financial year ended 31 March 2023 pursuant to the shareholders' mandate obtained by the Company at the Annual General Meeting held on 29 August 2022 are as follows:

Nature of Transactions Undertaken by the Company and/or its subsidiaries	Transacting Company	Transacted Value (RM'000)	Interested Related Party
Transactions by IJM Corporation Berhad ("IJM") Group			
Project billings for construction work	IJMC-KEB Joint Venture (Note 1)	376,733	IJM (Note 2)
Interest	IJM Construction Sdn Bhd (wholly owned subsidiary of IJM Group)	2,138	IJM (Note 2)
Interest	IJM Properties Sdn Bhd (wholly owned subsidiary of IJM Group)	1,772	IJM (Note 2)
Interest	IJMC-KEB Joint Venture (Note 1)	2,275	IJM (Note 2)

Notes:

1. IJMC-KEB Joint Venture is an unincorporated joint venture with the participating interest of the Company and IJM Construction Sdn Bhd of 30% and 70% respectively.
2. IJM Corporation Berhad is a Major Shareholder of the Company by virtue of its 26.65% direct interest in the Company.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Set out below is the Board of Directors' ("the Board") Statement on Risk Management and Internal Control for WCE Holdings Berhad and its subsidiaries ("the Group"), made in compliance with Paragraph 15.26(b) of the Listing Requirements of Bursa Malaysia Securities Berhad which outlines the key elements of risk management and internal control system within the Group for the financial year ended 31 March 2023.

BOARD'S RESPONSIBILITIES

The Board recognises the importance of a sound system of risk management and internal control in order to achieve good corporate governance. The Board acknowledges that the Board is ultimately responsible for the Group's system of risk management and internal control, which includes the establishment of an appropriate risk management framework, as well as reviewing its adequacy, integrity and effectiveness. The system covers risk management and internal controls relating to financial, operational, achievement of strategic goals and compliance with applicable laws and regulations.

Generally, the Group's system of risk management and internal control is designed to manage the risks to which the Group is exposed to while pursuing its business objectives. The Group's system of risk management and internal control is designed to mitigate rather than eliminate the risks. Therefore, the system of risk management and internal control can only provide reasonable but not absolute assurance against material misstatement, loss or fraud.

RISK MANAGEMENT FRAMEWORK

A sound framework of risk management and internal control is fundamental to good corporate governance. The Risk Management System ("RMS") is used to manage key business risks and to provide assurance to the Board and stakeholders that the risks faced by the Group are adequately and effectively managed and the shareholders' investment and the Group's assets are safeguarded. The effectiveness of the Group's RMS is reviewed and improved, both at the management and the Board levels, as and when necessary.

The Risk Management Committee ("RMC") is chaired by the Chief Executive Officer and its members comprise senior management of the Group. The RMC ensures the Group has in place an ongoing process for the year under review and up to the date of approval of this statement for identifying, evaluating, assessing, monitoring and managing key business risks that may affect the achievement of the Group's business objectives and also ensure that the Group's corporate objectives are achieved within acceptable risk appetite. The review covers responses to significant risks identified including non-compliance with applicable laws, rules, regulations and guidelines and provides assurance to the Board that processes put in place continue to operate adequately and effectively. As the business risk profile changes, new areas are introduced in the risk management process.

Key business risks are documented in the risk profile that addresses risks to the achievement of strategic, financial and operational objectives. The risk profile lists all identified risks and thereafter assesses the likelihood of occurring and its quantitative and qualitative impact to the Group. It also lists controls and measures used to monitor and mitigate those risks.

Risks that are likely or almost certain to occur and have major or catastrophic impact ("Principal Risks") are specially assessed to ascertain measures taken to monitor and mitigate the risks are adequate and effective and are reported to the Audit Committee.

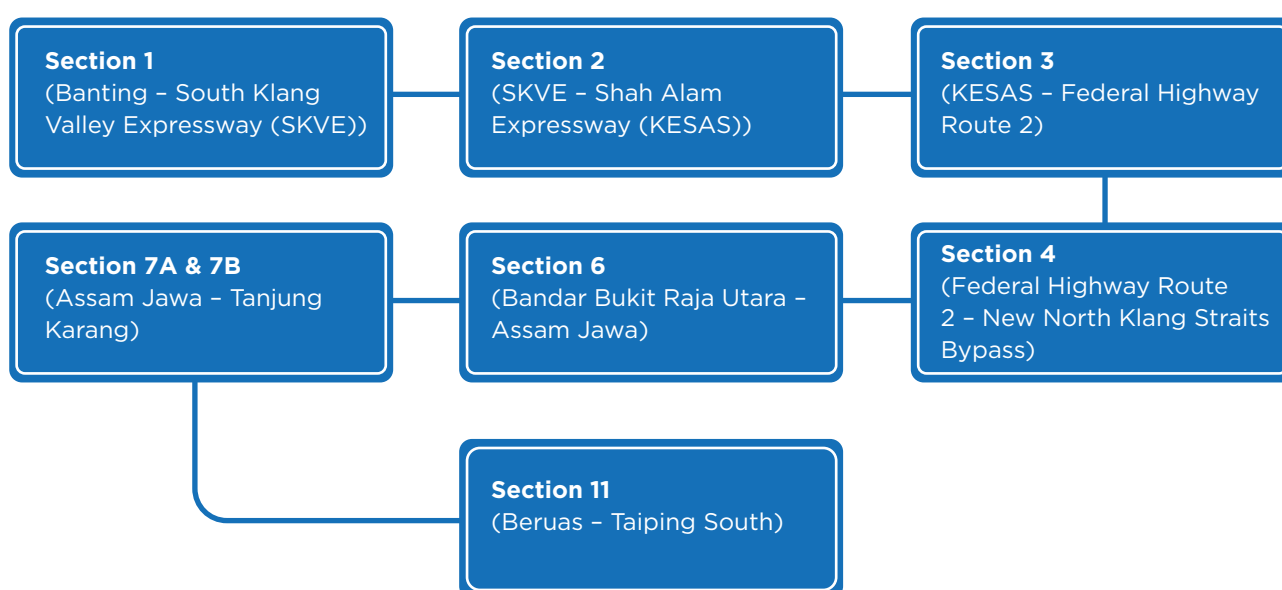
STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

RISK MANAGEMENT FRAMEWORK (CONT'D)

Principal Risks affecting the Group were identified together with mitigating actions established to manage the risk exposure, as presented below:

Delay in Project Completion/Commencement of Toll Operations for Remaining Sections

The West Coast Expressway Project (“WCE Project”) is currently undertaken by West Coast Expressway Sdn Bhd, the 80%-owned subsidiary of the Company. To date, the following sections have yet to be completed:



Delay in physical progress is one of the key inherent risks for the Group. Failure to effectively manage construction progress timelines would result delays in commencement of toll operations of the remaining sections. As such, the Group ensures close monitoring of construction progress through frequent progress meetings and an annual detailed performance evaluation of the contractors to collectively manage and mitigate this exposure.

Financial Risk

The WCE Project requires sufficient funding to meet the overall project costs. In addition, the Government’s decision to impose 18% discount on toll rates for NSE in 2020, will have an adverse impact on traffic volume for the WCE Project.

The funding risk has been mitigated in view of the fundings secured via the Reimbursable Land Cost Financing of up to RM400.00 million and the proceeds of RM494.00 million from share sale of 40% equity interest in Radiant Pillar Sdn Bhd.

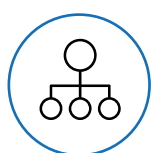
The Group will continue to closely monitor actual traffic performance and cash flow as well as assess debt servicing capability in order to mitigate these financial risks. A Strategic Communication & Stakeholder Department has also been set up to drive the Group’s initiatives to enhance public awareness of the WCE Project. The Group will also continue to engage the relevant Government agencies to address the toll rate discrepancy with NSE.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

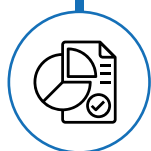
INTERNAL AUDIT'S RESPONSIBILITIES

The Group's internal audit service is outsourced to a professional firm that performs reviews of business processes to assess the effectiveness of internal controls and reports to the Audit Committee. The internal audit provides an assessment as to whether risk, which may hinder the Group from achieving its objectives, are being adequately evaluated, managed and controlled or mitigated. It also evaluates the system of internal control and effectiveness of governance in accordance with the approved annual internal audit plan.

OTHER KEY ELEMENTS OF RISK MANAGEMENT AND INTERNAL CONTROL



Operational organisation structure with defined lines of responsibilities and delegation of authority which facilitates a process of reporting and provides for a documented and auditable trail of accountability;



Management reports, which are presented by the respective division heads to the Management Committee, provide information and updates on the construction progress, land acquisition matters, operations and maintenance activities, traffic performance, financial information, human resource and strategic communications activities;



Executive Committee meetings convened to discuss the Group's operations and performance. The meetings enable the monitoring of results against budget, with significant variance explained and appropriate action taken;



Defined limits of authority for various transactions, including purchasing and payments;



Standing Instructions and Standard Operating Procedures are reviewed and updated as and when necessary to ensure effective management of the Group's operations; and



Review of quarterly financial results by the Audit Committee and the Board.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

JOINT VENTURE

The Statement on Risk Management and Internal Control does not cover the joint venture as the joint venture is jointly controlled by the Group and another joint venture partner. In respect of the joint venture entered by the Group, the Management of the joint venture, which consists of representation from the Group and the other joint-venture partner, are responsible to oversee the administration, operation and performance of the joint venture. Financial and operational reports of this joint venture are provided monthly to the Management of the Group.

BOARD'S COMMITMENT

The Board recognises that the Group operates in a dynamic business environment in which the risk management and internal control system must be responsive in order to be able to support its business objectives. To this end, the Board remains committed towards maintaining a sound system of Risk Management and Internal Control and believe that a balanced achievement of its business objectives and operational efficiency can be attained.

REVIEW OF STATEMENT BY EXTERNAL AUDITORS

As required by Paragraph 15.23 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements, the external auditors have reviewed this Statement on Risk Management and Internal Control performed under a limited assurance engagement. Their limited assurance engagement was performed in accordance with Audit and Assurance Practice Guide 3 ("AAPG 3") issued by the Malaysian Institute of Accountants. AAPG 3 does not require the external auditors to form an opinion on the adequacy and effectiveness of the risk management and internal control systems of the Group.

Based on the procedures performed, nothing had come to their attention that caused them to believe that the Statement on Risk Management and Internal Control set out above was not prepared, in all material respects, in accordance with the disclosures required by paragraph 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, nor was it factually inaccurate.

CONCLUSION

The Board is pleased to report that it has received the assurance from the Chief Executive Officer and the General Manager of Finance and Accounts that the Group's Risk Management and Internal Control system is operating adequately and effectively in all material aspects.

The Board is of the view that the Risk Management and Internal Control system is adequate and effective and there were no material weakness in the system of internal control during the financial year that would have material adverse effect on the results of the Group for the period under review. The Board will continue to take measures to strengthen the internal control environment to safeguard shareholders' investment and the Group's asset.

This Statement is approved by the Board on 6 July 2023.

AUDIT COMMITTEE REPORT

COMPOSITION

Members	Designation
1. Ms Lee Chui Sum (Chairman) (Appointed on 8 February 2023 as a member of Audit Committee and was re-designated as the Chairman of Audit Committee on 1 June 2023)	Independent Non-Executive Director
2. Datuk Wira Hj. Hamza bin Taib	Senior Independent Non-Executive Director
3. Mr Tan Chor Teck	Independent Non-Executive Director
4. Datuk Oh Chong Peng (Re-designated as member of the Audit Committee on 1 June 2023)	Non-Independent Non-Executive Director
5. Mr Tang King Hua	Non-Independent Non-Executive Director

TERMS OF REFERENCE

The following are the terms of reference of the Audit Committee and is available on the Company's website, www.wcehb.com.my.

Constitution

The Audit Committee was established by the Board on 17 July 2003.

Membership

The Committee shall be appointed by the Board of Directors from amongst their numbers and shall consist of not less than 3 members, of whom a majority shall be Independent Directors. An Independent Director shall be one who fulfils the requirement as provided for in the Listing Requirements of Bursa Malaysia Securities Berhad.

At least one member of the Audit Committee must be a member of the Malaysian Institute of Accountants, or if he is not a member of the Malaysian Institute of Accountants, he must have:

- at least 3 years' working experience and passed the examinations specified in Part I of the First Schedule of the Accountants Act 1967, or
- at least 3 years' working experience and is a member of one of the associations of accountants specified in Part II of the First Schedule of the Accountants Act 1967, or
- a degree / masters / doctorate in Accounting or Finance and at least 3 years' post qualification experience in Accounting or Finance, or
- at least 7 years' experience being a Chief Financial Officer of a corporation, or having the function of being primarily responsible for the management of the financial affairs of a corporation.

The members of the Audit Committee shall elect a Chairman from amongst their number, who shall be an Independent Director. If a member of the Audit Committee resigns, dies or for any other reason ceases to be a member with the result that the number of members is reduced to below 3, the Board of Directors shall, within 3 months of that event, appoint such number of new members as may be required to make up the minimum number of 3 members.

No alternate director can be appointed as a member of the Audit Committee.

Former key audit partner are required to observe a cooling-off period of at least three years before being appointed as a member of the Audit Committee.

AUDIT

COMMITTEE REPORT (CONT'D)

Authority

The Audit Committee is granted the authority to investigate any activity of the Company and its subsidiaries within its terms of reference. In particular, the Audit Committee has the authority to:

- have resources, which are required to perform its duties,
- have full and unrestricted access to any information, including any information it requires from any employee, and all employees are directed to co-operate with any request made by the Audit Committee,
- be able to obtain independent professional or other advice, and
- have direct communication channels with the external and internal auditors.

Meetings and Reporting Procedures

The Audit Committee will meet at least four times a year. A quorum for a meeting shall be two members, both being Independent Directors. At least once a year, the Audit Committee shall meet with the External Auditors without any Executive Directors/Chief Executive Officer being present. The External Auditors may request for a meeting with the Board of Directors, if they consider necessary.

The Directors and employees will attend any particular Audit Committee Meeting only at the Audit Committee's invitation, specific to the relevant meeting.

The Company Secretary shall be the secretary of the Audit Committee. Minutes of the meeting shall be duly entered in the books provided therefrom. The minutes will be circulated to all members of the Board of Directors and shall be presented at the Board of Directors' meeting.

Duties and Functions

The duties and functions of the Audit Committee shall be:

- (i) To consider appointment of external auditors, audit fee, and any questions of resignation or dismissal of external auditors before making recommendation to the Board of Directors;
- (ii) To discuss with external auditors before the audit commences, the audit plan, the nature and scope of the audit and to ensure coordination where more than one audit firms are involved;
- (iii) To review the quarterly results and year-end financial statements prior to the approval by the Board of Directors, focusing particularly on:
 - any changes in accounting policies and practices,
 - significant and unusual events,
 - the going concern assumption, and
 - compliance with accounting standards, stock exchange and legal requirements.
- (iv) To review any related party transaction and conflict of interest situation that may arise in the Company including any transaction, procedure or course of conduct that raises questions of management integrity;
- (v) To discuss problems and reservations arising from the interim and final audits, and matters the auditors may wish to discuss (in the absence of management where necessary);

AUDIT

COMMITTEE REPORT (CONT'D)

Duties and Functions (Cont'd)

- (vi) In relation to Internal Audit function/service:
- to review the adequacy of the scope, functions, competency and resources of the internal audit function/service that it has the necessary authority to carry out its work;
 - to review the internal audit programme and results of the internal audit process and, where necessary, ensure that appropriate actions are taken on the recommendations of the internal audit function/service;
 - to review any appraisal or assessment of the performance of members of the internal audit function/service;
 - to approve any appointment or termination of senior staff members of the internal audit function/service; and
 - to take cognizance of resignations of internal audit staff members and provide the resigning staff member an opportunity to submit his reason for resigning.
- (vii) To keep under review the effectiveness of Internal Control system and in particular review External Auditors' management letter and management's response;
- (viii) To review the audit reports;
- (ix) To review the reports of the Risk Management Committee;
- (x) To make periodic report to the Board of Directors summarizing the work performed in fulfilling the Audit Committee's primary responsibilities;
- (xi) In relation to bribery and corruption:
- to evaluate and investigate any issues reported directly to the Audit Committee,
 - to provide directions to the Compliance Officer in relation to the Compliance Officer's roles and responsibilities as and when deemed necessary or upon request from Compliance Officer,
 - to assess reports, updates and/or alerts provided by the Compliance Officer on a half yearly basis and as and when a report, update and/or alert arises, and
 - to review time from time the anti-bribery and corruption policies and procedures as and when necessary by Audit Committee or upon request from the Compliance Officer or upon Board of Directors directions.
- (xii) To consider other topics, as defined by the Board of Directors.

ATTENDANCE AT AUDIT COMMITTEE MEETINGS

During the financial year ended 31 March 2023, there were five (5) Audit Committee Meetings held and the number of meetings attended by each Audit Committee member are as follows:

Audit Committee Members		Number of Meetings Attended
1.	Datuk Oh Chong Peng (Chairman for all 5 out of 5 meetings before being re-designated as a member of the Audit Committee on 1 June 2023)	5 out of 5
2.	Ms Lee Chui Sum	1 out of 1
3.	Datuk Wira Hj. Hamza bin Taib	5 out of 5
4.	Mr Tan Chor Teck	5 out of 5
5.	Mr Tang King Hua	5 out of 5

AUDIT

COMMITTEE REPORT (CONT'D)

REVIEW OF THE AUDIT COMMITTEE

An annual assessment and evaluation on the performance and effectiveness of the Audit Committee was undertaken by the Board of Directors for the financial year ended 31 March 2023. The Audit Committee was assessed based on four (4) key areas, namely effectiveness and quality, internal and external audit, risk management and internal control and financial reporting, to determine whether the Audit Committee had carried out its duties in accordance with its terms of reference.

SUMMARY OF AUDIT COMMITTEE ACTIVITIES

During the financial year ended 31 March 2023, the Audit Committee carried out its duties, amongst others, in accordance with its terms of reference, as follows:

- (i) Reviewed the quarterly financial results prior to recommending them for consideration and approval by the Board of Directors;
- (ii) Reviewed and discussed External Auditors the audit planning memorandum before commencement of the year end audit;
- (iii) Reviewed and discussed with External Auditors' findings during the course of their audit and Management's response;
- (iv) Reviewed the Annual Audited Financial Statements and recommended for approval by the Board of Directors;
- (v) Reviewed and deliberated the Recurrent Related Party Transactions;
- (vi) Reviewed and approved the appointment of outsourced professional firm engaged to assist to perform Internal Audit Services;
- (vii) Reviewed and deliberated the Internal Audit reports; and
- (viii) Reviewed Enterprise Risk Management report presented by the Risk Management Committee.
- (ix) On 23 November 2022, reviewed and evaluated the proposed disposal of the entire 40% equity interest in Radiant Pillar Sdn Bhd held by the Company and its subsidiaries to IJM Properties Sdn Bhd, a wholly-owned subsidiary of IJM Land Berhad, which in turn is a wholly-owned subsidiary of IJM Corporation Berhad, which is a major shareholder of the Company. The Audit Committee, after having considered all aspects of the proposed disposal and the evaluation of the independent adviser on the fairness and reasonableness of the proposed disposal, is of the opinion that the proposed disposal is in the best interest of the Company, fair, reasonable and on normal commercial terms and not detrimental to the interest on the non-interested shareholders of the Company.

AUDIT

COMMITTEE REPORT (CONT'D)

Financial Reporting

In overseeing the Company's financial reporting, the Audit Committee reviewed the quarterly financial reports and the annual audited financial statements. The quarterly financial reports for the first, second, third and fourth quarters ended 31 March 2023 which were prepared in compliance with the Malaysian Financial Reporting Standards (MFRSs) 134 Interim Financial Reporting, International Accounting Standards 34 Interim Financial Reporting and paragraph 9.22, including Appendix 9B of the Main Market Listing Requirement (MMLR), were reviewed at the Audit Committee meetings on 23 August 2022, 23 November 2022, 22 February 2023 and 25 May 2023 respectively.

On 6 July 2023, the Audit Committee reviewed the annual audited financial statements for financial year ended 31 March 2023.

In all of the deliberations, the Chief Executive Officer had given the following assurances to the Audit Committee:

- (a) Appropriate accounting policies had been adopted and applied consistently,
- (b) The going concern basis applied in the Interim Financial Reports and Annual Financial Statements was appropriate,
- (c) Prudent judgement and reasonable estimates had been made in accordance with the requirements set out in the MFRSs,
- (d) Adequate processes and controls were in place for effective and efficient financial reporting and disclosures under the MFRSs and MMLR, and
- (e) The Interim Financial Reports and Annual Financial Statements did not contain material misstatements and gave a true and fair view of the financial position of the Company and of the Group.

External Audit (EA)

On 23 November 2022, the Audit Committee reviewed the External Auditors' Audit Planning Memorandum (APM) for the audit for the financial year ended 31 March 2023 outlining the scope of their audit work including other related services such as Review of Statement on Risk Management and Internal Controls, and the Reading of Other Information. The APM also provided an explicit assurance to the Audit Committee that the External Auditors have complied with the requirements for independence in accordance with the terms of all relevant professional and regulatory requirements. In addition to the above, the APM also contained information on the Malaysian Accounting Standards Board's Approved Accounting Standards that have been issued but are yet to be effective and any amendment to the Standards thereof.

On 25 May 2023, the Audit Committee discussed the External Auditor's Audit Committee Memorandum (ACM) for the financial year ended 31 March 2023 that detailed the status, significant findings and outstanding matters of the annual audit. The ACM provided explicit assurance to the Audit Committee that the External Auditors have complied with the requirements for independence in accordance with the terms of all relevant professional and regulatory requirements. On 6 July 2023, the Audit Committee reviewed the Audited Financial Statement (AFS) for the financial year ended 31 March 2023.

The External Auditors discussed with the Audit Committee on certain area in the AFS and the key audit matters (KAM) stated in the Independent Auditors' Report to the Members of the Company. The Audit Committee deliberated on the KAMs and satisfied the audit procedures carried out by the External Auditors are sufficient. In addition, the Audit Committee opines that significant judgments and estimates provided by senior management to the Board of Directors and the External Auditors were sound and reasonable. Therefore, the Audit Committee recommended the AFS to the Board for approval.

AUDIT

COMMITTEE REPORT (CONT'D)

INTERNAL AUDIT SERVICE

The Audit Committee is supported by the Internal Audit service provided by an independent professional service provider. The Committee is aware of the fact that the Internal Audit Service is essential to assist in obtaining assurance regarding the effectiveness of the system of Internal Control in the Group.

The primary objective of the Internal Audit service is to review the effectiveness of the system of internal control and this is performed with impartiality, proficiency and with due professional care. The Internal Audit Service enables the Audit Committee to discharge its duties by undertaking independent regular and systematic reviews of the system of internal control, so as to provide reasonable assurance that such system continues to operate satisfactorily and effectively.

The internal audit approach was risk based and in compliance with the IIA Standard. During the financial year, the internal audit service carried out three internal audit assessments on the Group.

The internal audit service assessed key internal controls for processes and key associated risks in the following areas:

- (a) Project Management
 - Compliance reviews and validity checks on subcontractors' work permits and CIBD green card.
- (b) Information Technology (IT)
 - User endpoint device security monitoring and controls
 - Cybersecurity awareness training
 - Workstation security and data encryption policies
- (c) Human Resource
 - Succession planning management
 - Performance appraisal review documentation
- (d) Anti-Bribery and Anti-Corruption Framework ("ABAC")
 - Compliance review on the policies and procedures
 - Documentation flow and processes
 - Training programme management for employees

The internal audit reports were deliberated by the Audit Committee and recommended the decision and resolutions made at the Audit Committee meetings for the approval of the Board.

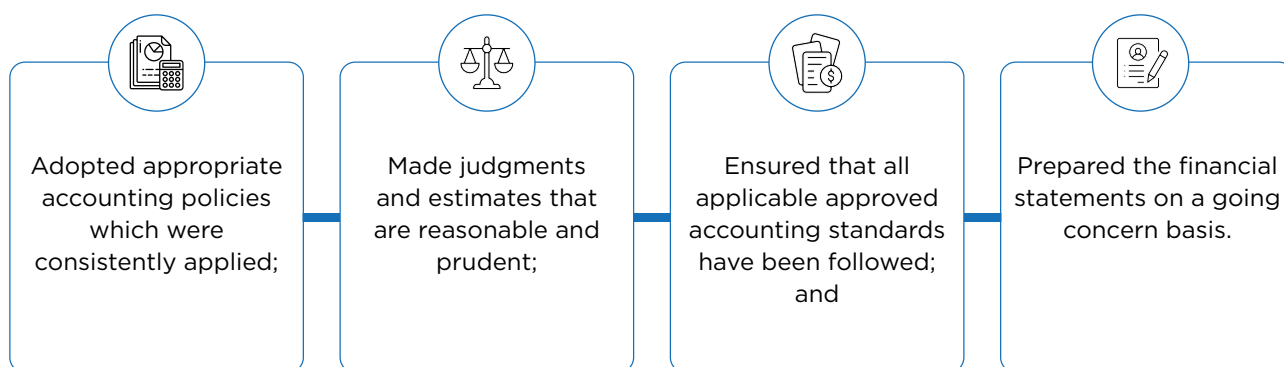
Total cost incurred in respect of internal audit services during the financial year ended 31 March 2023 was RM87,000.00.

STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE PREPARATION OF FINANCIAL STATEMENTS

The Directors are required by the Companies Act 2016 (“the Act”) to prepare financial statements for each financial year in accordance with the provisions of the Act, the applicable approved accounting standards in Malaysia and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The Directors are responsible for ensuring the financial statements give a true and fair view of the financial position of the Group and of the Company at the end of the financial year and of their financial performance and cash flows for the financial year then ended.

In preparing the financial statements for the financial year ended 31 March 2023, the Directors have:



The Directors are responsible for ensuring that the Company keeps accounting records, which disclose with reasonable accuracy the financial position of the Group and of the Company and comply with the provisions of the Act. The Directors are also responsible for taking reasonable steps to safeguard the assets of the Group and of the Company and to prevent and detect material fraud and other irregularities.

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

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DIRECTORS' REPORT

DIRECTORS' REPORT

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

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of its subsidiaries and associate are disclosed in Note 8 and Note 9 to the financial statements.

There have been no significant changes in the nature of these activities during the financial year other than the disposal of associate as disclosed in the Note 9 to the financial statements.

RESULTS

	Group RM'000	Company RM'000
Profit for the financial year, net of tax	72,594	376,254
Attributable to:		
Owners of the Company	97,270	376,254
Non-controlling interests	(24,676)	-
	72,594	376,254

DIVIDEND

No dividend has been paid or declared by the Company since the end of the previous financial year.

The directors do not recommend the payment of any dividends in respect of the financial year ended 31 March 2023.

RESERVES AND PROVISIONS

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

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were prepared, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and had satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts.

At the date of this report, the directors are not aware of any circumstances which would render the amount written off for bad debts or the amount of allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent.

DIRECTORS' REPORT (CONT'D)

CURRENT ASSETS

Before the financial statements of the Group and of the Company were prepared, the directors took reasonable steps to ensure that any current assets which were unlikely to be realised in the ordinary course of business including their values as shown in the accounting records of the Group and of the Company 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 which would render the values attributed to the current assets in the financial statements of the Group and of the Company misleading.

VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

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

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

In the opinion of the directors, no contingent or other liability of the Group or of the Company 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 or of the Company to meet their obligations as and when they fall due.

CHANGE OF CIRCUMSTANCES

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

ITEMS OF MATERIAL AND UNUSUAL NATURE

In the opinion of the directors,

- (i) the results of the operations of the Group and of the Company for the financial year were not substantially affected by any item, transaction or event of a material and unusual nature other than the gain arising from disposal of investment in an associate as disclosed in Note 25 to the financial statements; and
- (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

DIRECTORS' REPORT (CONT'D)

AUDITORS' REMUNERATION

During the financial year, the total auditors' remuneration for the Group and the Company were RM371,000 and RM181,000 respectively.

The Company has agreed to indemnify the auditors of the Company as permitted under Section 289 of the Companies Act 2016 in Malaysia.

ISSUE OF SHARES AND DEBENTURES

During the financial year, no new issue of shares or debentures were made by the Company.

WARRANTS

The salient term of the warrants is disclosed in Note 15 to the financial statements.

There were no warrants exercised during the financial year.

DIRECTORS

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

Datuk Ir. Hamzah bin Hasan*
Datuk Oh Chong Peng
Lee Chun Fai
Tang King Hua*
Datuk Wira Hj. Hamza bin Taib
Vuitton Pang Hee Cheah
Tan Chor Teck
Lee Chui Sum

(Appointed on 8 February 2023)

* *Directors of the Company and a subsidiary.*

Other than as stated above, the names of the directors of the subsidiaries of the Company in office during the financial year and during the period from the end of the financial year to the date of the report are:

Dato' David Frederick Wilson
Lyndon Alfred Felix
Gnanasekaran A/L Mariasoosay

DIRECTORS' REPORT (CONT'D)

DIRECTORS' INTERESTS

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

	Number of ordinary shares			At 31 March 2023	#
	At 1 April 2022	Bought	Sold		
<i>Direct interests:</i>					
Tang King Hua	1,050,000	-	-	1,050,000	
Tan Chor Teck	216,000	-	-	216,000	
<i>Indirect interests:</i>					
Tan Chor Teck	720,000	-	-	720,000	#

	Number of warrants			At 31 March 2023	#
	At 1 April 2022	Bought	Sold		
<i>Direct interests:</i>					
Tang King Hua	175,000	-	-	175,000	
Tan Chor Teck	36,000	-	-	36,000	
<i>Indirect interests:</i>					
Tan Chor Teck	120,000	-	-	120,000	#

Deemed interest via shares held by Simansu Sdn. Bhd. by virtue of Section 8(4) of the Companies Act 2016 in Malaysia.

Other than as stated above, none of the other directors in office at the end of the financial year had any interest in shares or debentures of the Company and its related corporations during the financial year.

DIRECTORS' REPORT (CONT'D)

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director of the Company has received or become entitled to receive any benefit by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest, other than the directors' remunerations as follows:

	Group RM'000	Company RM'000
Directors of the Company:		
Fees	1,116	1,116
Other emoluments	61	61
Estimated monetary value of benefits-in-kind	13	-
	1,190	1,177
Directors of subsidiaries:		
Salaries and other emoluments	1,397	775
Employees Provident Fund	211	124
Estimated monetary value of benefits-in-kind	33	25
	1,641	924
	2,831	2,101

Neither during, nor at the end of the financial year, was the Company a party to any arrangements where the object is to enable the directors to acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate.

INDEMNITY TO DIRECTORS AND OFFICERS

During the financial year, the total indemnity insurance effected for and insurance premium paid for the directors and officers of the Group were RM30,000,000 and RM37,065 respectively.

SUBSIDIARIES

The details of the Company's subsidiaries are disclosed in Note 8 to the financial statements.

The auditors' report on the accounts of the subsidiaries did not contain any qualification.

AUDITORS

The auditors, Messrs. Baker Tilly Monteiro Heng PLT, have expressed their willingness to continue in office.

DIRECTORS' REPORT (CONT'D)

This report was approved and signed on behalf of the Board of Directors in accordance with a resolution of the directors:

.....
DATUK IR. HAMZAH BIN HASAN
Director

.....
DATUK OH CHONG PENG
Director

Kuala Lumpur

Date: 6 July 2023

STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2023

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	5	3,650	3,294	318	161
Goodwill on consolidation	6	5,369	5,369	-	-
Infrastructure development expenditure	7	6,200,056	5,642,399	-	-
Investment in subsidiaries	8	-	-	160,996	160,746
Investment in associate	9	-	246,687	-	-
Other investments	10	-	-	1,102,000	1,026,960
Other receivables	11	-	-	328,620	243,373
Deferred tax assets	12	74,193	57,764	-	-
Total non-current assets		6,283,268	5,955,513	1,591,934	1,431,240
Current assets					
Trade and other receivables	11	220,933	23,866	34,712	37,796
Contract assets	20	3,085	84	-	-
Current tax assets		1,087	257	-	-
Other investments	10	230,872	30,001	199,480	2,765
Cash and short-term deposits	13	513,031	425,355	14,721	13,659
Total current assets		969,008	479,563	248,913	54,220
TOTAL ASSETS		7,252,276	6,435,076	1,840,847	1,485,460

STATEMENTS OF FINANCIAL POSITION (CONT'D)

AS AT 31 MARCH 2023

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
EQUITY AND LIABILITIES					
Equity attributable to the owners of the Company					
Share capital	14	1,509,087	1,509,087	1,509,087	1,509,087
Warrant reserve	15	90,246	90,246	90,246	90,246
Accumulated losses		(490,506)	(587,776)	(4,955)	(381,209)
		1,108,827	1,011,557	1,594,378	1,218,124
Non-controlling interests		(56,067)	(31,391)	-	-
TOTAL EQUITY		1,052,760	980,166	1,594,378	1,218,124
Non-current liabilities					
Loans and borrowings	17	4,119,506	3,794,947	8	39
Deferred income	18	1,057,528	793,560	-	-
Deferred tax liabilities	12	79,312	69,654	74,193	53,730
Other payables	19	532,494	404,249	-	-
Total non-current liabilities		5,788,840	5,062,410	74,201	53,769
Current liabilities					
Provisions	16	72,114	44,814	25,789	44,814
Loans and borrowings	17	40	30,686	40	30,686
Current tax liabilities		6,304	6,465	6,271	6,432
Trade and other payables	19	306,804	289,043	131,472	114,314
Contract liabilities	20	25,414	21,492	8,696	17,321
Total current liabilities		410,676	392,500	172,268	213,567
TOTAL LIABILITIES		6,199,516	5,454,910	246,469	267,336
TOTAL EQUITY AND LIABILITIES		7,252,276	6,435,076	1,840,847	1,485,460

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

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Revenue	21	506,770	606,911	419,707	104,617
Cost of sales	22	(522,706)	(620,064)	(112,475)	(138,270)
Gross (loss)/profit		(15,936)	(13,153)	307,232	(33,653)
Other income		3,245	1,415	1,417	47
Administrative expenses		(9,161)	(4,938)	(5,316)	(4,401)
Net reversal of impairment losses on financial instruments		-	-	12,391	14,047
Other expenses		(941)	(2,595)	(87)	(81)
Operating (loss)/profit		(22,793)	(19,271)	315,637	(24,041)
Finance income	23	248	108	86,470	79,929
Finance costs	24	(156,767)	(143,036)	(5,390)	(4,063)
Share of results of associate, net of tax		39,285	22,859	-	-
Gain on disposal of investment in associate		208,028	-	-	-
Profit/(Loss) before tax	25	68,001	(139,340)	396,717	51,825
Income tax credit/(expense)	26	4,593	(3,911)	(20,463)	(18,085)
Profit/(Loss) for the financial year		72,594	(143,251)	376,254	33,740
Other comprehensive income, net of tax		-	-	-	-
Total comprehensive income/(loss) for the financial year		72,594	(143,251)	376,254	33,740
Profit/(Loss) attributable to:					
Owners of the Company		97,270	(115,484)	376,254	33,740
Non-controlling interests		(24,676)	(27,767)	-	-
		72,594	(143,251)	376,254	33,740
Total comprehensive income/(loss) attributable to:					
Owners of the Company		97,270	(115,484)	376,254	33,740
Non-controlling interests		(24,676)	(27,767)	-	-
		72,594	(143,251)	376,254	33,740
Earnings/(Loss) per ordinary share (sen)					
Basic earnings/(loss) per ordinary share	27	3.26	(4.50)		
Diluted earnings/(loss) per ordinary share	27	3.26	(4.50)		

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

Group	Note	Ordinary shares RM'000	Redeemable convertible preference shares ("RCPS") RM'000	Warrant reserve RM'000	Accumulated losses RM'000	Sub-total RM'000	Non- controlling interests RM'000	Total equity RM'000
At 1 April 2021		1,231,802	232,400	90,246	(472,292)	1,082,156	(3,624)	1,078,532
Total comprehensive loss for the financial year								
Loss for the financial year		-	-	-	(115,484)	(115,484)	(27,767)	(143,251)
Total comprehensive loss		-	-	-	(115,484)	(115,484)	(27,767)	(143,251)
Transaction with owners								
Conversion of RCPS	14	277,285	(232,400)	-	-	44,885	-	44,885
		277,285	(232,400)	-	-	44,885	-	44,885
At 31 March 2022		1,509,087	-	90,246	(587,776)	1,011,557	(31,391)	980,166
Total comprehensive income/ (loss) for the financial year								
Profit/(Loss) for the financial year		-	-	-	97,270	97,270	(24,676)	72,594
Total comprehensive income/(loss)		-	-	-	97,270	97,270	(24,676)	72,594
At 31 March 2023		1,509,087	-	90,246	(490,506)	1,108,827	(56,067)	1,052,760

STATEMENTS OF CHANGES IN EQUITY (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

Company	Note	Ordinary shares RM'000	Redeemable convertible preference shares ("RCPS") RM'000	Warrant reserve RM'000	Accumulated losses RM'000	Total equity RM'000
At 1 April 2021		1,231,802	232,400	90,246	(414,949)	1,139,499
Total comprehensive income for the financial year						
Profit for the financial year		-	-	-	33,740	33,740
Total comprehensive income		-	-	-	33,740	33,740
Transaction with owners						
Conversion of RCPS	14	277,285	(232,400)	-	-	44,885
		277,285	(232,400)	-	-	44,885
At 31 March 2022		1,509,087	-	90,246	(381,209)	1,218,124
Total comprehensive income for the financial year						
Profit for the financial year		-	-	-	376,254	376,254
Total comprehensive income		-	-	-	376,254	376,254
At 31 March 2023		1,509,087	-	90,246	(4,955)	1,594,378

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Cash flows from operating activities					
Profit/(Loss) before tax		68,001	(139,340)	396,717	51,825
Adjustments for:					
Amortisation of deferred income		(1,139)	(792)	-	-
Amortisation of infrastructure development expenditure		7,238	4,739	-	-
Depreciation of property, plant and equipment		501	426	117	107
Distribution income from other investments		(111)	(197)	(56)	(31)
Fair value (gain)/loss on other investments		(1,780)	815	(1,259)	913
Gain on disposal of property, plant and equipment		(100)	-	(100)	-
Impairment loss on amount owing by subsidiaries		-	-	34	-
Impairment loss no longer required on:					
- amount owing by subsidiaries		-	-	(12,425)	(14,047)
- investment in subsidiaries		-	-	(250)	-
Interest income:					
- deposits with licensed banks		(248)	(108)	(248)	(107)
- murabahah loan stocks		-	-	(85,247)	(78,733)
- others		-	-	(975)	(1,089)
Finance costs		156,767	143,036	5,390	4,063
Gain on disposal of investment in associate		(208,028)	-	-	-
Dividend income		-	-	(302,893)	-
Profit arising from IC Interpretation 12 service concession arrangements		(4,304)	(5,693)	-	-
Net provisions/(unused amount reversed)		41,033	23,237	(8,927)	23,237
Share of results of associate		(39,285)	(22,859)	-	-
Operating profit/(loss) before changes in working capital		18,545	3,264	(10,122)	(13,862)
<u>Changes in working capital:</u>					
Trade and other receivables		(1,561)	8,193	3,083	25,132
Trade and other payables		(3,666)	(73,472)	8,854	(10,429)
Contract assets		(3,001)	(84)	-	-
Contract liabilities		3,922	4,147	(8,625)	5,762
Cash generated from/(used in) operations		14,239	(57,952)	(6,810)	6,603
Income tax paid		(3,169)	(3,402)	(161)	(368)
Dividend received		-	-	302,893	-
Net cash from/(used in) operating activities		11,070	(61,354)	295,922	6,235

STATEMENTS OF CASH FLOWS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Cash flows from investing activities					
Additions to property, plant and equipment		(1,067)	(1,109)	(316)	-
Additions to infrastructure development expenditure	7	(438,931)	(563,598)	-	-
Interest received		11,054	11,183	1,223	1,196
Subscription of murabahah loan stocks of a subsidiary		-	-	(75,040)	(53,112)
Net change in amount owing by subsidiaries (Placement)/Withdrawal of other investments		-	-	12,392	(23,072)
Proceeds from disposal of property, plant and equipment		(198,980)	4,429	(195,400)	11,499
Proceeds from disposal of associate		156	92	156	-
(Placement)/Withdrawal of fixed deposits		296,400	-	-	-
		(57,966)	96,196	-	-
Net cash used in investing activities		(389,334)	(452,807)	(256,985)	(63,489)
Cash flows from financing activities	(a)				
Drawdown of government support loan		50,000	111,000	-	-
Drawdown of term loans		117,153	177,037	-	30,660
Repayment of term loans		(30,660)	-	(30,660)	-
Drawdown of reimbursable land cost financing		400,000	-	-	-
Proceeds from conversion of RCPS		-	44,885	-	44,885
Issuance of murabahah loan stocks		18,760	23,420	-	-
Interest paid		(147,248)	(130,795)	(5,390)	(4,061)
Net change in amount owing to subsidiaries		-	-	(1,794)	(3,480)
Payments of lease liabilities		(31)	(28)	(31)	(28)
Net cash from/(used in) financing activities		407,974	225,519	(37,875)	67,976
Net increase/(decrease) in cash and cash equivalents		29,710	(288,642)	1,062	10,722
Cash and cash equivalents at the beginning of the financial year		321,636	610,278	13,659	2,937
Cash and cash equivalents at the end of the financial year	13	351,346	321,636	14,721	13,659

STATEMENTS OF CASH FLOWS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

(a) Reconciliation of liabilities arising from financing activities:

	1 April 2022 RM'000	Cash flows RM'000	Deferred Income RM'000	Non-cash Transaction costs RM'000	Other changes RM'000	31 March 2023 RM'000
Group						
Bond - Sukuk Murabahah ("Sukuk")	941,278	-	-	4,194	-	945,472
Government support loan	1,333,748	50,000	(10,209)	(225)	-	1,373,314
Term loans	1,293,802	86,493	-	(185)	-	1,380,110
Murabahah loan stocks	256,740	18,760	-	-	-	275,500
Reimbursable land cost	-	400,000	(254,898)	-	-	145,102
Lease liabilities	65	(31)	-	-	14	48
Amount owing to subsidiaries of a major shareholder of the Group	51,529	-	-	-	(3,503)	48,026
	3,877,162	555,222	(265,107)	3,784	(3,489)	4,167,572

	1 April 2021 RM'000	Cash flows RM'000	Deferred Income RM'000	Non-cash Transaction costs RM'000	Other changes RM'000	31 March 2022 RM'000
Group						
Bond - Sukuk Murabahah ("Sukuk")	937,316	-	-	3,962	-	941,278
Government support loan	1,232,562	111,000	(9,783)	(31)	-	1,333,748
Term loans	1,116,885	177,037	-	(120)	-	1,293,802
Murabahah loan stocks	233,320	23,420	-	-	-	256,740
Lease liabilities	80	(28)	-	-	13	65
Amount owing to subsidiaries of a major shareholder of the Group	53,217	-	-	-	(1,688)	51,529
	3,573,380	311,429	(9,783)	3,811	(1,675)	3,877,162

STATEMENTS OF CASH FLOWS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

(a) Reconciliation of liabilities arising from financing activities: (Cont'd)

	1 April 2022 RM'000	Cash flows RM'000	<u>Non-cash</u> Other changes RM'000	31 March 2023 RM'000
Company				
Term loan	30,660	(30,660)	-	-
Lease liabilities	65	(31)	14	48
Amount owing to subsidiaries	65,847	(1,794)	-	64,053
	96,572	(32,485)	14	64,101

	1 April 2021 RM'000	Cash flows RM'000	<u>Non-cash</u> Other changes RM'000	31 March 2022 RM'000
Company				
Term loan	-	30,660	-	30,660
Lease liabilities	80	(28)	13	65
Amount owing to subsidiaries	69,327	(3,480)	-	65,847
	69,407	27,152	13	96,572

(b) **Total cash outflows for leases**

During the financial year, the Group and the Company had total cash outflows for leases of RM38,000 and RM38,000 (2022: RM58,000 and RM39,000) respectively.

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

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

WCE Holdings Berhad (“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 Unit 30-01, Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur.

The principal place of business of the Company is located at Jalan Meru/KU5, Bandar Bukit Raja, Klang, 41050, Selangor Darul Ehsan.

The principal activity of the Company is investment holding. The principal activities of its subsidiaries and associate are disclosed in Note 8 and Note 9 to the financial statements.

There have been no significant changes in the nature of these activities during the financial year other than the disposal of associate as disclosed in Note 9 to the financial statements.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 6 July 2023.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

2.2 Adoption of amendments/improvements to MFRSs

The Group and the Company have adopted the following amendments/improvements to MFRSs for the current financial year:

Amendments/Improvements to MFRSs

MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards
MFRS 3	Business Combinations
MFRS 9	Financial Instruments
MFRS 116	Property, Plant and Equipment
MFRS 137	Provisions, Contingent Liabilities and Contingent Assets
MFRS 141	Agriculture

The adoption of the above amendments/improvements to MFRSs did not have any significant effect on the financial statements of the Group and of the Company, and did not result in significant changes to the Group’s and the Company’s existing accounting policies.

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

2. BASIS OF PREPARATION (CONT'D)

2.3 New MFRS and amendments/improvements to MFRSs that have been issued, but yet to be effective

The Group and the Company have not adopted the following new MFRS and amendments/improvements to MFRSs that have been issued, but yet to be effective:

	Effective for financial periods beginning on or after
<u>New MFRS</u>	
MFRS 17 Insurance Contracts	1 January 2023
<u>Amendments/Improvements to MFRSs</u>	
MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards	1 January 2023 [#]
MFRS 3 Business Combinations	1 January 2023 [#]
MFRS 5 Non-current Assets Held for Sale and Discontinued Operations	1 January 2023 [#]
MFRS 7 Financial Instruments: Disclosures	1 January 2023 [#] / 1 January 2024
MFRS 9 Financial Instruments	1 January 2023 [#]
MFRS 10 Consolidated Financial Statements	Deferred
MFRS 15 Revenue from Contracts with Customers	1 January 2023 [#]
MFRS 16 Leases	1 January 2024
MFRS 17 Insurance Contracts	1 January 2023
MFRS 101 Presentation of Financial Statements	1 January 2023/ 1 January 2023 [#] / 1 January 2024
MFRS 107 Statements of Cash Flows	1 January 2023 [#] / 1 January 2024
MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2023
MFRS 112 Income Taxes	1 January 2023
MFRS 116 Property, Plant and Equipment	1 January 2023 [#]
MFRS 119 Employee Benefits	1 January 2023 [#]
MFRS 128 Investments in Associates and Joint Ventures	Deferred/ 1 January 2023 [#]
MFRS 132 Financial Instruments: Presentation	1 January 2023 [#]
MFRS 136 Impairment of Assets	1 January 2023 [#]
MFRS 137 Provisions, Contingent Liabilities and Contingent Assets	1 January 2023 [#]
MFRS 138 Intangible Assets	1 January 2023 [#]
MFRS 140 Investment Property	1 January 2023 [#]

[#] Amendments as to the consequence of effective of MFRS 17 Insurance Contracts.

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

2. BASIS OF PREPARATION (CONT'D)

2.3 New MFRS and amendments/improvements to MFRSs that have been issued, but yet to be effective (Cont'd)

2.3.1 The Group and the Company plan to adopt the above applicable amendments/ improvements to MFRSs when they become effective. A brief discussion on the above significant new MFRS and amendments/improvements to MFRSs that may be applicable to the Group and the Company are summarised below.

Amendments to MFRS 101 Presentation of Financial Statements

The amendments include specifying that an entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period; clarifying that classification of liability is unaffected by the likelihood of the entity to exercise its right to defer settlement of the liability for at least twelve months after the reporting period; clarifying how lending conditions affect classification of a liability; and clarifying requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments.

In another amendments, an entity is required to disclose its material accounting policy information rather than significant accounting policies. The amendments, amongst others, also include examples of circumstances in which an entity is likely to consider an accounting policy information to be material to its financial statements. To support this amendments, MFRS Practice Statement 2 was also amended to provide guidance on how to apply the concept of materiality to accounting policy information disclosures. The guidance and examples provided in the MFRS Practice Statement 2 highlight the need to focus on entity-specific information and demonstrate how the four-step materiality process can address standardised (or boilerplate) information and duplication of requirements of MFRSs in the accounting policy information disclosures.

The latest amendments to MFRS 101 clarify how conditions with which an entity must comply within 12 months after the reporting period affect the classification of a liability. As such, the amendments specify that covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date. Instead, the amendments require an entity to disclose information about these covenants in the notes to the financial statements.

The initial application of the above applicable amendments/improvements to MFRSs is not expected to have material impact to the current and prior years financial statements of the Group and of the Company.

2.4 Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which they operate ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency, and has been rounded to the nearest thousand, unless otherwise stated.

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

2. BASIS OF PREPARATION (CONT'D)

2.5 Basis of measurement

The financial statements of the Group and of the Company have been prepared on the historical cost basis, except as otherwise disclosed in Note 3 to the financial statements.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Unless otherwise stated, the following accounting policies have been applied consistently to all the financial years presented in the financial statements of the Group and of the Company.

3.1 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. The financial statements of the subsidiaries, associates and joint operations used in the preparation of the consolidated financial statements are prepared for the same reporting period as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

(i) Subsidiaries and business combination

Subsidiaries are entities (including structured entities) over which the Group is exposed, or has rights, to variable returns from its involvement with the acquirees and has the ability to affect those returns through its power over the acquirees.

The financial statements of subsidiaries are included in the consolidated financial statements from the date the Group obtains control of the acquirees until the date the Group loses control of the acquirees.

The Group applies the acquisition method to account for business combinations from the acquisition date.

For a new acquisition, goodwill is initially measured at cost, being the excess of the following:

- the fair value of the consideration transferred, calculated as the sum of the acquisition-date fair value of assets transferred (including contingent consideration), the liabilities incurred to former owners of the acquiree and the equity instruments issued by the Group. Any amounts that relate to pre-existing relationships or other arrangements before or during the negotiations for the business combination, that are not part of the exchange for the acquiree, will be excluded from the business combination accounting and be accounted for separately; plus
- the recognised amount of any non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets at the acquisition date (the choice of measurement basis is made on an acquisition-by-acquisition basis); plus
- if the business combination is achieved in stages, the acquisition-date fair value of the previously held equity interest in the acquiree; less
- the net fair value of the identifiable assets acquired and the liabilities (including contingent liabilities) assumed at the acquisition date.

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.1 Basis of consolidation (Cont'd)

(i) Subsidiaries and business combination (Cont'd)

The accounting policy for goodwill is set out in Note 3.6 to the financial statements.

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

(ii) Non-controlling interests

Non-controlling interests represent the equity in subsidiaries not attributable directly or indirectly, to owners of the Company and are presented separately in the consolidated statement of financial position within equity.

Losses attributable to the non-controlling interests are allocated to the non-controlling interests even if the losses exceed the non-controlling interests.

(iii) Associates

Associates are entities over which the Group has significant influence, but not control, to the financial and operating policies.

Investment in associates are accounted for in the consolidated financial statements using the equity method.

Under the equity method, the investment in associates are initially recognised at cost. The cost of investment includes transaction costs. Subsequently, the carrying amount is adjusted to recognise changes in the Group's share of net assets of the associate.

When the Group's share of losses exceeds its interest in an associate, the carrying amount of that interest including any long-term investments is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the associate.

When the Group ceases to have significant influence over an associate, any retained interest in the former associate at the date when significant influence is lost is measured at fair value and this amount is regarded as the initial carrying amount of financial asset at fair value through profit or loss. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.1 Basis of consolidation (Cont'd)

(iv) Joint arrangements

Joint arrangements arise when the Group and another party or parties are bound by a contractual arrangement, and the contractual arrangement gives the Group and the other party or parties, joint control of the arrangement. Joint control exists when there is contractually agreed sharing of control of an arrangement whereby decisions about the relevant activities require the unanimous consent of the parties sharing control.

Joint arrangements are classified and accounted for as follows:

- A joint arrangement is classified as a “joint operation” when the Group has rights to the assets and obligations for the liabilities relating to the arrangement. The Group accounts for its share of the assets (including its share of any assets held jointly), the liabilities (including its share of any liabilities incurred jointly), its revenue from the sale of its share of the output arising from the joint operation, its share of the revenue from the sale of the output by the joint operation and its expenses (including its share of any expenses incurred jointly).
- A joint arrangement is classified as “joint venture” when the Group has rights to the net assets of the arrangements. The Group accounts for its interest in the joint venture using the equity method in accordance with MFRS 128 *Investments in Associates and Joint Ventures*.

The Company has assessed the nature of its joint arrangement and determined them to be a joint operation. The Company accounts for its share of the assets (including its share of any assets held jointly), the liabilities (including its share of any liabilities incurred jointly), its revenue from sale of its share of the output arising from the joint operation, its shares of the revenue from the sale of output by the joint operation and its expenses (including its share of any expenses incurred jointly).

(v) 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 gains arising from transactions with equity-accounted associates and joint arrangements are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.2 Separate financial statements

In the Company's statement of financial position, investment in subsidiaries and associates are measured at cost less any accumulated impairment losses, unless the investment is classified as held for sale or distribution. The cost of investment includes transaction costs. The policy for the recognition and measurement of impairment losses shall be applied on the same basis as would be required for impairment of non-financial assets as disclosed in Note 3.9 (ii) to the financial statements.

Contributions to subsidiaries are amounts for which the settlement is neither planned nor likely to occur in the foreseeable future is, in substance, considered as part of the Company's investment in subsidiaries.

3.3 Financial instruments

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

Except for the trade receivables that do not contain a significant financing component or for which the Group and the Company have applied the practical expedient, the financial instruments are recognised initially at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset and financial liability. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Trade receivables that do not contain a significant financing component or for which the Group and the Company have applied the practical expedient are measured at the transaction price determined under MFRS 15 *Revenue from Contracts with Customers*.

(i) Subsequent measurement

(a) Financial assets

For the purposes of subsequent measurement, the Group and the Company classified their financial assets into the following categories:

- Financial assets at amortised cost; and
- Financial assets at fair value through profit or loss.

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.3 Financial instruments (Cont'd)

(i) Subsequent measurement (Cont'd)

(a) Financial assets (Cont'd)

Debt instruments

Subsequent measurement of debt instruments depends on the Group's and the Company's business model for managing the asset and the cash flow characteristics of the asset. The Group and the Company classified their debt instruments as follows:

- **Amortised cost**

Financial assets that are held for collection of contractual cash flows and those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.9(i) to the financial statements. Gains and losses are recognised in profit or loss when the financial asset is derecognised, modified or impaired.

- **Fair value through profit or loss (FVPL)**

Financial assets at FVPL include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model.

Financial assets at fair value through profit or loss are carried in the statements of financial position at fair value with net changes in fair value recognised in the profit or loss.

Equity instruments

The Group and the Company subsequently measure all equity investments at fair value. Upon initial recognition, the Group and the Company may make an irrevocable election to classify their equity investments that are not held for trading as equity instruments designated at Fair Value through other Comprehensive Income (FVOCI). The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are not recycled to profit or loss. Dividends are recognised as other income in the profit or loss when the right of payment has been established, except when the Group and the Company benefit from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity instruments designated at FVOCI are not subject to impairment assessment.

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.3 Financial instruments (Cont'd)

(i) Subsequent measurement (Cont'd)

(b) Financial liabilities

The Group and the Company classified their financial liabilities as financial liabilities at amortised cost.

Financial liabilities at amortised cost

Subsequent to initial recognition, financial liabilities are measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss through the amortisation process.

(ii) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantee contracts are recognised initially as a liability at fair value, net of transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, the liability is measured at the higher of the amount of the loss allowance determined in accordance with Section 5.5 of MFRS 9 and the amount initially recognised, when appropriate, the cumulative amount of income recognised in accordance with the principles of MFRS 15.

(iii) Derecognition

A financial asset or a part of it is derecognised when, and only when:

- (i) the contractual rights to receive the cash flows from the financial asset expire, or
- (ii) 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.

On derecognition of a financial asset, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged, cancelled or expired. On derecognition of a financial liability, the difference between the carrying amount and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.3 Financial instruments (Cont'd)

(iv) Offsetting of financial statements

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

In accounting for a transfer of a financial asset that does not qualify for derecognition, the entity shall not offset the transferred asset and the associated liability.

3.4 Property, plant and equipment and depreciation

(i) Recognition and measurement

Property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.9(ii) to the financial statements.

Cost of assets includes expenditures that are directly attributable to the acquisition of the asset and any other costs that are directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. The cost of self-constructed assets also includes cost of materials, direct labour, and any other direct attributable costs but excludes internal profits. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs in Note 3.17 to the financial statements.

Purchase software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as a separate item of property, plant and equipment.

(ii) Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the part will flow to the Group or the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the profit or loss as incurred.

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.4 Property, plant and equipment and depreciation (Cont'd)

(iii) Depreciation

Freehold land has an unlimited useful life and therefore is not depreciated.

All other property, plant and equipment are depreciated on straight-line basis by allocating their depreciable amounts over their remaining useful lives at the following rates:

Buildings	2%
Renovation	10 - 20%
Furniture, fixtures and fittings	10 - 20%
Office equipment	10 - 50%
Motor vehicles	20%
Plant and machinery	4 - 20%

The residual value, useful lives and depreciation methods are reviewed at the end of each reporting period and adjusted as appropriate.

(iv) Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is recognised in profit or loss.

3.5 Leases

(a) Definition of lease

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

- the contract involves the use of an identified asset;
- the Group and the Company have the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Group and the Company have the right to direct the use of the asset.

(b) Lessee accounting

At the lease commencement date, the Group and the Company recognise a right-of-use asset and a lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets.

The Group and the Company present right-of-use assets as part of the property, plant and equipment and lease liabilities in Note 5 and Note 17 to the financial statements respectively.

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.5 Leases (Cont'd)

(b) Lessee accounting (Cont'd)

Right-of-use asset

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

The right-of-use asset is subsequently measured at cost less accumulated depreciation and any accumulated impairment losses, and adjust for any remeasurement of the lease liabilities. The right-of-use asset is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. If the Group and the Company expect to exercise a purchase option, the right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts from the commencement date of the underlying asset. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.9(ii) to the financial statements.

Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group and the Company use their incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise fixed lease payments (including in-substance fixed payments), less any lease incentives.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability and by reducing the carrying amount to reflect the lease payments made.

The Group and the Company remeasure the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.5 Leases (Cont'd)

(b) Lessee accounting (Cont'd)

Short-term leases and leases of low value assets

The Group and the Company have elected not to recognise right-of-use assets and lease liabilities for short-term leases and leases of low value assets. The Group and the Company recognise the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

(c) Lessor accounting

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. All other leases that do not meet this criterion are classified as operating leases.

Where an entity in the Group is a lessor in an operating lease, the underlying asset is not derecognised but is presented in the statements of financial position according to the nature of the asset. Lease income from operating leases is recognised in profit or loss on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished.

When a contract includes lease and non-lease components, the Group and the Company apply MFRS 15 *Revenue from Contracts with Customers* to allocate the consideration under the contract to each component.

3.6 Goodwill

Goodwill arising from business combinations is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.9 to the financial statements.

In respect of equity-accounted associates and joint ventures, goodwill is included in the carrying amount of the investment and is not tested for impairment individually. Instead, the entire carrying amount of the investment is tested for impairment as a single asset when there is objective evidence of impairment.

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.7 Other intangible asset

The Group recognises infrastructure development expenditure as an intangible asset. This arises from a service concession arrangement where it has a right to charge users for usage of the concession infrastructure under the intangible asset model, as defined in IC Interpretation 12 *Service Concession Arrangements* ("IC Int 12"). Intangible asset received as consideration for providing construction work in a service concession arrangement is measured at fair value upon initial recognition. Subsequent to initial recognition, intangible asset is measured at cost less accumulated amortisation and any accumulated impairment loss.

The intangible asset model, as defined in IC Int 12, applies to service concession arrangements where the grantor has not provided a contractual guarantee in respect of the amount receivable for constructing and operating the assets. Under this model, during construction phase, the Group records an intangible asset representing the right to charge users of the public service and recognise profits from the construction of the public service infrastructure. Income and expenses associated with construction contracts are recognised in accordance with MFRS 15 *Revenue from Contracts with Customers*.

Upon completion of construction works and commencement of road tolling operations, the intangible asset is to be amortised. Amortisation is calculated to write off the cost of intangible assets arising from a service concession arrangement on systematic basis over the estimated useful life. Both the period and method of amortisation are reviewed annually. The intangible assets are amortised over the concession periods based on the following formula:

$$\frac{\text{Cumulative traffic volume to-date}}{\text{Projected total traffic volume for the entire concession period}} \times \text{Infrastructure Development Expenditure}$$

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific assets to which it relates. All other expenditure is recognised in the profit or loss as incurred.

At the end of each of the reporting period, the Group assesses whether there is any indication of impairment. If such indication exists, the carrying amount is assessed and written down immediately to its recoverable amount.

3.8 Cash and cash equivalents

For the purpose of the statements of cash flows, cash and cash equivalents comprise cash in hand, bank balances and deposits and other short-term, highly liquid investments with a maturity of three months or less, that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.9 Impairment of assets

(i) Impairment of financial assets and contract assets

Financial assets measured at amortised cost and financial guarantee contracts will be subject to the impairment requirement in MFRS 9 which is related to the accounting for expected credit losses on the financial assets. Expected credit loss is the weighted average of credit losses with the respective risks of a default occurring as the weights.

The Group and the Company measure loss allowance at an amount equal to lifetime expected credit loss, except for non-trade receivables, deposits and bank balances for which credit risk (i.e. risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

For trade receivables, contract assets and lease receivables, the Group and the Company apply the simplified approach permitted by MFRS 9 to measure the loss allowance at an amount equal to lifetime expected credit losses.

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

The Group and the Company assume that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group and the Company consider a financial asset to be in default when:

- the counter party is unable to pay its credit obligations to the Group and the Company in full, without recourse by the Group to actions such as realising security (if any is held); or
- the contractual payment of the financial asset is more than 90 days past due unless the Group and the Company have reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of lifetime expected credit losses that represent the expected credit losses that result from default events on a financial instrument 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.

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.9 Impairment of assets (Cont'd)

(i) Impairment of financial assets and contract assets (Cont'd)

Expected credit losses are a probability-weighted estimate of credit losses (i.e. the present value of all cash shortfalls) over the expected life of the financial instrument. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

Expected credit losses are discounted at the effective interest rate of the financial assets.

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

- significant financial difficulty of the issuer or the counter party;
- a breach of contract, such as a default of past due event;
- the lender(s) of the counter party, for economic or contractual reasons relating to the counter party's financial difficulty, having granted to the counter party a concession(s) that the lender(s) would not otherwise consider; and
- it is becoming probable that the counter party will enter bankruptcy or other financial reorganisation.

The amount of expected credit losses (or reversal) shall be recognised in profit or loss, as an impairment gain or loss.

The gross carrying amount of a financial asset is written off (either partially or in full) 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 source of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's and the Company's procedure for recovery of amounts due.

(ii) Impairment of non-financial assets

The carrying amounts of non-financial assets (except for contract assets and deferred tax assets) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the Group and the Company make an estimate of the asset's recoverable amount. For goodwill and intangible assets that have indefinite useful life and are not yet available for use, the recoverable amount is estimated at each reporting date.

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.9 Impairment of assets (Cont'd)

(ii) Impairment of non-financial assets (Cont'd)

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

The recoverable amount of an asset or a CGU is the higher of its fair value less costs of disposal and its value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. In determining the fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Where the carrying amount of an asset exceed its recoverable amount, the carrying amount of asset is reduced to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

Impairment losses are recognised in profit or loss.

Impairment losses in respect of goodwill are not reversed. For other assets, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. An impairment loss is reversed only if there has been a change in the estimates used to determine the assets recoverable amount since the last impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised previously. Such reversal is recognised in profit or loss.

3.10 Share capital and other equity instrument

(i) Ordinary shares

Ordinary shares are equity instruments. An equity instrument is a contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.10 Share capital and other equity instrument (Cont'd)

(ii) Preference shares

Preference shares are classified as equity if it is non-redeemable, or is redeemable but only at the Company's option, and any dividend payments are discretionary. Dividends thereon are recognised as distributions within equity.

Preference shares are classified as financial liability if it is redeemable on a specific date or at the option of the equity holders, or if dividend payments are not discretionary. Dividends thereon are recognised as interest expenses in profit or loss as accrued.

(iii) Warrants

Warrants are classified as equity. The issue of ordinary shares upon exercise of the warrants are treated as new subscription of ordinary shares for the consideration equivalent to the warrants exercise price.

Upon exercise of warrants, the proceeds are credited to share capital. The warrants reserve in relation to the unexercised warrants at the expiry of the warrants will be transferred to retained earnings.

3.11 Contract assets/(liabilities)

Contract asset is the right to consideration in exchange for goods or services transferred to the customers when that right is conditioned on something other than the passage of time (for example, the Company's future performance). The policy for the recognition and measurement of impairment losses is in accordance with Note 3.9 to the financial statements.

Contract liability is the obligation to transfer goods or services to customers for which the Company has received the consideration or have billed the customers.

3.12 Employee benefits

(i) Short term employee benefits

Short-term employee benefit obligations in respect of wages, salaries, social security contributions, annual bonuses, paid annual leave, sick leave and non-monetary benefits are recognised as an expense in the financial year where the employees have rendered their services to the Group and the Company.

(ii) Defined contribution plan

As required by law, the Group and the Company contribute to the Employees Provident Fund ("EPF"), the national defined contribution plan. Such contributions are recognised as an expense in the profit or loss in the period in which the employees render their services.

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.13 Provisions

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

If the effect of the time value of money is material, provisions that are determined based on the expected future cash flows to settle the obligation are discounted using a current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provisions due to passage of time is recognised as finance costs.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed.

(i) Provision for additional cost

A provision for additional cost is recognised when the expected benefits to be derived by the Group and the Company from a contract are lower than the unavoidable costs of meeting its obligations under the contract. The provision is measured at the lower of the present value of the expected cost of terminating the contract and the present value of the expected net cost of continuing with the contract. Before a provision is established, the Group and the Company recognise any impairment loss on the assets associate with that contract.

(ii) Provision for heavy repairs

A provision for heavy repairs is recognised on the future heavy repairs expenditure expected to be incurred to maintain and restore the expressway to a specified standard of serviceability.

3.14 Revenue and other income

The Group and the Company recognise revenue that depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

Revenue recognition of the Group and of the Company are applied for each contract with a customer or a combination of contracts with the same customer (or related parties of the customer).

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.14 Revenue and other income (Cont'd)

The Group and the Company measure revenue from sale of good or service at its transaction price, being the amount of consideration to which the Group and the Company expect to be entitled in exchange for transferring promised good or service to a customer, excluding amounts collected on behalf of third parties such as goods and service tax, adjusted for the effects of any variable consideration, constraining estimates of variable consideration, significant financing components, non-cash consideration and consideration payable to customer. If the transaction price includes variable consideration, the Group and the Company use the expected value method by estimating the sum of probability-weighted amounts in a range or possible consideration amounts, or the most likely outcome method, depending on which method the Group and the Company expect to better predict the amount of consideration to which it is entitled.

For contract with separate performance obligations, the transaction price is allocated to the separate performance obligations on the relative stand-alone selling price basis. If the stand-alone selling price is not directly observable, the Group and the Company estimate it by using the costs plus margin approach.

Revenue from contracts with customers is recognised by reference to each distinct performance obligation in the contract with customer, i.e. when or as a performance obligation in the contract with customer is satisfied. A performance obligation is satisfied when or as the customer obtains control of the good or service underlying the particular performance obligation, which the performance obligation may be satisfied at a point in time or over time.

A contract modification is a change in the scope or price (or both) of a contract that is approved by the parties to the contract. A modification exists when the change either creates new or changes existing enforceable rights and obligations of the parties to the contract. The Group and the Company have assessed the type of modification and accounted for as either creates a separate new contract, terminates the existing contract and creation of a new contract; or forms a part of the existing contracts.

Financing components

The Group and the Company have applied the practical expedient for not to adjust the promised amount of consideration for the effects of a significant financing components if the Group and the Company expect that the period between the transfer of the promised goods or services to the customer and payment by the customer will be one year or less.

(i) **Construction contracts**

The Group's and the Company's construction service is under long-term contracts with customers. Construction service contracts comprise multiple deliverables and therefore revenue is recognised by reference to each distinct performance obligation promised in the context with customer.

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.14 Revenue and other income (Cont'd)

(i) Construction contracts (Cont'd)

Under the terms of the contracts, control is transferred over time as the Group and the Company create or enhance an asset that the customer controls as the asset is created or enhanced. Revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. The progress towards complete satisfaction of a performance obligation is determined by the proportion of construction costs incurred for work performed to date bear to the estimated total construction costs (an input method).

Billings are made with a credit term of 30 to 90 days, which is consistent with market practice, therefore, no element of financing is deemed present. The Group and the Company become entitled to invoice customers for construction based on achieving a series of performance-related milestones.

The Group and the Company recognise a contract asset for any excess of revenue recognised to date over the billings-to-date. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point when invoice is issued or timing for billing is due to passage of time. If the milestone payment exceeds the revenue recognised to date and any deposit or advances received from customers then the Group and the Company recognise a contract liability for the difference.

(ii) Toll concession revenue

Toll concession revenue from the operation of toll roads is recognised at a point in time for the usage of the expressways.

Pursuant to the relevant Concession Agreement, the Government of Malaysia reserves the right to restructure or to restrict the imposition of unit toll rate increases, and in such event, the Government shall compensate for any reduction in toll revenue, subject to negotiation and other considerations that the Government may deem fit. Toll compensation is recognised in profit or loss over the period in which the compensation relates to base on the arrangements.

(iii) Interest income

Interest income is recognised using the effective interest method.

(iv) Project management fee

Project management fees are recognised over time as services are rendered using an output method based on time elapsed to measure progress towards complete satisfaction of the service because the customer simultaneously receives and consumes the benefits provided by the Group.

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.14 Revenue and other income (Cont'd)

(v) Rental income

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

(vi) Distribution income from unit trusts

Distribution income from unit trusts is recognised when the right to receive the payment is established.

3.15 Earnings per share

The Group presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to owners of the Company by weighted average number of ordinary shares outstanding during the period, adjusted for own shares held.

Diluted EPS is determined by adjusting the profit or loss attributable to owners of the Company and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

3.16 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group and the Company will comply with all attached conditions.

Where the grant relates to an asset, it is recognised as deferred income in the statements of financial position and transferred to profit or loss over the expected useful life of the related asset. Where the grant relates to an expense item, it is recognised in profit or loss, under the heading of "other income", on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

The benefit derived from a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates which will be credited to the statement of comprehensive income over the expected live of the related assets on bases consistent with the depreciation of the related assets for which the loan was granted to the Group and the Company.

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.17 Borrowing costs

Borrowing costs are interests and other costs that the Group incurs in connection with borrowing of funds.

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 method.

Borrowing costs that are 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, until such time as the assets is substantially ready for their intended use or sale.

The Group begins capitalising borrowing costs when the Group has incurred the expenditures for the asset, incurred related borrowing costs and undertaken activities that are necessary to prepare the asset for its intended use or sale.

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

3.18 Income tax

Income tax expense in profit or loss comprises current and deferred tax. Current 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.

(i) Current tax

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

(ii) Deferred tax

Deferred tax is recognised using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts in the statements of financial position. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, unutilised tax losses and unused tax credits, to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

Deferred tax is not recognised if the temporary differences arise from the initial recognition of assets and liabilities in a transaction which is not a business combination and that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.18 Income tax (Cont'd)

(ii) Deferred tax (Cont'd)

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilised.

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

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

(iii) Sales and services tax ("SST")

Revenue, expenses and assets are recognised net of the amount of sales and services tax except:

- where the sales and services tax incurred in a purchase of assets or services is not recoverable from the taxation authority, in which case the sales and services tax are 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 the amount of sales and services tax included.

The net amount of sales and services tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statements of financial position.

3.19 Operating segments

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

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.20 Fair value measurements

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

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

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

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

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

3.21 Contingencies

A contingent liability or asset is a possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future event(s) not wholly within the control of the Group and of the Company.

Contingent liability is also referred as a present obligation that arises from past events but is not recognised because:

- (a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- (b) the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities and assets are not recognised in the statements of financial position.

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

4. SIGNIFICANT ACCOUNTING JUDGEMENT, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with MFRSs requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of the revenue and expenses during the reporting period. It also requires directors to exercise their judgement in the process of applying the Group's and the Company's accounting policies. Although these estimates and judgement are based on the directors' best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgement or complexity that have the most significant effect on the Group's and the Company's financial statements, or areas where assumptions and estimates that have a significant risk of resulting in a material adjustment to the Group's and the Company's financial statements within the next financial year are disclosed as follows:

(i) Infrastructure development expenditure

The Group tests infrastructure development expenditure for impairment in accordance with its accounting policy. The Group makes an estimate of the infrastructure development expenditure's recoverable amount based on the value-in-use calculation using the cash flow projections from financial budgets approved by the directors covering the remaining period of the concession agreement.

Significant judgement is required in the estimation of the present value of future cash flows generated from the infrastructure development expenditure, which involve uncertainties and are significantly affected by assumptions used and judgement made regarding estimates of future cash flows and discount rate. The Group also considered the delays caused by the need to obtain approval from relevant authorities and delay in land acquisition, when assessing the estimated future cash flows. Changes in assumptions could significantly affect the results of the Group's tests for impairment of infrastructure development expenditure.

The carrying amount of infrastructure development expenditure is amortised over the concession period by applying the formula disclosed in Note 3.7 to the financial statements. The denominator of the formula includes projected total traffic volume for subsequent years to the end of the concession period and is based on the traffic survey carried out by a firm of independent traffic consultants.

The assumptions to arrive at the traffic volume projection take into consideration the growth rate, current market and economic development conditions along the highway corridor. Any changes in the projected total traffic volume for the entire concession period will impact the recoverable amount and the amortisation charge for the year.

The carrying amount of the infrastructure development expenditure is disclosed in Note 7 to the financial statements.

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

4. SIGNIFICANT ACCOUNTING JUDGEMENT, ESTIMATES AND ASSUMPTIONS (CONT'D)

(ii) Construction revenue

The construction revenue of the Group and of the Company relates to the infrastructure works under the Concession Agreement in accordance with IC Int 12 *Service Concession Arrangements* and construction works.

(a) Infrastructure works under the Concession Agreement in accordance with IC Int 12 *Service Concession Arrangements*

In accordance with IC Int 12 *Service Concession Arrangements*, revenue associated with construction works under the Concession Agreement shall be recognised and measured in accordance with MFRS 15 *Revenue from Contracts with Customers* (“MFRS 15”). The consideration received or receivable from construction work rendered by the Group is measured in accordance with MFRS 15, i.e. based on the allocated transaction price. The estimated revenue is affected by a variety of uncertainties that depend on the outcome of future event.

In order to determine the construction revenue to be recognised, the directors have estimated and recognised a construction margin in the construction of the infrastructure asset. The estimated margin is based on relative comparison with general industry trend although actual margins may differ.

(b) Construction works

The Group and the Company recognised construction revenue in profit or loss by using the progress towards complete satisfaction of performance obligation. The progress towards complete satisfaction of performance obligation is determined by the proportion that construction costs incurred for work performed to date bear to the estimated total construction costs.

The directors also estimated its total construction revenue after considering expected liquidated and ascertained damages to be paid to its customers, if any. When it is probable that the estimated contract cost will exceed the estimated contract revenue, the expected loss on the contract is recognised as an expense immediately.

Significant judgement is required in determining the progress towards complete satisfaction of performance obligation, the extent of the construction costs incurred, the estimated total construction revenue and cost, as well as the recoverability of the construction projects. In making the judgement, the directors evaluate based on past experience.

The carrying amount of provision for additional cost and revenue are disclosed in Note 16 and 21 to the financial statements.

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

5. PROPERTY, PLANT AND EQUIPMENT

Group	Freehold land RM'000	Buildings RM'000	Renovation RM'000	Furniture, fixtures and fittings RM'000	Office equipment RM'000	Motor vehicles RM'000	Plant and machinery RM'000	Right-of- use assets RM'000	Total RM'000
2023									
Cost									
At 1 April 2022	117	11,110	256	106	735	2,922	934	13,369	29,549
Additions	-	-	27	122	87	789	42	14	1,081
Disposals	-	-	-	-	-	(387)	-	-	(387)
Write-off	-	-	-	-	(7)	-	-	-	(7)
At 31 March 2023	117	11,110	283	228	815	3,324	976	13,383	30,236
Accumulated depreciation and impairment loss									
At 1 April 2022	16	10,625	99	74	613	1,892	47	12,889	26,255
Depreciation for the financial year	-	6	22	11	38	499	58	35	669
Disposals	-	-	-	-	-	(331)	-	-	(331)
Write-off	-	-	-	-	(7)	-	-	-	(7)
At 31 March 2023	16	10,631	121	85	644	2,060	105	12,924	26,586
Carrying amount									
At 31 March 2023	101	479	162	143	171	1,264	871	459	3,650
2022									
Cost									
At 1 April 2021	117	11,110	256	85	689	2,945	59	13,358	28,619
Additions	-	-	-	23	52	159	875	11	1,120
Disposals	-	-	-	(2)	(6)	(182)	-	-	(190)
At 31 March 2022	117	11,110	256	106	735	2,922	934	13,369	29,549
Accumulated depreciation and impairment loss									
At 1 April 2021	16	10,619	79	69	585	1,613	19	12,858	25,858
Depreciation for the financial year	-	6	20	7	34	461	28	31	587
Disposals	-	-	-	(2)	(6)	(182)	-	-	(190)
At 31 March 2022	16	10,625	99	74	613	1,892	47	12,889	26,255
Carrying amount									
At 31 March 2022	101	485	157	32	122	1,030	887	480	3,294

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Company	Office equipment RM'000	Motor vehicles RM'000	Right-of- use asset RM'000	Total RM'000
2023				
Cost				
At 1 April 2022	52	387	135	574
Additions	13	303	14	330
Disposals	-	(387)	-	(387)
At 31 March 2023	65	303	149	517
Accumulated depreciation				
At 1 April 2022	43	296	74	413
Depreciation for the financial year	5	82	30	117
Disposals	-	(331)	-	(331)
At 31 March 2023	48	47	104	199
Carrying amount				
At 31 March 2023	17	256	45	318
2022				
Cost				
At 1 April 2021	52	387	124	563
Additions	-	-	11	11
At 31 March 2022	52	387	135	574
Accumulated depreciation				
At 1 April 2021	39	219	48	306
Depreciation for the financial year	4	77	26	107
At 31 March 2022	43	296	74	413
Carrying amount				
At 31 March 2022	9	91	61	161

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(a) Land titles

The titles to the freehold and leasehold land and buildings of the Group with net carrying amount of RM995,000 (2022: RM1,006,000) are not registered in the name of the Group.

(b) Right-of-use assets

Information about leases for which the Group and the Company are lessees are presented below:

Group	Leasehold land RM'000	Building RM'000	Total RM'000
2023			
Cost			
At 1 April 2022	13,234	135	13,369
Additions	-	14	14
At 31 March 2023	13,234	149	13,383
Accumulated depreciation and impairment loss			
At 1 April 2022	12,815	74	12,889
Depreciation	5	30	35
At 31 March 2023	12,820	104	12,924
Carrying amount			
At 31 March 2023	414	45	459
2022			
Cost			
At 1 April 2021	13,234	124	13,358
Additions	-	11	11
At 31 March 2022	13,234	135	13,369
Accumulated depreciation and impairment loss			
At 1 April 2021	12,810	48	12,858
Depreciation	5	26	31
At 31 March 2022	12,815	74	12,889
Carrying amount			
At 31 March 2022	419	61	480

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(b) Right-of-use assets (Cont'd)

Information about leases for which the Group and the Company are lessees are presented below:
(Cont'd)

Company	2023 RM'000	2022 RM'000
Building		
Cost		
At the beginning of the financial year	135	124
Addition	14	11
At the end of the financial year	149	135
Accumulated depreciation		
At the beginning of the financial year	74	48
Depreciation	30	26
At the end of the financial year	104	74
Carrying amount		
At the end of the financial year	45	61

The leasehold land of the Group has lease term ranges from 76 to 92 year; and

The Group and the Company lease office premises with term ranges from 2 to 3 years.

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

6. GOODWILL ON CONSOLIDATION

Goodwill on consolidation has been allocated to the Group's cash generating units ("CGU") identified according to business segments as follows:

	Group 2023 RM'000	2022 RM'000
Toll concession	5,369	5,369

The recoverable amount of the goodwill on consolidation is determined based on a value-in-use calculation using cash flow projections from financial budgets approved by the directors as follows:

- Cash flows covering 51-year (2022: 52-year) period which is the remaining period of the concession where the concession period is expected to be extended for a further 10 years given that the agreed targeted Internal Rate of Return is not expected to be achieved as stated in the Concession Agreement;
- Revenue will mainly be derived from toll collection based on projected traffic volume and where toll rates are expected to increase at regular intervals;
- Operational expenses were projected by the directors based on past experience; and
- The pre-tax discount rate of 7% (2022: 7%) was used in determining the value-in-use of the goodwill on consolidation. The discount rate was estimated based on the weighted average cost of capital derived from industry average.

The Group also considered the following factors in the above assessment:

- Effect of the 20-year extension of tolling on North South Expressway ("NSE") from year 2038 to 2058 and the reduction of toll rates for NSE; and
- Effect of the latest expected tolling date in view of the Extension of Time ("EOT") granted by Lembaga Lebuhraya Malaysia ("LLM") and further EOT submitted to LLM.

The value assigned to the key assumptions represents the directors' assessment on the future trends of the expressway operation services industry and are based on both external and internal sources. The directors are of the opinion that the key bases and assumption used are reasonable and there is no impairment to the carrying amount of goodwill.

Sensitivity to changes in assumption

Based on the sensitivity analysis performed, the Group believes that no reasonable possible change in base case key assumptions would cause its carrying value to exceed its recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

7. INFRASTRUCTURE DEVELOPMENT EXPENDITURE

	Group 2023 RM'000	2022 RM'000
At cost		
At the beginning of the financial year	5,651,843	4,987,764
Additions	564,895	664,079
At the end of the financial year	6,216,738	5,651,843
Accumulated amortisation		
At the beginning of the financial year	9,444	4,705
Amortisation for the financial year	7,238	4,739
At the end of the financial year	16,682	9,444
Carrying amount	6,200,056	5,642,399

The recoverable amount of the infrastructure development expenditure is determined based on value-in-use calculation using cash flow projections from financial budgets approved by the directors and the value assigned to the key assumptions are disclosed in Note 6 to the financial statements.

Included in the additions of infrastructure development expenditure during the financial year are as follows:

	Group 2023 RM'000	2022 RM'000
Borrowing cost capitalised (Note 24)	121,674	94,848

During the financial year, the Group made the following cash payments for infrastructure development expenditure:

	Group 2023 RM'000	2022 RM'000
Additions during the financial year	564,895	664,079
Movement in payables and accruals	(121,492)	(94,719)
Depreciation related to infrastructure development expenditure	(168)	(161)
Gain on disposal of property, plant and equipment	-	92
Profit arising from IC Int 12 Service Concession Arrangement	(4,304)	(5,693)
Cash payments	438,931	563,598

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

7. INFRASTRUCTURE DEVELOPMENT EXPENDITURE (CONT'D)

On 2 January 2013, West Coast Expressway Sdn. Bhd. (“WCESB”), an 80%-owned subsidiary of the Company signed the Concession Agreement (“CA”) with the Government of Malaysia in relation to the West Coast Expressway Project (“WCE Project”). The WCE Project involves the development of the West Coast Expressway from Banting in Selangor to Taiping in Perak with 233km of tolled highway. The initial project cost was estimated to be in the region of RM6 billion with a construction period of 5 years. The completion of the project has been extended from financial year 2020 to 2025.

On 19 May 2014, the Government of Malaysia approved the appointment of a consortium comprising IJM Construction Sdn. Bhd. and the Company (known as the “IJMC-KEB Joint Venture”) as the Turnkey/Engineering and Procurement Contractor for the construction of the WCE Project.

On 25 August 2014, WCESB received a letter from Lembaga Lebuhraya Malaysia (“LLM”) to confirm the date of commencement of construction.

Certain sections were completed and toll collection had commenced since previous financial years.

During the current financial year, the subsidiary of the Group, WCESB has been granted Extension of Time (“EOT”) by LLM, and further submitted applications for EOT based on the latest construction progress. The directors are of the opinion that it is highly probable that the EOT application will be approved and thus, no variable consideration is necessary to be included in the estimated construction revenue.

8. INVESTMENT IN SUBSIDIARIES

	Company 2023 RM'000	2022 RM'000
At cost		
Unquoted shares	177,396	177,396
Less: Accumulated impairment loss	(16,400)	(16,650)
	160,996	160,746

Movements in accumulated impairment loss:

	Company 2023 RM'000	2022 RM'000
At the beginning of the financial year	16,650	16,650
Reversal during the financial year	(250)	-
At the end of the financial year	16,400	16,650

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

8. INVESTMENT IN SUBSIDIARIES (CONT'D)

The following information relates to the subsidiaries, all of which have their principal place of business and incorporated in Malaysia:

Name of companies	Effective ownership Interest/Voting rights		Principal activities
	2023 %	2022 %	
Direct subsidiaries			
Angsana Mestika Sdn. Bhd.	100	100	Inactive.
KEB Management Sdn. Bhd.	100	100	Inactive.
KEB Plantations Holdings Sdn. Bhd.	100	100	Inactive.
WCE Technology Sdn. Bhd.	100	100	Inactive.
WCE Trading Sdn. Bhd.	100	100	Inactive.
WCE Highway Services Sdn. Bhd.	100	100	Provision of toll operation, maintenance and ancillary services.
West Coast Expressway Sdn. Bhd.	80	80	Design, construction and development of the West Coast Expressway Project and managing its toll operations.
Indirect subsidiaries			
Held through KEB Plantations Holdings Sdn. Bhd.			
WCE Maju Sdn. Bhd. <i>(formerly known as KEB Builders Sdn. Bhd.)</i>	100	100	Construction contracting and project management services.
Held through WCE Highway Services Sdn. Bhd.			
Ratus Prestij Sdn. Bhd.	100	100	Dormant.
Held through WCE Trading Sdn. Bhd.			
Maximix Sdn. Bhd.	100	100	Inactive.
Held through Maximix Sdn. Bhd.			
Perkasa Jati Holdings Sdn. Bhd.	100	100	Inactive.

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

8. INVESTMENT IN SUBSIDIARIES (CONT'D)

(a) Non-controlling interests in subsidiaries

Equity interest held by non-controlling interests:

Name of company	Principal place of business/country of incorporation	Ownership interest	
		2023 %	2022 %
West Coast Expressway Sdn. Bhd.	Malaysia	20	20

The financial information of the Group's and the Company's subsidiaries that have material non-controlling interests ("NCI") are as follows:

	West Coast Expressway Sdn. Bhd.	
	2023 RM'000	2022 RM'000
NCI percentage of ownership interest and voting interest	20%	20%
Carrying amount of NCI	(56,067)	(31,391)
Loss allocated to NCI in current financial year	(24,676)	(27,767)
Summarised financial information before intra-group elimination		
Summarised statement of financial position		
As at 31 March		
Non-current assets	6,519,495	5,885,131
Current assets	531,876	433,576
Non-current liabilities	(7,125,692)	(6,259,410)
Current liabilities	(206,015)	(216,253)
Net liabilities	(280,336)	(156,956)
Financial year ended 31 March		
Summarised statement of comprehensive income		
Revenue	478,751	602,795
Loss for the financial year	(123,380)	(138,900)
Total comprehensive loss	(123,380)	(138,900)
Financial year ended 31 March		
Summarised statement of cash flows		
Cash flows from/(used in):		
- operating activities	163	(73,981)
- investing activities	(489,713)	(464,893)
- financing activities	519,838	238,055
Net increase/(decrease) in cash and cash equivalents	30,288	(300,819)
Dividend paid to non-controlling interest	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

8. INVESTMENT IN SUBSIDIARIES (CONT'D)

(b) Significant restriction

West Coast Expressway Sdn. Bhd. (“WCESB”), an 80%-owned subsidiary of the Company is restricted to make any distribution of profits and create any contract or obligation to pay money or money’s worth to the Group unless prior approval is obtained from the non-controlling interests’ shareholder and upon fulfilment of certain financial covenants underlying the borrowings of WCESB as disclosed in Note 17 to the financial statements. The assets to which such restrictions apply are the cash and cash equivalents and other investments included in the consolidated financial statements totalling RM497,988,000 (2022: RM409,734,000).

9. INVESTMENT IN ASSOCIATE

	Group 2023 RM'000	2022 RM'000
At cost		
At the beginning of the financial year	400	400
Disposal	(400)	-
At the end of the financial year	-	400
Share of results of associate		
At the beginning of the financial year	246,287	223,428
Share of results	39,285	22,859
Disposal	(285,572)	-
At the end of the financial year	-	246,287
	-	246,687

During the financial year, the Group disposed of its entire 40% equity interest in Radiant Pillar Sdn. Bhd. (“RPSB”) to IJM Properties Sdn. Bhd. for a total cash consideration of RM494 million, the holding company of RPSB. The gain arising from the disposal is disclosed in Note 25 to the financial statements.

Investment in associate is accounted for in the consolidated financial statements using the equity method.

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

9. INVESTMENT IN ASSOCIATE (CONT'D)

The following information relates to the associate which have principal place of business and incorporated in Malaysia:

Name of companies	Effective ownership Interest/Voting rights		Nature of the relationship
	2023 %	2022 %	
Held through direct subsidiary			
Held through KEB Management Sdn. Bhd.			
Radiant Pillar Sdn. Bhd. +	-	10	Investment holding and property development.
Held through indirect subsidiary			
Held through WCE Maju Sdn. Bhd.			
(formerly known as KEB Builders Sdn. Bhd.)			
Radiant Pillar Sdn. Bhd. +	-	30	Investment holding and property development.

+ This company was audited by another firm of chartered accountants other than Messrs. Baker Tilly Monteiro Heng PLT.

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

9. INVESTMENT IN ASSOCIATE (CONT'D)

The following table illustrates the summarised financial information of the Group's material associate, adjusted for any differences in accounting policies and reconciles the information to the carrying amount of the Group's interest in the associate in previous financial year:

Group	Radiant Pillar Sdn. Bhd. and its subsidiary RM'000
Summarised financial information	
As at 31 March 2022	
Non-current assets	185,587
Current assets	1,162,227
Non-current liabilities	(10,537)
Current liabilities	(720,559)
Net assets	616,718
Financial year ended 31 March 2022	
Profit for the financial year	57,148
Other comprehensive income	-
Total comprehensive income	57,148
<i>Included in the total comprehensive income is:</i>	
Revenue	227,915
Group	
As at 31 March 2022	
Group's share of net assets	246,687
Group's share of results	
Financial year ended 31 March 2022	
Group's share of profit	22,859
Group's share of other comprehensive income	-
Group's share of total comprehensive income	22,859

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

10. OTHER INVESTMENTS

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Non-current				
Private debt securities				
- Amortised cost	-	-	1,102,000	1,026,960
	-	-	1,102,000	1,026,960
Current				
Unquoted unit trusts in Malaysia				
- Fair value through profit or loss	229,015	28,144	197,623	908
Quoted equity securities in Malaysia				
- Fair value through profit or loss	1,857	1,857	1,857	1,857
	230,872	30,001	199,480	2,765
Market value				
- Quoted equity securities	1,857	1,857	1,857	1,857

Private debt securities are investment in the Murabahah loan stocks issued by a subsidiary of the Company. The profit rate and effective rate of the Murabahah loan stocks is at 10% and 4.98% - 7.44% (2022: 10% and 4.98% - 7.44%) respectively per annum, cumulative and non-compounding. The maturity date of the Murabahah loan stocks is on 12 July 2056. The profit payment and principal redemption will be subject to the issuer's financing covenants.

Unit trusts are funds invested mainly in money market and fixed income instruments and are managed by investment management companies.

During the financial year, the Company has subscribed for additional Murabahah loan stocks as disclosed in Note 11(b)(iii) to the financial statements.

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

11. TRADE AND OTHER RECEIVABLES

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Non-current					
Other receivables					
Amount owing by a subsidiary	(b)	-	-	328,620	243,373
Current					
Trade receivables					
External parties	(a)	13,998	12,486	-	-
Amount owing by a subsidiary	(b)	-	-	33,140	37,226
		13,998	12,486	33,140	37,226
Less:					
Accumulated impairment loss					
External parties		(10,651)	(10,651)	-	-
Trade receivables, net		3,347	1,835	33,140	37,226
Other receivables					
External parties	(c)	288,408	91,416	43,482	42,479
Amount owing by subsidiaries	(b)	-	-	60,910	73,302
Refundable deposits		630	67	-	-
		289,038	91,483	104,392	115,781
Less:					
Accumulated impairment loss					
External parties		(87,789)	(87,867)	(42,235)	(42,235)
Amount owing by subsidiaries		-	-	(60,585)	(72,976)
		(87,789)	(87,867)	(102,820)	(115,211)
Other receivables, net		201,249	3,616	1,572	570
Prepayments	(d)	16,337	18,415	-	-
Total trade and other receivables (current)		220,933	23,866	34,712	37,796
Total trade and other receivables (non-current and current)		220,933	23,866	363,332	281,169

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

11. TRADE AND OTHER RECEIVABLES (CONT'D)

(a) Trade and other receivables

Trade receivables are non-interest bearing and normal credit terms granted by the Group ranging from 30 to 90 (2022: 30 to 90) days from the date of invoice. Other credit terms are assessed and approved on a case-by-case basis.

Receivables that are impaired

The Group's and the Company's trade and other receivables that are impaired at the reporting date are as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Individually impaired				
Trade and other receivables				
- nominal amounts	98,455	98,533	102,835	115,226
Less: Accumulated impairment loss	(98,440)	(98,518)	(102,820)	(115,211)
	15	15	15	15

Movements in accumulated impairment loss:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
<u>Trade receivables</u>				
At the beginning of the financial year	10,651	11,921	-	-
Written off	-	(1,270)	-	-
At the end of the financial year	10,651	10,651	-	-
<u>Other receivables</u>				
At the beginning of the financial year	87,867	87,867	115,211	129,341
Charge for the financial year	-	-	34	-
Reversal for the financial year	-	-	(12,425)	(14,047)
Written off	(78)	-	-	(83)
At the end of the financial year	87,789	87,867	102,820	115,211
Total impairment loss	98,440	98,518	102,820	115,211

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

11. TRADE AND OTHER RECEIVABLES (CONT'D)

(b) Amount owing by subsidiaries

Trade

Amount owing by a subsidiary is trade in nature, non-interest bearing and normal credit term granted by the Company is 30 days (2022: 30 days) from the date of invoice.

Non-trade

- (i) Included in non-current amounts owing by subsidiaries are:
 - (a) an amount of RM309,120,000 (2022: RM223,873,000) representing profit receivable from the Murabahah loan stocks issued by West Coast Expressway Sdn. Bhd. ("WCESB"). This profit receivables are interest bearing at the rate of 4.98% - 7.44% (2022: 4.98% - 7.44%). The profit payment is subject to the fulfilment of the WCESB's financing covenants; and
 - (b) an amount of RM19,500,000 (2022: RM19,500,000) representing non-trade advances, which are unsecured, repayable on demand and bear interest at 5% (2022: 5%) per annum.
- (ii) The current amounts owing by subsidiaries is non-trade in nature, unsecured, non-interest bearing, repayable on demand and expected to be settled in cash or equity.
- (iii) During the financial year, the Company has subscribed for additional Murabahah loan stocks of RM75,040,000 (2022: RM93,680,000) from West Coast Expressway Sdn. Bhd. by cash payment and conversion of amount owing by a subsidiary.

(c) Other receivables

Included in other receivables of the Group and of the Company are:

- (i) an amount of RM197,600,000 (2022: RM nil) representing amount owing by IJM Properties Sdn. Bhd. in relation to the disposal of associate. The outstanding amount represents the second and third instalment as stipulated in the Share Sale Agreement ("SSA"); and
- (ii) an amount of RM207,000 (2022: RM1,028,000) representing amount owing by IJM Group, a major shareholder of the Company which are unsecured, interest free and repayable on demand in cash.

The information about the credit exposure is disclosed in Note 29(b)(i) to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

11. TRADE AND OTHER RECEIVABLES (CONT'D)

(d) Prepayments

Included in prepayments of the Group is:

- (i) an amount of RM3,448,112 (2022: RM5,581,771) which represents transaction costs in relation to the undrawn loan facilities of the Group; and
- (ii) an amount of RM8,830,076 (2022: RM8,830,076) which represents the prepaid bank guarantee fees in relation to the loan facilities of the Group.

12. DEFERRED TAX ASSETS/(LIABILITIES)

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Deferred tax assets	74,193	57,764	-	-
Deferred tax liabilities	(79,312)	(69,654)	(74,193)	(53,730)
	(5,119)	(11,890)	(74,193)	(53,730)

Deferred tax relates to the following:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Presented before appropriate offsetting as follows:				
Deferred tax assets	78,591	60,272	-	-
Deferred tax liabilities	(83,710)	(72,162)	(74,193)	(53,730)
	(5,119)	(11,890)	(74,193)	(53,730)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

12. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

	At 1 April 2022 RM'000	Recognised in profit or loss RM'000	At 31 March 2022 RM'000	Recognised in profit or loss RM'000	At 31 March 2023 RM'000
Group					
Deferred tax assets:					
Unabsorbed capital allowance	1,179	1,330	2,509	1,889	4,398
Unutilised tax losses	73,206	(69,173)	4,033	(4,033)	-
Deductible temporary difference in respect of expenses	34,270	19,460	53,730	20,463	74,193
	108,655	(48,383)	60,272	18,319	78,591
Deferred tax liabilities:					
Infrastructure development expenditure	(83,233)	64,865	(18,368)	8,918	(9,450)
Taxable temporary difference in respect of income	(34,833)	(18,897)	(53,730)	(20,463)	(74,193)
Property, plant and equipment	(49)	(15)	(64)	(3)	(67)
	(118,115)	45,953	(72,162)	(11,548)	(83,710)
	(9,460)	(2,430)	(11,890)	6,771	(5,119)
Company					
Deferred tax assets:					
Unutilised tax losses	564	(564)	-	-	-
Deferred tax liabilities:					
Taxable temporary difference in respect of income	(34,833)	(18,897)	(53,730)	(20,463)	(74,193)
Property, plant and equipment	(1)	1	-	-	-
	(34,834)	(18,896)	(53,730)	(20,463)	(74,193)
	(34,270)	(19,460)	(53,730)	(20,463)	(74,193)

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

12. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

Deferred tax assets have not been recognised in respect of the following items:

	Group	
	2023 RM'000	2022 RM'000
Unutilised tax losses	560,738	474,536
Unabsorbed capital allowances	789	769
Provisions	45,013	-
	606,540	475,305
Potential deferred tax assets not recognised at 24%	145,570	114,073

The unutilised tax losses which are available for offset against future taxable profits of the subsidiaries will expire in the following financial years:

	Group	
	2023 RM'000	2022 RM'000
2028	117,755	117,755
2029	55,661	55,661
2030	95,863	95,863
2031	89,047	89,047
2032	116,210	116,210
2033	86,202	-
	560,738	474,536

13. CASH AND SHORT-TERM DEPOSITS

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Cash and bank balances	9,284	13,070	7,221	759
Short-term deposits	503,747	412,285	7,500	12,900
	513,031	425,355	14,721	13,659

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

13. CASH AND SHORT-TERM DEPOSITS (CONT'D)

For the purpose of the statements of cash flows, cash and cash equivalents comprise of the following:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Short-term deposits	503,747	412,285	7,500	12,900
Less: Deposits with maturity period of more than 3 months	(161,685)	(103,719)	-	-
	342,062	308,566	7,500	12,900
Cash and bank balances	9,284	13,070	7,221	759
	351,346	321,636	14,721	13,659

The effective interest rates as at the reporting date of the deposits placed with licensed banks range from 1.45% to 4.00% (2022: 1.45% to 2.50%) per annum. The deposits placed with licensed banks have maturity periods ranging from 1 day to 6 months (2022: 1 day to 12 months).

Included in the short-term deposits of the Group is an amount of RM496,247,000 (2022: RM399,385,000) representing the excess funds from the drawdown of financing facilities for the purpose of financing WCE Project and therefore is restricted from use in other operations.

14. SHARE CAPITAL

	Group and Company			
	Number of shares		Amounts	
	2023 '000 Units	2022 '000 Units	2023 RM'000	2022 RM'000
Ordinary shares				
Issued and fully paid up (no par value) :				
At the beginning of the financial year	2,987,707	1,804,094	1,509,087	1,231,802
Conversion of RCPS	-	1,183,613	-	277,285
At the end of the financial year	2,987,707	2,987,707	1,509,087	1,509,087
Redeemable convertible preference shares ("RCPS")				
Issued and fully paid up (no par value) :				
At the beginning of the financial year	-	1,204,113	-	232,400
Conversion of RCPS	-	(1,204,113)	-	(232,400)
At the end of the financial year	-	-	-	-
Total	2,987,707	2,987,707	1,509,087	1,509,087

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

14. SHARE CAPITAL (CONT'D)

Ordinary shares

In the previous financial year, the Company has increased its share capital from RM1,231,802,096 to RM1,509,086,900 by way of:

- i. conversion of 1,122,113,188 units of Redeemable Convertible Preference Shares (“RCPS”) together with cash payment of RM0.04 each RCPS into 1,122,113,188 units of new shares; and
- ii. conversion of 81,999,230 units of RCPS into 61,499,422 units of new shares at a conversion ratio of 4 RCPS to 3 new shares.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company’s residual assets.

15. WARRANT RESERVE

	Group and Company	
	2023	2022
	RM'000	RM'000
Warrant reserve	90,246	90,246

The Warrant Reserve arose from the 501,367,794 free detachable Warrants (“Warrants”) issued pursuant to the renounceable Right Issue on 19 November 2019, on the basis of 1 free warrant for every 4 RCPS subscribed. The Warrant Reserve was arrived at based on the theoretical fair value of RM0.18 per warrant.

The Warrants are exercisable any time commencing from:

- (i) the issue date of the Warrants up to the Market Day immediately before the 5th anniversary of the issue date of the Warrants (“First Exercise Period”) at an exercise price of RM0.39 per Warrant into 1 new ordinary share of the Company (“new Share”); and
- (ii) the 5th anniversary of the issue date of the Warrants up to the Market Day immediately before 10th anniversary of the issue date of the Warrants (“Second Exercise Period”) at an exercise price of RM0.45 per Warrant into 1 new Share.

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

15. WARRANT RESERVE (CONT'D)

The salient terms of warrant reserve set out are as follows:

- (a) The registered Warrant holder is required to lodge an exercise form with the Company's registrar, duly completed, signed and stamped together with payment of the exercise price by way of bankers' draft or cashier's order drawn on a bank operating in Malaysia or money order or postal order issued by a post office in Malaysia.
- (b) The new Shares to be issued pursuant to the exercise of the Warrants shall upon issuance and allotment, rank equally in all respects with the then existing ordinary shares of the Company, save and except that they will not be entitled to any dividend, right, allotment and/or other distribution that may be declared, made or paid to shareholders, of which the entitlement date is prior to the date of allotment of the new Shares to be issued pursuant to the exercise of the Warrants.
- (c) The registered Warrant holders are not entitled to any voting right or to participate in any distribution and/or offer of further securities in the Company until and unless the registered Warrant holder becomes a shareholder of the Company by exercising their Warrants into new Shares.
- (d) Where a resolution has been passed for a members' voluntary winding-up of the Company, or where there is a compromise or arrangement, whether or not for the purpose of or in connection with a scheme for the reconstruction of the Company or the amalgamation of the Company with one (1) or more companies then:
 - (i) if such winding-up, compromise or arrangement (other than a consolidation, amalgamation or merger in which the Company is the continuing corporation) has been approved by a special resolution of the registered Warrants holders, or some person designated by them for such purpose by special resolution, the terms of such winding-up, compromise or arrangement shall be binding on all the Warrants holders; and
 - (ii) in any other case, every registered Warrants holder shall be entitled (subject to provisions of the Deed Poll) at any time within six (6) weeks after passing of such resolution for a members' voluntary winding up of the Company or six (6) weeks after the granting of the court order approving the compromise or arrangement (other than a consolidation, amalgamation or merger in which the Company is the continuing corporation), by the irrevocable surrender of his Warrants to the Company, by the exercise notice(s) duly completed, together with payment of the relevant exercise price, to elect to be treated as if he had immediately prior to the commencement of such winding up, compromise or arrangement, exercised the exercise rights represented by his Warrants to the extent specified in the exercise notice(s) and had on such date been the holder of the Shares to which he would have become entitled pursuant to such exercise.

Subject to the above, if the Company is wound up, all exercise rights which have not been exercised within six (6) weeks of the passing of such resolution shall lapse and the Warrants will cease to be valid for any purpose.

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

16. PROVISIONS

	Tax penalty RM'000	Additional cost RM'000	Heavy repairs RM'000	Total RM'000
Group				
At 1 April 2021	3,185	26,256	-	29,441
Recognised in profit or loss	-	23,237	-	23,237
Utilised during the year	-	(7,864)	-	(7,864)
At 31 March 2022	3,185	41,629	-	44,814
Recognised in profit or loss	-	48,648	1,312	49,960
Utilised during the year	-	(13,733)	-	(13,733)
Unused amount reversed	-	(8,927)	-	(8,927)
At 31 March 2023	3,185	67,617	1,312	72,114
Company				
At 1 April 2021	3,185	26,256	-	29,441
Recognised in profit or loss	-	23,237	-	23,237
Utilised during the year	-	(7,864)	-	(7,864)
At 31 March 2022	3,185	41,629	-	44,814
Utilised during the year	-	(10,098)	-	(10,098)
Unused amount reversed	-	(8,927)	-	(8,927)
At 31 March 2023	3,185	22,604	-	25,789

(a) Tax penalty

Provision for tax penalty arising from additional assessment imposed by Inland Revenue Board ("IRB") for year of assessment ("YA") from YA 2015 to YA 2018.

In the previous financial year, a tax audit was conducted on the Group and on 30 April 2021, the Company was served with the notices of additional assessment of RM7.08 million with penalties of RM3.19 million imposed by Inland Revenue Board ("IRB") for the year assessment ("YA") from YA 2015 to YA 2018. The Group and the Company have recognised the additional tax liabilities and tax penalty totalling RM7.08 million and RM3.19 million respectively.

The Company has appealed and initiated legal proceedings to challenge the basis and validity of these additional assessment resulting from the deemed interest income on the premise that the Company did not charge interest on the purported advance made to West Coast Expressway Sdn. Bhd. ("WCEsb").

On 24 May 2021, the Kuala Lumpur High Court had granted interim stay of the enforcement of the Notices pending the hearing for the joining of the Director General of IRB as the proposed intervenor.

On 1 June 2021, the Director General of IRB filed an application to be joined in the matter as the Intervenor in the judicial review application.

The Court has fixed hearing on 21 September 2023.

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

16. PROVISIONS (CONT'D)

(b) Additional cost

The provision for additional cost represents the Group's and the Company's unavoidable costs to complete the construction of West Coast Expressway that exceeds the economic benefits expected to be received under the contract.

(c) Heavy repairs

The provision for heavy repairs relates to costs of heavy repairs, rectification of settlements and pavement rehabilitation along the expressway expected to be incurred in future based on the assessment of the road condition by independent consultant.

17. LOANS AND BORROWINGS

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Non-current (secured)					
Bond - Sukuk Murabahah ("Sukuk")	(a)	945,472	941,278	-	-
Government support loan	(b)	1,373,314	1,333,748	-	-
Term loans	(c)	1,380,110	1,263,142	-	-
Reimbursable land cost financing ("RLC")	(d)	145,102	-	-	-
Lease liabilities	(e)	8	39	8	39
		3,844,006	3,538,207	8	39
Non-current (unsecured)					
Murabahah loan stocks	(f)	275,500	256,740	-	-
Total (non-current)		4,119,506	3,794,947	8	39
Current (secured)					
Term loans	(c)	-	30,660	-	30,660
Lease liabilities	(e)	40	26	40	26
Total (current)		40	30,686	40	30,686
Total loans and borrowings (current and non-current)		4,119,546	3,825,633	48	30,725

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

17. LOANS AND BORROWINGS (CONT'D)

(a) Bond - Sukuk Murabahah ("Sukuk")

	Group	
	2023	2022
	RM'000	RM'000
Proceeds from issuance of bond	1,000,000	1,000,000
Transaction costs	(54,528)	(58,722)
	945,472	941,278

On 28 August 2015, West Coast Expressway Sdn. Bhd. ("WCESB"), an 80%-owned subsidiary of the Company, issued RM1,000,000,000 secured Sukuk under an Islamic Securities Programme.

The Sukuk was issued at its nominal value with profit rates ranging from 4.95% to 5.38% per annum. It is repayable in 10 annual instalments, commencing on the 12th year after the issue date on 28 August 2015.

As at 31 March 2023, the effective profit rate of the Sukuk ranges from 5.84% to 6.06% (2022: 5.84% to 6.06%) per annum.

The Sukuk is guaranteed by financial guarantor and contains covenants which required WCESB to maintain a financial service cover ratio of at least 1.25 times and a debt equity ("DE") ratio of not greater than 80:20 throughout the tenure upon the completion of the project. The DE ratio requirement shall be waived during the construction period of the Project.

(b) Government support loan

On 30 June 2015, WCESB entered into a Government Support Loan Facility Agreement with the Government of Malaysia for a term loan facility of RM2.24 billion at interest rate of 4% per annum.

The Group received total drawdown of RM2,190,000,000 (2022: RM2,140,000,000) from the Government Support Loan Facility. It is repayable by 108 quarterly instalments, commencing on the 6th year from first drawdown on 3 November 2015. The fair value of the loan is estimated using the prevailing market interest rate of 4.60% - 6.49% (2022: 4.60% - 6.49%) per annum for an equivalent loan. The difference between the gross proceeds and the fair value of the loan is recognised as deferred income as disclosed in Note 18 to the financial statements.

The Government Support Loan contains covenant which required WCESB to maintain a financial service cover ratio of at least 1.25 times.

(c) Term loans

The effective interest rate of the term loans I of the Group as at the reporting date ranges from 4.60% to 6.26% (2022: 4.86% to 4.88%) per annum. During the financial year, WCESB has accepted the joint letter of offer for the restructuring of the term loans and it is repayable over 15 years (2022: 12 years) from the first drawdown date on 15 December 2015.

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

17. LOANS AND BORROWINGS (CONT'D)

(c) Term loans (Cont'd)

The effective interest rate of the term loans II of the Group and of the Company as at the reporting date is 5.00% (2022: 5.00%) per annum. It is repayable 12 months after the first drawdown date on 21 December 2021.

The term loans I contain covenants which required WCESB to maintain a financial service cover ratio of at least 1.25 times and a debt equity ratio of not greater than 80:20 throughout the tenure upon the completion of the project. The DE ratio requirement shall be waived during the construction period of the Project.

(d) Reimbursable land cost financing ("RLC")

On 7 October 2022, WCESB entered into RLC Agreement with the Government of Malaysia for a term loan facility of RM400 million at interest rate of 1% per annum.

The RLC is repayable in 20 quarterly instalments, commencing on 18th year from the first drawdown date. The fair value of the loan is estimated using the prevailing market interest rate of 6.12% per annum on an equivalent loan. The difference of the gross proceeds and the fair value of the loan is recognised as deferred income as disclosed in Note 18 to the financial statements.

The RLC contains covenant which required WCESB to maintain a financial service cover ratio of at least 1.25 times.

(e) Lease liabilities

Future minimum lease payments together with the present value of net minimum lease payments are as follows:

	Group and Company	
	2023	2022
	RM'000	RM'000
Minimum lease payments:		
Not later than one year	52	39
Later than one year and not later than 5 years	6	27
	58	66
Less: Future finance charges	(10)	(1)
Present value of minimum lease payments	48	65
Present value of minimum lease payments:		
Not later than one year	40	26
Later than one year and not later than 5 years	8	39
	48	65
Less: Amount due within 12 months	(40)	(26)
Amount due after 12 months	8	39

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

17. LOANS AND BORROWINGS (CONT'D)

(f) Murabahah loan stocks

WCESB issued Islamic loan stocks based on the Shariah principle of Murabahah via Tawarruq arrangement under redeemable unsecured Murabahah stocks. The profit rate and effective rate of the Murabahah loan stocks is at 10% and 4.98% - 7.44% (2022: 10% and 4.98% - 7.44%) respectively per annum, cumulative and non-compounding. The maturity date of Murabahah loan stocks is on 12 July 2056. The profit payment and the principal redemption will be subject to the fulfilment of the WCESB's financing covenants.

During the financial year, the Group has issued additional Murabahah loan stocks of RM18,760,000 (2022: RM23,420,000) to the minority shareholder of WCESB.

(g) Security

The bond, government support loan and term loans of the Group are secured as follows:

(i) Commercial Financier's Debenture;

(ii) Assignment and Charge I

- an assignment of all WCESB's present and future rights, title, interest and benefits in, to and under the WCE Project Document including any and all monies which may now or hereafter or from time to time be due, paid or payable to WCESB under or arising from or in connection with any of the WCE Project Document; and
- all property as may be added thereto from time to time by way of retention investment and/or reinvestment of income.

(iii) Assignment and Charge II & III

- Proceeds of all toll collection, income and other revenue of WCESB arising from or in connection with the Concession Agreement ("CA");
- any compensation payable to WCESB for any reduction in toll rate under the CA;
- WCESB's present and future rights, interest, title and benefits in relation to the Money Insurance;
- the credit balance and all of WCESB's present and future rights, title, interest and benefit in and to the Credit Balance and each of the Designated Accounts and all other accounts as may be required to be opened in relation to the financing of the WCE Project;
- all Permitted Investment made or held by or on behalf of WCESB or standing to the credit of or payable to WCESB, the proceeds and all income and/or profit earned or derived from the Permitted Investment and all of WCESB's present and future rights, title, interest and benefit therein and thereto; and
- the Shareholder Agreement and all of the WCESB's present and future rights, title interest and benefits therein and thereto.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

18. DEFERRED INCOME

	Group	
	2023	2022
	RM'000	RM'000
Non-current		
Government grant:		
At the beginning of the financial year	793,560	784,569
Received during the financial year	265,107	9,783
Recognised in profit or loss (Note 25)	(1,139)	(792)
At the end of the financial year	1,057,528	793,560

Deferred income relates to government grant arising from the Government Support Loan (“GSL”) and Reimbursable Land Cost (“RLC”) facilities as disclosed in Note 17 to the financial statements.

19. TRADE AND OTHER PAYABLES

		Group		Company	
	Note	2023	2022	2023	2022
		RM'000	RM'000	RM'000	RM'000
Non-current:					
Non-trade					
Accruals	(c)	532,494	404,249	-	-
Current:					
Trade					
Trade payables	(a)	72,288	53,168	62,938	44,074
Accruals	(c)	142,615	148,857	-	-
		214,903	202,025	62,938	44,074
Non-trade					
Other payables	(b)	60,022	63,056	2,907	3,097
Deposits		133	132	-	-
Accruals	(c)	31,746	23,830	1,574	1,296
Amount owing to subsidiaries	(d)	-	-	64,053	65,847
Total trade and other payables (current)		306,804	289,043	131,472	114,314
Total trade and other payables (non-current and current)		839,298	693,292	131,472	114,314

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

19. TRADE AND OTHER PAYABLES (CONT'D)

(a) Trade payables

The Group's and the Company's normal trade credit terms ranges from 14 to 90 (2022: 14 to 90) days.

Included in trade payables of the Group are retention sums of RM4,811,000 (2022: RM3,115,000). Retention sums are payable upon the expiry of the defect liability period.

Included in trade payables of the Group and of the Company is an amount of RM61,553,000 (2022: RM44,123,000) owing to IJM Group, a major shareholder of the Company.

(b) Other payables

Included in other payables of the Group and of the Company are amounts of RM48,026,000 and RM nil (2022: RM51,529,000 and RM813,000) respectively owing to IJM Group, a major shareholder of the Company. These amounts are unsecured, interest free and repayable on demand in cash except for the amounts of RM48,026,000 and RM nil (2022: RM46,563,561 and RM813,000) of the Group and of the Company which bear interest at rate of 5.00% (2022: 5.00% to 7.15%) per annum.

(c) Accruals

Trade

Included in the current accruals of the Group is an amount of RM131,434,000 (2022: RM146,233,000) relating to the accruals for construction works owing to IJM Group, a major shareholder of the Company.

Non-trade

Included in non-current and current accruals of the Group are amounts of RM561,597,000 (2022: RM425,528,000) relating to interest charges in relation to the borrowings of the Group.

(d) Amount owing to subsidiaries

Amount owing to subsidiaries represents unsecured non-trade advances which is repayable upon demand and is expected to be settled in cash. These advances bear interest at a rate of 5.00% (2022: 5.00%) per annum.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

20. CONTRACT ASSETS/(LIABILITIES)

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Contract assets relating to construction service contracts	3,085	84	-	-
Total contract assets	3,085	84	-	-
Contract liabilities relating to construction service contracts	(25,414)	(21,492)	(8,696)	(17,321)
Total contract liabilities	(25,414)	(21,492)	(8,696)	(17,321)
	(22,329)	(21,408)	(8,696)	(17,321)

Significant changes in contract balances

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
At the beginning of the financial year	(21,408)	(17,345)	(17,321)	(11,559)
Revenue recognised during the financial year	43,024	21,437	116,814	104,617
Progress billings issued during the financial year	(43,945)	(25,500)	(108,189)	(110,379)
At the end of the financial year	(22,329)	(21,408)	(8,696)	(17,321)

Revenue recognised in relation to contract balances

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Revenue recognised that was included in contract liability at the beginning of the financial year	21,492	17,345	17,321	11,559

Revenue recognised that was included in the contract liability balance at the beginning of the year represents primarily revenue from the construction services as the works progress.

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

21. REVENUE

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Revenue from contracts with customer				
Construction contracts and project management fees	462,631	579,093	116,814	104,617
Toll concession revenue	44,139	27,818	-	-
Revenue from other source				
Dividend income	-	-	302,893	-
	506,770	606,911	419,707	104,617

Included in the revenue from construction contracts of the Group is an amount of RM419,632,000 (2022: RM557,631,000) recognised pursuant to IC Interpretation 12 Service Concession Arrangements from the construction of a public service infrastructure as disclosed in Note 7 to the financial statements.

(a) Disaggregation of revenue

The Group reports the following major segments: construction contracts, toll concession and others. For the purpose of disclosure for disaggregation of revenue, it disaggregates revenue into major goods or services, timing of revenue recognition (i.e. goods transferred at a point in time or services transferred over time).

	Construction contracts and project management fees RM'000	Toll concession revenue RM'000	Total RM'000
Timing of revenue recognition			
Group			
2023			
Over time	462,631	-	462,631
At a point in time	-	44,139	44,139
	462,631	44,139	506,770
2022			
Over time	579,093	-	579,093
At a point in time	-	27,818	27,818
	579,093	27,818	606,911
Company			
2023			
Over time	116,814	-	116,814
2022			
Over time	104,617	-	104,617

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

21. REVENUE (CONT'D)

(b) Transaction price allocated to the remaining performance obligations

As at 31 March 2023, the aggregate amount of the transaction price allocated to the remaining performance obligation of the Group and of the Company are RM1,178 million and RM267 million (2022: RM1,549 million and RM383 million) respectively and the Group and the Company will recognise this revenue as the construction are completed, which is expected to occur over the next one (1) to three (3) years.

22. COST OF SALES

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Construction contracts and project management fees	500,878	604,806	112,475	138,270
Toll operation costs	21,828	15,258	-	-
	522,706	620,064	112,475	138,270

Included in the cost of sales from construction contracts of the Group is an amount of RM410,966,000 (2022: RM551,938,000) recognised pursuant to IC Interpretation 12 Service Concession Arrangements from the construction of a public service infrastructure as disclosed in Note 7 to the financial statements.

23. FINANCE INCOME

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Interest income				
- deposits with licensed banks	248	108	248	107
- murabahah loan stocks	-	-	85,247	78,733
- amount owing by subsidiary	-	-	975	1,089
	248	108	86,470	79,929

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

24. FINANCE COSTS

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Interest expenses arising from:				
Government support loan	103,127	92,391	-	-
Reimbursable land cost financing ("RLC")	3,311	-	-	-
Bond - Sukuk Murabahah ("Sukuk")	55,857	56,043	-	-
Murabahah loan stocks	22,202	17,762	-	-
Term loan	76,937	58,182	-	-
Lease liabilities	2	2	2	2
Others				
- amount owing to subsidiary	-	-	3,250	3,631
- other payables	6,185	2,973	2,138	430
- others	10,820	10,531	-	-
	278,441	237,884	5,390	4,063
Less: Interest capitalised into:				
Infrastructure development expenditure (Note 7)	(121,674)	(94,848)	-	-
	156,767	143,036	5,390	4,063

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

25. PROFIT/(LOSS) BEFORE TAX

Other than disclosed elsewhere in the financial statements, the following items have been charged/ (credited) in arriving at profit/(loss) before tax:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Auditors' remuneration				
- statutory audit	339	296	174	152
- non-statutory audit	32	15	7	7
Amortisation of infrastructure development expenditure	7,238	4,739	-	-
Depreciation of property, plant and equipment	669	587	117	107
Director fees	1,116	981	1,116	981
Impairment loss on amount owing by subsidiaries	-	-	34	-
Net provisions/(unused amount reversed)	41,033	23,237	(8,927)	23,237
Short-term lease expense	5	28	5	9
Staff costs				
- salaries, wages and allowances	9,170	10,306	1,431	883
- Employees Provident Fund	1,209	1,312	216	160
- other staff related expenses	546	563	89	41
Gain on disposal of property, plant and equipment	(100)	(92)	(100)	-
Amortisation of deferred income	(1,139)	(792)	-	-
Distribution income from other investments	(111)	(197)	(56)	(31)
Fair value (gain)/loss on other investments	(1,780)	815	(1,259)	913
Gain on disposal of investment in associate	(208,028)	-	-	-
Impairment loss no longer required on:				
- amount owing by subsidiaries	-	-	(12,425)	(14,047)
- investment in subsidiaries	-	-	(250)	-
Rental income	(36)	(36)	-	-

Included in staff costs of the Group are director's remuneration of subsidiaries as disclosed in Note 31 to the financial statements.

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

26. INCOME TAX CREDIT/(EXPENSE)

The major components of income tax credit/(expense) for the financial year ended 31 March 2023 and 31 March 2022 are as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Current income tax:				
- current year	(2,180)	(2,742)	-	-
- over accrual in prior year	2	1,261	-	1,375
	(2,178)	(1,481)	-	1,375
Deferred tax (Note 12):				
- origination/(reversal) of temporary differences	11,130	10,601	(20,460)	(18,893)
- under accrual in prior year	(325)	(13,031)	(3)	(567)
- derecognition of deferred tax assets previously recognised	(4,034)	-	-	-
	6,771	(2,430)	(20,463)	(19,460)
Tax credit/(expense) for the financial year	4,593	(3,911)	(20,463)	(18,085)

Domestic income tax is calculated at the Malaysian statutory income tax rate of 24% (2022: 24%) of the estimated assessable profit for the financial year.

The reconciliations from the tax amount at the statutory income tax rate to the Group's and the Company's tax credit/(expense) are as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Profit/(Loss) before tax	68,001	(139,340)	396,717	51,825
Tax at statutory tax rate of 24%	(16,320)	33,442	(95,212)	(12,438)
Tax effects of:				
- non-deductible expenses	(4,547)	(11,818)	(1,764)	(9,834)
- deferred tax assets not recognised	(31,497)	(20,413)	-	-
- share of results of associates	9,428	5,486	-	-
- non-taxable income	51,370	1,162	76,000	3,379
- utilisation of deferred tax assets not recognised	516	-	516	-
- derecognition of deferred tax assets previously recognised	(4,034)	-	-	-
- (under)/over accrual in prior years	(323)	(11,770)	(3)	808
Tax credit/(expense) for the financial year	4,593	(3,911)	(20,463)	(18,085)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

27. EARNINGS/(LOSS) PER ORDINARY SHARE

(a) Basic earnings/(loss) per ordinary share

Basic earnings/(loss) per share is based on the profit/(loss) for the financial year attributable to owners/ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the financial year, calculated as follows:

	Group 2023 RM'000	2022 RM'000
Profit/(Loss) for the financial year attributable to owners/ordinary shareholders of the Company	97,270	(115,484)
Weighted average number of ordinary shares for basic earnings/(loss) per share ('000 unit)	2,987,707	2,568,237
Basic earnings/(loss) per ordinary share (sen)	3.26 *	(4.50)

(b) Diluted earnings/(loss) per ordinary share

	Group 2023 RM'000	2022 RM'000
Profit/(Loss) for the financial year attributable to owners/ordinary shareholders of the Company	97,270	(115,484)
Weighted average number of ordinary shares for basic earnings/(loss) per share	2,987,707	2,568,237
Effect of dilution from potential exercise of Warrants	#	-
Weighted average number of ordinary shares for diluted earnings/(loss) per share	2,987,707	2,568,237
Diluted earnings/(loss) per ordinary share (sen)	3.26 *	(4.50)

* Includes gain on disposal of investment in associate of RM208,028,000 as disclosed in Note 25 to the financial statements. Excluding the gain on disposal, it would have been basic and diluted loss per ordinary share of 3.71sen.

The unexercised warrants have no dilutive effect on the earnings per share given the warrants' exercise price is higher than the average market price per ordinary share.

In the previous financial year, the diluted loss per ordinary share of the Group is equivalent to the basic loss per ordinary share of the Group as the effect is anti-dilutive.

There have been no transactions involving ordinary shares or potential ordinary shares since the reporting date and before the authorisation of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

28. INTEREST IN JOINT OPERATION

Details of the joint operation are as follows:

Participated by the Company

Name of joint operation	Participation interest		Economic activity
	2023 %	2022 %	
Unincorporated in Malaysia			
IJM Construction Sdn. Bhd. - Kumpulan Europlus Berhad Joint Venture ("IJMC - KEB JV")*	30	30	Undertake engineering, procurement and construction of West Coast Expressway Project

* Audited by another firm of chartered accountants other than Baker Tilly Monteiro Heng PLT.

Pursuant to MFRS 11 *Joint Arrangements*, IJMC - KEB JV is deemed to be a joint operation of the Company as the parties involved that have joint control have rights to the assets and obligations for the liabilities relating to the arrangement.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

29. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

The following table analyses the financial instruments in the statements of financial position by the class of financial instruments to which they are assigned:

- (i) Fair value through profit or loss ("FVPL")
- (ii) Amortised cost ("AC")

	FVPL RM'000	AC RM'000	Total RM'000
2023			
Financial assets			
Group			
Other investments	230,872	-	230,872
Trade and other receivables *	-	204,596	204,596
Cash and short-term deposits	-	513,031	513,031
	230,872	717,627	948,499
Company			
Other investments	199,480	1,102,000	1,301,480
Trade and other receivables *	-	363,332	363,332
Cash and short-term deposits	-	14,721	14,721
	199,480	1,480,053	1,679,533
2023			
Financial liabilities			
Group			
Loans and borrowings ^	-	(4,119,498)	(4,119,498)
Trade and other payables	-	(839,298)	(839,298)
	-	(4,958,796)	(4,958,796)
Company			
Trade and other payables	-	(131,472)	(131,472)

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

29. FINANCIAL INSTRUMENTS (CONT'D)

(a) Categories of financial instruments (Cont'd)

	FVPL RM'000	AC RM'000	Total RM'000
2022			
Financial assets			
Group			
Other investments	30,001	-	30,001
Trade and other receivables *	-	5,451	5,451
Cash and short-term deposits	-	425,355	425,355
	30,001	430,806	460,807
Company			
Other investments	2,765	1,026,960	1,029,725
Trade and other receivables *	-	281,169	281,169
Cash and short-term deposits	-	13,659	13,659
	2,765	1,321,788	1,324,553
2022			
Financial liabilities			
Group			
Loans and borrowings ^	-	(3,825,568)	(3,825,568)
Trade and other payables	-	(693,292)	(693,292)
	-	(4,518,860)	(4,518,860)
Company			
Loans and borrowings ^	-	(30,660)	(30,660)
Trade and other payables	-	(114,314)	(114,314)
	-	(144,974)	(144,974)

* Exclude prepayments.

^ Exclude lease liabilities.

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

29. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management

The Group's and the Company's activities are subject 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 and interest rate risk. The Group and the Company have formulated a financial risk management framework whose principal objective is to minimise the Group's and the Company's exposure to risks and/or costs associated with the financing, investing and operating activities of the Group and of the Company.

The Board of Directors reviews and agrees to policies and procedures for the management for these risks, which are executed by the Group's senior management. The audit committee provides independent oversight to the effectiveness of the risk management process.

(i) Credit risk

Credit risk is the risk of financial loss to the Group and the Company that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's exposure to credit risk primarily arises from its trade receivables and contract assets while the Company's exposure to credit risk primarily arises from amount owing by a subsidiary. The Group and the Company have a credit policy in place and the exposure to credit risk is managed through the application of credit approvals, credit limit and monitoring procedures. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment.

Trade receivables and contract assets

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables and contract assets is represented by the carrying amounts in the statements of financial position.

The carrying amount of trade receivables and contract assets are not secured by any collateral or supported by any other credit enhancements. In determining the recoverability of these receivables, the Group considers any change in the credit quality of the receivables from the date the credit was initially granted up to the reporting date. The Group has adopted a policy of dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults.

Credit risk concentration profile

As at the reporting date, the Group has significant concentration of credit risk in the form of outstanding balances owing by 1 (2022: 1) customer representing 100% (2022: 100%) of the total receivables.

The Group and the Company apply the simplified approach to providing for expected credit losses prescribed by MFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables.

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

29. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(i) Credit risk (Cont'd)

Credit risk concentration profile (Cont'd)

The Group and the Company individually assessed ECL of individual customers based on indicators such as changes in financial capability of the receivables, payment trends of the receivable and default or significant delay in payments. The determination of impairment losses also incorporates current conditions and forward-looking information on the economic conditions over the expected settlement period of the receivables. The Group and the Company believe that changes in economic conditions over these periods would not materially impact the impairment calculation of the receivables.

The information about credit risk exposure on the Group's and the Company's trade receivables and contract assets are as follows:

	Trade receivables				Total RM'000
	Current RM'000	> 30 days past due RM'000	> 60 days past due RM'000	> 90 days past due RM'000	
Group					
2023					
Contract assets	3,085	-	-	-	3,085
Gross carrying amount at default	3,347	-	-	10,651	13,998
Impairment losses - individually assessed	-	-	-	(10,651)	(10,651)
Net carrying amount	6,432	-	-	-	6,432
2022					
Contract assets	84	-	-	-	84
Gross carrying amount at default	-	-	-	12,486	12,486
Impairment losses - individually assessed	-	-	-	(10,651)	(10,651)
Net carrying amount	84	-	-	1,835	1,919
Company					
2023					
Gross carrying amount at default	33,140	-	-	-	33,140
2022					
Gross carrying amount at default	37,226	-	-	-	37,226

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

29. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(i) Credit risk (Cont'd)

Other receivables and other financial assets

For other receivables and other financial assets (including debt securities, non trade receivables and cash and cash equivalents), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties. At the reporting date, the Group's and the Company's maximum exposure to credit risk arising from other receivables and other financial assets is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

The Group and the Company consider the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Company provides advances to subsidiaries. The maximum exposure to credit risk is represented by its carrying amounts as disclosed in Note 11 to the financial statements as at the end of the financial year.

Other than disclosed in Note 11 to the financial statements, the Group and the Company consider these financial assets to have low credit risk. Accordingly, the Group and the Company determine that any loss allowance for impairment for these financial assets would not be material. Refer to Note 3.9 to the financial statements for the Group's and Company's other accounting policies for impairment of financial assets.

(ii) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations when they fall due. The Group's and the Company's exposure to liquidity risk arise primarily from mismatches of the maturities between financial assets and liabilities. The Group's and the Company's exposure to liquidity risk arises principally from their various payables, loans and borrowings.

The Group and the Company maintain a level of cash and cash equivalents and credit facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet their liabilities when they fall due.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

29. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(ii) Liquidity risk (Cont'd)

Maturity analysis

The maturity analysis of the Group's and the Company's financial liabilities by their relevant maturity at the reporting date based on contractual undiscounted repayment obligations are as follows:

	← Contractual cash flows →				Total RM'000
	Carrying amount RM'000	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	
Group					
2023					
Trade and other payables (excluding interest accruals)	306,804	306,804	-	-	306,804
Loans and borrowings (including interest accruals):					
- Bond	945,472	51,791	270,979	1,181,550	1,504,320
- Government support loan	1,825,608	488	3,599	5,794,711	5,798,798
- Reimbursable land cost	148,412	-	-	480,451	480,451
- Term loans	1,380,110	86,448	594,122	1,364,051	2,044,621
- Murabahah loan stocks	352,390	-	-	1,526,747	1,526,747
- Lease liabilities	48	52	6	-	58
	4,958,844	445,583	868,706	10,347,510	11,661,799
Company					
Trade and other payables	131,472	131,472	-	-	131,472
Lease liabilities	48	52	6	-	58
	131,520	131,524	6	-	131,530

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

29. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(ii) Liquidity risk (Cont'd)

Maturity analysis (Cont'd)

The maturity analysis of the Group's and the Company's financial liabilities by their relevant maturity at the reporting date based on contractual undiscounted repayment obligations are as follows: (Cont'd)

	Carrying amount RM'000	Contractual cash flows			Total RM'000
		On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	
Group					
2022					
Trade and other payables (excluding interest accruals)	289,043	289,043	-	-	289,043
Loans and borrowings (including interest accruals):					
- Bond	941,278	51,664	206,797	1,302,869	1,561,330
- Government support loan	1,683,310	577	2,565	5,686,247	5,689,389
- Term loans	1,293,802	90,782	1,492,931	-	1,583,713
- Murabahah loan stocks	311,427	-	-	1,211,906	1,211,906
- Lease liabilities	65	39	27	-	66
	4,518,925	432,105	1,702,320	8,201,022	10,335,447
Company					
Trade and other payables	114,314	114,314	-	-	114,314
Loans and borrowings					
- Term loan	30,660	32,193	-	-	32,193
Lease liabilities	65	39	27	-	66
	145,039	146,546	27	-	146,573

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

29. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(iii) Interest rate risk

Interest rate risk is the risk of fluctuation in fair value or future cash flows of the Group's and of the Company's financial instruments as a result of changes in market interest rates. The Group's and the Company's exposure to interest rate risk arises primarily from their loans and borrowings with floating interest rates.

The Group and the Company manage the net exposure to interest rate risks by maintaining sufficient lines of credit to obtain acceptable lending costs and by monitoring the exposure to such risks on an ongoing basis. The Group does not enter into interest rate hedging transactions since it considers that the cost of such instruments outweighs the potential risk of interest rate fluctuation.

The short-term deposit placed with licensed bank at fixed rate exposes the Group to fair value interest rate risk. The term loans of the Group and the Company totalling RM1,380,110,000 and RM nil (2022: RM1,293,802,000 and RM 30,660,000) at floating rate expose the Group and the Company to cash flow interest rate whilst the bond, murabahah loan stocks, government support loan, and reimbursable land cost of RM2,739,388,000 (2022: RM2,531,766,000) expose the Group and the Company to fair value interest rate risk.

The information on maturity dates and effective interest rate of financial assets and liabilities are disclosed in their respective notes.

Sensitivity analysis for interest rate risk

Fair value sensitivity analysis for fixed rate instruments

The following table demonstrates the sensitivity to a reasonably possible change in interest rate, with all other variables held constant on the Group's total profit for the financial year.

	Change in basis points	Effect on profit/(loss) for the financial year Increase/(Decrease) RM'000
Group:		
31 March 2023	+ 50	(2,953)
	- 50	2,953
<hr/>		
31 March 2022	+ 50	2,956
	- 50	(2,956)
<hr/>		
Company:		
31 March 2023	+ 50	-
	- 50	-
<hr/>		
31 March 2022	+ 50	(117)
	- 50	117

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

29. FINANCIAL INSTRUMENTS (CONT'D)

(c) Fair value measurement

(i) Fair value of financial instruments that are carried at fair value

The fair value hierarchy used to measure the fair value of financial asset carried at fair value are as follows:

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 fair value measurements are those derived from inputs for the asset or liability that are not based on observable market data (observable inputs).

As at 31 March 2023, the fair value of other investments (current) as disclosed in Note 10 to the financial statements is measured under Level 1, of which is determined directly by reference to prices provided by investment management companies.

During the financial year ended 31 March 2023, there were no transfers between Level 1 and Level 2 fair value measurements.

(ii) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The following are classes of financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value at the reporting date:

	Note
Other investments	10
Trade and other receivables	11
Cash and short-term deposits	13
Loans and borrowings	17
Trade and other payables	19

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values, either 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 reporting date.

The carrying amounts of the current portion of loans and borrowings are reasonable approximation of fair values due to the insignificant impact of discounting.

The carrying amounts of the non-current portion of other investments are reasonable approximation of fair value of which is determined directly by reference to the prevailing term loan rate.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

29. FINANCIAL INSTRUMENTS (CONT'D)

(c) Fair value measurement (Cont'd)

(iii) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair value

Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair value are as follows:

	Note	2023		2022	
		Carrying amount RM'000	Fair value RM'000	Carrying amount RM'000	Fair value RM'000
Group					
Financial liabilities					
Loans and borrowings:					
- Bond	17	945,472	918,952	941,278	918,953
- Government support loan	17	1,373,314	1,384,659	1,333,748	1,344,868
- Reimbursable land cost	17	145,102	145,102	-	-
- Murabahah loan stocks	17	275,500	352,645	256,740	296,540
		2,739,388	2,801,358	2,531,766	2,560,361
Company					
Financial assets					
Other investments					
- Private debt securities	10	1,102,000	1,410,580	1,026,960	1,186,161

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

29. FINANCIAL INSTRUMENTS (CONT'D)

(c) Fair value measurement (Cont'd)

(iii) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair value (Cont'd)

The following table provides the fair value measurement hierarchy of the Group's and the Company's financial instruments:

	Note	Fair value of financial instruments not carried at fair value				Total RM'000
		Fair value RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	
2023						
Group						
Financial liabilities						
Loans and borrowings:						
- Bond	17	918,952	-	918,952	-	918,952
- Government support loan	17	1,384,659	-	1,384,659	-	1,384,659
- Reimbursable land cost	17	145,102	-	145,102	-	145,102
- Murabahah loan stocks	17	352,645	-	352,645	-	352,645
		2,801,358	-	2,801,358	-	2,801,358
Company						
Financial assets						
Other investment						
- Private debt securities	10	1,410,580	-	1,410,580	-	1,410,580
2022						
Group						
Financial liabilities						
Loans and borrowings:						
- Bond	17	918,953	-	918,953	-	918,953
- Government support loan	17	1,344,868	-	1,344,868	-	1,344,868
- Murabahah loan stocks	17	296,540	-	296,540	-	296,540
		2,560,361	-	2,560,361	-	2,560,361
Company						
Financial assets						
Other investment						
- Private debt securities	10	1,186,161	-	1,186,161	-	1,186,161

Fair value of financial instruments not carried at fair value

The fair value of the bond, government support loan and murabahah loan stocks are calculated based on the present value of future principal and interest cash flows, discounted at the market interest rates of similar liabilities and issuer's borrowing rate.

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

30. CAPITAL COMMITMENT

The Group has made commitment in respect of infrastructure development expenditure as follows:

	Group	
	2023	2022
	RM'000	RM'000
Infrastructure development expenditure		
- Contracted but not provided for	1,008,047	1,401,506

31. RELATED PARTIES DISCLOSURE

(a) Identity of related parties

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operational decisions, or vice versa, or where the Group and the party are subject to common control. Related parties may be individuals or other entities.

Related parties of the Group include:

- (i) Entities having significant influence over the Group;
- (ii) Subsidiaries;
- (iii) Associates;
- (iv) Entities in which directors have substantial financial interests; and
- (v) Key management personnel of the Group and of the Company, comprise persons (including directors) having the authority and responsibility for planning, directing and controlling the activities directly or indirectly.

Other than as disclosed elsewhere in the financial statements, the related parties and their relationship with the Company and its subsidiaries are as follows:

IJM Group	IJM Corporation Berhad ("IJM") and its subsidiaries. IJM is a major shareholder of the Company.
MWE Group	MWE Holdings Berhad ("MWE") and its subsidiaries. MWE is a major shareholder of the Company.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31. RELATED PARTIES DISCLOSURE (CONT'D)

(b) Significant related party transactions and balances

Significant related party transactions other than disclosed elsewhere in the financial statements are as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
IJM Group:				
- Interest expenses	(6,185)	(2,830)	(2,138)	(288)
- Construction works	(376,733)	(367,407)	(112,476)	(138,270)
- Murabahah loan stocks profit	(22,202)	(17,762)	-	-
- Proceeds received/receivable from disposal of associate	494,000	-	-	-
MWE Group:				
- Share registration fees	(175)	(217)	(175)	(217)
West Coast Expressway Sdn. Bhd.				
- Construction works	-	-	116,814	104,524
- Murabahah loan stocks profit	-	-	85,248	78,733
WCE Maju Sdn. Bhd. (<i>formerly known as KEB Builders Sdn. Bhd.</i>)				
- Interest expenses	-	-	(3,250)	(3,631)

Significant outstanding balances with related parties at the end of the reporting date are disclosed in Note 11 and Note 19 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31. RELATED PARTIES DISCLOSURE (CONT'D)

(c) Compensation of key management personnel

The remuneration of key management personnel and directors' remuneration (including directors who retired or resigned during the financial year), are disclosed as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Directors				
Non-executive directors of the Company:				
- Fees	1,116	981	1,116	981
- Other emoluments	61	59	61	59
- Estimated monetary value of benefits-in-kind	13	13	-	-
	1,190	1,053	1,177	1,040
Executive directors of subsidiary:				
- Salaries and other emoluments	1,397	2,157	775	-
- Employees Provident Fund	211	260	124	-
- Estimated monetary value of benefits-in-kind	33	28	25	27
	1,641	2,445	924	27
	2,831	3,498	2,101	1,067

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

32. SEGMENTS INFORMATION

Measurement of reportable segments

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

The Group assesses the performance of the operating segments based on operating profit or loss which is measured differently from those disclosed in the consolidated financial statements.

Assets, liabilities and expenses which are common and cannot be meaningfully allocated to the operating segments are presented under unallocated items. Unallocated items comprise mainly investment in associate, other investments, tax refundable, tax payable and deferred tax liabilities/assets.

Business segments

The Group's operating businesses are classified according to the nature of activities as follows:

Toll concession	:	Involved in the business of construction, management and tolling of highway operation.
Construction	:	Involved in the business of construction contracting and project management services.
Others	:	Involved in the leasing services and investment holding.

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

32. SEGMENTS INFORMATION (CONT'D)

Business segments (Cont'd)

2023 Group	Toll concession RM'000	Construction RM'000	Others RM'000	Adjustment and Elimination RM'000	Consolidated RM'000
Revenue					
External sales	470,055 ^	36,715	-	-	506,770
Inter-segment sales	144,244	6,284	302,894	(453,422)	-
Total revenue	614,299	42,999	302,894	(453,422)	506,770
Results					
Segment results	30,222	(48,616)	630,221	(634,620) A	(22,793)
Finance costs	(150,579)	(5,022)	(5,391)	4,225	(156,767)
Share of results of associates	-	-	39,285	-	39,285
Gain on disposal of associate	-	-	493,600	(285,572)	208,028
Interest income	-	3,250	86,470	(89,472)	248
(Loss)/Profit before tax	(120,357)	(50,388)	1,244,185	(1,005,439)	68,001
Taxation	8,634	(4,034)	(20,470)	20,463	4,593
(Loss)/Profit for the financial year	(111,723)	(54,422)	1,223,715	(984,976)	72,594
Consolidated statement of financial position					
Assets					
Segment assets	7,039,037	221,131	607,767	(921,811)	6,946,124
Other investments	21,018	10,374	1,301,480	(1,102,000)	230,872
Current tax assets	1,087	-	-	-	1,087
Deferred tax assets	-	-	-	74,193	74,193
Consolidated total assets	7,061,142	231,505	1,909,247	(1,949,618) B	7,252,276
Liabilities					
Segment liabilities	7,397,071	166,728	242,431	(1,692,330) C	6,113,900
Current tax liabilities	-	-	6,304	-	6,304
Deferred tax liabilities	5,052	-	74,260	-	79,312
Consolidated total liabilities	7,402,123	166,728	322,995	(1,692,330) C	6,199,516
Other Information					
Amortisation of infrastructure development expenditure	7,238	-	-	-	7,238
Capital expenditure	565,324	323	329	-	565,976 D
Depreciation of property, plant and equipment	519	22	128	-	669
Non-cash expenses other than depreciation and amortisation	(7,615)	48,648	39	(39)	41,033 E
Other non-cash income	(1,514)	(166)	(31,748)	30,409	(3,019) F

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

32. SEGMENTS INFORMATION (CONT'D)

Business segments (Cont'd)

2022 Group	Toll concession RM'000	Construction RM'000	Others RM'000	Adjustment and Elimination RM'000	Consolidated RM'000
Revenue					
External sales	585,474 ^	21,437	-	-	606,911
Inter-segment sales	140,222	25	-	(140,247)	-
Total revenue	725,696	21,462	-	(140,247)	606,911
Results					
Segment results	(14,366)	(248)	93,148	(97,805) A	(19,271)
Finance costs	(140,062)	(3,631)	(4,063)	4,720	(143,036)
Share of results of associates	-	-	22,859	-	22,859
Interest income	-	3,631	79,930	(83,453)	108
(Loss)/Profit before tax	(154,428)	(248)	191,874	(176,538)	(139,340)
Taxation	(9,307)	4,031	(18,095)	19,460	(3,911)
(Loss)/Profit for the financial year	(163,735)	3,783	173,779	(157,078)	(143,251)
Consolidated statement of financial position					
Assets					
Segment assets	6,319,519	67,998	462,224	(749,374)	6,100,367
Investment in associates	-	300	246,387	-	246,687
Other investments	20,577	6,659	1,029,725	(1,026,960)	30,001
Current tax assets	116	-	141	-	257
Deferred tax assets	-	4,034	-	53,730	57,764
Consolidated total assets	6,340,212	78,991	1,738,477	(1,722,604) B	6,435,076
Liabilities					
Segment liabilities	6,461,409	113,856	363,972	(1,560,446) C	5,378,791
Current tax liabilities	-	-	6,465	-	6,465
Deferred tax liabilities	-	-	69,654	-	69,654
Consolidated total liabilities	6,461,409	113,856	440,091	(1,560,446)	5,454,910
Other Information					
Amortisation of infrastructure development expenditure	4,739	-	-	-	4,739
Capital expenditure	665,179	9	11	-	665,199 D
Depreciation of property, plant and equipment	466	2	119	-	587
Non-cash expenses other than depreciation and amortisation	23,237	-	839	(24)	24,052 E
Other non-cash income	(979)	(3)	(18,704)	18,802	(884) F

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

32. SEGMENTS INFORMATION (CONT'D)

Business segments (Cont'd)

^ Represents construction revenue recognised pursuant to IC Interpretation 12 Service Concession Arrangements from the construction of a public service infrastructure.

Note: Nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements.

A The following items are deducted from/added in segment results to arrive at profit/(loss) before tax:

	2023	2022
	RM'000	RM'000
Impairment loss on amount owing by subsidiaries	39	24
Impairment loss on amount owing by subsidiaries no longer required	(17,559)	(18,802)
Impairment loss on investment in subsidiaries no longer required	(12,850)	-
Interest income on murabahah loan stocks from a subsidiary	(85,247)	(78,733)
Dividend income	(519,003)	-
Waiver of debt on amount owing by subsidiaries	-	(294)
	(634,620)	(97,805)

B The following items are deducted from segment assets to arrive at total assets reported in the consolidated statement of financial position:

	2023	2022
	RM'000	RM'000
Investment in subsidiaries	(160,996)	(160,746)
Inter-segment assets	(1,788,622)	(1,561,858)
	(1,949,618)	(1,722,604)

C The following items are deducted from segment liabilities to arrive at total liabilities reported in the consolidated statement of financial position:

	2023	2022
	RM'000	RM'000
Inter-segment liabilities	(1,692,330)	(1,560,446)

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

32. SEGMENTS INFORMATION (CONT'D)

Business segments (Cont'd)

D Additions of capital expenditure consist of:

	2023	2022
	RM'000	RM'000
Property, plant and equipment	1,081	1,120
Infrastructure development expenditure	564,895	664,079
	565,976	665,199

E Other non-cash expenditure consists of:

	2023	2022
	RM'000	RM'000
Net provisions	41,033	23,237
Fair value loss on other investments	-	815
	41,033	24,052

F Other non-cash income consists of:

	2023	2022
	RM'000	RM'000
Amortisation of deferred income	1,139	792
Gain on disposal of property, plant and equipment	100	92
Fair value gain on other investments	1,780	-
	3,019	884

Geographical segment

The activities of the Group are mainly carried out in Malaysia and as such, geographical segment reporting is not presented.

Information about major customers

Included in the Group revenue is an amount of RM419,632,000 (2022: RM557,631,000) from the toll concession segment, which accounted for more than 10% of the Group revenue and is derived from Government of Malaysia.

NOTES

TO THE FINANCIAL STATEMENTS (CONT'D)

33. CAPITAL MANAGEMENT

The primary objective of the Group's and the Company's capital management is to ensure that it maintains a strong capital base and safeguard the Group's and the Company's ability to continue as a going concern, so as to maintain investor, creditor and market confidence and to sustain future development of the business. To maintain or adjust the capital structure, the Group and the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The directors monitor and determine to maintain an optimal debt-to-equity ratio that complies with debt covenants and regulatory requirements.

The debt-to-equity ratio as at 31 March 2023 and 31 March 2022 were as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Total borrowings	4,119,546	3,825,633	48	30,725
Equity attributable to owners of the Company	1,108,827	1,011,557	1,594,378	1,218,124
Debt-to-equity ratio (times)	3.72	3.78	0.00	0.03

There were no changes in the Group's and the Company's approach to capital management during the financial year.

West Coast Expressway Sdn. Bhd. ("WCESB"), an 80% owned subsidiary of the Group is restricted to make any distribution of profits and create any contract or obligation to pay money or money's worth to the Group unless prior approval is obtained from non-controlling interest' shareholder of WCESB and upon fulfilment of certain financial covenants underlying the borrowings of WCESB.

As part of its financing covenants, WCESB is required to maintain a financial service cover ratio of at least 1.25 times and a debt equity ratio of not greater than 80:20 throughout the tenure of the borrowings upon the completion of the project.

STATEMENT BY DIRECTORS

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

We, **DATUK IR. HAMZAH BIN HASAN** and **DATUK OH CHONG PENG**, being two of the directors of WCE HOLDINGS BERHAD, do hereby state that in the opinion of the directors, the accompanying financial statements as set out on pages 92 to 184 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of Group and of the Company as at 31 March 2023 and of their financial performance and cash flows for the financial year then ended.

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

.....
DATUK IR. HAMZAH BIN HASAN
Director

.....
DATUK OH CHONG PENG
Director

Date: 6 July 2023

STATUTORY DECLARATION

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

I, **LIM SHEE SHEE**, being the officer primarily responsible for the financial management of WCE HOLDINGS BERHAD, do solemnly and sincerely declare that to the best of my knowledge and belief, the accompanying financial statements as set out on pages 92 to 184 are correct, and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

.....
LIM SHEE SHEE
(MIA NO. 34598)

Subscribed and solemnly declared by the abovenamed at Kuala Lumpur in the Federal Territory on 6 July 2023.

Before me,

.....
Mohamad Zuliswandi bin Mohamed (W 1006)
Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF WCE HOLDINGS BERHAD (INCORPORATED IN MALAYSIA)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of WCE Holdings Berhad, which comprise the statements of financial position as at 31 March 2023 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 significant accounting policies, as set out on pages 92 to 184.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 March 2023, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical 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.

INDEPENDENT AUDITORS' REPORT (CONT'D)

TO THE MEMBERS OF WCE HOLDINGS BERHAD (INCORPORATED IN MALAYSIA)

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.

Group

Infrastructure development expenditure (Note 4(i) and Note 7 to the financial statements)

As at 31 March 2023, the carrying amount of the Infrastructure Development Expenditure ("IDE") of the Group was RM6,200 million, which represents 85% of the Group's total assets. The IDE, which is an intangible asset, is not yet fully available for use, and as such, is subject to annual impairment assessment at each reporting date.

We focused on this area because the impairment assessment of the IDE requires the application of significant judgements and estimates of the directors on the discount rate and assumptions used in the cash flow projections, including the projected traffic volume over the projection period. The estimated discount rate, projected traffic volume and other key assumptions may be significantly different from actuals, which may result in material difference in the recoverable amount from the IDE.

Our response:

Our audit procedures included, among others:

- understanding the process over the updating of the assumptions used in the preparation of the cash flow projections;
- comparing the Group's assumptions with analysis of changes in key assumptions from previous year;
- assessing the independent traffic consultant's competence, capabilities and objectivity as well as understanding the methodology adopted by the consultant in updating the projected traffic volume;
- testing the mathematical computation of the recoverable amount calculation; and
- performing a sensitivity analysis around the key assumptions that are expected to be more sensitive to the recoverable amount.

INDEPENDENT AUDITORS' REPORT (CONT'D)

TO THE MEMBERS OF WCE HOLDINGS BERHAD (INCORPORATED IN MALAYSIA)

Key Audit Matters (Cont'd)

Group

Revenue and cost recognition for construction activities (Note 4(ii), Note 16 and Note 21 to the financial statements)

The revenue from construction activities are recognised over the period of the contracts based on the progress towards satisfaction of performance obligation. The Group also recognised its share of the joint operation's and a subsidiary's unavoidable costs to complete the construction of West Coast Expressway that exceeds the economic benefits expected to be received.

We focused on this area because significant directors' judgement is required, in particular with regards to determining the progress towards satisfaction of a performance obligation, the extent of the construction costs incurred, the estimated total construction contracts revenue and costs, as well as the recoverability of the construction contracts projects. The estimated total revenue and costs are affected by a variety of uncertainties that depend of the outcome of future events.

Our response:

Our audit procedures included, among others:

- understanding the Group's process in updating project budgets and the calculation of the progress towards satisfaction of a performance obligation;
- comparing the Group's assumptions to available contractual terms, quotations and our understanding gathered from the analysis of the changes in assumptions from previous financial year;
- reviewing component auditors' working papers for the joint operation;
- checking the mathematical computation of recognised revenue and cost during the financial year; and
- discussing and evaluating the Group's exposure to any potential liquidated and ascertained damages by reading signed agreements and correspondences.

Company

We have determined that there are no key audit matters to communicate in our report which arose from the audit of the 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.

INDEPENDENT

AUDITORS' REPORT (CONT'D)

TO THE MEMBERS OF WCE HOLDINGS BERHAD (INCORPORATED IN MALAYSIA)

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with the 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.

The directors of the Company are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and 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.

INDEPENDENT AUDITORS' REPORT (CONT'D)

TO THE MEMBERS OF WCE HOLDINGS BERHAD (INCORPORATED IN MALAYSIA)

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

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

- 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, related safeguards.

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

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the contents of this report.

Baker Tilly Monteiro Heng PLT
201906000600 (LLP0019411-LCA) & AF 0117
Chartered Accountants

Lee Kong Weng
No. 02967/07/2023 J
Chartered Accountant

Kuala Lumpur

Date: 6 July 2023

LIST OF PROPERTIES

Owner	Location	Land/ Built Up Area	Existing use/ Description	Date of Acquisition	Tenure	Expiry	Approximate Age of Building (Years)	Net Book Value as at 31.3.2023 RM'000
1. WCE Trading Sdn Bhd	1-1A, 1st Floor Jalan U/P 1/3 Taman Ukay Perdana 68000 Ampang, Selangor	165 sq.m.	Rented (4 units of shop office at Ukay Perdana)	17.7.2001	Leasehold - 99 years	10.10.2100	20	480
	1-1B, 1st Floor Jalan U/P 1/3 Taman Ukay Perdana 68000 Ampang, Selangor	173 sq.m.						
	3-1B, 1st Floor Jalan U/P 1/3 Taman Ukay Perdana 68000 Ampang, Selangor	61 sq.m.						
	26-3B, 3rd Floor Jalan U/P 1/2 Taman Ukay Perdana 68000 Ampang, Selangor	114 sq.m.						
2. WCE Trading Sdn Bhd	Mukim of Ampang District of Hulu Langat Selangor Darul Ehsan	546 sq.m.	Vacant (4 parcels of residential land at Pandan Perdana)	21.1.2005	Leasehold - 99 years	30.10.2100	-	143
3. WCE Trading Sdn Bhd	Mukim of Ampang District of Hulu Langat Selangor Darul Ehsan	248 sq.m.	Vacant (2 parcels of residential land at Pandan Perdana)	21.1.2005	Leasehold - 99 years	11.1.2091	-	66
4. WCE Trading Sdn Bhd	Mukim of Ampang District of Hulu Langat Selangor Darul Ehsan	783 sq.m.	Vacant (9 parcels of residential land at Pandan Perdana)	21.1.2005	Leasehold - 99 years	10.12.2100	-	205

LIST OF PROPERTIES (CONT'D)

Owner	Location	Land/ Built Up Area	Existing use/ Description	Date of Acquisition	Tenure	Expiry	Approximate Age of Building (Years)	Net Book Value as at 31.3.2023 RM'000
5. WCE Trading Sdn Bhd	No. 11, Jalan Orkid 10 Seksyen BB1 Bandar Bukit Beruntung 48300 Rawang, Selangor	601 sq.m.	Vacant (1 unit Bungalow lot)	1.7.2008	Freehold	-	-	100
6. WCE Trading Sdn Bhd	Metro Larkin District of Johor Bahru Johor Darul Ta'zim	58 sq.m.	Vacant (2 units of shop office and retail space)	20.6.2013	Leasehold - 99 years	21.4.2094	15	-
7. WCE Technology Sdn Bhd	Metro Larkin District of Johor Bahru Johor Darul Ta'zim	1,397 sq.m.	Vacant (21 units of shop office and retail space)	30.7.2005	Leasehold - 99 years	21.4.2094	15	-
8. WCE Technology Sdn Bhd	Metro Larkin District of Johor Bahru Johor Darul Ta'zim	321 sq.m.	Vacant (13 units of shop office and retail space)	20.6.2013	Leasehold - 99 years	21.4.2094	15	-
9. WCE Maju Sdn Bhd (formerly known as KEB Builders Sdn Bhd)	Metro Larkin District of Johor Bahru Johor Darul Ta'zim	72 sq.m.	Vacant (1 unit of shop office and retail space)	20.6.2013	Leasehold - 99 years	21.4.2094	15	-

STATEMENT ON DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S INTERESTS

AS AT 30 JUNE 2023

THE COMPANY

ORDINARY SHARES

	Number of Ordinary Shares			
	Direct Interest	%	Deemed Interest	%
Mr Tan Chor Teck	216,000	0.007	720,000 ¹	0.024
Mr Tang King Hua	1,050,000	0.035	0	0.000
Mr Lyndon Alfred Felix	105,000	0.004	0	0.000

WARRANTS

	Number of Warrants			
	Direct Interest	%	Deemed Interest	%
Mr Tan Chor Teck	36,000	0.007	120,000 ¹	0.024
Mr Tang King Hua	175,000	0.035	0	0.000

Note:

¹ Deemed interested by virtue of his interests in Simansu Sdn Bhd.

Save as disclosed above, none of the other Directors of the Company have any interests in the securities of the Company and its related corporation.

ANALYSIS OF ORDINARY SHAREHOLDING

AS AT 30 JUNE 2023

DISTRIBUTION OF ORDINARY SHAREHOLDING

Size of Holdings	No. of Shareholder	% of Shareholder	No. of Share held	% of Share held
1 – 99	818	7.11	31,784	0.00
100 – 1,000	1,716	14.91	1,287,749	0.04
1,001 – 10,000	4,818	41.85	23,494,274	0.79
10,001 – 100,000	3,061	26.58	111,185,157	3.72
100,001 – 149,385,346*	1,096	9.52	1,222,776,916	40.93
149,395,347 and above**	3	0.03	1,628,931,052	54.52
Total	11,512	100.00	2,987,706,932	100.00

The holder of ordinary share is entitled to receive dividends as declared from time to time and is entitled to one vote per share at meetings of the Company.

* Less than 5% of issued shares

** 5% and above of issued shares

THIRTY LARGEST SHAREHOLDERS

	Name of Ordinary Shareholder	No. of Share	%
1	IJM CORPORATION BERHAD	795,554,593	26.63
2	MALAYSIA NOMINEES (TEMPATAN) SENDIRIAN BERHAD Pledged Securities Account for MWE HOLDINGS SDN BHD (30-00098-000)	553,131,117	18.51
3	MALAYSIA NOMINEES (ASING) SENDIRIAN BERHAD Pledged Securities Account for UNITED FRONTIERS HOLDINGS LIMITED (01-00872-000)	280,245,342	9.38
4	HLB NOMINEES (TEMPATAN) SDN BHD Pledged Securities Account for MWE HOLDINGS SDN BHD (PJCAC)	85,065,500	2.85
5	CIMB ISLAMIC NOMINEES (TEMPATAN) SDN BHD Pledged Securities Account for MWE HOLDINGS SDN BHD (CBM-RC-I1&RC-I2)	75,000,000	2.51
6	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD Pledged Securities Account for MWE HOLDINGS SDN BHD	56,500,000	1.89
7	LIM KUAN GIN	39,935,616	1.34

ANALYSIS OF ORDINARY SHAREHOLDING (CONT'D)

AS AT 30 JUNE 2023

THIRTY LARGEST SHAREHOLDERS (CONT'D)

	Name of Ordinary Shareholder	No. of Share	%
8	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN BHD Pledged Securities Account for KEJORA POSITIF SDN BHD	37,023,500	1.24
9	CITIGROUP NOMINEES (ASING) SDN BHD Exempt An for UBS AG SINGAPORE (FOREIGN)	34,225,600	1.15
10	HSBC NOMINEES (ASING) SDN BHD Exempt An for CREDIT SUISSE (SG BR-TST-ASING)	28,738,400	0.96
11	AMSEC NOMINEES (TEMPATAN) SDN BHD Pledged Securities Account for QUEK SEE KUI	28,660,800	0.96
12	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD Pledged Securities Account for CHONG YIEW ON (6000006)	24,866,900	0.83
13	HSBC NOMINEES (ASING) SDN BHD Exempt An for BANK JULIUS BAER & CO LTD (SINGAPORE BCH)	21,529,200	0.72
14	CITIGROUP NOMINEES (TEMPATAN) SDN BHD Exempt An for BANK OF SINGAPORE LIMITED (LOCAL)	19,541,475	0.65
15	TAN THIAN SIANG	17,744,700	0.59
16	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB for CHUNG HON CHEONG (PB)	16,800,000	0.56
17	MAYBANK NOMINEES (TEMPATAN) SDN BHD Pledged Securities Account for THAM TOO KAM	16,300,000	0.55
18	MAYBANK NOMINEES (TEMPATAN) SDN BHD MAYBANK PRIVATE WEALTH MANAGEMENT for SEOW VOON PING (PW-MO 0400) (410083)	13,600,000	0.46
19	LIM BING CHAI	13,500,000	0.45
20	SOW HUEY SHAN	12,550,000	0.42
21	LOW CHU MOOI	10,710,000	0.36
22	CHIN PEK SOO HOLDINGS SDN BHD	10,389,000	0.35
23	LEE SOON HIAN	9,768,000	0.33
24	OLIVE LIM SWEE LIAN	9,700,000	0.32

ANALYSIS OF ORDINARY SHAREHOLDING (CONT'D)

AS AT 30 JUNE 2023

THIRTY LARGEST SHAREHOLDERS (CONT'D)

	Name of Ordinary Shareholder	No. of Share	%
25	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB for KUAH HUN LIANG (PB)	8,993,000	0.30
26	CHIN LEAN KEAT	8,280,000	0.28
27	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN BHD Pledged Securities Account for YOONG KAH YIN	8,008,000	0.27
28	MAYBANK NOMINEES (TEMPATAN) SDN BHD Pledged Securities Account for TEE SEE KIM	7,640,000	0.25
29	ONG SIOK LIAN	7,392,000	0.25
30	CITIGROUP NOMINEES (ASING) SDN BHD UBS AG	6,852,700	0.23
		2,258,245,443	75.58

ANALYSIS OF ORDINARY SHAREHOLDING (CONT'D)

AS AT 30 JUNE 2023

LIST OF SUBSTANTIAL SHAREHOLDERS

As shown in the Register of Substantial Shareholders

	Name of Substantial Shareholder	Number of Ordinary Shares			
		Direct Interest	%	Deemed Interest	%
1.	IJM CORPORATION BERHAD	796,105,843	26.65	-	-
2.	MWE HOLDINGS SDN BHD	769,696,617	25.76	-	-
3.	UNITED FRONTIERS HOLDINGS LIMITED	280,245,342	9.38	-	-
4.	PINJAYA SDN BHD	-	-	769,696,617 ⁽¹⁾	25.76
5.	TAN SRI DATO' SURIN UPATKOON	-	-	778,696,617 ⁽²⁾	26.06
6.	TAN SRI PANG TEE CHEW	305,000	0.010	280,245,342 ⁽³⁾	9.38
7.	DATUK SERI PANG TEE NAM	2,547,400	0.085	280,245,342 ⁽³⁾	9.38

Notes:

- ⁽¹⁾ Deemed interested by virtue of its interest in MWE Holdings Sdn Bhd pursuant to Section 8 of the Companies Act, 2016 ("Act").
- ⁽²⁾ Deemed interested by virtue of his interest in Pinjaya Sdn Bhd and Casi Management Sdn Bhd pursuant to Section 8 of the Act.
- ⁽³⁾ Deemed interested by virtue of their interest in United Frontiers Holdings Limited pursuant to Section 8 of the Act.

ANALYSIS OF WARRANT HOLDINGS

AS AT 30 JUNE 2023

DISTRIBUTION OF WARRANT HOLDINGS

Size of Holdings	No. of Warrant holders	% of Warrant holders	No. of Warrant held	% of Warrant held
1 - 99	69	4.35	2,754	0.00
100 - 1,000	168	10.58	119,572	0.02
1,001 - 10,000	586	36.90	2,769,810	0.55
10,001 - 100,000	505	31.80	19,755,292	3.94
100,001 - 25,068,390*	257	16.18	171,137,585	34.14
25,068,391 and above**	3	0.19	307,582,781	61.35
Total	1,588	100.00	501,367,794	100.00

* Less than 5% of outstanding Warrant

** 5% and above of outstanding Warrant

THIRTY LARGEST WARRANT HOLDER

	Name of Warrant Holder	No. of Warrant	%
1	IJM CORPORATION BERHAD	132,592,442	26.45
2	MALAYSIA NOMINEES (TEMPATAN) SENDIRIAN BERHAD Pledged Securities Account for MWE HOLDINGS SDN BHD (30-00098-000)	128,282,779	25.59
3	UNITED FRONTIERS HOLDINGS LIMITED	46,707,560	9.32
4	LIM KUAN GIN	7,750,000	1.55
5	OLIVE LIM SWEE LIAN	7,100,000	1.42
6	LIM BING CHAI	7,030,101	1.40
7	TANG BOON SIANG	6,500,000	1.30
8	AMSEC NOMINEES (TEMPATAN) SDN BHD Pledged Securities Account for QUEK SEE KUI	6,483,150	1.29
9	TAN SOW CHAN	5,460,300	1.09
10	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN BHD Pledged Securities Account for KEJORA POSITIF SDN BHD	5,330,901	1.06
11	HSBC NOMINEES (ASING) SDN BHD Exempt An for CREDIT SUISSE (SG BR-TST-ASING)	4,493,900	0.90
12	MAYBANK NOMINEES (TEMPATAN) SDN BHD Pledged Securities Account for THAM TOO KAM	4,000,001	0.80
13	CITIGROUP NOMINEES (ASING) SDN BHD Exempt An for UBS AG SINGAPORE (FOREIGN)	3,850,001	0.77

ANALYSIS OF WARRANT HOLDINGS (CONT'D)

AS AT 30 JUNE 2023

THIRTY LARGEST WARRANT HOLDER (CONT'D)

	Name of Warrant Holder	No. of Warrant	%
14	LOO NAN MENG	3,662,900	0.73
15	TEE SEE KIM	3,656,700	0.73
16	HSBC NOMINEES (ASING) SDN BHD Exempt An for BANK JULIUS BAER & CO. LTD (SINGAPORE BCH)	3,588,201	0.72
17	TAN YENG FATT	3,437,600	0.69
18	CITIGROUP NOMINEES (TEMPATAN) SDN BHD Exempt An for BANK OF SINGAPORE LIMITED (LOCAL)	3,256,912	0.65
19	SOW HUEY SHAM	2,887,500	0.58
20	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB for CHUNG HON CHEONG (PB)	2,800,000	0.56
21	KENANGA NOMINEES (TEMPATAN) SDN BHD Pledged Securities Account for LIAN WOON SENG (020)	2,633,900	0.53
22	MAYBANK NOMINEES (TEMPATAN) SDN BHD Pledged Securities Account for TEE SEE KIM	2,350,001	0.47
23	HOH KOK WAH	2,300,000	0.46
24	MAYBANK NOMINEES (TEMPATAN) SDN BHD MAYBANK PRIVATE WEALTH MANAGEMENT for SEOW VOON PING (PW-MO 0400) (410083)	2,258,400	0.45
25	TAN SOW CHAN	2,240,300	0.45
26	KENANGA NOMINEES (TEMPATAN) SDN BHD RAKUTEN TRADE SDN BHD for HOH KOK WAH	2,000,000	0.40
27	CHIN PEK SOO HOLDINGS SDN BHD	1,731,501	0.35
28	LOW CHU MOOI	1,722,501	0.34
29	TANG BOON SIANG	1,500,000	0.30
30	ONG SIOK LIAN	1,478,401	0.29
		409,085,952	81.59

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twenty-Second Annual General Meeting (“22nd AGM”) of **WCE Holdings Berhad** (“WCEHB” or “Company”) will be held on a virtual basis through live streaming from the Broadcast Venue at Unit 7-21, Wisma Conlay, No. 1, Jalan USJ 10/1, Taipan Business Centre, 47620 Subang Jaya, Selangor using the Remote Participation and Voting Facilities (“RPV”) provided by Metra Management Sdn Bhd via its website at www.metramanagement.com.my (Domain Registration No. D1A403946) on Wednesday, 30 August 2023 at 2.30 p.m. for the following purposes: -

AGENDA

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements of the Company for the financial year ended 31 March 2023 and the Reports of the Directors and Auditors thereon. (Please refer to the Explanatory Notes to the Agenda)
2. To approve the payment of the Directors’ fees of RM1,115,764.00 for the financial year ended 31 March 2023. (Ordinary Resolution 1)
3. To approve the payment of Directors’ Benefits of up to RM120,000.00 for the period from the Twenty-Second Annual General Meeting until the Twenty-Third Annual General Meeting. (Ordinary Resolution 2)
4. To re-elect the following Directors who are retiring by rotation pursuant to Clause 76(3) of the Constitution of the Company:-
 - 4.1 Mr Vuitton Pang Hee Cheah (Ordinary Resolution 3)
 - 4.2 Datuk Wira Hj. Hamza Bin Taib (Ordinary Resolution 4)
5. To re-elect Ms Lee Chui Sum who is retiring pursuant to Clause 78 of the Constitution of the Company. (Ordinary Resolution 5)
6. To re-appoint Messrs Baker Tilly Monteiro Heng PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. (Ordinary Resolution 6)

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following Ordinary Resolutions: -

7. **AUTHORITY TO ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016** (Ordinary Resolution 7)

“THAT, pursuant to Sections 75 and 76 of the Companies Act 2016 (“the Act”) and the Constitution of the Company and subject to the approvals from Bursa Malaysia Securities Berhad and other relevant government/regulatory authorities, where such approval is necessary, the Directors of the Company be and are hereby empowered pursuant to Sections 75 and 76 of the Act to issue shares in the Company at any time until the conclusion of the next Annual General Meeting and upon such terms and conditions and for such purposes as the Board of Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares to be issued during the preceding twelve (12) months does not exceed 10% of the total number of the issued shares (excluding treasury shares) of the Company for the time being AND THAT the Board of Directors be and are also empowered to obtain approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad.”

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

8. **PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("PROPOSED SHAREHOLDERS' MANDATE FOR RRPT")** *(Ordinary Resolution 8)*

"THAT, subject always to the Listing Requirements of Bursa Malaysia Securities Berhad, the Company and its subsidiary companies shall be mandated to enter into such recurrent transactions of a revenue or trading nature which are necessary for their day-to-day operations and with those related parties as specified in Section 2.4 of the Circular to Shareholders dated 28 July 2023 subject further to the following: -

- (i) the transactions are in the ordinary course of business of the Company and its subsidiary companies on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company; and
- (ii) disclosure will be made in the Annual Report of the aggregate value of transactions of the Proposed Shareholders' Mandate for RRPT conducted during the financial year, including amongst others, the following information: -
 - (a) the type of the recurrent transactions made; and
 - (b) the names of the related parties involved in each type of the recurrent related party transactions made and their relationship with the Company and/or its subsidiary companies.

AND THAT such mandate shall commence upon passing of this resolution and shall continue to be in force until: -

- (i) the conclusion of the next Annual General Meeting ("AGM") of the Company following the AGM at which such mandate was passed, at which time it will lapse unless by the resolution passed at a general meeting, the authority is renewed; or
- (ii) the expiration of the period within which the next AGM of the Company after the date it is required to be held pursuant to Section 340(2) of the Companies Act 2016 ("the Act") (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (iii) revoked or varied by resolution passed by the shareholders of the Company in general meeting,

whichever is the earlier;

AND FURTHER THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Proposed Shareholders' Mandate for RRPT."

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

9. **PROPOSED AMENDMENT TO THE EXISTING CONSTITUTION OF THE COMPANY** *(Special Resolution)*

“THAT the existing Constitution of the Company be and is hereby amended by inserting the following new clause as Clause 12(4A) of the Constitution of the Company with effect from the date of passing this special resolution (“Proposed Amendment”):-

“12. (4A) Notwithstanding Clause 12(3) and 12(4), the Company is waived from convening a General Meeting to obtain prior shareholder approval for further issue or issues of shares (other than bonus or rights issue) if the total number of further issue or issues of shares, when aggregated with the total number of any such shares issued (other than bonus or rights issue) during the preceding twelve (12) months do not exceed ten percent (10%) of the total number of issued shares (excluding treasury shares) of the Company provided that there is in force a resolution of the Company in General Meeting authorising the Directors to make such further issue or issues as herein stated. It is hereby acknowledged such issue of shares (other than bonus or rights issue) which rank equally to the existing issued shares in the Company, will exclude the shareholders’ pre-emptive right to be offered new shares to be issued by the Company.”

THAT the Directors of the Company be and are hereby authorised to do all such acts and things and to take all such steps as they deem fit, necessary, expedient and/or appropriate in order to complete and give full effect to the Proposed Amendment with full powers to assent to any condition, modification, variation and/or amendment as may be required or imposed by the relevant authorities.”

BY ORDER OF THE BOARD

RAW KOON BENG (MIA 8521) (SSM PC No. 202008000251)
WONG WAI FOONG (MAICSA 7001358) (SSM PC No. 202008001472)
FONG SEAH LIH (MAICSA 7062297) (SSM PC No. 202008000973)
Company Secretaries

Kuala Lumpur
28 July 2023

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

NOTES:

1. **IMPORTANT NOTICE**

The Broadcast Venue of the 22nd AGM is strictly for the purpose of complying with Section 327(2) of the Companies Act, 2016 which requires the Chairman of the meeting to be at the main venue of the meeting. No members/proxies/corporate representatives from the public will be allowed to be physically present at the Broadcast Venue on the day of the 22nd AGM.

Members may submit their questions to the Board of Directors before the AGM via email rawkb@wcehb.com.my not later than 5.30 p.m. on Monday, 28 August 2023. Members may also use the Q&A Platform to submit questions to the Board of Directors via the RPV Facilities during the live streaming.

Please read these Notes carefully and follow the procedures in the Administrative Guide for the AGM in order to participate remotely via RPV.

2. *For the purpose of determining who shall be entitled to attend this AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company, a Record of Depositors as at **23 August 2023**. Only a member whose name appears on this Record of Depositors shall be entitled to attend this AGM or appoint a proxy to attend, speak and vote on his/her/its behalf.*
3. *A member entitled to attend and vote at this AGM is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to attend, participate, speak and vote in his place. A proxy may but need not be a member of the Company.*
4. *A member of the Company who is entitled to attend and vote at a General Meeting of the Company may appoint not more than two (2) proxies to attend, post questions and vote instead of the member at the General Meeting.*
5. *If two (2) proxies are appointed, the entitlement of those proxies to vote on a show of hands shall be in accordance with the listing requirements of the stock exchange.*
6. *Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 (“Central Depositories Act”), it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.*
7. *Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account (“omnibus account”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.*
8. *Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.*
9. *A member who has appointed a proxy or attorney or authorised representative to participate at AGM via RPV **must request his/her proxy or attorney or authorised representative to register himself/herself for RPV** via www.metramanagement.com.my. Procedures for RPV can be found in the Administrative Guide for the AGM.*

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

10. *The appointment of a proxy may be made in a hard copy 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 General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote:*
- (i) *In hard copy form*
The proxy form must be deposited at the registered office of the Company situated at Unit 30-01, Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, or alternatively, the Customer Services Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur.
 - (ii) *By electronic form means via email*
The proxy form must be received via email at Shirleen.Wong@my.tricorglobal.com and/or Kar.Mun.Thong@my.tricorglobal.com and/or Shirley.Fong@my.tricorglobal.com.
 - (iii) *By electronic form means via online*
The proxy form appointment must be made electronically via Metra Portal website at www.metramanagement.com.my (Domain Registration No. D1A403946). Please refer to the Procedure for Electronic Submission of Proxy Form as set out in Annexure of the Administrative Guide of this AGM.
- For options (ii) and (iii), the Company may request any member to deposit original executed proxy form to its registered office before or on the day of meeting for verification purpose.*
11. *Any authority pursuant to which such an appointment is made by a power of attorney must be deposited at the registered office of the Company situated at Unit 30-01, Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, or alternatively, the Customer Services Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.*
12. *Please ensure ALL the particulars as required in this proxy form are completed, signed and dated accordingly.*
13. *Last date and time for lodging this proxy form is Monday, 28 August 2023 at 2.30 p.m.*
14. *For a corporate member who has appointed a representative instead of a proxy to attend this meeting, please deposit the **ORIGINAL** certificate of appointment of authorised representative at the registered office of the Company situated at Unit 30-01, Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, or alternatively, the Customer Services Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur.*

The certificate of appointment of authorised representative should be executed in the following manner:

- a. *If the corporate member has a common seal, the certificate of appointment of authorised representative should be executed under seal in accordance with the constitution of the corporate member.*

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

14. *The certificate of appointment of authorised representative should be executed in the following manner: (Cont'd)*
- b. *If the corporate member does not have a common seal, the certificate of appointment of authorised representative should be affixed with the rubber stamp of the corporate member (if any) and executed by:*
- i. *at least two (2) authorised officers, of whom one shall be a director; or*
 ii. *any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.*
15. ***It is important that you read the Administrative Guide for the conduct of this AGM.***
16. *Members are advised to check the Company's website at www.wcehb.com.my and announcements from time to time for any changes to the administration of this AGM that may be necessitated by changes to the directives, safety and precautionary requirements and guidelines prescribed by the Government of Malaysia, the Ministry of Health, the Malaysian National Security Council, Securities Commission Malaysia and/or other relevant authorities.*

EXPLANATORY NOTES TO THE AGENDA

- (i) *Item 1 of the Agenda – Audited Financial Statements for the financial year ended 31 March 2023*

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

- (ii) *Ordinary Resolution 1 – Directors' fees*

The Directors' fees proposed for the financial year ended 31 March 2023 are calculated based on the current board size and the assessment on the performance of the Board of Directors ("Board") by the Nomination Committee ("NC").

- (iii) *Ordinary Resolution 2 – Payment of Directors' Benefits*

The details of the benefits payable to the Directors are as follows:-

Description	Board Member	The Company / its subsidiaries
Meeting Allowance (RM1,200.00 per meeting) • Board Meeting • General Meeting	Each Board member	The Company and its subsidiary companies
Benefits in kind (a) Directors and Officers Liability Insurance Package (b) Car and fuel benefit	(a) All Board members (b) Datuk Ir. Hamzah bin Hasan	(a) The Company and its subsidiary companies (b) West Coast Expressway Sdn. Bhd., a subsidiary of the Company

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

(iv) Ordinary Resolutions 3, 4 and 5 – Re-election of Directors

Mr Vuitton Pang Hee Cheah, Datuk Wira Hj. Hamza Bin Taib and Ms Lee Chui Sum are standing for re-election as Directors of the Company and being eligible, have offered themselves for re-election at the 22nd AGM.

The Board has through the NC carried out the necessary assessment on the aforesaid Directors and concluded that they met the criteria as prescribed under Paragraph 2.20A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“MMLR”) on character, experience, integrity, competence and time to effectively discharge their roles as Directors.

(v) Ordinary Resolution 6 – Re-appointment of Auditors

The Board has through the Audit Committee (“AC”), considered the re-appointment of Messrs Baker Tilly Monteiro Heng PLT as the Auditors of the Company. The factors considered by the AC in making the recommendation to the Board to table their re-appointment at the 22nd AGM are disclosed in the AC Report of the 2023 Annual Report.

(vi) Ordinary Resolution 7 – Authority to issue shares pursuant to Sections 75 and 76 of the Act

The Proposed Ordinary Resolution 7 is a renewal of the general mandate pursuant to Sections 75 and 76 of the Act (“General Mandate”) obtained from the shareholders of the Company at the previous Annual General Meeting and, if passed, will empower the Directors of the Company to issue new shares in the Company from time to time provided that the aggregate number of shares issued pursuant to the General Mandate does not exceed 10% of the issued share capital of the Company for the time being.

The General Mandate, unless revoked or varied by the Company in general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

As at the date of this Notice, no new ordinary shares in the Company were issued pursuant to the general mandate which was approved at the 21st Annual General Meeting held on 29 August 2022 and which will lapse at the conclusion of the 22nd Annual General Meeting.

The General Mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for purpose of funding current and/or future investment project(s), working capital, acquisition and/or for issuance of shares as settlement of purchase consideration.

(vii) Ordinary Resolution 8 – Proposed Shareholders’ Mandate for RRPT

The detailed information on Ordinary Resolution 8 pertaining to the Proposed Shareholders’ Mandate for RRPT is set out in the Circular to Shareholders dated 28 July 2023 which is enclosed together with the Company’s 2023 Annual Report.

(viii) Special Resolution – Proposed Amendment

Pursuant to Section 85 of the Act and Clause 12 of the Company’s constitution, shareholders have pre-emptive rights to be offered any new shares in the Company which rank equally to the existing issued shares in the Company.

This Special Resolution, if passed, and should the general mandate described in Ordinary Resolution 7 is renewed in a general meeting, any such new issue of ordinary shares under the general mandate will exclude the shareholders’ pre-emptive right to be offered new shares to be issued by the Company.

ADMINISTRATIVE GUIDE

FOR THE TWENTY SECOND ANNUAL GENERAL MEETING (“22ND AGM”)
OF WCE HOLDINGS BERHAD

Date/Day	: 30 August 2023, Wednesday
Time	: 2.30 p.m.
Online Meeting Platform	: Metra Portal website at www.metramanagement.com.my (Domain Registration No. D1A403946)
Broadcast Venue	: Unit 7-21, Wisma Conlay, No. 1, Jalan USJ 10/1, Taipan Business Centre, 47620 Subang Jaya, Selangor.

VIRTUAL MEETING


Our 22nd AGM on 30 August 2023 will be held on a virtual basis from the Broadcast Venue through live streaming using the Remote Participation and Voting Facilities (“**RPV Facilities**”) provided by Metra Management Sdn Bhd (“Metra Management”), which is in line with the Guidance Note and FAQs on the Conduct of General Meetings for Listed Issuers issued by the Securities Commission Malaysia on 18 April 2020 (as revised on 7 April 2022 and amended from time to time).

The Broadcast Venue, which is the main and only venue of the 22nd AGM, is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016, which requires the Chairman of the meeting to be present at the main venue of the AGM.

No members/proxies/corporate representatives/attorneys from the public will be allowed to be physically present at the Broadcast Venue on the day of the 22nd AGM.

Kindly ensure that you are connected to the internet at all times in order to participate and/or vote at the virtual meeting. Kindly note that the quality of the live streaming is highly dependent on the bandwidth and stability of the internet connection of the participants at the 22nd AGM. Hence, participants are to ensure that internet connectivity throughout the duration of the meeting is maintained. The Company, the Board and its management, share registrar and other professional advisers (if any) shall not be held responsible or liable for any disruption in internet line resulting in the Participants (as defined below) being unable to participate and/or vote at the meeting.

RPV FACILITIES

- Please note that the RPV Facilities is available to:
 - (i) **Individual members;**
 - (ii) **Proxy holders;**
 - (iii) **Corporate shareholders;**
 - (iv) **Authorised Nominees; and**
 - (v) **Exempt Authorised Nominees**

(“The Participant(s)”)
- Participants are entitled to attend, speak (in the form of real-time submission of typed texts) and vote remotely at the 22nd AGM using RPV Facilities at www.metramanagement.com.my (Domain Registration No. D1A403946) (“Metra Portal”).

ADMINISTRATIVE GUIDE

FOR THE TWENTY SECOND ANNUAL GENERAL MEETING (“22ND AGM”) OF WCE HOLDINGS BERHAD (CONT'D)

RPV FACILITIES (CONT'D)

3. Participants may submit their questions, if any, to the Board of Directors (“Board”) before the 22nd AGM via emails to the Company Secretary, Mr. Raw Koon Beng at rawkb@wcehb.com.my no later than 5.30 p.m. on Monday, 28 August 2023. Participants may also use the Q&A Platform to submit questions to the Board via the RPV Facilities during live streaming.

If there is time constraint in answering the questions during the 22nd AGM, the answers will be emailed to the Participants at the earliest possible time after the meeting has ended.

4. Members/proxies/corporate representatives/attorneys who wish to participate in the 22nd AGM remotely using the RPV Facilities, are to read and follow the procedures below:-

	Procedure	Action
	Before the 22nd AGM day	
(i)	Register as a user Note: If you are already a user with Metra Portal, you are not required to register again.	<ul style="list-style-type: none"> • Access website at www.metramanagement.com.my • Click <Login> followed by <Register New User> to sign up as a user. • Complete the registration by filling up the information required and upload a clear copy of your MyKAD (front and back) or Passport. • Read and agree to the Terms & Conditions and thereafter submit your registration. • Please enter a valid email address in order for you to receive the verification email from Metra Management. • Your registration will be verified and approved by Metra Management. Once approved, an email notification will be sent to you.
	On the day of 22nd AGM	
(ii)	Login to : www.metramanagement.com.my (Domain Registration No. D1A403946)	<ul style="list-style-type: none"> • Login with your user ID and password for remote participation at the AGM at any time from 2.00 p.m. i.e. 30 minutes before the commencement of the AGM on Wednesday, 30 August 2023 at 2.30 p.m. • If you have forgotten your password, you can reset it by clicking “Forget Password”.

ADMINISTRATIVE GUIDE

FOR THE TWENTY SECOND ANNUAL GENERAL MEETING (“22ND AGM”)
OF WCE HOLDINGS BERHAD (CONT'D)

RPV FACILITIES (CONT'D)

4. Members/proxies/corporate representatives/attorneys who wish to participate in the 22nd AGM remotely using the RPV Facilities, are to read and follow the procedures below:- (Cont'd)

	Procedure	Action
	On the day of 22nd AGM (Cont'd)	
(iii)	Participate through Live Streaming	<ul style="list-style-type: none">• Select the “Virtual Meeting” from main menu.• Click the “Join Meeting” to join the live video streaming.• If you have any question for the Chairman/Board, you may use the Q&A platform in Zoom Cloud Meetings App to submit your question. The Chairman/Board will endeavour to respond to questions submitted by you during the 22nd AGM. If there is time constraint, the responses will be emailed to you at the earliest possible after meeting.• If you are using a smartphone to participate in the 22nd AGM, please download Zoom Cloud Meetings App from the Google Play Store or Apple Store before the 22nd AGM.• Please take note that the quality of the live streaming is dependent on the bandwidth and stability of the internet connection at your location.
(iv)	Online Remote Voting	<ul style="list-style-type: none">• Please select the “Voting” option located next to “Join Meeting” to indicate your votes for the resolutions that are tabled for voting at the 22nd AGM.• The voting session will commence once the Chairman declares that the voting platform is activated. The voting session will end upon declaration by the Chairman at the 22nd AGM.• Please cast your vote on all resolutions as appeared on the screen and submit your votes. Once submitted, your votes will be final and cannot be changed.
(v)	End of RPV Facilities	<ul style="list-style-type: none">• The RPV Facilities will end and the Q&A platform will be disabled the moment the Chairman announces the closure of the 22nd AGM.

HELPLINE CONTACT

In the event that you encounter any issues with the online registration, connection to the live stream meeting or online voting, kindly call Metra Management at 010-5265490 or email to corporate@mweh.com.my for assistance.

NO LUNCH PACK & DOOR GIFT

There will be **NO DISTRIBUTION** of food packs, door gifts or e-vouchers during the 22nd AGM.

ADMINISTRATIVE GUIDE

FOR THE TWENTY SECOND ANNUAL GENERAL MEETING (“22ND AGM”)
OF WCE HOLDINGS BERHAD (CONT'D)

GENERAL MEETING RECORD OF DEPOSITORS

For the purpose of determining a member who shall be entitled to attend the 22nd AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Clause 55(2) of the Company's Constitution, to issue a Record of Depositors as at 23 August 2023. Only a depositor whose name appears on the Record of Depositors as at 23 August 2023 shall be eligible to attend the said meeting remotely or appoint.

PROXY

Since the 22nd AGM will be conducted via virtual meeting, members who are unable to attend the 22nd AGM may appoint a proxy or up to 2 proxies to attend, participate and vote remotely on their behalf by completing and indicating the voting instruction in the Form of Proxy which is available at www.metramanagement.com.my (Domain Registration No. D1A403946).

The appointment of a proxy may be made in hard copy 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 22nd AGM or adjourned meeting thereof at which the person named in the appointment proposes to vote:

(i) In hard copy form

The proxy form must be deposited at the registered office of the Company situated at Unit 30-01, Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8 Jalan Kerinchi, 59200 Kuala Lumpur, or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8 Jalan Kerinchi, 59200 Kuala Lumpur.

(ii) By electronic form means via email

The proxy form must be received via email at Shirleen.Wong@my.tricorglobal.com and/or Kar.Mun.Thong@my.tricorglobal.com and/or Shirley.Fong@my.tricorglobal.com.

(iii) By electronic form means via online

The proxy form appointment must be made electronically via Metra Portal website at www.metramanagement.com.my (Domain Registration No. D1A403946). Kindly refer to the Procedure for Electronic Submission of Proxy Form in the Administrative Guide for the AGM as set out in Annexure.

For options (ii) and (iii), the Company may request any member to deposit original executed proxy form to its registered office before or on the day of meeting for verification purpose.

REGISTRATION OF PROXY

Members who have appointed proxies or attorneys or corporate representatives to participate in the 22nd AGM via the RPV Facilities must ensure that their proxies or attorneys or authorised representatives register themselves at the Metra Portal at www.metramanagement.com.my (Domain Registration No. D1A403946) prior to the 22nd AGM.

ADMINISTRATIVE GUIDE

FOR THE TWENTY SECOND ANNUAL GENERAL MEETING (“22ND AGM”)
OF WCE HOLDINGS BERHAD (CONT'D)

POLL VOTING

Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of the 22nd AGM of the Company shall be put to vote by way of a poll. The Company has appointed Metra Management as Poll Administrator to conduct the poll by way of electronic means and Symphony Corporate Services Sdn Bhd as independent scrutineer to verify the poll results.

Members can proceed to vote remotely through the RPV Facilities once the Chairman declares that the voting platform is activated. The voting session will end upon declaration by the Chairman. Kindly refer to the above item 4(iv) for guidance on how to vote remotely at the Metra Portal at www.metramanagement.com.my (Domain Registration No. D1A403946).

The Independent Scrutineer will verify the poll results followed by the Chairman’s announcement and declaration on whether the resolution is duly passed.

RESULTS OF THE VOTING

The results of the voting for all the resolutions will be announced at the 22nd AGM and on Bursa Malaysia website at www.bursamalaysia.com.

RECORDING OR PHOTOGRAPHY

Strictly **NO** recording or photography of the proceedings of the 22nd AGM is allowed.

ENQUIRY

If you have any enquiry prior to the virtual meeting, please contact our Share Registrar during office hours from 8.30 a.m. to 5.00 p.m. on Mondays to Fridays:

Metra Management Sdn Bhd
35th Floor, Menara Multi-Purpose, Capital Square,
No. 8, Jalan Munshi Abdullah, 50100 Kuala Lumpur.
Telephone Number : 03-2698 3232
Fax Number : 03-2698 0313
Email : corporate@mweh.com.my

ADMINISTRATIVE GUIDE

FOR THE TWENTY SECOND ANNUAL GENERAL MEETING (“22ND AGM”)
OF WCE HOLDINGS BERHAD (CONT'D)

ANNEXURE

PROCEDURE FOR ELECTRONIC SUBMISSION OF PROXY FORM

Dear Shareholders,

We are pleased to inform that you have the option to submit proxy forms by electronic means through Metra Portal at www.metramanagement.com.my (Domain Registration No. D1A403946)(“E-Proxy”).

To submit the E-Proxy form via Metra Portal, kindly read and follow the guidance notes set out below:

1. Sign up as a user at www.metramanagement.com.my (Domain Registration No. D1A403946)
 - Click Login/Register followed by<<Register New User>> to register as a new user.
 - Complete the registration by filling up the information required and upload a clear copy of your MyKAD (front and back) or Passport.
 - Read and agree to the Terms & Conditions and thereafter submit your registration.
 - Please enter a valid email address in order for you to receive the verification email from Metra Management.
 - Your registration will be verified and approved by Metra Management. Once approved, an email notification will be sent to you.
 - If you are already an existing user with Metra Portal, you are not required to register again.
2. Proceed with submission of E-Proxy form
 - After the announcement of the Notice of the Meeting has been made by the Company, you may login to Metra Portal with your user name (i.e. email address) and password.
 - Click “E-PROXY LODGEMENT” and select “WCE HOLDINGS BERHAD” for the submission of the E-Proxy form.
 - Appoint your proxy(ies) or the Chairman and complete the particulars of your proxy(ies) to vote on your behalf.
 - Review and confirm your proxy(ies) appointment.
 - Read and agree to the Terms & Conditions and thereafter submit your E-Proxy form.
 - An email notification will be sent to you as an acknowledge of E-Proxy form submission.

Should you need assistance on your E-proxy form submission, please contact our Share Registrar during office hours from 8.30 a.m. to 5.00 p.m. on Mondays to Fridays:

Metra Management Sdn Bhd
35th Floor, Menara Multi-Purpose, Capital Square,
No. 8, Jalan Munshi Abdullah, 50100 Kuala Lumpur.
Telephone Number : 03-2698 3232
Mobile Number : 010-526 5490
Fax Number : 03-2698 0313
Email : corporate@mweh.com.my



WCE HOLDINGS BERHAD
Company No. 200001031761 (534368-A)
(Incorporated in Malaysia)

PROXY FORM

CDS Account No.
No. of shares held

I/We _____ Tel: _____
[Full name in block, NRIC/Passport/Company No.]

of _____

being member(s) of **WCE Holdings Berhad**, hereby appoint:

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			
Contact No:			
Email Address:			

and / or* (*delete as appropriate)

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			
Contact No:			
Email Address:			

or failing him, the Chairman of the meeting, as my/our proxy to vote for me/us and on my/our behalf at the Twenty-Second Annual General Meeting of the Company to be held on a virtual basis through live streaming from the Broadcast Venue at Unit 7-21, Wisma Conlay, No. 1, Jalan USJ 10/1, Taipan Business Centre, 47620 Subang Jaya, Selangor using the Remote Participation and Voting Facilities ("RPV") provided by Metra Management Sdn Bhd via its website at www.metramanagement.com.my (Domain Registration No. D1A403946) on **Wednesday, 30 August 2023 at 2.30 p.m.** or any adjournment thereof, and to vote as indicated below:

No.	Resolutions	For	Against
As Ordinary Business			
1.	To approve the payment of the Directors' fees of RM1,115,764.00 for the financial year ended 31 March 2023.		
2.	To approve the Payment of Directors' Benefits.		
3.	To re-elect Mr Vuitton Pang Hee Cheah who is retiring by rotation pursuant to Clause 76(3) of the Constitution of the Company.		
4.	To re-elect Datuk Wira Hj. Hamza Bin Taib who is retiring by rotation pursuant to Clause 76(3) of the Constitution of the Company.		
5.	To re-elect Ms Lee Chui Sum who is retiring pursuant to Clause 78 of the Constitution of the Company.		
6.	To re-appoint Messrs Baker Tilly Monteiro Heng PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.		
As Special Business			
7.	Authority to Issue Shares pursuant to Sections 75 and 76 of the Companies Act 2016.		
8.	Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature.		
9.	Proposed Amendment to the Existing Constitution of the Company.		

Please indicate with an "X" in the space provided whether you wish your votes to be cast for or against the resolutions. In the absence of specific direction, your proxy will vote or abstain as he thinks fit.

Signed this _____ day of _____

Signature*
Member

* Manner of execution:

- If you are an individual member, please sign where indicated.
- If you are a corporate member which has a common seal, this proxy form should be executed under seal in accordance with the constitution of your corporation.
- If you are a corporate member which does not have a common seal, this proxy form should be affixed with the rubber stamp of your company (if any) and executed by:
 - at least two (2) authorised officers, of whom one shall be a director; or
 - any director and/or authorised officers in accordance with the laws of the country under which your corporation is incorporated.

NOTES:

1. IMPORTANT NOTICE

No members/proxies/corporate representatives from the public will be allowed to be physically present at the Broadcast Venue on the day of the Annual General Meeting ("AGM").

Members are to attend and post questions to the Board via real time submission of typed texts and vote (collectively, "participate") remotely at this AGM using the Remote Participation and Voting facilities ("RPV") provided by Metra Management Sdn. Bhd. via www.metramanagement.com.my.

Please read these Notes carefully and follow the procedures in the Administrative Guide for the AGM in order to participate remotely via RPV.

2. For the purpose of determining who shall be entitled to attend this AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company, a Record of Depositors as at **23 August 2023**. Only a member whose name appears on this Record of Depositors shall be entitled to attend this AGM or appoint a proxy to attend, speak and vote on his/her/its behalf.
3. A member entitled to attend and vote at this AGM is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to attend, participate, speak and vote in his place. A proxy may but need not be a member of the Company.
4. A member of the Company who is entitled to attend and vote at a General Meeting of the Company may appoint not more than two (2) proxies to attend, post questions and vote instead of the member at the General Meeting.

5. If two (2) proxies are appointed, the entitlement of those proxies to vote on a show of hands shall be in accordance with the listing requirements of the stock exchange.
6. Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act"), it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
7. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
8. Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
9. A member who has appointed a proxy or attorney or authorised representative to participate at AGM via RPV **must request his/her proxy or attorney or authorised representative to register himself/herself for RPV** via www.metramanagement.com.my. Procedures for RPV can be found in the Administrative Guide for the AGM.

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AFFIX
STAMP

WCE HOLDINGS BERHAD
(200001031761) (534368-A)
Customer Services Centre at Unit G-3
Ground Floor, Vertical Podium, Avenue 3, Bangsar South
No. 8, Jalan Kerinchi, 59200 Kuala Lumpur

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10. The appointment of a proxy may be made in a hard copy 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 General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote:
 - (i) In hard copy form
The proxy form must be deposited at the registered office of the Company situated at Unit 30-01, Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, or alternatively, the Customer Services Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur.
 - (ii) By electronic form means via email
The proxy form must be received via email at Shirleen.Wong@my.tricorglobal.com and/or Kar.Mun.Thong@my.tricorglobal.com and/or Shirley.Fong@my.tricorglobal.com.
 - (iii) By electronic form means via online
The proxy form appointment must be made electronically via Metra Portal website at www.metramanagement.com.my (Domain Registration No. DIA403946). Please refer to the Procedure for Electronic Submission of Proxy Form as set out in Annexure of the Administrative Guide of this AGM.
11. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited at the registered office of the Company situated at Unit 30-01, Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, or alternatively, the Customer Services Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
12. Please ensure ALL the particulars as required in this proxy form are completed, signed and dated accordingly.
13. Last date and time for lodging this proxy form is Monday, 28 August 2023 at 2.30 p.m.
14. For a corporate member who has appointed a representative instead of a proxy to attend this meeting, please deposit the **ORIGINAL** certificate of appointment of authorised representative at the registered office of the Company situated at Unit 30-01, Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, or alternatively, the Customer Services Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur.

The certificate of appointment of authorised representative should be executed in the following manner:
 - a. If the corporate member has a common seal, the certificate of appointment of authorised representative should be executed under seal in accordance with the constitution of the corporate member.
 - b. If the corporate member does not have a common seal, the certificate of appointment of authorised representative should be affixed with the rubber stamp of the corporate member (if any) and executed by:
 - i. at least two (2) authorised officers, of whom one shall be a director; or
 - ii. any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.
15. **It is important that you read the Administrative Guide for the conduct of this AGM.**
16. Members are advised to check the Company's website at www.wcehb.com.my and announcements from time to time for any changes to the administration of this AGM that may be necessitated by changes to the directives, safety and precautionary requirements and guidelines prescribed by the Government of Malaysia, the Ministry of Health, the Malaysian National Security Council, Securities Commission Malaysia and/or other relevant authorities.

Corporate Office:

Pejabat Pengurusan Lebuhraya
Pesisiran Pantai Barat
Jalan Meru/KU5
Bandar Bukit Raja
41050 Klang

Tel : (60) 3 3082 1999
Fax : (60) 3 3082 1988
Website : www.wcehb.com.my

Registered Office:

Unit 30-01, Level 30, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
8 Jalan Kerinchi
59200 Kuala Lumpur

Tel : (60) 3 2783 9191
Fax : (60) 3 2783 9111