

# ANNUAL REPORT

2020









S•E•D•C  
Sarawak

ANNUAL  
REPORT

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TAHUNAN



The cover of this Annual Report portrays the forward moving momentum of Sarawak Economic Development Corporation (SEDC) and its subsidiaries as well associate companies. The organisation is fast moving forward into a new era of digital technology, clean renewable energy and business sustainability. The background represents the moving motion of SEDC that signals the determination of the organisation.

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## CHAIRMAN'S STATEMENT

It is a great honour to report the achievements of Sarawak Economic Development Corporation (SEDC) for the year of 2020. The year 2020 will be regarded as perhaps the challenging period for all of us owing to the Covid-19 pandemic, which had affected the whole world, including Malaysia and even us in Sarawak.

### Financial Performance

Despite the global and Malaysian economic downturn, SEDC's status as a group in 2020 is still noteworthy. The corporation's unaudited income in 2020 was RM144.44 million, compared to the budgeted revenue of RM50.54 million, while its unaudited spending was RM43.89 million, compared to the budgeted spending of RM47.20 million.

The corporation had a potential unaudited income variation of over 100 percent for the year 2020, owing mostly to increasing revenue from dividends, disbursements, grants, rents, and other incomes. Dividends, which accounted for RM112.73 million or 79 percent of the corporation's unaudited profits, RM15.39 million (10 percent) from grants, RM11.46 million from interest (8 percent), and RM3.63 million (3 percent) from rental and other incomes, were the biggest contributors. The corporation's unaudited spending for 2020 was RM43.89 million, which was seven percent less than the budgeted amount of RM47.20 million. SEDC's unaudited operational profit before tax (OPBT) of RM99.33 million was more than 100 percent greater than the prior budget target of RM3.34 million. We were encouraged by the positive development in SEDC's financial condition, particularly at the corporate level, from 2016 to 2020, where the unaudited total assets we had in 2020 were RM2.216 billion, up from RM1.22 billion in 2019. SEDC also had an unaudited reserve of RM832 million in 2020, up from RM732 million in 2019.

In addition, the unaudited amount of grants and development funds for the corporation in 2020 was RM401 million, compared to RM391 million in 2019, and the unreported total liabilities for the corporation in 2020 was RM983 million, compared to an audited figure of RM110 million in 2019. Our group of enterprises had expected a profit before tax (PBT) of RM73.11 million in 2020, which was 46 percent lower than the unaudited planned PBT of RM134.14 million. The major contributions to SEDC's unaudited PBT for the year 2020 were as follow: (RM70.80 million) for minerals and mining; (RM18.64 million) for agro-food and, (RM10.71 million) for roads and works. We are anticipating an income of RM39.56 million for the corporation's fiscal year 2021, with a forecasted expenditure of RM49.76 million.

### Project Highlights

Despite the challenges faced during the Covid-19 pandemic, SEDC together with its subsidiaries and associate companies had been active in undertaking various business initiatives and growth for the year 2020. Among the projects that had been undertaken were as follow:



**1** Our fully owned subsidiary, Sarawak Metro Sdn Bhd (SMSB), had undertaken the *Environmental Impact Assessment, Social-Economic Impact Assessment, and Heritage Impact Assessment* or *ESHIA* in short for the Kuching Urban Transportation System (KUTS). Subsequently, it will have two lines: Line 1 - Samarahan (or Blue Line), which will run from Rembus to Hikmah interchange at Jalan Haji Taha in Kuching City, and Line 2 - Serian (or Red Line), which will run from Batu 12/JPJ to Kuching Isthmus.

The project is scheduled to commence in 2025. Apart from strengthening greater Kuching's public transportation infrastructure, the project is said to assist the state by revitalising key districts of the city. Sarawak Metro had also intended to develop a TOD on each line namely the Central Station TOD at the Hikmah interchange on the Samarahan Line and the Simpang Tiga TOD on the Serian Line. With the proper infrastructure in place, these TODs will become vital commercial and residential centres, as well as new focal points of interest for both locals and tourists.

Sarawak Metro, in addition to reaping the advantages from such TODs, will also potentially maximize the value of its procurement processes for the KUTS project through its *Socio-Economic Enhancement Transformation Program*, or SEED programme. The company had also aimed to create collaborations with institutions of higher learning as well as important industrial players across Sarawak in order to ensure success of the SEED's initiative. Sarawak Metro had also received the authorisation to establish new routes to Sarawak General Hospital (SGH), with passengers' load for its hydrogen-fuel buses had increased by over 50% since January 1, 2021. The statistic was based on the journey with an average of 20 passengers.

**2** SEDC, in collaboration with the Economic Planning Unit of Sarawak (EPU), PETRONAS, and other relevant organizations, is conducting a collaborative research to design the land development strategy known as Sarawak Petrochemical Hub project which will be undertaken in Bintulu.

The hub lies 15 kilometres north of Bintulu town and 36 kilometres south of Samalaju Industrial Park. It is flanked by power complexes such as the Petronas LNG Complex, Shell MDS, and SESCO power plant. Bintulu is recognised as the ideal location for the hub due to the ease of access to supply of materials, being the landing site of offshore gas fields, and its proximity to existing gas pipelines as well as mass operations such as ammonia/urea. This initiative will increase Sarawak's potentials of becoming future net exporter of large or high-value downstream petrochemical goods created by the hub's investment operations.

The hub will also add value to Sarawak's environmental assets, aligning with the state's goal of increasing high-value downstream industries in the oil and gas industry. According to future projections, once fully implemented, the hub would spur Sarawak's economic growth to become an open and market economy through the establishment of Centralised Utility Facilities (CUF) that will generate revenues from services offered to industrial participants. The hub will also help to improve the standard of living for our local residents by creating employment, expanding public transit, and improving infrastructures.

**3** The establishment of PETROS brand Multi-Fuel Refueling Stations will provide conventional gasoline (petrol and diesel) retail, hydrogen fuel, and charging stations for plug-in hybrid and battery electric vehicles. SEDC Energy Sdn Bhd is developing six stations across Sarawak over the next several years; the total value of the planned project is RM550 million under the 12<sup>th</sup> Malaysia Plan (12MP).

To encourage the feasibility of zero-carbon travels within certain areas, the farthest distance of the fuel stations that will be built will be located within a radius of 100km. SEDC has plans to develop five stations each year from 2021 to 2025, in conjunction with the increase the usage of hydrogen vehicles in Sarawak's future public transportation system. SEDC has acquired RM35.2 million under the 11<sup>th</sup> Malaysia Plan to complete the establishment of the Darul Hana multi-fuel refuelling station, as well as preliminary costs for five more of the premier stations proposed in Kuching (Batu Kawah area), Sri Aman, Sibul, Bintulu, and Miri.

These stations will have hydrogen production and mobile storage; a hydrogen compressor and dispenser system; a minimum of eight fossil fuel dispensers, and a minimum of four electric car chargers, three of which will be AC chargers and one of which will be DC chargers. These stations will also include the retail of conventional energy sources (petrol and diesel), hydrogen fuel, and charging facilities for plug-in hybrid and battery electric vehicles, as well as the provision of comfortable facilities such as surau, public toilets, and bathrooms, as well as commercial spaces for grooming local entrepreneurs, such as cafes, restaurants, drive-through, groceries stalls, farmers' market, eateries, and so on.

## Socio-economic Programme and Schemes

Last year, SEDC's Entrepreneur and Community Development (ECD) division had carried out five major programmes that benefited a total of 12,870 individuals throughout Sarawak. The division was able to help approximately 68,595 individuals in 2020 through different entrepreneur development programmes and other activities. The following were the programmes that were organised with the participants involved: Skim Pinjaman Industri Kecil dan Sederhana (SPIKS) with 43 participants; micro programmes with 860 participants; capacity building programmes with 2,835 participants.

In carrying out SEDC's entrepreneurship development programmes, we will continue to undertake the "handholding" approach. The approach includes consulting, understanding the entrepreneurs' requirements and problems, training, marketing, and the provision of company premises and work spaces, as well as equipment and resources.

In our on-going efforts to deliver improved services and facilities to our local entrepreneurs, we have completed the following improvements in 2020: Renovation works to existing shoplots for Pusat Inkubator dan Bimbingan Usahawan (PIBU) at Long Lama in Baram; renovation works to the new SEDC Betong Regional Office (RO) and Pusat Inkubator dan Bimbingan Usahawan (PIBU) enhancement works on the existing 3-storey SEDC Arcade located in Miri.

## Corporate Citizenship – Reaching Out to the Community

One of SEDC's corporate shared values in its caring culture. To attain this, SEDC together with its subsidiaries had launched a number of Corporate Social Responsibility (CSR) programmes in aid of less fortunate members of the society.

Despite facing the challenges of Covid-19 pandemic, SEDC was still able to organise its annual Hari Raya Gifts presentation ceremony for 57 children at Rumah Kanak-Kanak PERYATIM Kuching located at Jalan Sultan Tengah. A total of RM 4,560.00 was spent on this campaign. Apart from that, SEDC had allocated RM3,950.00 for gifts in aid of children sheltered at Rumah Kanak-Kanak Toh Puan Hajah Norkiah (RKKTPHN). SEDC had also organised similar initiative for children at Rumah Kanak-Kanak Datuk Ajibah Abol (RKKDAA) in Sri Aman in which RM1,150.00 were spent.

The annual "Belaian Kasih Bersama Penghuni Rumah Seri Kenangan (RSK)" was held on 13 November 2020 at Dewan Pusat Pemulihan, Muara Tuang @ Rumah Seri Kenangan. The programme also contributed a total of RM 5,280.00 in gifts and pocket monies for the residents there. SEDC also participated in the "Love-In-A-Box Christmas" for residents at Children of Sarawak Children Cancer Society (SCCS) Centre in Jalan Batu Kawah, Kuching in which RM2,400.00 was spent for the event.

## Enhancing Service Delivery

SEDC had benefitted from the strategic acquisition of additional shares in PPES Works Sdn Bhd in year 2020. PPES Works is involved in notable construction and development works in many parts of Sarawak. Among those were the rehabilitation and upgrading works undertaken at Sarawak Cultural Village (SCV) that include mechanical and electrical systems, water supply pipes, drainage works, and other associated works.

In 2020, SEDC's Innovation & Quality Assurance Division (IQD) had conducted quality audits on our assets on regular basis. After a reorganisation exercise was undertaken on January 2020, the Integrity & Risk Management Unit (IRMU) of SEDC was established with the handover of the Risk Management Function to the Integrity Unit. With the establishment of IRMU, the integrity unit will oversee Governance & Compliance matters, Integrity Enhancement & Complaint Management, Investigation & Confirmation, and Discipline Actions. A total of 53 officers had attended the Corruption Risk Management (CRM) Workshop, which was held on 22 to 23 January 2020 at the Riverside Majestic Hotel in Kuching, with the assistance of three presenters from Suruhanjaya Pencegah Rasuah Malaysia (SPRM).

SEDC through IRMU had also organised the *Organizational Anti-Corruption Plan* or SEDC OACP Workshop, which was held on 9 - 11 September 2020, at Grand Margherita Hotel in Kuching. In 2020, SEDC had also actively organised integrity enhancement activities which include *SEDC Integrity Day*, Talk on Integrity & Governance Units and Section 17A Corporate Liability Talk on Whistleblowing

Protection Act 2010 & Whistleblowing Channel. The sessions were for management team members; professional and management groups; support staff and those in our Regional Offices (RO) and Pusat Ikubator dan Bimbingan Usahawan or PIBU.

## Being on the forefront

SEDC had celebrated its 49<sup>th</sup> anniversary on 1 March 2020. Due to the challenges of Covid-19 pandemic and global economic downturn, the celebration was on low key. Nevertheless, SEDC together with its subsidiaries and associate companies had to be resolute and tenacious in its business strategies and execution. As part of SEDC's moving forward journey and ambitions, the "SEDC Transformation Plan", with the codename "Project Diamond," was being progressively undertaken and pursued when the pandemic situation gradually improved.

The precious "Diamond" components were chosen to illustrate the transformation of carbon into a polished diamond. Because diamonds are made of carbon, they originated as carbon atoms at high temperatures and pressures, joining together to form a crystal. Similar to SEDC's transformation, it is not a process that can be undertaken overnight. It is a steady process of continuous improvements that may benefit both individuals and organisations in the long run.

Moving forward, SEDC is also trying to increase the value of Sarawak's natural resources, which is one of the primary goals of the State Government. As such, SEDC intends to be the one of the state's dynamic agencies that is able to capitalise on Sarawak's natural resources.

In 2020, SEDC had also increased its investment in CMS Resources Sdn Bhd by two percent (now known as SEDC Resources Sdn Bhd). SEDC now controls 51 percent of the company, and the strategic move potentially will add on to its revenue stream for the whole group. SEDC, through its subsidiary SEDC Energy Sdn Bhd, is poised to undertake the construction of the high-tech Goebli Hydrogen Park located in Bako. The park is expected to be the first of its kind in Sarawak and in Malaysia. The project cost is RM260 million and located on a site of 18 acres, with 10 acres dedicated to the manufacturing facility. Another eight acres are dedicated to the development of a hydrogen technology innovation centre and a community recreational park.

SEDC Energy is also investigating an unique "Car Usage" plan for the future generation of Sarawak based on a hassle-free transportation system. It is the shift in consumer behaviour from automobile ownership to "car usage" that is expected to create future demand for such services. SEDC Energy is still in discussions with various passenger car manufacturers from overseas on the proposed joint venture and collaboration company. The initial phase of this enterprise will be to acquire a number of hydrogen fuel & electrically powered vehicles to be leased out locally.

Hemisphere Corporation Sdn Bhd (HEMiSPHERE), a fully owned subsidiary of SEDC had aimed to become a full-fledged hotel management company under a brand called "HEMiSPHERE." Apart from adding value to the hotel buildings involved,

the management services had intended to expand its operations both locally and abroad. Grand Margherita Hotel, Riverside Majestic Hotel Puteri Wing, Riverside Majestic Hotel Astana Wing, Damai Beach Resorts & Spa, Damai Lagoon Resort & Spa, Sarawak Cultural Village, and Damai Gold Country Club are among the company's present portfolios. Under SEDC's Tourism and Hospitality Division (THD) future development of the upcoming "Damai Masterplan" in Santubong, a consultant had been appointed for this project, which is advancing and is expected to present their deliverable in year 2022. The tourism-based development project was unveiled by our Right Honourable Premier of Sarawak on 25 November 2019 and it aims to unlock economic values in the creation of an "Integrated Damai City" with developments of resorts, marinas, and other related tourism amenities in the seaside area. It is aimed at generating new tourist products and attractions which contribute to one of the 12<sup>th</sup> Malaysia Plan's strategic goals for Malaysia and to benefit Sarawak.

In general, the Covid-19 pandemic had adversely impacted the global economy but SEDC had managed to weather the economic storms in its own ways. However, SEDC together with its subsidiaries and associate companies must continue to explore prospective business opportunities. Such forward looking initiatives can support future generation of revenue streams and ensure healthy capital returns. As a forward moving organization, SEDC aims to secure additional projects that will strengthen the group's financial stability in the near future.

Together, we expect better things to come in 2021 and beyond. It is also our hope for all of stakeholders and strategic partners to join us in attaining SEDC's vision and mission to "Make It Happen" as we move forward into the next frontier. We can attain greater success by working harder together especially in getting the fundamentals right all the time. We must also continue to embrace new technologies that will facilitate and expedite the delivery of our services to Sarawak Government and the people who we are serving. Transformation is necessary for SEDC, its subsidiaries and associate companies in our pursuit to attaining dynamism and brighter future for all.

"COMMITTED TO EXCELLENCE"



**YBhg. Tan Sri Datuk Amar (Dr) Haji Abdul Aziz  
bin Dato Haji Husain**

Chairman





CORPORATE  
INFORMATION



SECTION ONE

# CORPORATE INFORMATION

## VISION

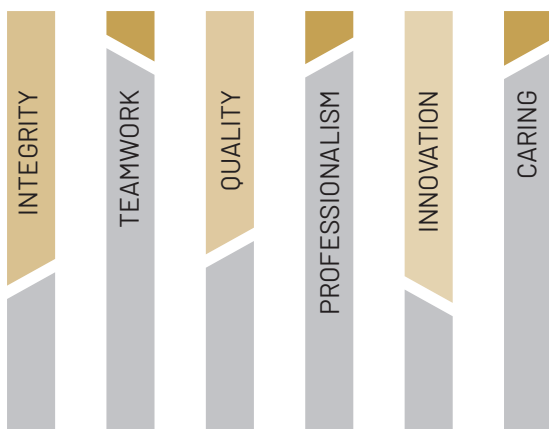
To be the premier state agency in Malaysia.

## MISSION

To spearhead the economic and social development in Sarawak by implementing and managing projects and programmes effectively, economically, efficiently and ethically.

## MOTTO

Committed To Excellence



## SHARED VALUES

War cry

Win : get it done - fast and right

## 49 YEARS

of serving the Rakyat and the State of Sarawak.

## CORPORATE BACKGROUND

Sarawak Economic Development Corporation (SEDC) was established on 1<sup>st</sup> March 1972 as a state-owned statutory body with the general aim of promoting the commercial, industrial and socio-economic development of Sarawak.

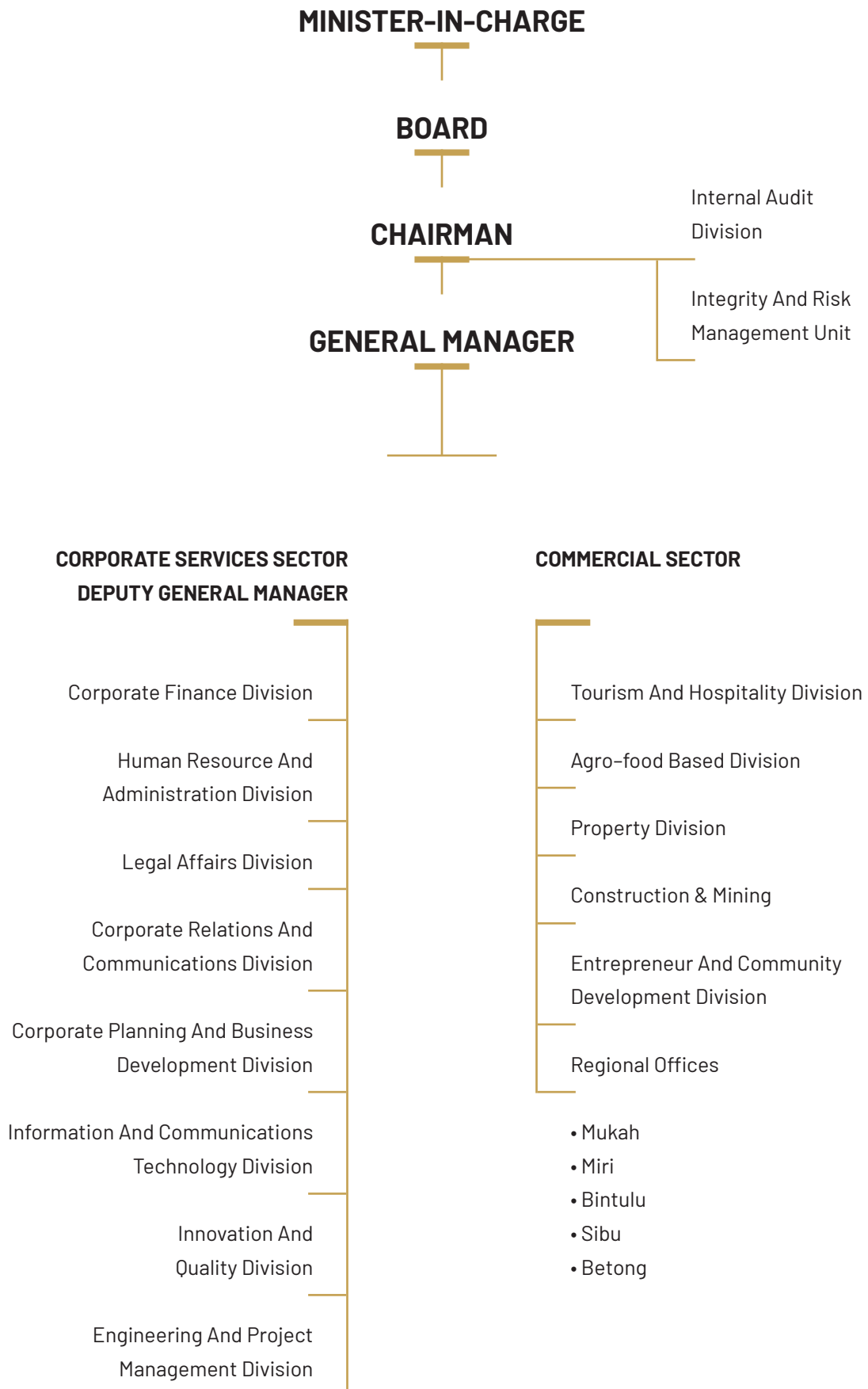
The corporation was established under the Perbadanan Pembangunan Ekonomi Sarawak Ordinance (Sarawak Cap. 35), a law duly passed by Sarawak's State Assembly in accordance with the powers conferred on and delegated to the State Government of Sarawak under the Constitution of Malaysia.

While, SEDC Sarawak is a statutory body established under the laws of the State of Sarawak, it also comes under purview of the Federal Government of Malaysia through the Ministry of Economic Affairs (MEA). The Corporation also acts as a catalyst in promoting the socio-economic development in Sarawak with emphasis on pioneering and strategic industries, undertaking new investments and at the same time managing existing commercial operations on its own or through joint ventures.

As a trust agency, SEDC Sarawak also undertakes various capacity buildings programmes and schemes to enhance the development of local Bumiputera entrepreneurs in commerce and industry. Apart from that carrying out special projects for Sarawak government to enhance the general economic well-being and quality of life of local people in the State.

In pursuing such objectives, SEDC Sarawak complements the State's Government development agenda towards becoming a developed state by implementing its projects effectively, efficiently, economically and ethically.

## ORGANISATIONAL STRUCTURE



## MEMBERS OF THE BOARD

**Chairman**

YBhg. Tan Sri Datuk Amar (Dr) Haji  
Abdul Aziz bin Dato Haji Husain

**State Secretary**

YB. Datuk Amar Jaul Samion

**State Financial  
Secretary**

YBhg. Dato Sri Dr Haji Wan Liz  
Ozman bin Wan Omar





**State Attorney  
General**

Yang Arif Dato Sri Talat  
Mahmood bin Abdul Rashid



YBhg. Datu Dr.  
Muhammad Abdullah  
bin Haji Zaidel



YBhg. Datu Laura  
Lee Ngien Hion



**Senior Under  
Secretary**

YBhg. Encik Boniface  
anak Edwin Manung



YBhg. Dato Dr Philip  
Raja



YBhg. Dato Sr  
Zaidi bin Haji  
Mahdi



## MANAGEMENT TEAM



YBhg. Tuan Haji  
Abdul Hadi bin  
Datuk Haji Abdul  
Kadir

General Manager



Puan Hajah  
Rakayah bte  
Hamdan

Deputy General  
Manager, Director,  
Corporate Finance  
Division



Puan Marilyn N.  
Biyor

Director,  
Human Resource  
and General  
Administration  
Division



Encik James  
Ambrose Dago

Director,  
Planning & Business  
Development  
Division



Encik Yap Yien  
Chiang

Director,  
Internal Audit  
Division



Cik Hajah Siti  
Nurazlina Dollah  
bte Ahmat Usop

Director,  
Information and  
Communications  
Technology Division



Puan Rozita  
bte Mohamad  
Ibrahim

Director,  
Engineering &  
Project Management  
Division



Encik Edwin  
Chandra Perkasa  
bin Nurdjajadi

Director,  
Corporate Relations  
and Communications  
Division



**Puan Rashidah  
bte Maideen**

Acting Director,  
Legal Affairs  
Division



**Encik Mark  
James Santi  
Ferguson**

Director,  
Tourism &  
Hospitality Division



**Tuan Haji Muradi  
@Muriyadi Basri**

Acting Director,  
Innovation & Quality  
Division



**Encik Nelson  
Raon Kebing**

Acting Director,  
Property Division



**Encik Sylvester  
Insor**

Acting Director,  
Agro-Food Based  
Division



**Encik Zamirudin  
bin Hj Ahmad  
Mansor**

Acting Director,  
Entrepreneur  
& Community  
Development  
Division



**Cik Khartini  
bte Johari**

Head of Unit,  
Integrity & Risk  
Management



**YBhg. Dato'  
Zamani bin Tan  
Sri Datuk Amar  
Haji Hamdan**

Head of Unit,  
Security



**Encik Addy bin  
Badiozaman  
Dollah**

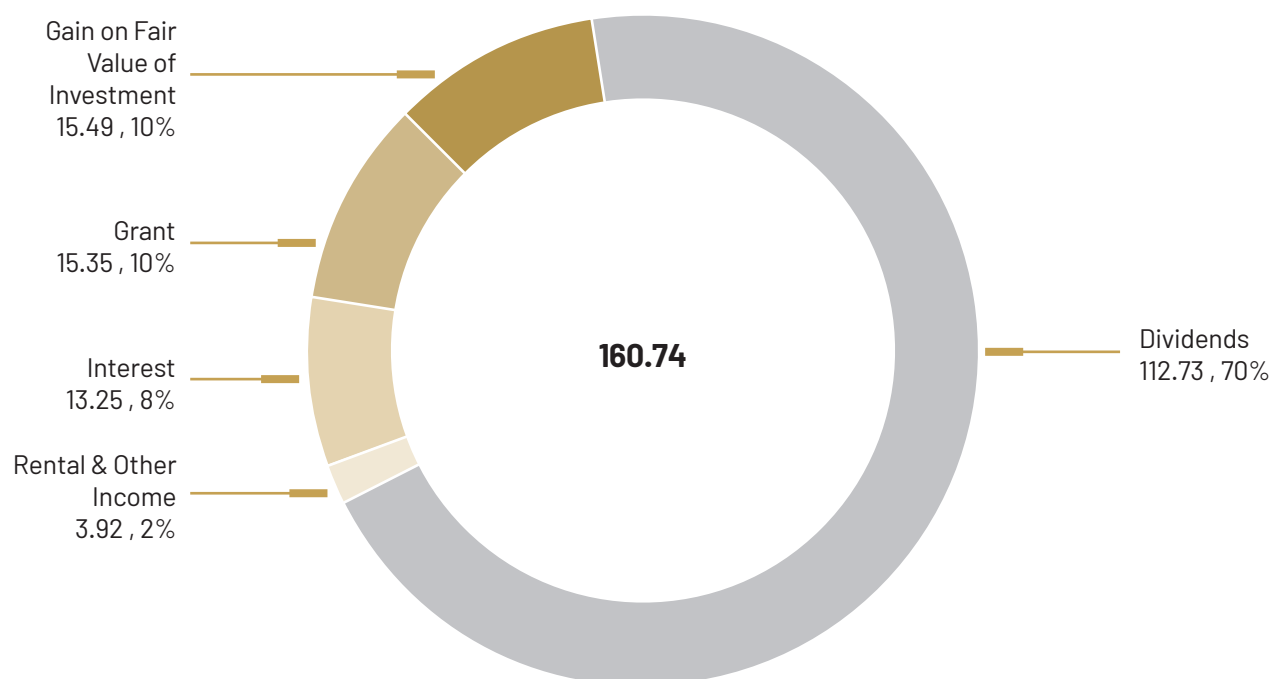
Head of Unit,  
Secretarial Services

## FINANCIAL PERFORMANCE 2020

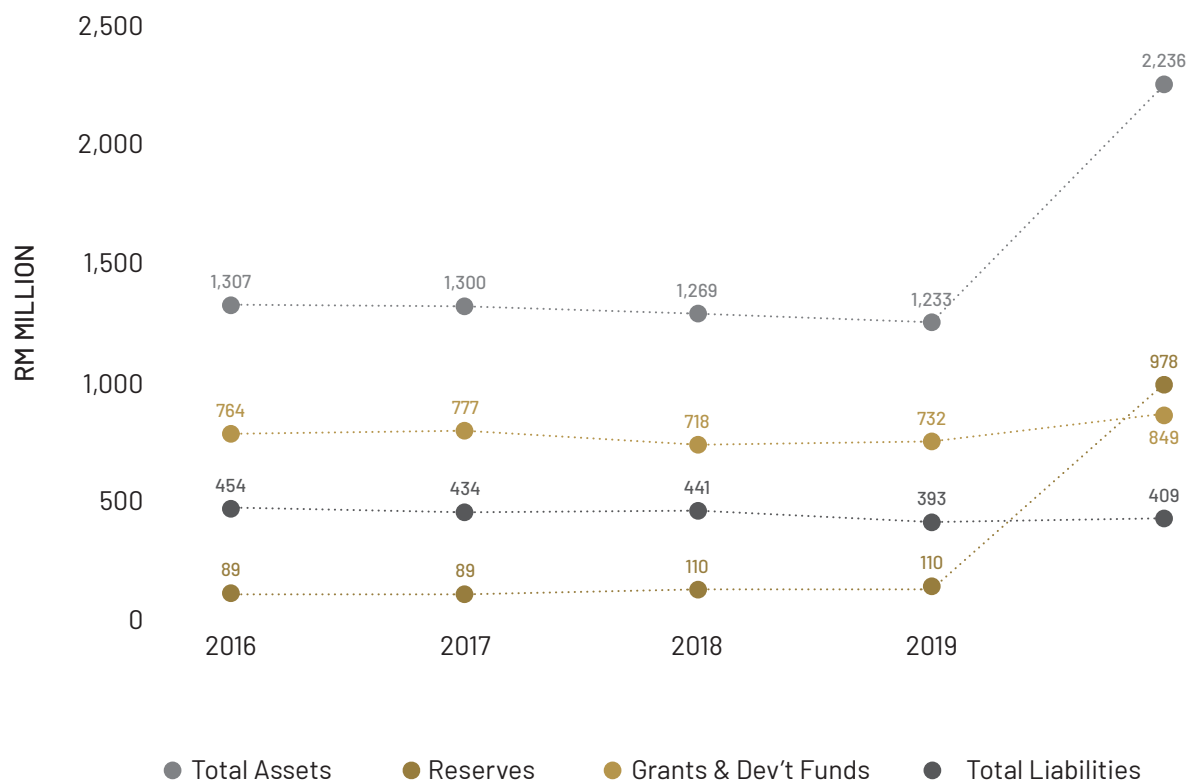
### CORPORATE

PARTICULARS	UNAUDITED 2020 (RM MIL)	BUDGET 2020 (RM MIL)	VARIANCE %
INCOME	160.74	50.54	> 100
EXPENDITURE	44.04	47.20	
OPERATING PROFIT BEFORE TAX (OPBT)	116.70	3.34	> 100

### INCOME (CORPORATION) UNAUDITED FOR 2020 (RM MIL)



## SEDC (CORPORATION) FINANCIAL POSITION 2016-2020



## FINANCIAL PERFORMANCE 2020 GROUP

SECTOR	AUDITED PROFIT BEFORE TAX (RM Mil)		
	AUDITED 2020	BUDGET 2020	VARIANCE (%)
AGRO-FOOD	12.51	14.84	(16)
TOURISM & HOSPITALITY	(16.69)	3.40	(>100)
MINERAL & MINING	165.11	93.53	77
ROAD & WORKS	4.58	23.75	(81)
OTHERS	(2.75)	(1.38)	(99)
<b>TOTALS</b>	<b>162.76</b>	<b>1344.14</b>	<b>21</b>

## SUBSIDIARIES & ASSOCIATE COMPANIES

### TOURISM & HOSPITALITY

#### Subsidiaries

##### **Hemisphere Corporation Sdn Bhd**

9th Floor, SEDC Plaza  
Jalan Tunku Abdul Rahman  
93100 Kuching, Sarawak, Malaysia  
Tel: 082-416918  
Fax: 082-428824, 416961  
Website: www.sedc.com.my

##### **Sara Urusharta Sdn Bhd**

Unit R207, Level 2, Sarawak Plaza  
Jalan Tunku Abdul Rahman  
93100 Kuching  
Tel: 082-412150  
Fax: 082-255964  
Website: www.sedctourism.com

##### **Damai Cove Resorts Sdn Bhd**

9th Floor, SEDC Plaza  
Jalan Tunku Abdul Rahman  
93100 Kuching, Sarawak, Malaysia  
Tel: 082-416918  
Fax: 082-428824, 416961  
Website: www.sedc.com.my

##### **Sara Resorts Sdn Bhd**

9th Floor, SEDC Plaza  
Jalan Tunku Abdul Rahman  
93100 Kuching, Sarawak, Malaysia  
Tel: 082-416918  
Fax: 082-428824, 416961  
Website: www.sedc.com.my

##### **Damai Holdings Sdn Bhd (fka Sara Resorts Holdings Sdn Bhd)**

9th Floor, SEDC Plaza  
Jalan Tunku Abdul Rahman  
93100 Kuching, Sarawak, Malaysia  
Tel: 082-416918  
Fax: 082-428824, 416961  
Website: www.sedc.com.my

#### Investment

##### **Borsarmulu Resort Sdn Bhd**

Level 3A, Wisma Bukit Mata Kuching,  
Jalan Tunku Abdul Rahman,  
93100 Kuching, Sarawak.  
Tel: 082-413877  
Fax: 082-428824, 082-416961  
Website: www.sedctourism.com

##### **Kuching Hotels Sdn Bhd**

9th Floor, SEDC Plaza  
Jalan Tunku Abdul Rahman  
93100 Kuching, Sarawak, Malaysia  
Tel: 082-416918  
Fax: 082-428824, 416961  
Website: www.sedc.com.my

##### **Damai Beach Golf Course Bhd (Damai Golf & Country Club Bhd)**

9th Floor, SEDC Plaza  
Jalan Tunku Abdul Rahman  
93100 Kuching, Sarawak, Malaysia  
Tel: 082-416918  
Fax: 082-428824, 416961  
Website: www.sedc.com.my

##### **Sara Resorts Management Sdn Bhd**

9th Floor, SEDC Plaza  
Jalan Tunku Abdul Rahman  
93100 Kuching, Sarawak, Malaysia  
Tel: 082-416918  
Fax: 082-428824, 416961  
Website: www.sedc.com.my

##### **Bukit Saban Resort Sdn Bhd**

9th Floor, SEDC Plaza  
Jalan Tunku Abdul Rahman  
93100 Kuching, Sarawak, Malaysia  
Tel: 082-416918  
Fax: 082-428824, 416961  
Website: www.sedc.com.my

##### **Tanjung Datu Beach Resort Sdn Bhd (fka Damai Beach Resort Sdn Bhd)**

9th Floor, SEDC Plaza  
Jalan Tunku Abdul Rahman  
93100 Kuching, Sarawak, Malaysia  
Tel: 082-416918  
Fax: 082-428824, 416961  
Website: www.sedc.com.my

##### **Sara Tourism & Leisure Sdn Bhd**

9th Floor, SEDC Plaza  
Jalan Tunku Abdul Rahman  
93100 Kuching, Sarawak, Malaysia  
Tel: 082-416918  
Fax: 082-428824, 416961  
Website: www.sedc.com.

##### **Sejadu Sdn Bhd**

9th Floor, SEDC Plaza  
Jalan Tunku Abdul Rahman  
93100 Kuching, Sarawak, Malaysia  
Tel: 082-416918  
Fax: 082-428824, 416961  
Website: www.sedc.com.

##### **Sara Worldwide Vacations (Asia Vacations Club Sdn Bhd)**

Unit W22-02, Level 22  
Gateway Kuching  
No. 9, Jalan Bukit Mata 93100  
Tel : 082-238007  
Fax: 082-248007  
Website: www.clubasia.com.

##### **Permata Carpark Sdn Bhd**

9th Floor, SEDC Plaza  
Jalan Tunku Abdul Rahman  
93100 Kuching, Sarawak, Malaysia  
Tel: 082-416918  
Fax: 082-428824, 416961  
Website: www.sedc.com.

##### **Sara Great Horizon Sdn Bhd**

9th Floor, SEDC Plaza  
Jalan Tunku Abdul Rahman  
93100 Kuching, Sarawak, Malaysia  
Tel: 082-416918  
Fax: 082-428824, 416961  
Website: www.sedc.com.

##### **Sara Rasa Sdn Bhd**

9th Floor, SEDC Plaza  
Jalan Tunku Abdul Rahman  
93100 Kuching, Sarawak, Malaysia  
Tel: 082-416918  
Fax: 082-428824, 416961  
Website: www.sedc.com.Sarawak

##### **Sarawak Cultural Village**

(shares transferred to SEDC)  
9th Floor, SEDC Plaza  
Jalan Tunku Abdul Rahman  
93100 Kuching, Sarawak, Malaysia  
Tel: 082-416918  
Fax: 082-428824, 416961  
Website: www.sedc.com.



**SUBSIDIARIES & ASSOCIATE COMPANIES****AGRO-FOOD BASED****Subsidiaries / Associates****PPES Ternak Holdings Sdn Bhd  
Rosewood Station Pty Ltd**

3rd-11th Floor, Menara SEDC,  
Lot 2878, The Isthmus Off Jalan  
Bako, 93050 Kuching  
Tel: 082-551555  
Fax: 082-551450  
Website: www.sedc.com.my

**PPES Ternak Sdn Bhd  
Sara-Bif Sdn Bhd**

Lot 1641, Block 5 Sentah-Segu Land  
District, Siburan,  
94700 Serian Division, Sarawak  
Tel: 082-860111  
Fax: 082-860222  
Website: www.sedc.com.my

**Sara Spectrum Holdings Sdn Bhd  
Hakanda Sdn Bhd  
(Kemudi Saling Sdn Bhd)**

**Sarawak Coconut Enterprise Sdn  
Bhd**  
**Carbon Supplies Sarawak Sdn Bhd**  
3rd - 11th Floor, Menara SEDC  
Lot 2878, The Isthmus Off Jalan  
Bako, 93050 Kuching  
Tel: 082-551555  
Fax: 082-551450  
Website: www.sedc.com.my

**Sara - HL Plantation Sdn Bhd**

6 - 11th Floor, Menara SEDC  
Jalan Tunku Abdul Rahman 93100  
Kuching  
Tel: 082-416777  
Fax: 082-424330  
Website: www.sedc.com.my

**Sara Concrete Poles Sdn Bhd**

3rd - 11th Floor, Menara SEDC  
Lot 2878, The Isthmus Off Jalan  
Bako, 93050 Kuching  
Tel: 082-551555  
Fax: 082-551450  
Website: www.sedc.com.my

**PPES Aqua (Santubong) Sdn Bhd**

3rd - 11th Floor, Menara SEDC  
Lot 2878, The Isthmus Off Jalan  
Bako, 93050 Kuching  
Tel: 082-551555  
Fax: 082-551450  
Website: www.sedc.com.my

**Eastern Empress Silk Sdn Bhd  
Hope Aspire Sdn Bhd**

3rd - 11th Floor, Menara SEDC  
Lot 2878, The Isthmus Off Jalan  
Bako, 93050 Kuching  
Tel: 082-551555  
Fax: 082-551450  
Website: www.sedc.com.my

**SOP Karabungan Sdn Bhd**

No. 124 - 126  
Jalan Bendahara  
P.O.Box 547  
98007 Miri  
Tel: 085-436969  
Fax: 085-432929

**Good Harvest Plantation Sdn Bhd**

No. 85 - 90, Pusat Pedada  
Jalan Pedada  
96000 Sibul  
Tel: 084-310190  
Fax: 084-330893

**SPB PPES Karabungan Plantation  
Sdn Bhd**

8th Floor, Wisma Naim  
21/2 Mile, Rock Road  
93200 Kuching  
Tel: 082-233560  
Fax: 082-256560

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## SUBSIDIARIES & ASSOCIATE COMPANIES

### OTHER SECTORS

#### Subsidiaries / Associates

##### PPES Consults Sdn Bhd

3rd - 11th Floor, Menara SEDC  
Lot 2878, The Isthmus Off Jalan  
Bako, 93050 Kuching  
Tel: 082-551555  
Fax: 082-551450  
Website: www.sedc.com.my

##### PPES Works (Sarawak) Sdn Bhd

Level 4, Wisma Mahmud,  
Jalan Sungai Sarawak,  
93100 Kuching  
Tel: 082-340588  
Fax: 082-340695  
Website: roads.cmsb.my

##### Permaisara Sdn Bhd

3rd - 11th Floor, Menara SEDC  
Lot 2878, The Isthmus Off Jalan  
Bako, 93050 Kuching  
Tel: 082-551555  
Fax: 082-551450  
Website: www.sedc.com.my

##### SEDC Energy Sdn Bhd

2nd Floor, Parcel No. A2-2-24,  
Raintree Square, The Isthmus,  
Off Jalan Bako, 93050 Kuching  
Tel: 082-296826  
Website: www.sedc.com.my

##### Sarawak Metro Sdn Bhd

L16-01A, Level 16, Gateway Kuching,  
No.9, Jalan Bukit Mata Kuching,  
93100, Kuching, Sarawak  
Tel: 082-524 222  
Fax: 082-524 224  
Website: www.mysarawakmetro.  
com

##### Sarawak Glass Products Sdn Bhd (Incorporated on 12th July 2018, transferred to SEDC on 3/5/2019)

3rd-11th floor,  
Menara SEDC, Lot 2878,  
The Isthmus Off Jalan Bako,  
93050, Kuching.  
Tel: 082-551555  
Fax: 082-551450  
Website: www.sedc.com.my

##### SEDC Petchem Hub Sdn Bhd

##### (Name changed on 23rd Oct 2020)

3rd-11th floor,  
Menara SEDC, Lot 2878,  
The Isthmus Off Jalan Bako,  
93050, Kuching.  
Tel: 082-551555  
Fax: 082-551450  
Website: www.sedc.com.my

##### Sarawak Petchem Sdn Bhd

4th floor, Menara SEDC, Lot 2878,  
The Isthmus Off Jalan Bako,  
93050, Kuching.  
Tel: 082-295099  
Fax: 082-551330

#### Mineral & Mining Subsidiaries

##### SEDC Resources Sdn Bhd

##### SEDC Quarries Sdn Bhd

##### SEDC Premix Sdn Bhd

##### SEDC Premix (Miri) Sdn Bhd

##### SEDC Premix (Betong) Sdn Bhd

##### SEDC Concrete Product Sdn Bhd

##### Borneo Granite Sdn Bhd

7th Mile, Kuching - Serian Road  
93250 Kuching  
Tel: 082-615605 / 610226  
Fax: 082-612434 / 615598  
Website: premix.cmsb.my

#### Mineral & Mining Associates

##### CMS Infra Trading Sdn Bhd

No. 2128, Sublot 2  
Jalan Utama, Pending  
93450 Kuching  
Tel: 082-348950 / 348951  
Fax: 082-348952  
Website: premix.cmsb.my

#### Road & Works Associates

##### CMS Land Sdn Bhd

Level 5, Wisma Mahmud  
Jalan Sungai Sarawak  
93100 Kuching  
Tel: 082-237777  
Fax: 082-252652  
Website: www.cmsproperty.com.my

##### CMS Property Management Sdn Bhd

Level 5, Wisma Mahmud  
Jalan Sungai Sarawak  
93100 Kuching  
Tel: 082-237777  
Fax: 082-252652  
Website: www.cmsproperty.com.my

##### Syarikat Sebangun Sdn Bhd

Lot 401, Blok 38, Kemena Industry  
Estate, Off Bintulu-sibu Road,  
PO Box 168, 97008 Bintulu  
Tel: 086-316569  
Fax: 086-315919  
Website: www.sebangun.com

##### Fieldmart Care Sdn Bhd

Kilang B, Lot 775, Lorong  
Demak Maju 8  
Demak Laut Industrial Park  
93900 Kuching  
Tel: 082-432252  
Fax: 082-433352

##### IMSA Sebor (Sarawak) Holdings Sdn Bhd

##### IMSA Sebor (Sarawak) Sdn Bhd

Lot 6, Persiaran Perusahaan,  
Seksyen 23, 40300 Shah Alam,  
Selangor Darul Ehsan.  
Tel: 03-55417748  
Fax: 03-55421486

##### Comerich Sdn Bhd

Ground Floor, Sublot 10 & Sublot 11,  
Metrocity Matang Commerical Centre,  
Section 65, KTL D  
93050, Kuching, Sarawak  
Tel: 082-332159/332160/332164  
Fax: 082-649226  
Website: www.comerich.com.my

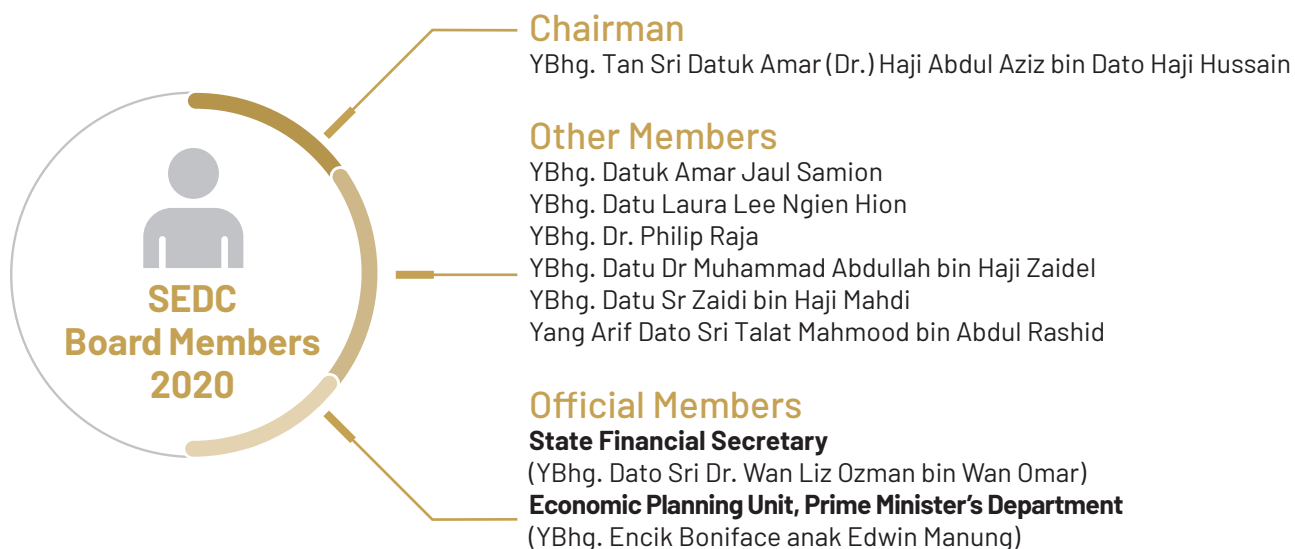
THE BOARD  
AND  
BOARD  
COMMITTEES



SECTION TWO

## THE BOARD AND BOARD COMMITTEES

### BOARD OF SEDC



### MEETINGS HELD IN 2020

In 2020, a total of four (4) SEDC Board Meetings and one (1) Special Board Meeting which were held as follow:

- 185<sup>th</sup> – 3 March 2020
- 186<sup>th</sup> – 15 May 2020
- 187<sup>th</sup> – 25 August 2020
- 188<sup>th</sup> – 24 November 2020

In 2020, a total of one (1) Special Board Meeting which was held as follows:

- 20 October 2020

### THE RECORD OF ATTENDANCE TO THE MEETINGS IS AS FOLLOWS

Members	No. Meetings Attended
YBhg. Tan Sri Datuk Amar (Dr.) Haji Abdul Aziz bin Dato Haji Hussain	✓ ✓ ✓ ✓ ✓
<b>State Financial Secretary</b> (YBhg. Dato Sri Dr. Wan Liz Ozman bin Wan Omar)	✓ ✓ ✓ ✓ ✓
<b>Economic Planning Unit, Prime Minister's Department</b> (YBhg. Encik Boniface anak Edwin Manung)	✓ ✓ ✓ ✓ ✓
YBhg. Datuk Amar Jaul Samion	✓ ✓ ✓
YBwhg. Datu Laura Lee Ngien Hion	✓ ✓ ✓ ✓ ✓
YBhg. Dato Dr. Philip Raja	✓ ✓ ✓ ✓ ✓
YBhg. Datu Dr Muhammad Abdullah bin Haji Zaidel	✓ ✓ ✓ ✓ ✓
YBhg. Datu Sr Zaidi bin Haji Mahdi	✓ ✓
Yang Arif Dato Sri Talat Mahmood bin Abdul Rashid	✓ ✓ ✓ ✓

## BOARD OF ESTABLISHMENT COMMITTEE

The Board Establishment Committee (BEC) was established in accordance with the provision in Section 16 of the SEDC Ordinance. The committee shall consists of the following members:

- Chairman -  
One (1) Board Member of the Corporation
- Members -  
At least two (2) Board Members of the Corporation or any other person or persons as the Corporation deems fit.
- Secretary -  
Director of Human Resource & Administration

The BEC shall meet at least twice (2) a year, although additional meetings may be called at any time at the Chairman's discretion when the need arises. The quorum shall consists of Chairman and one (1) member for the meeting to proceed.

In 2020, there was one (1) meeting held on 20 April 2020. Details of the composition of the Committee and attendance by each member of the Committee are set below:

Members	No. Meetings Attended
Yang Arif Dato Sri Talat Mahmud bin Abdul Rashid (Chairman)	✓
YBhg Dato Sri Dr. Haji Wan Liz Ozman bin Wan Omar (Member)	✓
Director of State Human Resource Unit, Chief Minister's Office (Member)	✓

## DUTIES AND RESPONSIBILITIES

1. This Board Establishment Committee shall be responsible for the following functions and duties:

- 1.1 Appointment
  - (a) To approve appointment of all posts in the Managerial and Professional Group, Grade 48 and above or equivalent thereof.
  - (b) To recommend to the Board appointment to all posts in Premier Grade (Jusa C and above) or equivalent thereof.
- 1.2 Promotion of Employees
  - (a) To approve the promotion of employees to the Managerial and Professional Group, Grade 48 and above or equivalent thereof.
  - (b) To recommend to the Board promotion of employees to the Premier Grade (Jusa C and above) or equivalent thereof.
- 1.3 Establishment of new post and abolishment of redundant posts in the Managerial and Professional groups.

To recommend to the Board to approve the establish/create new posts and schemes of service and to abolish any existing redundant posts in line with the Corporation's manpower requirements, subject to approval by the relevant authorities.

- 1.4 Establishment of new posts and abolishment of redundant posts in the Managerial and Professional groups.

To recommend to the Board for the corporation to undertake reorganization or organizational restructuring including the establishment of new or abolishment of existing redundant Unit or Division in line with the corporation's dynamic business needs.



### 1.5 Upgrading and re-designation of existing posts

To approve the upgrading and/or re-designation of posts for all schemes of service for submission and approval by relevant authorities.

### 1.6 Extended Sick Leave

To approve:

- (a) Sick leave with full pay for a period exceeding 90 days up to 180 days at any one time or in a calendar year.
  
- (b) Extended sick leave on half-pay not exceeding 90 days in a calendar year and further extended sick leave without pay not exceeding 90 days in one calendar year but with assistance allowance equivalent to half pay.
  
- (c) Additional sick leave with full pay or half pay due to tuberculosis, leprosy, cancer and similar illness requiring a long recuperation period and certified by Medical Board.

### 1.7 Adoption of Government Circulars

To approve/recommend adoption of Government circulars related to establishment matters, including employee benefits and privileges, provided that such circulars have been duly adopted by the State Government.

### 1.8 SEDC Human Resource Policy and Guidelines

To approve/recommend policies and guidelines related to Human Resource matters that may be recommended by the Management from time to time.



## BOARD OF AUDIT COMMITTEE

### Chairman

YBhg. Dato Sri Dr. Haji Wan Liz  
Ozman bin Wan Omar

### Members

YBhg. Datu Laura Lee Ngien Hion  
(Appointed as Deputy Chairman of  
BAC on 3 March 2020)

YBhg. Dato Dr. Philip Raja

YBhg. Encik Boniface anak  
Edwin Manung  
(Appointed as Member of BAC on  
3 March 2020)

### Secretary

Director, Internal Audit Division

## COMPOSITION OF THE BOARD AUDIT COMMITTEE (BAC)

1. The Corporation shall establish a Board Audit Committee consisting of:
  - a) a Chairman;
  - b) a Deputy Chairman (if any);
  - c) not fewer than three (3) Members of the Corporation;
  - d) any other person or persons as the Corporation deems fit, and
  - e) a Secretary who shall be the Director of Internal Audit Division
2. Members of the Board Audit Committee shall be appointed by the Board of whom a majority shall not be persons having relationship which, in the opinion of the Board, would interfere with the exercise of independent judgment in carrying out the duties of the Board Audit Committee.

## TERMS OF REFERENCE OF BOARD AUDIT COMMITTEE

1. The primary function of the Board Audit Committee shall be to provide assistance to the Board in fulfilling its fiduciary responsibilities relating to corporate accountability and reporting practices for the corporation and the following oversight objectives on the activities of the corporation and its group:
  - a) To assess the group's processes relating to its risks and control environment;
  - b) To oversee financial reporting; and
  - c) To evaluate the internal and external audit processes.
2. The Board Audit Committee shall have authority:
  - a) To investigate any activity within its terms of reference and shall have unrestricted access to both the internal and external auditors and to all employees of the corporation and its group.
  - b) To obtain at the expenses of the corporation and its group, the resources that are required to perform its duties. The Committee may obtain external legal or other independent professional advice and seek any information it requires and to ensure the attendance of outsiders with relevant experience and expertise if it considers this necessary.
3. The Board Audit Committee is responsible for the following duties:
  - a) To oversee the internal audit function and approve the Annual Audit Plan;
  - b) To receive and accept/note Internal Audit Reports and to consider whether the findings and major management responses thereto are acceptable or otherwise;

- c) To ensure affirmative action is taken by the auditee in respect of the Board Audit Committee's decisions thereon;
  - d) To review the corporation's draft audited financial statements and the auditors' report thereon prior to tabling thereof for adoption and/or approval by the Board Members;
  - e) To review internal control system including financial and accounting system and to support and recommend measures to improve internal controls;
  - f) To review the corporation's accounting policies and reporting requirements and extent of compliance with legal requirements and accounting standards; and
  - g) To initiate special audit and investigation and consider findings arising from such audit and investigation.
4. a) The Board Audit Committee shall meet at least three (3) times a year provided that additional meetings may be called at any time at the discretion of the Chairman.
- b) In the absence of the Chairman, the Deputy Chairman (if any) shall chair the meeting. In the absence of both the Chairman and Deputy Chairman, the Board Audit Committee shall elect one from amongst its Members to chair the meeting.
- c) The quorum at all meetings of the Board Audit Committee shall be a simple majority of its members.
- d) The meeting may be attended by the corporation's external auditors, Internal Auditor and any other persons as determined by the Chairman of the Board Audit Committee.

In 2020, a total of four (4) BAC meetings were held and the record of attendance is as follows:-

Members	No. Meetings Attended
YBhg. Dato Sri Dr. Haji Wan Liz Ozman bin Wan Omar	✓ ✓ ✓
YBhg. Datu Laura Lee Ngien Hion (Appointed as Deputy Chairman of BAC on 3 March 2020)	✓ ✓ ✓ ✓
YBhg. Dato Dr. Philip Raja	✓ ✓ ✓ ✓
YBhg. Encik Boniface anak Edwin Manung (Appointed as BAC member on 3 March 2020)	✓ ✓ ✓ ✓

## ACTIVITIES

Summary of activities of the BAC for the financial year ended 31 December 2020:

- 1) Reviewed and approved the annual audit plan of Internal Audit Division for 2021, including its scope and coverage over the activities of the SEDC's Headquarters, Regional Offices and subsidiaries.
- 2) Reviewed and deliberated the audit reports of the Internal Audit Division vis-à-vis findings with regards to the system of internal control highlighted during the course of the audits and responses from the management.
- 3) Reviewed and made recommendations of significant issues on the audited financial statements of the corporation and the group before tabling to the SEDC Board for deliberation.

## BOARD OF RISK COMMITTEE

### Chairman

YBhg. Datu Laura Lee Ngien Hion

### Members

YBhg. Datu Sr Zaidi bin Haji Mahdi

YBhg. Datu Dr. Muhammad Abdullah bin Haji Zaidel

YBhg. Encik Boniface anak Edwin Manung

### Secretary

Director of Legal Affairs and Risk Management Division

## TERMS OF REFERENCE OF THE COMMITTEE

- Review the context within which risk is managed in relation to the group's strategic direction and objectives.
- The Board of Risk Committee (BRiC) oversee and to provide oversight and direction for the implementation of risk management in the group, including consistent application of risk principles.
- Period review the group's risk management framework and supporting structure including:-
  - Satisfy itself that the appropriate systems are in place to identify, assess and manage significant risk affecting the group.

(b) Ensure that officers are clear as to their roles and responsibilities with regards to risk management.

- Ensure effective implementation of risk management activities for the group.
- Receive and review reports on significant risks affecting the Group and recommend how such risks are to be managed.
- Determine risk programmes and priorities.
- Review group profile.
- To recommend to the Board any matters or issues of significant importance relating to risk management for the Board's decision or approval.

## ACTIVITIES

The following is a summary of activities of the BRiC for the year 2020

- Reviewed and approved the revised Corporate Risk Profile as at quarter 3 of 2020.
- Reviewed and approved the Risk Management Manual.

## MEETINGS HELD IN 2020

19<sup>th</sup> BRiC - 17 July 2020

20<sup>th</sup> BRiC - 19 November 2020

Members	No. Meetings Attended
YBhg. Datu Laura Lee Ngien Hion (Chairman)	✓ ✓
YBhg. Datu Sr Zaidi bin Haji Mahdi (Member)	✓
YBhg. Datu Dr. Muhammad Abdullah bin Haji Zaidel (Member)	✓
YBhg. Encik Boniface anak Edwin Manung (Member)	✓ ✓

## RISK MANAGEMENT RETREAT

The corporation had successfully organised three (3) sessions of Risk Management (RM) Retreat on 18 August 2021, 7 September 2021 and 8 October 2020 with the objectives to re-evaluate and review the

existing risks as well as the possibility of new risks arising from the current business environment. A total 23 corporate risks were identified from the sessions.



Three sessions of Risk Management Retreat were held on 18 August 2020, 7 September 2020 & 8 October 2020. A total of 47 officers participated.

BRIC Meetings

17 July to 19 November 2020

RIMC Meeting

22 October 2020



SEDC Risk Management (RM) Manual

Prepared by Integrity & Risk Management Unit (IRMU)

October 2020

Sl. No.	Risk	Impact	Probability	Risk Level
1	...	...	...	...
2	...	...	...	...
3	...	...	...	...
4	...	...	...	...
5	...	...	...	...
6	...	...	...	...
7	...	...	...	...
8	...	...	...	...
9	...	...	...	...
10	...	...	...	...
11	...	...	...	...
12	...	...	...	...
13	...	...	...	...
14	...	...	...	...
15	...	...	...	...
16	...	...	...	...
17	...	...	...	...
18	...	...	...	...
19	...	...	...	...
20	...	...	...	...
21	...	...	...	...
22	...	...	...	...
23	...	...	...	...

Establishment of RM Manual and revised Corporate Risk Register



# CORPORATE ACTIVITIES HIGHLIGHTS



## CORE BUSINESS & CORPORATE ACTIVITIES

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### BACKGROUND

SEDC Sarawak is among the first government agencies in Malaysia to draw up and had launched its Charter for Good Corporate Governance. The Charter for Good Corporate was launched by the then Sarawak's State Secretary, YB Datuk Amar Haji Abdul Aziz bin Haji Husain on 5 February 2001.

The Charter lays down the principles and best management practices and corporate behaviour in the following areas:-

- Law
- Morality
- Profitability
- Quality
- Good Management
- Good Corporate Citizenship

### COMPLIANCE AND REGULATIONS

The corporation seeks to ensure full compliance with the laws and regulations applicable to its organisation. These laws and regulations include:-

- The SEDC Ordinance (Swk. Cap. 35)
- Statutory Bodies (Conduct and Discipline) Ordinance, 2004
- Statutory Bodies (Financial and Accounting Procedure) Ordinance, 1995
- SEDC Financial And Accounting Procedure Regulations 2021
- State and Federal Circulars

In addition, the management is required to implement and enforce the decisions which were agreed at SEDC's Board Meetings. Whereas in respect of subsidiaries, the management is required to comply and adhere to applicable laws and the company's internal regulations such as its Memorandum & Articles of Association, Company.

Operations Manual and Companies Act, 1965. The Corporation will continue to undertake various activities to strengthen its corporate governance and thereby enhancing business integrity and corporate accountability.



## CORPORATE GOVERNANCE ACTIVITIES 2020

For the year 2020, a number of activities, programmes and events were held to enhance and strengthen corporate governance within the corporation and its group. These include the following:-

1. Whistleblower Protection Act 2010 & Whistleblowing Channel.
2. Sesi Taklimat Mengenai Pengurusan Risiko Rasuah (CRM) dan Pelan Antirasuah Organisasi (OACP-SEDC) via Zoom.

### ESTABLISHMENT OF CRMP @ OACP



- The Corruption Risk Management Plan (CRMP) was approved in the 176<sup>th</sup> Management Executive Meeting held on 20-21 February 2021.
- The soft launching of SEDC's Organisational Anti-Corruption Plan (OACP SEDC) was held on 17 December 2021.

### Mesyuarat Jawatankuasa Anti-rasuah SEDC (JAR SEDC)



JAR Bil. 1/2020 on 7 January 2020

JAR Bil. 2/2020 on 12 June 2020

JAR Bil. 3/2020 on 15 October 2020

## Memorandum of Understanding (MoU) with Regal Lands Sdn Bhd for the Proposed of Development of a BioPort Hub and its Ecosystem in Sarawak at Dewan Kenyalang, Menara SEDC

7 October 2020



Tripartite Memorandum of Understanding (MoU) with Japanese companies, Sumitomo Corporation and ENEOS for the development of Bintulu Hydrogen Plant held at Dewan Asajaya, Grand Margherita Hotel

23 October 2020



Memorandum of Understanding (MoU) between Sarawak Economic Corporation and Malaysia Productivity Corporation (MPC) Sarawak







Signing Ceremony  
of Shares Sales  
Agreement between  
Sarawak Economic  
Development and  
Cahya Mata Sarawak  
Berhad

28 August 2020



## Workshop for Corporate Risk Management Plan (CRM)

Date	22-23 January 2020
Time	8:00am-5:00pm
Venue	Astana Wing, Riverside Majestic Hotel, Kuching
Participants	53 Pax
Fasilitator	Encik Mohd Hasraff Hashim (SPRM Putrajaya) Encik Mohd Shahrizal Mohd Arshad (SPRM Putrajaya) Puan Torina Aheng (SPRM Kuching)







### Integrity Day of Sarawak Economic Development Corporation 2020

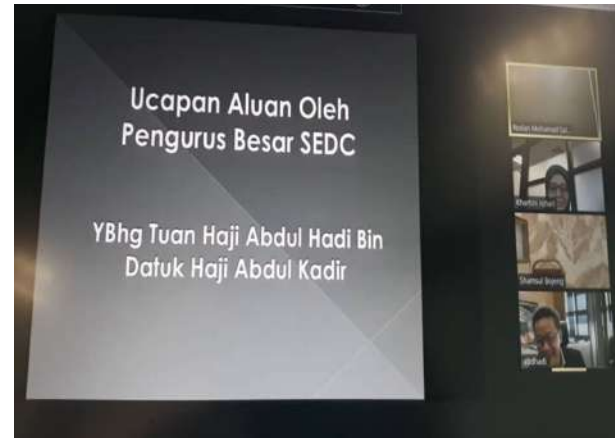
Date	21 January 2020
Time	8:00am-12:00pm
Venue	Riverside Majestic Hotel Kuching
Participants	382 Pax
VIP Guest	YAB Datuk Patinggi (Dr) Abang Haji Abdul Rahman Zohari bin Tun Datuk Abang Haji Openg (Chief Minister of Sarawak)  Tuan Samsul Salip (Ketua Penolong Pesuruhjaya SPRM, Putrajaya)





## Talk On Integrity & Governance Units And Section 17A Corporate Liability

Date 19 June 2020  
 Time 9:00am-11:00am  
 Platform Via Zoom  
 Participants 54 Pax  
 Speaker Encik Shamsul Bojeng (Ketua Seksyen Integriti, Unit Integriti & Ombudsman Negeri)  
 Encik Zulhairy Zaidel (Pegawai Siasatan, Unit Integriti & Ombudsman Negeri)





### Talk On Whistleblowing protection Act 2010 & Whistleblowing Channel (For support staff)

Date	23 July 2020
Time	2:30pm-4:30pm
Venue	Dewan Kenyalang Menara SEDC, Kuching Isthmus
Participants	28 Pax
Speaker	Puan Katherine Nais (SPRM Sarawak)







### Talk On Whistleblowing protection Act 2010 & Whistleblowing Channel (RO & PIBU)

Date	14 August 2020
Time	2:30pm-4:30pm
Platform	Via Zoom
Participants	33 Pax
Speaker	Encik Chang Ching (Penolong Kanan Pesuruhjaya SPRM Sarawak)







### Talk On Whistleblowing protection Act 2010 & Whistleblowing Channel (For support staff)

Date	25 August 2020
Time	9:00am-11:00am
Venue	Dewan Kenyalang Menara SEDC, Kuching Isthmus
Participants	35 Pax
Speaker	Encik Khairul Amly Muhammad (Penolong Kanan Penguasa SPRM Sarawak)







### Talk On Whistleblowing protection Act 2010 & Whistleblowing Channel (Professional and Management Group)

Date	25 August 2020
Time	2:30pm-4:30pm
Venue	Dewan Kenyalang Menara SEDC, Kuching Isthmus
Participants	27 Pax
Speaker	Encik Azman Ngaridi (Penolong Penguasa SPRM Sarawak)





### Talk On Whistleblowing protection Act 2010 & Whistleblowing Channel (For support staff)

Date	25 September 2020
Time	9:00am-11:00am
Venue	Dewan Kenyalang Menara SEDC, Kuching Isthmus
Participants	25 Pax
Speaker	Puan Katherine Nais (SPRM Sarawak)







## Risk Management Retreat 2020

### Session 1

Date 18 August 2020  
Time 2:30pm-4:30pm  
Platform Via Zoom

### Session 2

Date 7 September 2020  
Time 8:00am-5:00pm  
Venue Pelagus Room, Grand Margherita Hotel, Kuching

### Session 3

Date 8 October 2020  
Time 2:30pm-6:00pm  
Venue Dewan Kenyalang, Menara SEDC, Kuching Isthmus







### Workshop on Organisational Anti- Corruption Plan (OACP-SEDC)

Date	9-11 September 2020
Time	8:00am-5:00pm
Venue	Dewan Asajaya, Grand Margherita Hotel, Kuching
Participants	55 Pax
Fasilitator	Puan Elizabeth Raymond Encik Robert Tony George Cik Khartini Johari







### Talk On Whistleblowing protection Act 2010 & Whistleblowing Channel (For Support Staff)

Date 25 September 2020  
 Time 2:30pm-4:30pm  
 Venue Dewan Kenyalang Menara SEDC  
 Participants 37 Pax  
 Speaker Encik Khairul Amly (SPRM Sarawak)

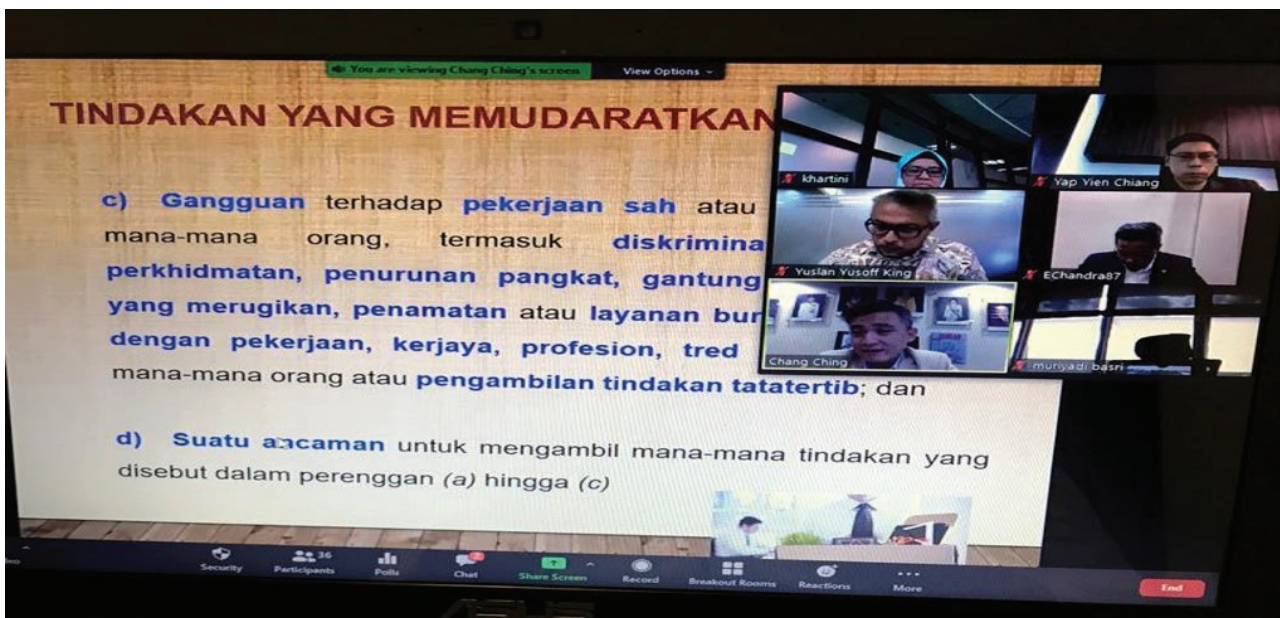






### Talk On Whistleblowing protection Act 2010 & Whistleblowing Channel (Management Team)

Date 28 October 2020  
 Time 2:30pm-4:30pm  
 Platform Via Zoom  
 Participants 36 Pax  
 Speaker Encik Chang Ching (Penolong Kanan Pesuruhjaya SPRM Sarawak)



CORE BUSINESSES





## TOURISM & HOSPITALITY

### 2020 PERFORMANCE

The Malaysia tourism industry for the year 2020 saw a significant decline in both foreign and local tourists arrivals. This was affected by the Covid-19 pandemic and due to travelling restrictions worldwide. The situation had also led to weak financial performance and cash flow problems for the tourism and tourism-dependent retail industries.

SEDC's Tourism & Hospitality Division (THD) was also affected and had registered below-budget performance with a Group Loss Before Tax (LBT) of RM19.97 million. The performance was 100% below its budgeted PBT of RM3.40 million, mainly attributed to lower revenue generated from all properties affected by the global pandemic.

Out of the 13 operating companies under the Division, only 2 companies had performed above budget. Overall, only 4 companies were profit making in 2020.

### TOURISM & HOSPITALITY PROJECTS

1. Four projects were completed in 2020 namely:
  - i Slope repair works at Damai Beach Resort;
  - ii Riverbank erosion repair works at Damai Beach Resort's staff quarters;
  - iii Replacement and upgrading of water-cooled (chiller) system at Grand Margherita Hotel, Kuching; and
  - iv Renovation and improvement works at Sarawak Cultural Village for the Rainforest World Music Festival held in 2019.
2. In 2020, the division is undertaking the following major projects and initiatives to remain as a major State tourism player. It will contribute SEDC's growth in its tourism portfolio with 3 projects under-implementation and 4 projects under-planning.
3. The three projects to be implemented in 2021 were as follow:
  - i Proposed refurbishment and upgrading works for Riverside Majestic Hotel Puteri Wing;
  - ii Proposed refurbishment and upgrading for Damai Lagoon Resort;
  - iii Proposed cleaning and re-painting of exterior wall for Riverside Majestic Hotel, Grand Margherita Hotel, Kuching and SEDC Plaza building.
4. The four projects undertaken in 2021 were as follows:
  - i Proposed Masterplan for Damai Peninsular Development;
  - ii Proposed refurbishment and upgrading for Damai Beach Resort;
  - iii Proposed development of beach resorts in Lundu, Sematan; and
  - iv Proposed centralised laundry and opening of laundry service facility for hotels in Kuching.
5. Due to the global Covid-19 pandemic in 2020, there were no awards and recognitions awarded to our properties under Tourism & Hospitality Group of companies.
6. Moving forward into 2021, the division had continued to expand its portfolio with materialisation of its Group's restructuring as of new proposed projects and investments both locally and abroad namely:
  - i Increase in equity stake in Borsarmulu Resort Sdn Bhd and management of Mulu Resort by Hemisphere Corporation Sdn Bhd;
  - ii Development and management of Hemisphere 18 Villa & Spa in Ubud, Bali; and
  - iii Management and operations of other hotels in Sarawak under the brand name of Hemisphere.

## 11 PROJECTS UNDER TOURISM & HOSPITALITY SECTOR

### COMPLETED PROJECTS

Slope repair works at Damai Beach Resort, Santubong.



Riverbank erosion repair works at Damai Beach Resort staff quarters.



The proposed replacement and upgrading of Water Cooled System at Grand Margherita Hotel, Kuching. It was completed in July 2020.





Renovation and improvement works at Sarawak Cultural Village (SCV), Phase 2.





Cleaning and repainting of buildings:

- SEDC PLAZA, Kuching.
- RIVERSIDE MAJESTIC HOTEL, Kuching.
- RIVERSIDE SHOPPING COMPLEX, Kuching.
- GRAND MARGHERITA HOTEL, Kuching.

Completion date: March 2021.



Proposed refurbishment & repair works for block d staff quarters at Damai, Santubong.

Completion date: February 2020.



Proposed replacement of plaster ceiling board of sunset ballroom foyer at Damai Beach Resort, Santubong.

Completion date: October 2020.





## AGRO-FOOD BASED

### 2020 PERFORMANCE

The audited Profit Before Tax (PBT) of SEDC's Group of Companies under Agro-Food for the year 2020 had increased by 59% or RM6.25 million to RM16.83 million from the previous year audited PBT of RM10.58 million.

This showed that Agro-Food based sector had performed beyond expectations despite the challenging business conditions due to global Covid-19 pandemic.

### LIVESTOCK ACTIVITY

SEDC's farm in Australia, Rosewood Station Pty Ltd had performed slightly better in 2020 as compared to 2019. The acquisition of new property (Carmor Plains Cattle Station) in May 2019, had contributed significantly to the performance of the company. Calving rate (natural increase) of 2020 is recorded at 11,578 heads as compared to 9,760 heads in 2019. Profit Before Tax ("PBT") of the company for the year 2020 was recorded at RM9.42 million. The company had sold a total of 12,955 heads of cattle in 2020.

On 24 July 2020, Rosewood Station Pty Ltd had also acquired the export license for the sale of cattle directly from our farms to buyers. This is seen as a cost savings strategy which will eventually bring better return to the company and SEDC.

PPES Ternak Sdn Bhd had registered a PBT of RM0.651 million in 2020 with sale of 2,900 heads of cattle. Total cattle sales comprised of 1,200 heads of cattle for Qurban, 398 heads of cattle for daily sales and 1,302 heads of cattle supplied to Department of Veterinary Sarawak.

The construction of Sarawak's Halal Abattoir Complex in Siburan, Kuching with a slaughtering capacity of 100 heads of cattle, 50 heads of goat and 50 heads of deer per day, was successfully completed on 27 June 2019.

The complex was officially handed over to PPES Ternak Sdn Bhd on 6 October 2020 for commencement of operations.

Another strategic initiative by PPES Ternak Sdn Bhd was to embark into Artificial Insemination initiatives. The objective of this initiative is to enhance efficiency of calving rate. For a start, 10 heifers were put on trial which later showed 100% successful pregnancy rate. This initiative was carried out on 5 December 2020.

### AQUACULTURE ACTIVITY

For 2020, PPES Aqua (Santubong) Sdn Bhd managed to operate at minimum capacity resulting in the production of Black Tiger Prawn totalling to 75,013 kgs with the Average Body Weight (ABW) more than 60 grams per harvest. In addition, some of the ponds were still infected by Early Mortality Syndrome (EMS) and Enterocytozoan Hepatopenaei disease (EHP).

### PLANTATION ACTIVITY

Good Harvest Plantation Sdn Bhd is a joint venture between SEDC and Cocolin Industries Sdn Bhd in Asajaya, Samarahan. The company is involved in coconut trees planting at Lot 1738 (197 Ha) and oil palm at Lot 1739 (1,660 Ha). The company had produced 77,390 nuts and 1,566MT of Oil Palm in 2020.

SOP Karabungan Sdn Bhd located in Karabungan, Miri is a joint venture between SEDC and SOP Plantations Sdn Bhd. The company generated a PBT of RM8.802 million with an average production of 42,556 metric tonnes of Fresh Fruit Bunch ("FFB").

Kemudi Saling Sdn Bhd is a joint venture between Hakanda Sdn Bhd and Paling Construction Sdn Bhd. The mini estate is located at Snibong, Lundu and had produced an average of 60.42 metric tonnes of Fresh Fruit Bunch (FFB) per month with a total sales of 725.09 tonnes for year 2020.

SPB PPES Karabungan Plantation Sdn Bhd is a joint venture between SEDC and Sarawak Plantation Bhd. The plantation is located on 1,031 acres of land for the development of oil palm plantation in Karabungan, Miri. As at 31 December 2020, the company had planted 52,618 palms on 408.40 ha of land with a PBT of RM209,849.00.



Hope Aspire Sdn Bhd is a joint venture between Eastern Empress Silk Sdn Bhd and Hope Biotech Sdn Bhd for the development of gaharu plantation at Sematan, Lundu. As at 31<sup>st</sup> December 2020, a total of 110,000 gaharu trees (about 136 acres) were planted.



Opening of Sara-Bif retail outlet at Mydin Vista Tunku on 17 July 2020.



Opening of Sara-Bif retail outlet at LePAPA Serian on 26 June 2020.





Opening of Sara-Bif retail outlet at LePAPA GalaCity on 28 June 2020.



Opening of Sara-Bif retail outlet at LePAPA Matang on 28 June 2020.



Opening of Sara-Bif retail outlet at H&L Matang Mall on 11 July 2020.



Opening of Sara-Bif retail outlet at H&L Eastern Mall, Siburan on 3 July 2020.



Opening of Sara-Bif retail outlet at H&L Aiman Mall, Samarahan on 3 July 2020.



Opening of Sara-Bif retail outlet at H&L Samariang on 11 July 2020.



Opening of Sara-Bif retail outlet at H&L Tabuan Jaya on 3 July 2020.





Gaharu Plantation (JV Company)

- 91,500 gaharu trees were planted on 130 acres at Lot 235, Block 7, Pueh Land District, Sematan.



Oil Palm Plantation (JV Company)

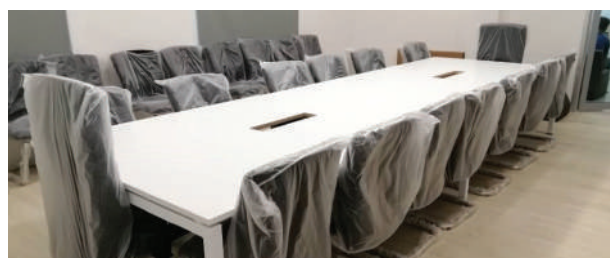
- Lot 16 Block 6, Niah Land District, Miri.
- 52, 618 oil palm trees were planted on 408.40 ha.
- Total production as at October 2020 is 330,51 metric tonnes.

**SARA-BIF BRAND PRODUCTS HAD ACQUIRED THE HALAL CERTIFICATION FROM JABATAN AGAMA ISLAM SARAWAK (JAIS).**



**SUPPLY, DELIVERY AND INSTALLATION OF BUILT-IN AND LOOSE FURNITURE FOR HALAL ABATTOIR COMPLEX**

Completed: February 2020.





### NEW HOLDING YARD AT HALAL ABATTOIR COMPLEX, SIBURAN

This facility has the capacity of holding 800 heads of live cattle at one time.



### CONSTRUCTION & MINING



### CMS RESOURCES SDN BHD

(SEDC RESOURCES SDN BHD)

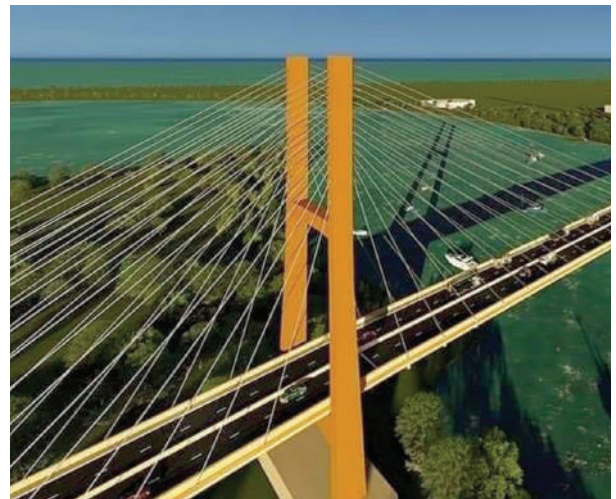


### CMS RESOURCES SDN BHD

(SEDC RESOURCES SDN BHD)



### PPES WORKS (SARAWAK) SDN BHD



## ENTREPRENEUR & COMMUNITY DEVELOPMENT

### EMPOWERING OUR ENTREPRENEURS

SEDC's approach in the development of local entrepreneurs continued to pay off with a total of 15,285 entrepreneurs who had benefited from the various programmes and activities implemented throughout the year 2020. The hand holding approach had involved our staff to go down to the ground to identify the targeted groups instead of waiting for them to look for us.

The various entrepreneur development programmes implemented by SEDC amongst others include Program Peningkatan Usahawan Bumiputera (PUTERA), Program Graduan Ke Arah Keusahawanan 2.0 (GERAK 2.0), Program Usahawan Teknikal Dan Vokasional (USTEV), Skim Pinjaman Industri Kecil dan Sederhana (SPIKS), Skim Niaga Jaya, Skim Niaga Perdana, Skim Niaga Fest, Skim Mikro Kredit Sarawak, Pusat Inkubator dan Bimbingan Usahawan (PIBU) and Business Premises.

Under its Financial Aid Scheme, SEDC had provided financial assistance consisting of loans and equipment valued at RM18,057,615.85 through various programmes participated by a total of 1,313 participants.

Affordable office spaces and business premises were also made available to a total of 6,345 entrepreneurs through the Pusat Inkubator & Bimbingan Usahawan (PIBU) and business outlets at 41 locations spread across Sarawak.

Training and capacity-building sessions were conducted and had focussed on cultivating self-reliance and the development of entrepreneurs competitive edge. A total of 4,243 entrepreneurs here gifted through 86 courses which were conducted in 2020.

Marketing and promotion assistance were also extended to all entrepreneurs registered with SEDC through the group's participation in both local and national events. A total of 3,384 entrepreneurs were given opportunities to exhibit and sell their products under these marketing programmes.

The breakdown of beneficiaries under ECD Programmes and schemes in 2020 are as per table below:-

No.	Programme	No. Of Pax
1	Financial	243
2	PUTERA	814
3	GERAK 2.0	107
4	USTEV	149
5	PIBU	
	(Full Time)	197
	(Part Time)	5,784
6	Business Premises	364
7	Capacity Building	4,243
8	Promotion	3,384
<b>TOTAL</b>		<b>15,285</b>

For the Financial Aid Scheme, the breakdown of loans and beneficiaries is as per table below:-

No.	Programme	Value (RM)	No. of Beneficiaries for 2020
1	Loan	10,706,000.00	243
2	PUTERA	3,982,615.85	814
3	GERAK 2.0	1,380,500.00	107
4	USTEV	1,988,500.00	149
<b>TOTAL</b>		<b>18,057,615.85</b>	<b>1,313</b>



No.	Programme	BENEFICIARIES (ACTUAL)	
		YTD As At November 2020	CUMMULATIVE
1	Skim Pinjaman Industri Kecil dan Sederhana (SPIKS) • No. of participants	43	300
2	MICRO Programmes • No. of participants	860	10,392
3	Capacity Building • No of courses • No of Participants	66 2,835	911 29,758
4	Infrastructure Support • PIBU (No. of participants) - Full Time - Part Time • Business Premises (No. of participants)	197 5,198 356	745 13,309 1,141
5	Product Promotion and Marketing Activities • No. of Activities • No. of Beneficiaries	44 3,271	387 11,652
<b>BENEFICIARIES</b>		<b>12,870</b>	<b>68,595</b>

## HANDING OVER OF EQUIPMENT UNDER PUTERA PROGRAMME RECIPIENTS IN BINTULU



### Puan Nora Igang (Homestay) 16 January 2020

Equipment provided :

1. SINGER AF161 - Oscillation Fan 16" - 5 Units
2. SINGER SF180 Standing Fan - 1 Unit
3. SINGER SM364 Foam Mattress Single Size 4" - 7 Units
4. SINGER SG5610 Queen Size Mattress - 1 Unit



### Puan Manja Binti Puteh (Food Outlet) 14 January 2020

Equipment provided :

1. Stainless Steel 3 Ring Kwali Range - 1 Unit
2. Stainless Steel 1 Ring Soup Counter - 1 Unit
3. SNOVA Heavy Duty Blender WK768



### Gemail Udup (Bakery) 26 February 2020

Equipment provided :

1. Orimas Bread Slicer - 1 Unit
2. Ikitchening, Electric Glass Hot Food Display Warmer Model No. : D-660 - 1 Unit



### Beruin Anak Undik (Grocery Shop) 25 September 2020

Equipment provided :

1. MIDEA 390Liter Chest Freezer WD-300W - 1 Unit
2. Island Gondola - 2 Units
3. Wall Gondola 4'H x 4'L x 20"W - 5 Units

## HANDING OVER OF PUTERA EQUIPMENT RECIPIENTS IN SIBU



### Puan Juman Anak Nading (Multi-purpose) 13 January 2020

Equipment provided :

1. Cupping Chair Model 2D - 800 Black - 1 Unit
2. Portable Sauna GLOD 85cmx90cmx110cm - 1 Unit
3. Cupping Trolley Set 3 Layer - 1 Unit
4. Cupping Bed 2002 = S-542 Chair (White) - 1 Unit



### Puan Suraya Binti Ahmat (Food & Beverage) 13 January 2020

Equipment provided :

1. Panasonic Fridge NR-BL348XS - 1 Unit
2. Butterfly Rice Cooker BRC-6050 - 2 Units
3. Panasonic Freezer PFZ-302 - 1 Unit
4. Butterfly HP Gas Cooker 58 - 2 Units
5. Butterfly Cast Iron Cooker C-30 - 2 Units

## ENTREPRENEURSHIP TRAINING



### Basic Accounting

9 -10 March 2020

Seri Malaysia Hotel, Lawas







## Seminar Berurusniaga dengan Agensi-Agensi Kerajaan Negeri dan Persekutuan Sarawak

11 -12 March 2020  
Meligai Hotel, Kapit



## BeSS MeSTI HALAL Course, Lawas

27 -28 September 2020  
Gelanggang Taman Awam, Lawas



## BeSS MeSTI HALAL Course, Dalat

7 October 2020  
Dewan Utama, Stadium Perpaduan Dalat





### BeSS MeSTI HALAL Course, SibU

23 - 24 September 2020

Kingwood Hotel, SibU

## PROMOTIONAL ACTIVITIES



### Best Of BumiKenyalang Programme

14 - 30 September 2020

Aeon Nilai, Negeri Sembilan







### Jum Regista Bisnes (Regista) under Sarawakku Sayang Programme

30 - 31 October 2020

Dewan Suarah, Sri Aman



### Regista Bisnes Sarawakku Sayang (Regista) Programme

13 - 14 October 2020

Dewan Balai Polis, Kabong







## Program Pelesenan Perniagaan Usahawan Wanita Sarawak (PUWaS), Sibu

1-2 October 2020

Dewan Lakis, Sibu



## Program Pelesenan Perniagaan Usahawan Wanita Sarawak (PUWaS), Kuching

14 - 15 July 2020

Dewan Utama Wisma Wanita, Kuching







### National Crafts Day 2020

24 February 2020

Kompleks Kraf Kuala Lumpur, Conlay

### Sayangku Sarawak Programme

12 – 13 January 2020

Kota Samarahan



## INFORMATION AND COMMUNICATION TECHNOLOGY

### ENHANCING SERVICE DELIVERY DURING THE PANDEMIC

The year 2020 has brought unprecedented changes to the global economy, social life and working environments worldwide. The World Health Organisation (WHO) had on 11 March 2020 characterised the novel coronavirus outbreak as a pandemic and urged governments around the world to take precautionary measures seriously including nationwide lockdowns. As stay-at-home measures were enforced, a large proportion of the workforce was required to work from home, that is, continue work remotely with rotations alternating between the workplace and home.

### SUSTAINING PRODUCTIVITY AND OPERATIONAL CONTINUITY

To ensure continued productivity and operational efficiency arising from this new working arrangement, SEDC adopted various communication technologies such as Zoom Virtual Meetings System and teleconferencing system such as Video-Conferencing Polycom Solution, SenHeiser Cordless Speakerphone to support day-to-day working tasks, virtual meetings, brainstorming sessions, hybrid training, workshops and corporate events.

With more than half of SEDC workforce working from home at any one time during the pandemic, SEDC through its ICT division developed an online access to remote PCs in the office via the implementation of AnyDesk, a high-performance remote desktop sharing software with stable remote control and fast and secure data transmission between devices. This solution enables work-from-home (WFH) staff to access work files, data and documents stored in office PCs. Productivity and business-work continuity.

The work-from-home arrangement has placed new demands on SEDC's IT network. ICT division had also capitalised on online cloud storage and file sharing capabilities to meet those demands.

With the strict Standard Operating Procedure (SOP) imposed by the Sarawak Disaster Management Centre (SDMC) to curb further spread of the Covid-19 virus in Sarawak, SEDC has beefed up its own security system to access SEDC premises by implementing SecureGo, a QR access system which features body temperature scanner with facial recognition, QR access and work from home attendance via mobile apps.

SEDC will continue to develop other significant communication technology projects in years to come. In the pipeline are the Security Posture Assessment (SPA), Co-Location, Data Loss Prevention (DLP), SEDC Digital Dashboard and Digital Transformation Framework among others.

SEDC will continue to improve on and enhance the existing acquired technologies in tandem with the current digital economy initiatives and development specifically in Sarawak and Malaysia in general.



PROJECTS  
HIGHLIGHTS

SECTION FOUR



## COMPLETED PROJECTS IN YEAR 2020

PROPOSED RENOVATION  
WORKS TO THE EXISTING  
SHOPLOT FOR PUSAT  
INKUBATOR & BIMBINGAN  
USAHAWAN (PIBU)  
LONG LAMA OFFICE AT  
GROUND FLOOR, LOT  
142, SHOPHOUSE, JALAN  
LAYANG-LAYANG, 98300  
LONG LAMA TOWN  
DISTRICT, SARAWAK.

Completed: September 2020

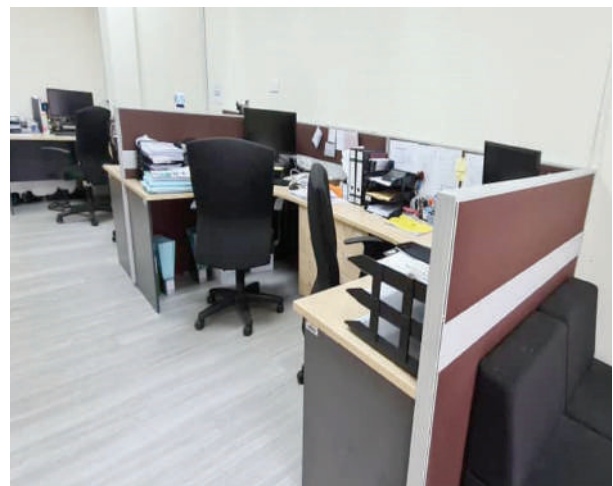




## COMPLETED PROJECTS IN YEAR 2020

PROPOSED RENOVATION WORKS TO THE EXISTING SHOPLOT FOR NEW SEDC BETONG REGIONAL OFFICE & PUSAT INKUBATOR & BIMBINGAN USAHAWAN(PIBU) AT GRD & 1ST FLOOR, SUBLOT 34, BANDAR BARU BETONG SHOPHOUSE, BETONG DIVISION(RETENDER).

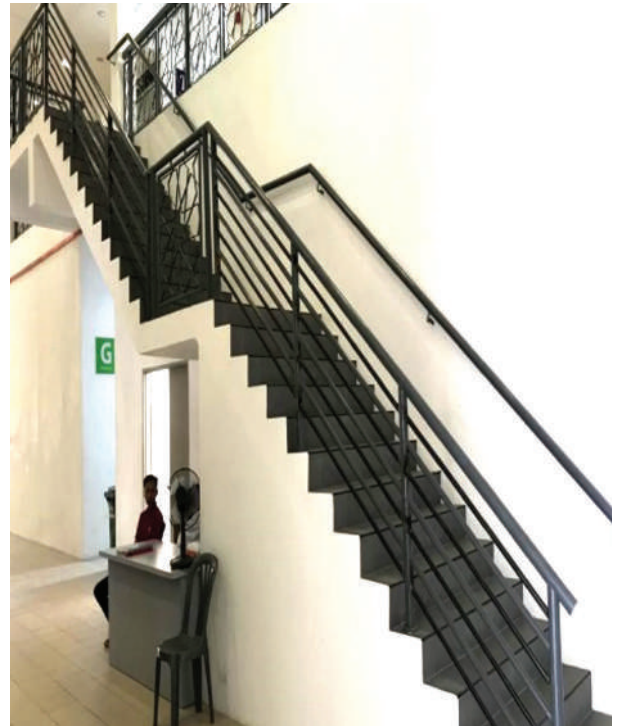
Completed: February 2020





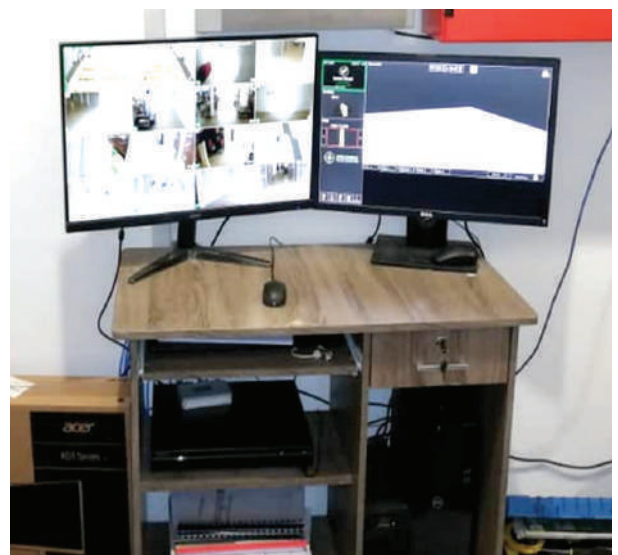


## COMPLETED PROJECTS IN YEAR 2020



PROPOSED ENHANCEMENT  
WORKS TO GROUND FLOOR  
& 1ST FLOOR OF EXISTING  
3-STOREY SEDC ARCADE,  
MIRI

Completed: February 2020





### PROJECTS UNDER IMPLEMENTATION IN YEAR 2020

PROPOSED MARUDI  
BUSINESS PREMISES AT  
LOT 2856, BLOCK 7, PUJUT  
DISTRICT, SUNGAI RIDAM,  
MARUDI, SARAWAK.

Expected Completion: July 2021





## PROJECTS UNDER IMPLEMENTATION IN YEAR 2020



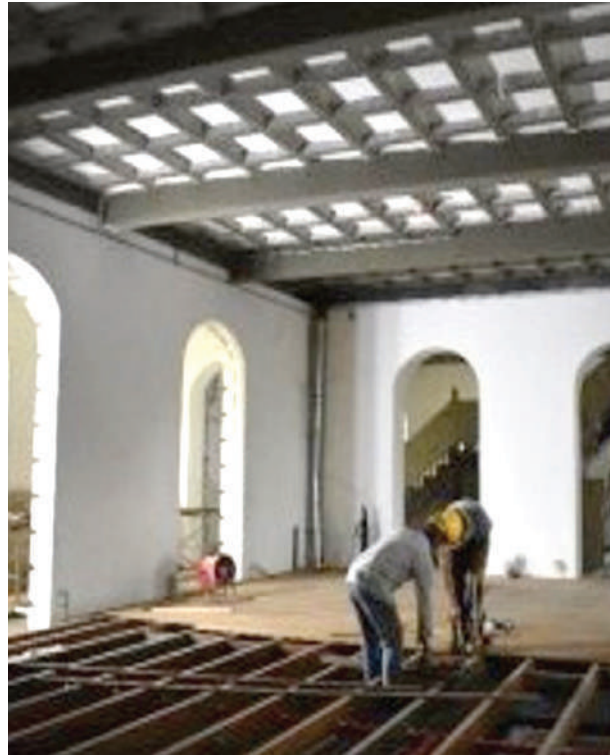
PROPOSED CONSTRUCTION  
& COMPLETION OF  
STAFF QUARTERS AT  
KARABUNGAN FARM, MIRI.

Expected Completion: January 2021





**PROJECTS UNDERTAKEN BY  
ASSOCIATE COMPANY**



**THE PROPOSED SARAWAK  
MUSEUM CAMPUS AND  
HERITAGE TRAIL KUCHING,  
SARAWAK (STAGE 1 PART 2)**

Expected Completion: February 2021





**PROJECTS UNDERTAKEN BY  
ASSOCIATE COMPANIES**



**PAN-BORNEO HIGHWAY-  
WPC06 SG.AWIK TO  
BINTANGOR JUNCTION**

Expected Completion:  
May 2021 - Sebangkoi Section  
April 2021 - Sarikei Section





**PROJECTS UNDERTAKEN BY  
ASSOCIATE COMPANIES**



PROPOSED CONSTRUCTION  
AND COMPLETION OF THE  
PROPOSED BINTULU –  
JEPAK BRIDGE CROSSING  
KUALA KEMENA, BINTULU

Expected Completion: April 2023





**PROJECTS UNDERTAKEN BY  
ASSOCIATE COMPANIES**



**PROPOSED CONSTRUCTION  
AND COMPLETION OF THE  
PROPOSED BINTULU -  
JEPAK BRIDGE CROSSING  
KUALA KEMENA, BINTULU**

Expected Completion: August 2020

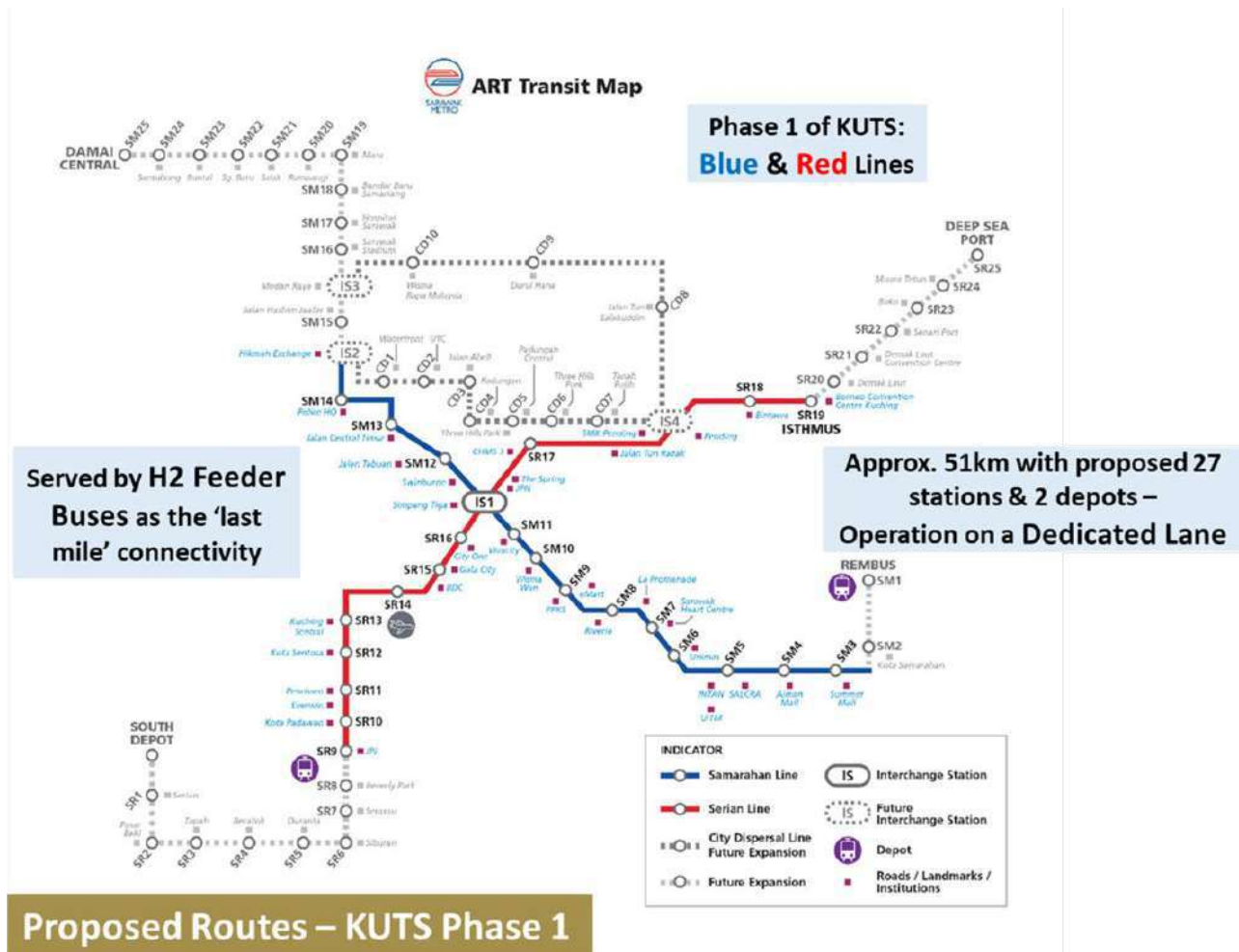


## PROJECTS UNDER STUDY AND PRE-IMPLEMENTATION

### KUCHING URBAN TRANSPORTATION SYSTEM (KUTS) PROJECT

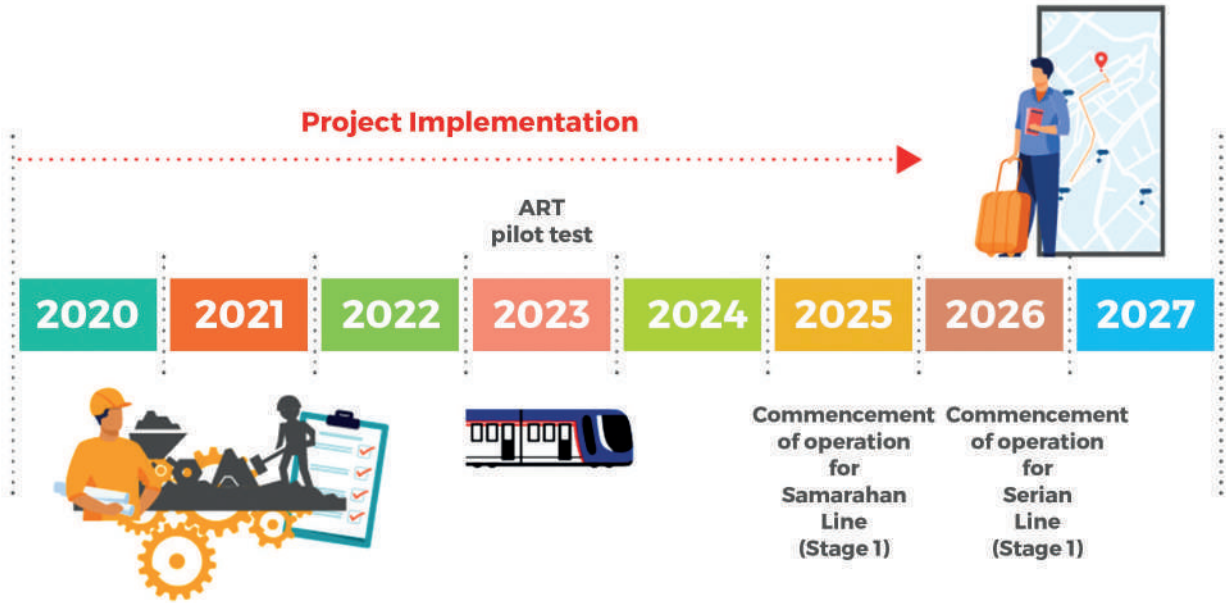
#### Automated Rapid Transit (ART)

SEDC's wholly-owned subsidiary, Sarawak Metro Sdn Bhd is conducting Environmental Impact Assessment, Social-Economic Impact Assessment and Heritage Impact Assessment (ESHIA) and appointing a Project Management Consultants (PMCs) to undertake scheme design.



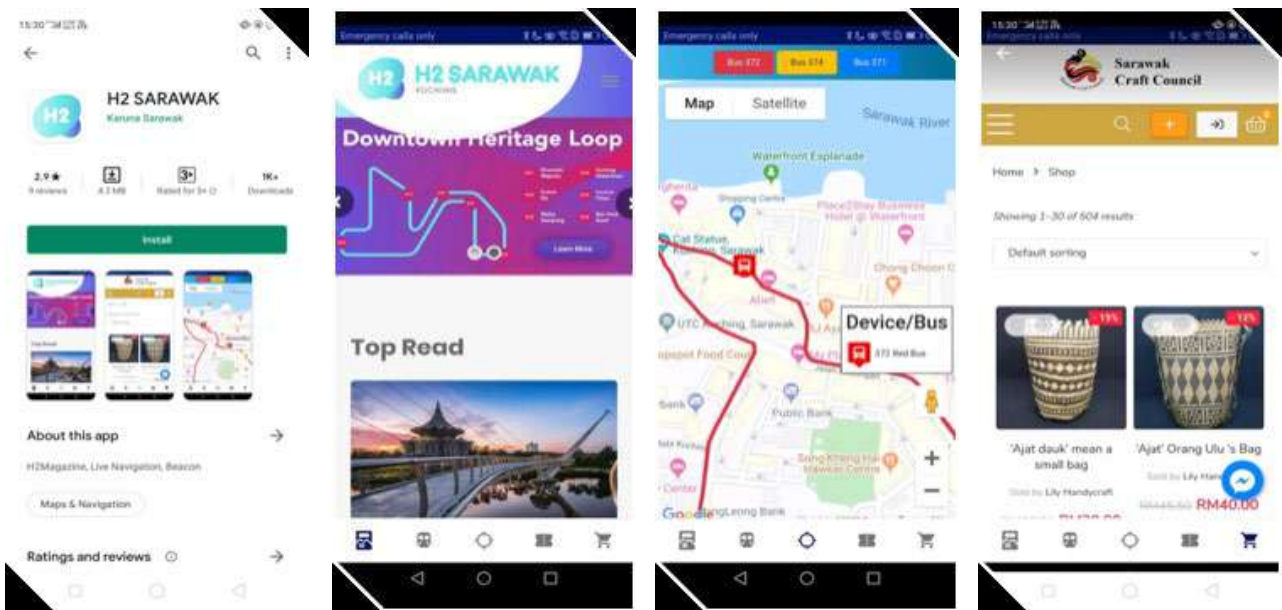
Proposed Routes – KUTS Phase 1





## HYDROGEN FUEL CELL (H2FC) BUSES PILOT TEST PROJECT

- Pilot test is still ongoing.
- The buses are equipped with 4G LTE Wifi bus router providing free internet for the convenience of the passengers.
- Hydrogen Bus App was developed in January 2020 with the following features:
  - a) Bus Live location for all buses
  - b) Google Transit integration for tourists to find the nearest public transportation to get from point to point
  - c) iBeacon integration for citywide
  - d) H2 Sarawak Magazine and Video
  - e) H2 Sarawak e-Commerce Store that will allow online ticketing to attractions, hotels and local Sarawak Products



The app can be downloaded via Google Play Store for Android.





## FLAG-OFF OF HYDROGEN FUEL CELL (H2FC) BUSES



**Flag-Off of H2FC Buses operation in 2020 – The event was officiated by His Right Honourable Chief Minister of Sarawak on 21 January 2020**

## MULTI FUEL REFUELING STATIONS

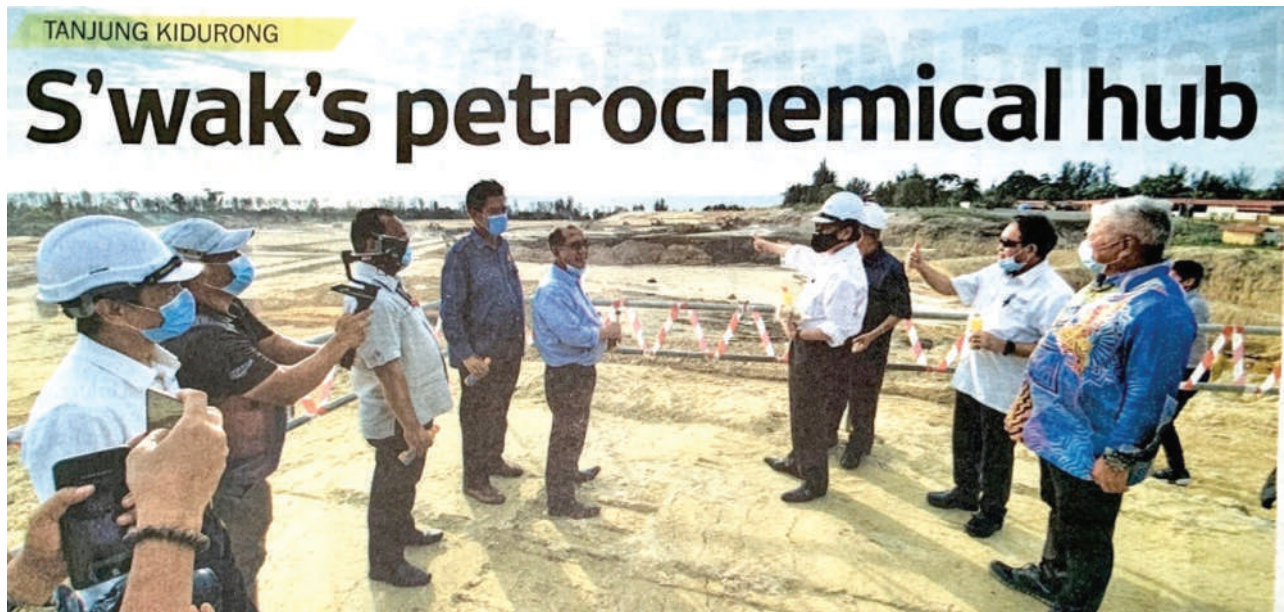
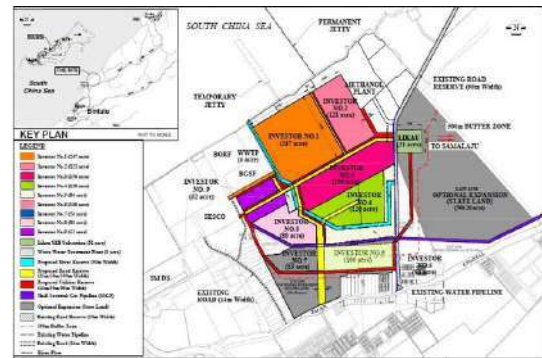


- SEDC had secured funding RM35.2 million under 11<sup>th</sup> MP to undertake development of Darul Hana Multi-Fuel Refueling Station. This includes the preliminary expenses for 5 other flagship stations throughout Sarawak (Kuching, Sri Aman, Sibul, Bintulu and Miri).
- Three-In-One Multi-Fuel Refueling Stations under PETROS brand will incorporate retail of conventional fuels (petrol and diesel), hydrogen fuel, and charging facilities for plug-in hybrid and battery electric vehicles as well as providing comfortable amenities.
- The development of a network of multi-fuel stations throughout Sarawak is underway with furthest distance among the stations to be within 100km to ensure the possibility of zero carbon travel between all the cities and towns in the state.
- The ground breaking ceremony of the Darul Hana Multi-Fuel Refueling Station was performed by His Right Honourable CM was held on 20 October 2020.



## PETCHEM INDUSTRIAL PARK, KIDURONG IN BINTULU

- The development of Petchem Industrial Park in Tanjung Kidurong, Bintulu was through SEDC wholly-owned subsidiary company, SEDC Petchem Hub Sdn Bhd.
- To enhance participation in the Oil and Gas Downstream sector.
- Potential industries:
  - i. Gas to Liquid Plant
  - ii. Methanol
  - iii. Ammonia-Urea
  - iv. Hydrogen Production
  - v. Glass Manufacturing
  - vi. Siloxane
  - vii. Offshore Shell Gas Plant
  - viii. Choline Chloride
  - ix. Mono Ethylene & Propylene etc



## WALKABOUT AT PETCHEM INDUSTRIAL PARK, KIDURONG IN BINTULU

Walkabout to the proposed Petchem Industrial Park site by YAB Chief Minister of Sarawak on 2 July 2020.







## SARAWAK BIOHUB PORT PROJECT AND ITS ECOSYSTEM

The signing of Memorandum of Understanding (MoU) between SEDC with Regal Lands Sdn Bhd for the proposed development of a BioPort Hub and its ecosystem in Sarawak was held at Dewan Kenyalang, Menara SEDC on 7 October 2020.

## HYDROGEN PRODUCTION FOR EXPORT (FEASIBILITY STUDY)

The signing ceremony of Tripartite Memorandum of Understanding (MoU) between SEDC Energy Sdn Bhd and Sumitomo Corporation and ENEOS of Japan for the development of hydrogen plant Bintulu was held at Dewan Asajaya, Grand Margherita Hotel on 23 October 2020.







The signing ceremony on the joint development of properties between SEDC and UDA Holdings Bhd was held on 1 September 2020.



SEDC general manager Abdul Hadi Abdul Kadir (left) and UDA Holdings chief executive officer Mohd Salem Kailany exchange the signed MoA documents, witnessed by Abang Johari (centre). — Photo by Chimon Upon



## JOINT DEVELOPMENT OF LOT 9561 BETWEEN SEDC AND UDA HOLDINGS BERHAD (PUSPAKOM SITE)

**SEDC, UDA to develop RM480m joint venture**

**KUCHING**, UDA Holdings Berhad and the Sarawak Economic Development Corporation (SEDC) have inked a memorandum of agreement (MoA) for the joint venture development of a mixed development project (here with a gross development value of RM480 million).

The agreement was signed at a ceremony held at the Sarawak State Secretariat Building here yesterday by UDA Holdings Berhad chief executive officer (CEO) Mohd Salem Kailany and SEDC general manager Abdul Hadi Abdul Kadir, witnessed by Chief Minister Datuk Patinggi Abang Johari Tun Opang and Sarawak Development and Cooperatives Minister Datuk Seri Dr Wan Junaidi Tuanku Jaafar.

Through the joint venture, the development plan will be implemented on a 1.6-acre site at Lot 9561, Section 611, Kuching Street Land District, Kuching. The site is a strategic location close to the Pending Heights Industrial Zone and approximately 1.5 kilometres from the city centre.

UDA will design, build and manage the project. The project would include two 24-storey apartment blocks equipped with a gymnasium, a swimming pool and playground facilities.

Besides this, the project would also include other shops (plasma), three-story, four-story and six-story and a 300-metre (1,000-feet) long.

He said that these apartments would increase business opportunities for the city while the SEDC responsibility would be to positively impact communities by providing jobs and a competitive small space.

"This year remains to be a good one as a good start in efforts to revive the state and federal government agencies in realising their development objectives which could benefit both the state and the nation."

Meanwhile, SEDC chief executive officer (CEO) Datuk Seri Dr Wan Junaidi Tuanku Jaafar, in his speech, pointed out that the site is a strategic location, adding that it was in the plans to construct an Autonomous Rapid Transit (ART) station there.

He said that SEDC, as the lead investor, would get a share of 30 percent of the gross development value, amounting to around RM144 million — higher than the value of the land to be developed.

**DEVELOPMENT**

Publicity listed, government-linked property developer and asset management company. Formerly known as Laban Development Authority of Malaysia. Also responsible for conservation of historic urban buildings.

**New towns developed by UDA**

- Bandar Tun Hussein Onn at Cheras
- Bandar UDA Utama in Puchong
- Bandar Puchong Jaya in Permatang Pauh
- Jarling Tokong in Penang

**Other interests**

- Operates a hotel and three resorts in Kuala Lumpur, Port Dickson, Kuala Selangor and Selangor Prau. Operates a chain of retail outlets through joint venture subsidiary, UDA Ocean. Also involved in franchising and real estate (here named "Urban").

**Economic booster**

**A RM480-million project will be implemented to change Kuching's landscape and help to restore the state's economy. Jointly developed by UDA Holdings Berhad and Sarawak Economic Development Corporation, the project will provide facilities for locals and visitors alike, said Chief**

**MIXED DEVELOPMENT**

... Abang Johari (standing third left) with (standing from left) Minister of Entrepreneur Development and Cooperatives Datuk Seri Wan Junaidi Tuanku Jaafar, Sarawak Minister of Trade and Industry, Industrial, Technical and Entrepreneur Development Datuk Mohd Nuzair Muzaffar, SEDC deputy general manager Abdul Hadi Abdul Kadir, UDA Holdings chief executive officer Mohd Salem Kailany, Sarawak Development and Cooperatives Minister Datuk Seri Wan Junaidi Tuanku Jaafar. Photo: Chimon Upon



CORPORATE  
CULTURE  
BUILDING  
ACTIVITIES



SECTION FIVE



## CORPORATE EVENTS

### PRESIDENTIAL ADDRESS 2020

Date 4 April 2020  
Venue Dewan Asajaya, Grand Margherita Hotel, Kuching







## AWARDS AND APPRECIATION CEREMONY 2020

Date 4 April 2021

Venue Dewan Asajaya, Grand Margherita Hotel, Kuching





## SEDC INTEGRITY DAY 2020

GUEST OF HONOUR

HIS RIGHT HONOURABLE DATUK PATINGGI  
(DR.) ABANG HAJI ABDUL RAHMAN ZOHARI  
BIN TUN DATUK ABANG HAJI OPENG  
CHIEF MINISTER OF SARAWAK



Date 21 January 2020  
Venue Riverside Majestic Hotel,  
Kuching Sarawak.



## FESTIVE CELEBRATION



### XIN NIAN KUAI LE SEDC GET-TOGETHER 2020

Date 17 February 2020

Venue Dewan Kenyalang, Level 1, Menara SEDC



### SEDC SOCIAL AND RECREATION CLUB (PEDAS)

#### PEDAS Activities 2020 Highlights

Kutipan Sumbangan Ikhlas kebakaran rumah yang melibatkan sebanyak 6 buah keluarga. Kejadian berlaku di Kpg Sourabaya Ulu, Kuching pada 6 Mac 2020. Sumbangan sebanyak RM1,620.00 telah diserahkan kepada mangsa kebakaran pada hari yang sama iaitu 6 Mac 2020. Penyampaian sumbangan tersebut telah disampaikan oleh wakil MBJ, PEDAS dan JAKIS, SEDC.



## KUTIPAN SUMBANGAN IKHLAS

Sumbangan ikhlas kepada mangsa kebakaran di RPR Batu Kawah  
Kejadian berlaku pada 13 Jun 2020

Sumbangan sebanyak RM1637.00 telah diserahkan kepada Pn. Ivy Ubang sebagai wakil mangsa kebakaran di RPR Batu Kawah pada 26 Jun 2020  
Sumbangan ikhlas ini telah disampaikan oleh wakil daripada Kelab Sosial dan Rekreasi SEDC (PEDAS) dan JAKIS di kediaman adik mangsa di Taman Genesis, Jalan Sin San Tu.





## SEDC GROUP BLOOD DONATION 2020

Dewan Kenyalang, Menara SEDC,  
Kuching Isthmus

A total of 338 pints of blood were  
collected from donors.







### SEDC SENAMROBIK 2020

February - August, twice a month  
at Lower Ground, Menara SEDC,  
Kuching Isthmus.





## HUMAN CAPITAL DEVELOPMENT



Course on Improving Your Financial Analytical Skills  
for More Effective Reporting  
**17-18 February 2020**

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Course on Training Needs Analysis (TNA) for SMEs  
**4-5 February 2020**

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Course on Enhancing Productivity While  
Telecommuting  
**26-27 August 2020**

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Course on Business Intelligence - Report &  
Dashboard  
**9-10 September 2020**

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Course on Customer Relationship Skills  
**27-28 October 2020**

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## SEDC INDUCTION PROGRAMME FOR NEW STAFF & TRAINEES



5 - 6 October 2020  
Dewan Kenyalang, Menara SEDC,  
Kuching Isthmus.



Practical Trainees



New Staff

Total No. of Practical Trainees (since 2000) - 1,254

Current Year (2020) - 63



## GRADUATE TRAINEES



18  
PAX

Graduate Enhancement  
Training Sarawak (GETS)

SINCE 2019

809  
PAX

SEDC Graduate Internship  
Programme (GIP)

Graduate Employability  
Management Scheme (GEMS)

Capacity Building Graduates  
(CBG)

SINCE 2000

### CORPORATE SHARED VALUES



Get Well Soon Visits



Wedding Gifts



Staff Birthday Gifts



Bereavement Messages



Father's & Mother Day Celebration



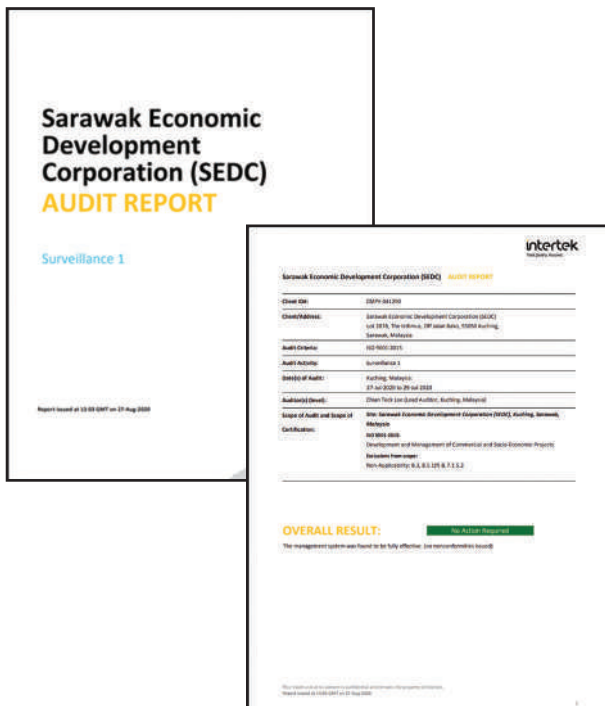
New Born Gifts



## ISO 9001:2015 QUALITY MANAGEMENT SYSTEM

### SURVEILLANCE AUDIT BY INTERTEK INTERNATIONAL CERTIFICATION

- Held on 27 – 29 July 2020.
- 1 Quality Manual & 26 Quality Procedures were audited.
- Achieved zero NCR.



### INTERNAL QUALITY AUDIT EXERCISE

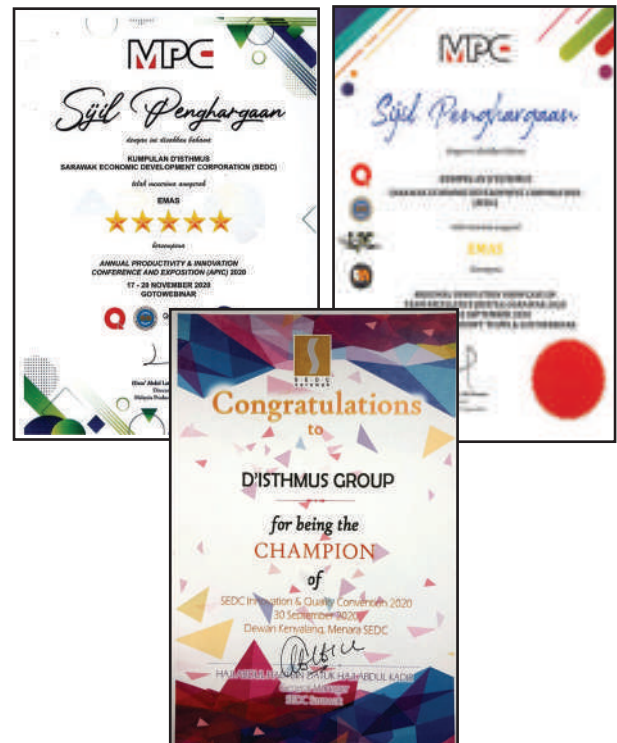
- 1st Audit: 10 – 14 February 2020.
- 2nd Audit: 7 – 11 September 2020.

ISO 9001:2015 (QMS) INTERNAL QUALITY AUDIT NO.: 0920 7 – 11 SEPTEMBER 2020						
SCHEDULE OF AUDIT ACTIVITIES						
DATE OF AUDIT	TIME	AUDITOR	DIVISION/AUDITEE	VENUE	ACTIVITIES/QUALITY PROCEDURE	CUSTOMER
03/09/20	0900	All Auditors		Sadong Room, Level 5	Auditors Meeting	
04/09/20	1430	All	Divisional Directors/ Relevant Officers	Divisional Meetings, Level 1		
07/09/20	0900 - 1700	<b>TEAM 1</b> 1. Catherine Jalandei 2. Aubrey Alam 3. Nurul Aksh Suzannah Haf	Director, CFD	Platinum Room, Level 9	QP-SEDC-01 Preparation of Project and Program Proposal Under Malaysia Plan QP-SEDC-07 Project Funding QP-SEDC-02 Preparation of Annual Budget QP-SEDC-14	CFD
07/09/20	0900 - 1700	<b>TEAM 2</b> 1. Siti Baharudin Suzannah Saleh	Acting Director, ECD	Mulu Room, Level 6	QP-SEDC-16	ECD
08/09/20	0900 - 1700	2. Hafizuddin Mukhlis Saena	Acting Director, ECD	Mirafiq Room, Level 3	QP-SEDC-17	
09/09/20	0900 - 1700	3. Enock Abdul Muhlis Ahmad	Acting Director, PPT	Hibiscus Room, Level 7	QP-SEDC-18	
10/09/20	0900 - 1700		Head, IRMJ	Mirafiq Room, Level 3	QP-SEDC-20	IRMJ
			Acting Director, IAD	Angas Room, Level 10		
			Director, ENO	Hibiscus Room, Level 7	QP-SEDC-08	IAD
			Acting Director, AGRD	Fisren Room, Level 10		

## INNOVATION & CREATIVITY CIRCLE (ICC)

### SEDC INNOVATION & QUALITY IN-HOUSE CONVENTION

- Held on 30 September 2020.
- 5 Groups from SEDC and Subsidiary Company participated.
- Winners are as follows:
  - Champion – D'Isthmus Group (SEDC)
  - First Runner Up – Hemisphere Group (Grand Margherita & Riverside Majestic Hotel)
  - Second Runner Up – WOW SCV (SCV)
  - Best Team Leader – Encik Zainuddin Mohd Apandi (IQD)
  - Best Speaker – Cik Jesny Miduk (CRC)



Front Row (Left to Right): Siti-Nis Nazwan, Yip Yit Nurshirah & Datin-Azwar Unopi (seated), Nurshirah Aida, Hapsa Zah  
Back Row (Left to Right): Nurshirah Feroz, Nurshirah Sultan, Joseph Chong, Jinesa, Hudaibin Mohd Saing, Zainuddin Muhammad Apandi (Group Leader), Azka Majid Ahmad

## STAFF SUGGESTION PROGRAMME (SSP)

This initiative was aimed at providing good avenue for staff of SEDC to put forward their ideas and suggestions for improvement initiatives to be undertaken in the organisation.

A total of 28 suggestions were received from SEDC's staff as at 3<sup>rd</sup> Quarter of 2020. On 30

January 2020, during SSP Campaign 2020, IQD received a total of 300 suggestions from staff.

Out of this, 10 suggestions were implemented in 2020 and to further enhance this programme, IQD has placed suggestion box at level 1 and level 11. Apart from that, staff were also encouraged to contribute their ideas through SSP form and via E-mail.



SSP Campaign 2020



SSP Campaign 2020



SSP Campaign 2020



CORPORATE  
SOCIAL  
**RESPONSIBILITY**



**SECTION SIX**

CORPORATE SOCIAL RESPONSIBILITY



LOVE IN A BOX  
WITH CHILDREN OF  
PERKATA 2020

7 February 2020, PIBAKAT  
Centre, Jalan Ong Tiang Swee,  
Kuching.







## MAJLIS PENYERAHAN SUMBANGAN HARI RAYA KEPADA KANAK-KANAK PERYATIM 2020

19 May 2020, Pusat PERYATIM,  
Petra Jaya, Kuching.







MAJLIS PENYERAHAN  
SUMBANGAN HARI  
RAYA 2020 KEPADA  
RUMAH KANAK -  
KANAK TOH PUAN  
HAJAH NORKIAH

20 May 2020, Rumah Kanak-  
Kanak Toh Puan HjH Norkiah  
Kuching.







MAJLIS PENYERAHAN  
SUMBANGAN HARI  
RAYA 2020 KEPADA  
RUMAH KANAK –  
KANAK DATUK AJIBAH  
ABOL SRI AMAN

21 May 2020, RKKDAA Sri Aman





## HANDING OVER GIFTS TO RESIDENTS OF RUMAH SERI KENANGAN KUCHING

13 November 2020, Rumah Seri  
Kenangan







LOVE-IN-A-BOX GIFTS  
PRESENTATION WITH  
SARAWAK CHILDREN  
CANCER SOCIETY

11 December 2020, SCCS Centre,  
Jalan Batu Kawa, Kuching





PENYERAHAN ZAKAT  
PERNIAGAAN SEDC  
2020 KEPADA TABUNG  
BAITUMAL NEGERI  
SARAWAK

20 May 2020, via Zoom





MEDIA  
HIGHLIGHTS



SECTION SEVEN



MEDIA HIGHLIGHTS



Abang Johari (right), state Transport Minister Datuk Lee Kim Shin (left) and SEDC chairman Tan Sri Datuk Amar Abdul Aziz Husain (second left) take the ride on the hydrogen bus. — Photo by Muhammad Rais Sanusi.

# Kuching's hydrogen bus service starts, free rides all the way to Damai

Rintos Mail

**KUCHING:** Sarawak's highly anticipated hydrogen bus service will officially commence here today, offering passengers free rides on two routes with stops near various attractions in the city.

Chief Minister Datuk Patinggi Abang Johari Tun Openg told reporters yesterday that the service is free for both tourists and locals and will be available

from 7am to 7pm daily. This is a pilot project. We will add buses if the need arises in the near future," he said at the press conference after taking a ride on one of the buses at the launch of the service.

The 14km Downtown Heritage Loop has stops at Kuching Waterfront, Central Timur Road, Ban Hock Road, Riverside Majestic Hotel, Kubah Ria, and the Malay Kampung Heritage Area-Kampung Bandarshah 2. The 67km Damai Loop,

meanwhile, takes passengers from Riverside Majestic Hotel to Sarawak Museum, Satok, Petrajaya and Damai Central.

Abang Johari said the bus service is a joint effort undertaken by the state Transport Ministry and Sarawak Economic Development Corporation (SEDC) to promote a reliable, affordable, safe and eco-friendly public transportation system in Sarawak. He said all three buses in

service are equipped with the H2Sarawak mobile application, which was created and developed by Sarawakian Merivin Ong from web design company Karuna Sarawak.

"The hydrogen bus Internet of Things (IoT) comes with high-speed WiFi and H2Sarawak app and has the latest e-portal which consists of in-bus entertainment and e-shopping platform," he said.

► Turn to Page 4, col 1

## Perkhidmatan bas percuma mulai hari ini

**KUCHING:** Perkhidmatan bus hidrogen yang diantarkan oleh Sarawak akan bermula pada hari ini. Perkhidmatan ini akan beroperasi di dua laluan utama di bandar Kuching. Perkhidmatan ini akan beroperasi di dua laluan utama di bandar Kuching. Perkhidmatan ini akan beroperasi di dua laluan utama di bandar Kuching. Perkhidmatan ini akan beroperasi di dua laluan utama di bandar Kuching.

## Bas hidrogen ada kelebihan tersendiri

Bas hidrogen berbanding dengan bas diesel mempunyai kelebihan tersendiri. Bas hidrogen berbanding dengan bas diesel mempunyai kelebihan tersendiri. Bas hidrogen berbanding dengan bas diesel mempunyai kelebihan tersendiri. Bas hidrogen berbanding dengan bas diesel mempunyai kelebihan tersendiri.

## Need for digital economy to move forward — Abdul Aziz

**KUCHING:** The implementation of Movement Control Order (MCO) has shown that digital economy transformation is inevitable and is one of the best ways to move forward in the era of globalisation, said Sarawak Economic Development Corporation (SEDC) chairman Tan Sri Datuk Amar Abdul Aziz Husain.

Abdul Aziz said the signing of the MoU with MPC would pave the way for the local business community especially small and medium enterprises (SMEs) to actively participate in digital economy transformation. He said the MoU with MPC would pave the way for the local business community especially small and medium enterprises (SMEs) to actively participate in digital economy transformation.



MEDIA HIGHLIGHTS



# SEDC donates cash, essential items to 57 orphans, needy folk

**KUCHING:** Sarawak Economic Development Corporation (SEDC) presented donations in the forms of cash and daily essential items to 57 orphans and needy individuals yesterday.

SEDC general manager Abdul Hadi Abdul Kadir represented the chairman, Tan Sri Datuk Amar Abdul Aziz Husain, in handing over the donations to the recipients at Laila Taib Welfare Complex here.

Speaking via Live Zoom broadcast, Abdul Aziz said the annual community programme had always involved several state government's departments and agencies, including SEDC's subsidiaries.

"This programme is to give a boost to the underprivileged community, especially to orphans who need attention, love and concern from all parties.

"It also engages our staff in fostering closer relationships with the underprivileged groups and also giving them a chance to perform charity acts during the fasting month of Ramadan," he said.

However due to the Conditional Movement Control Order (CMCO), he said the orphans could not attend yesterday's event, said Abdul Aziz.

"Still, it (event) is significant to SEDC. Last year, we treated the children from Laila Taib Welfare Complex to 'buka puasa' (break-

of-fast) and performed 'tarawih' prayer with them. We sincerely hope that things would revert to normal soon, so that similar programmes could be held next year," he said.

Prior to the earlier Movement Control Order (CMCO) which took effect on March 18, SEDC and

its subsidiaries hosted the 'Love-In-A-Box' charity programme on Feb 7, which benefitted 100 children with special needs from the Association for Welfare of Children with Intellectual Disability (Perkata) Sarawak at its headquarters along Jalan Ong Tiang Swee here.

This 'Love-In-A-Box' is among SEDC's iconic corporate social responsibility (CSR) initiatives, which also include its 'Majlis Belaian Kasih', 'Ramah Tamah Aidilfitri' with students from schools around Kuching, and also several partnering programmes with the local community.



Laila Taib Welfare Complex deputy chairman Iskandar Razali (right) accepts the mock cheque from Abdul Hadi at the simple ceremony. Seen on the screen of the laptop computer in front is Abdul Aziz, who witnesses the handover via Live Zoom broadcast. — Photo by Muhammad Rais Sanusi



## MEDIA HIGHLIGHTS

Utusan Sarawak

RABU • 22 JANUARI 2020 • 25 JAMADILAWAL 1441H

TEMPATAN • 5

# Formula baharu bantu golongan miskin

ZARINA ABDULLAH

**KUCHING:** Ketua Menteri Datuk Patinggi Abang Johari Tun Openg sedang mengkaji formula baharu untuk membantu golongan miskin dan kurang bernesib baik di Sarawak.

Abang Johari berkata, akan tampil dengan formula baharu tersebut dan akan mengumumkannya apabila tiba masanya.

"Saya sedang mencari formula baharu untuk tujuan tersebut, nanti-nantilah saya mengumumkannya kerana sekarang masih mengkaji.

"Harapan kita semoga rezeki Kerajaan Sarawak semakin bertambah dari sudut pendapatan negeri bagi memudahkan kerajaan membantu rakyat terutamanya golongan miskin," katanya.

Beliau berkata demikian dalam ucapanannya pada majlis perasmian Hari Integriti Perbadanan Pemba-

ngunan Ekonomi Sarawak (PPES) bertempat di salah sebuah hotel terkemuka di sini, semalam.

Menurutnya, salah satu formula adalah termasuk membangunkan sistem pengangkutan awam negeri seperti sistem Transit Aliran Autonomi (ART) dan bas hidrogen.

Selain itu, Abang Johari berkata pembangunan sistem pengangkutan awam seperti Transit Aliran Autonomi (ART) dan bas hidrogen juga adalah salah satu formulanya untuk membantu orang miskin.

"Sistem, pengangkutan berkenaan sangat penting bagi mengatasi kesesakan lalu lintas selain kelemahan kemudahan pengangkutan awam yang sedia ada.

"Semalam (Isnin) saya menggunakan jalan darat untuk balik ke Kuching dari Sri Aman dan apabila tiba di Kota Samarahan sekitar jam 4.00 petang, saya melihat barisan kenderaan sangat panjang dan jalan terla-



**PENGHARGAAN...** Datuk Patinggi Abang Johari Tun Openg menerima cenderamata daripada Pengerusi SEDC, Tan Sri Abdul Aziz Hussain semasa merasmikan SEDC INTEGRITY DAY 2020 di sebuah hotel terkenal di Kuching semalam. - Foto: ANDRE OLIVEIRO

lu sesak.

"Kerana sebab itulah, saya mahu meningkatkan sistem pengangkutan awam kita supaya lebih sistematik yang mana ia juga satu formula untuk membantu golongan miskin," jelasnya.

Beliau berkata, sehubun-

gan itu beliau telah mengarahkan Menteri Pengangkutan Datuk Lee Kim Shin untuk mencuba pengangkutan bas awam di Kuching dan Miri.

"Maka Lee telah pergi ke lapangan dan mencuba bas awam selama dua tiga hari,

Lee menyatakan bahawa beliau menunggu bas untuk tempoh masa yang lama iaitu sekitar dua hingga tiga jam.

"Sebab itulah saya hendak menaik taraf sistem pengangkutan awam kita, bayangkan kalau seseo-

rang hendak bersalin dan menunggu dengan tempoh begitu lama, apakah yang akan terjadi.

"Malah di Miri, saya dimaklumkan seorang itu membelanjakan lebih RM60 sehari hanya untuk tambang bas," katanya lagi.

Utusan Sarawak

ISNIN • 6 JULAI 2020 • 14 ZULKAEDA 1441H

SEMASA • 3

# SCV tawar harga tiket terendah

DIYANA SAMSUDDIN

**SANTUBONG:** Harga tiket masuk Kampung Budaya Sarawak (SCV) baharu serendah RM20 untuk dewasa dan RM10 untuk kanak-kanak ditawarkan untuk rakyat Sarawak.

Menurut Pengerusi Perbadanan Pembangunan Ekonomi Sarawak (SEDC) Abdul Aziz Husain harga berkenaan dipetik dari pakej pertama iaitu 'Cuti Berami-Rami' khusus untuk rakyat negeri ini sahaja.

"Sebelum ini, harga masing-masing ditawarkan pada harga RM30 dan RM20. Oleh itu, terdapat potongan besar antara 33 peratus hingga 50 peratus untuk rakyat tempatan kita," katanya.

Abdul Aziz, bertitip demam ketika berucap di acara pembukaan semula SCV Sabtu lalu.

Selain pakej itu, tawaran harga itu, juga meliputi empat pakej harga baharu iaitu harga pelajar khas merangkumi RM5 untuk pelajar lawatan sekolah rendah dan menengah tempatan dan RM15 untuk pelajar universiti swasta dan awam.

"Orang bukan Sarawak juga boleh melihat harga Cuti Cuti Malaysia di mana bayaran masuk adalah RM60 untuk dewasa dan RM30 untuk kanak-kanak berumur dua hingga 12 tahun," ujarnya.

Tambah Abdul Aziz SCV juga menawarkan 'Family Together Gether Package' di mana yurannya bernilai RM180 untuk dua orang dewasa dan dua kanak-kanak atau RM210 untuk dua orang dewasa dan dua kanak-kanak.

Sementara itu, katanya 'Family Berami Package' adalah untuk semua rak-

yat Sarawak dan keluarga mereka yang berharga hanya RM60 untuk dua orang dewasa dan dua kanak-kanak untuk masuk ke SCV, pertunjukan budaya dan pelajaran tari atau muzik percuma.

"Pilihan lain adalah bayaran RM123.60 untuk keluarga dua orang dewasa dan dua kanak-kanak yang merangkumi masuk ke SCV, pertunjukan budaya, makan tengah hari dan pelajaran tari atau muzik percuma semasa lawatan mereka ke sini," jelasnya.

Katanya, lagi semua harga dan pakej khas ini merangkumi enam peratus cukai jualan dan perkhidmatan (SST) dan berkuat kuasa mulai 1 Julai dan akan berakhir pada 31 Disember 2020.

Sementara itu, acara pemukaan semula SCV telah disempurnakan oleh Menteri Pelancongan, Ke-



**MENARIK...** Antara persembahan dilakukan di tepi unggun api di Damai Beach, Santubong. - Foto ANDRE OLIVEIRO

senian dan Kebudayaan persekutuan Datuk Seri Nancy Shukri.

Pada sebelah malam, Nancy diringi Menteri

Pelancongan, Kesenian dan Kebudayaan, Datuk Abdul Karim Rahman Hamzah turut menyertai acara Makan Malam

'Bonfire Dinner' di Damai Beach Resort sekaligus menyempurnakan perasmian lokasi makan malam itu.



## MEDIA HIGHLIGHTS



## Micro credit applications in process

**KUCHING:** Sarawak Micro Credit Scheme (SMCS) applications are still being processed.

"Due to the Covid-19 pandemic and conditional movement control order (MCO), there was a temporary delay to the process due to SEDC needing to physically verify

whether or not the applicants indeed have their own business," said Sarawak Economic Development Corporation (SEDC) general manager Abdul Hadi Kadir (*pic*).

He was speaking to the press after the handover of donations to Rumah Kanak-Kanak Komplek Kebajikan Laila Taib

here yesterday.

Abdul Hadi reminded those interested that they could apply via online at SEDC's official website — the website has the forms and information regarding the loans, including SMCS 1 loans specifically for the B40 group.

"The SMCS is open to

everyone, not only Bumiputeras," he added.

Abdul Hadi said SEDC was currently targeting to approve the application within 14 working days.

"And we are happy to reveal that the first batch (82 applications) will be approved this week," he said.

Tempatan

Jumaat, 17 Julai 2020 **Borneo** / 3

## SEDC, MPC meterai MoU perkasa komuniti perniagaan

Teroka kerjasama dalam bidang latihan, perundingan dan garis panduan teknikal ke arah transformasi ekonomi digital

Oleh Jessica Jawing

**KUCHING:** Perbadanan Pembangunan Ekonomi Sarawak (SEDC) dan Perbadanan Produktiviti Malaysia (MPC) memeterai Memorandum Persefahaman (MoU) untuk memeterai perkasa komuniti perniagaan di negeri ini ke arah transformasi ekonomi digital.

MoU berkenaan bagi membolehkan kedua-dua pihak meneroka kerjasama dalam bidang latihan, perundingan dan garis panduan teknikal dalam usaha mereka meningkatkan produktiviti organisasi serta kualiti menerusi pendekatan maya dan berseamless.

Ketua Pengarah MPC Datuk Abdul Latif Seman berkata, inisiatif bersama SEDC itu adalah sebagai usaha memperkukuhkan lagi kerjasama sedia ada di antara kedua-dua pihak.

Beliau berkata, banyak program yang diadakan oleh MPC disokong oleh SEDC serta anak-anak syarikat di bawah kendalian SEDC.

"Antara program biasa yang kita lakukan bersama, Pengurusan Lean, Pasukan Kecemerlangan, Kecemerlangan Perniagaan dan se-



**METERAI:** Abdul Latif (dua kanan) bersama Abdul Aziz (dua kiri) menunjukkan dokumen MoU ditandatangani Sarimah dan Abdul Hadi. — Gambar: Chinyan Iqbal

bagainya.

"Menerusi kerjasama kali ini, kita berharap dapat terus membantu industri perniagaan di Sarawak menerusi kaedah teknologi digital yang juga merupakan norma baharu kepada semua selepas COVID-19," katanya pada sidang media selepas memeterai MoU semalam.

Abdul Latif berkata, bagi MPC teknologi digital bukan perkara baharu untuk

mereka berhubung atau melaksanakan sesi bersama pihak industri termasuk semasa Perintah Kawalan Pergerakan (PKP).

Beliau berkata setakat ini, MPC telah menjalankan 187 sesi keterlibatan menggunakan platform digital seperti Webinar bersama sektor pelancongan, agronukonan, peruncitan dan sebagainya.

Katanya, menerusi 187 sesi keterlibatan menerusi

platform digital berkenaan MPC berjaya menghubungkan hampir 30,000 komuniti perniagaan.

"Ini bagi membolehkan komuniti perniagaan terus bertahap yang disebabkan kekurangan pergerakan semasa PKP, di mana kita masih dapat membantu mereka sama ada dari segi khidmat nasihat atau berhubung dengan agensi memberi bantuan," katanya.

Sementara itu Pengerusi SEDC Tan Sri Datuk Amar Abdul Aziz Husain pada sidang media sama berkata, SEDC berharap menerusi kerjasama itu ia akan menjadikan perbadanan atau perniagaan Sarawak mencapai produktiviti lebih tinggi setaraf dengan yang lain.

"Kerjasama antara SEDC dan MPC ini pastinya akan melengkapkan usaha kerajaan negeri dalam inisiatif trans-

"Menerusi kerjasama kali ini, kita berharap dapat terus membantu industri perniagaan di Sarawak menerusi kaedah teknologi digital yang juga merupakan norma baharu kepada semua selepas COVID-19."

Datuk Abdul Latif Seman  
Ketua Pengarah MPC

formasi ekonomi digital.

"Ia mengubah cara hidup baik kepada perusahaan kecil dan sederhana (PKS) untuk beroperasi dengan lebih berkesan berbanding sebelumnya, yang meningkatkan lagi perkhidmatan pelanggan dalam usaha ke arah era digitalisasi," katanya.

Abdul Aziz berkata, malahan kerjasama dengan SEDC dan MPC itu akan memperkukuhkan lagi perjalanan perbadanan ke arah ekonomi digital dan komuniti perniagaan tempatan bagi memanfaatkan penggunaan teknologi secara meluas.

Katanya, pelaksanaan PKP bagi mengekang penularan COVID-19 di negara ini memberi impak yang besar kepada sektor perniagaan.

"Namun kita bersyukur kerana komuniti perniagaan

di negeri ini telah menggunakan pendekatan platform digital dalam perniagaan semasa tempoh PKP.

"Kita amat menggalakkan mereka menggunakan teknologi seperti e-dagang dan platform teknologi lain dalam membantu usaha kerajaan mengekang COVID-19 dan pada masa yang sama memperkukuhkan lagi ekonomi," katanya.

Beliau berkata di Sarawak antara aplikasi digital paling popular adalah Sarawak Pay yang kini mencecah sehingga 500,000 pelanggan dengan lebih 40,000 premis menggunakan pembayaran aplikasi berkenaan di Sarawak.

MoU berkenaan ditandatangani oleh Pengarah MPC Sarawak Sarimah Misman dan Pengurus Besar SEDC Abdul Hadi Abdul Kadir.

## SEDC terima 82 permohonan BKSS

DIYANA SAMSUDDIN

**KUCHING:** Perbadanan Pembangunan Ekonomi Sarawak (SEDC) menerima sebanyak 82 permohonan Bantuan Khas Sarawak Syarikat (BKSS) terutama untuk pengusaha Perusahaan Sederhana Kecil (PKS) tempatan dengan jumlah RM3,485,000.

Pengurus Besarinya, Abdul Hadi Datuk Abdul Kadir berkata, permohonan itu diterima pada 15 Mei 2020 lalu yang mana permohonan tersebut sedang dalam proses penilaian dan kumpulan pertama dijangka akan disetujui minggu ini.

Menurutnya Mac lalu Kerajaan Sarawak telah mengumumkan pakej rangsangan ekonomi di bawah BKAS untuk PKS tempatan dengan tujuan untuk meringankan beban kewangan mereka yang dihadapi semasa Perintah Kawalan Pergerakan (MCO) yang perlu dibayar semasa Covid-19.

"SEDC sangat menyokong inisiatif ini dan akan melaksanakan langkah-langkah berikut Menjadi agensi Pelaksana Skim Kredit Mikro Negeri Sarawak (SMKS) bersama dengan Agribank Bhd. di mana peruntukan tambahan sebanyak RM20 juta diberi-

kan di atas RM30 juta yang ada menjadikan jumlah peruntukan sebanyak RM50 juta.

"Pakej rangsangan ekonomi dijangka memberi manfaat kepada sekurang-kurangnya 1,000 usahawan di seluruh Sarawak," katanya dalam sidang media semalam.

Selain itu, katanya, SEDC membenarkan penangguhan Pembayaran Balik Pinjaman selama enam bulan berkuatkuasa April 2020 hingga September 2020 di bawah 'Skim Pinjaman Kecil dan Sederhana (SPIKS)'.  
"Untuk menyokong ini-



**PRIHATIN...** Pengurus Besar SEDC, Abdul Hadi Datuk Abdul Kadir menyampaikan sumbangan kepada wakil Anak-anak Yatim semasa Majlis Sumbangan Hari Raya kepada penghuni di Komplek Kebajikan Laila Taib, Kuching semalam. - Foto ANDRE OLIVEIRO

siatif ini, SEDC juga memperluas ukuran ini kepada skim pinjaman kami yang lain iaitu 'Skim Niaga Jaya, Skim Niaga Perdana' dan Kotej. Skim ini akan memberi manfaat kepada 317 usahawan; dan bunga sifar (0%) selama tiga setengah tahun (3 1/2 tahun) kepa-

da mereka yang berada di bawah skim SMKS II," ujarnya.

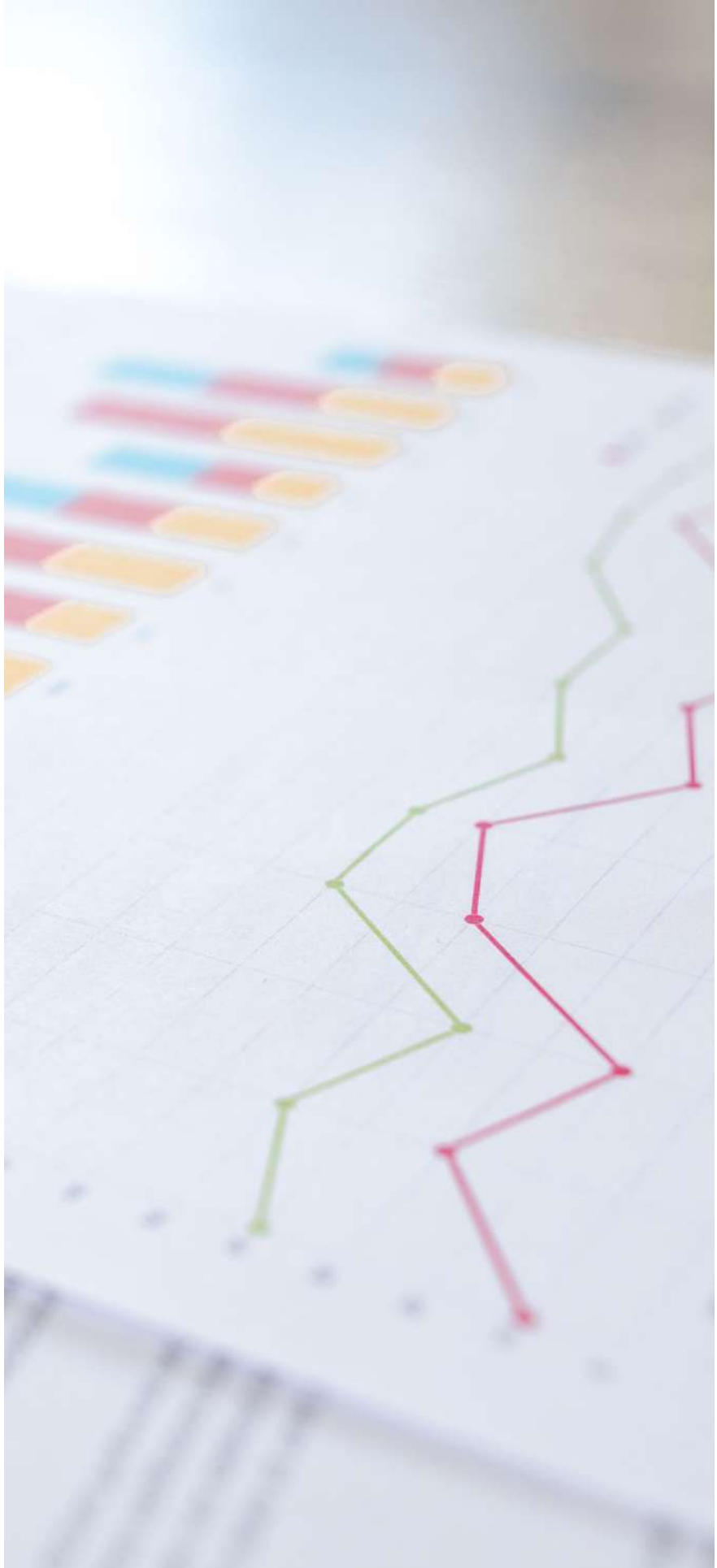
Untuk inisiatif berkenaan katanya, ia merangkumi semua pinjaman SMKS baru yang akan diluluskan pada atau sebelum 31 Disember 2020 yang diharapkan dapat memberi manfaat

kepada sekurang-kurangnya 100 usahawan.

"Penangguhan pembayaran sewa selama enam bulan berkuat kuasa kepada premis perniagaan dan PIBU SEDC. Ini akan memberi manfaat kepada sekurang-kurangnya 561 usahawan," katanya lagi.

FINANCIAL  
REPORT

FINANCIAL REPORT





# C O N T E N T S

## FINANCIAL REPORT

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**SARAWAK ECONOMIC DEVELOPMENT CORPORATION**

(Established under the Sarawak Economic Development Corporation Ordinance, 1972)

**STATEMENT BY THE CHAIRMAN AND A BOARD MEMBER**

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We, YBhg. Tan Sri Datuk Amar (Dr) Haji Abdul Aziz Bin Dato Haji Husain and YBhg. Datu Dr. Haji Wan Lizozman Bin Wan Omar, being the Chairman and one of the Board Members of **SARAWAK ECONOMIC DEVELOPMENT CORPORATION**, do hereby state that, in the opinion of the Board Members, the accompanying Statements of Financial Position, Statements of Profit and Loss and Other Comprehensive Income, Statements of Changes in Equity and Statements of Cash Flows, together with the notes thereon are prepared so as to give a true and fair view of the financial position of the Group and of the Corporation as of 31 December 2020 and of their financial performance and cash flows for the financial year ended on that date.

On behalf of the Board,



YBhg. Tan Sri Datuk Amar (Dr) Haji Abdul Aziz  
Bin Dato Haji Husain  
Chairman

Date: 26 APR 2021

KUCHING

On behalf of the board,



YBhg. Datu Dr. Haji Wan Lizozman  
Bin Wan Omar  
Member

Date: 26 APR 2021

KUCHING



**SARAWAK ECONOMIC DEVELOPMENT CORPORATION**

(Established under the Sarawak Economic Development Corporation Ordinance, 1972)

**STATUTORY DECLARATION**

I, **Haji Abdul Hadi Bin Datuk Haji Abdul Kadir**, being the General Manager, primarily responsible for the financial management and accounting records of **SARAWAK ECONOMIC DEVELOPMENT CORPORATION**, do solemnly and sincerely declare that the accompanying Statements of Financial Position, Statements of Profit or Loss and Other Comprehensive Income, Statements of Changes in Equity and Statements of Cash Flows, together with the notes thereon are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declaration Act 1960.

Subscribed and solemnly declared  
by the abovementioned  
at Kuching  
in the State of Sarawak on **26 APR 2021**



.....  
**Haji Abdul Hadi Bin Datuk Haji Abdul Kadir**  
General Manager

Before me,

.....  
Commissioner for Oaths  
Kuching

**PHANG DAH NAN**  
Commissioner For Oaths  
No. 55, 1st Floor,  
Jalan Chan Bee Kiew  
Off Jalan Padungan,  
93100 Kuching, Sarawak.

## SARAWAK ECONOMIC DEVELOPMENT CORPORATION

(Established under the Sarawak Economic Development Corporation Ordinance, 1972)

### MEMBERS' REPORT

The Members of the Board ("Members") hereby submit their report and the audited financial statements of the Group and of the Corporation for the financial year ended 31 December 2020.

### PRINCIPAL ACTIVITIES

The Corporation is principally engaged in activities related to tourism and leisure, agro-food, property development, community development, mineral and mining, commercial and socio-economic projects substantially through its investments in subsidiaries and associated companies. The principal activities of the subsidiaries are set out in Note 8 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

### RESULTS

	The Group RM'000	The Corporation RM'000
Profit after taxation for the financial year	21,471	116,695
Profit after taxation:-		
Owners of the Corporation	22,002	116,695
Non-controlling interests	(531)	-
	21,471	116,695

### RESERVES AND PROVISIONS

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

### BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Corporation were made out, the Members took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the provision of allowance for impairment losses on receivables and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for impairment losses on receivables.

At the date of this report, the Members are not aware of any circumstances that would require the further writing off of bad debts, or the additional allowance for impairment losses on receivables in the financial statements of the Group and of the Corporation.



## **SARAWAK ECONOMIC DEVELOPMENT CORPORATION**

(Established under the Sarawak Economic Development Corporation Ordinance, 1972)

### **MEMBERS' REPORT**

---

#### **CURRENT ASSETS**

Before the financial statements of the Group and of the Corporation were made out, the Members 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 Corporation, have been written down to an amount which they might be expected so to realise.

At the date of this report, the Members are not aware of any circumstances which would render the values attributed to the current assets in the financial statements misleading.

#### **VALUATION METHODS**

At the date of this report, the Members are not aware of any arising circumstances which would render adherence to the existing methods of valuation of assets or liabilities of the Group and of the Corporation misleading or inappropriate.

#### **CONTINGENT AND OTHER LIABILITIES**

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

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

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

#### **CHANGE OF CIRCUMSTANCES**

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

#### **ITEMS OF AN UNUSUAL NATURE**

The results of the operations of the Group and of the Corporation during the financial year were not, in the opinion of the Members, substantially affected by any item, transaction or event of a material and unusual nature.

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Members, to affect substantially the results of the operations of the Group and of the Corporation for the financial year in which this report is made.

**SARAWAK ECONOMIC DEVELOPMENT CORPORATION**

(Established under the Sarawak Economic Development Corporation Ordinance, 1972)

**MEMBERS' REPORT**

---

**MEMBERS**

The names of Members of the Corporation who served during the financial year and up to the date of this report are as follows:-

Chairman

YBhg. Tan Sri Datuk Amar (Dr) Haji Abdul Aziz Bin Dato Haji Husain

State Financial Secretary Representative

YBhg. Datu Dr. Haji Wan Lizozman Bin Wan Omar

Federal Treasury Representative

YBhg. Encik Boniface anak Edwin Manung

YB. Datuk Amar Jaul Samion

Yang Arif Datuk Talat Mahmood Bin Abdul Rashid

YBhg. Datu Laura Lee Ngien Hion

YBhg. Datu Sr. Zaidi Bin Haji Mahdi

YBhg. Dr. Muhammad Abdullah Bin Haji Zaidel

YBhg. Dato Dr. Philip Raja

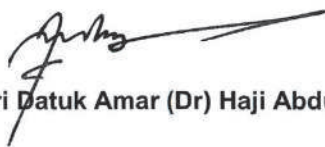
**SUBSIDIARIES**

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

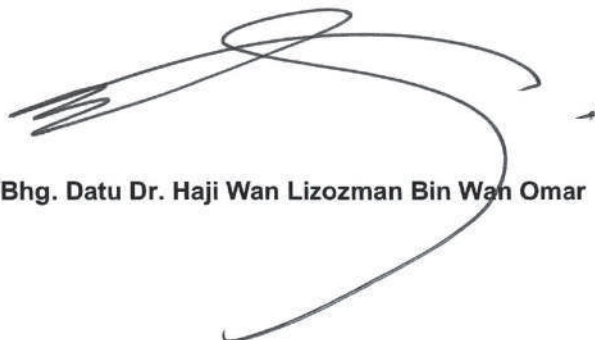
**SIGNIFICANT EVENT DURING THE FINANCIAL YEAR**

The significant event during the financial year is disclosed in Note 35 to the financial statements.

Signed on behalf of the Board in accordance with a resolution of the Members dated **26 APR 2021**



YBhg. Tan Sri Datuk Amar (Dr) Haji Abdul Aziz Bin Dato Haji Husain



YBhg. Datu Dr. Haji Wan Lizozman Bin Wan Omar





**SIJIL KETUA AUDIT NEGARA  
MENGENAI PENYATA KEWANGAN  
PERBADANAN PEMBANGUNAN EKONOMI SARAWAK  
BAGI TAHUN BERAKHIR 31 DISEMBER 2020**

**Sijil Mengenai Pengauditan Penyata Kewangan**

**Pendapat**

Saya telah mewakili sebuah firma audit swasta untuk mengaudit Penyata Kewangan Perbadanan Pembangunan Ekonomi Sarawak. Penyata kewangan tersebut merangkumi Penyata Kedudukan Kewangan pada 31 Disember 2020 Perbadanan Pembangunan Ekonomi Sarawak dan Kumpulan dan Penyata Pendapatan Komprehensif, Penyata Perubahan Ekuiti serta Penyata Aliran Tunai bagi tahun berakhir pada tarikh tersebut dan nota kepada penyata kewangan termasuklah ringkasan polisi perakaunan yang signifikan seperti dinyatakan pada muka surat 10 hingga 77.

Pada pendapat saya, penyata kewangan ini memberikan gambaran yang benar dan saksama mengenai kedudukan kewangan Perbadanan Pembangunan Ekonomi Sarawak dan Kumpulan pada 31 Disember 2020 dan prestasi kewangan serta aliran tunai bagi tahun berakhir pada tarikh tersebut selaras dengan Piawaian Pelaporan Entiti Persendirian Malaysia (MPERS) dan keperluan Statutory Bodies (Financial and Accounting Procedure) Ordinance, 1995 serta Perbadanan Pembangunan Ekonomi Sarawak Ordinance, 1972.

**Asas Kepada Pendapat**

Pengauditan telah dilaksanakan berdasarkan Akta Audit 1957 dan International Standards of Supreme Audit Institutions. Tanggungjawab saya dihuraikan selanjutnya di perenggan Tanggungjawab Juruaudit Terhadap Pengauditan Penyata Kewangan dalam sijil ini. Saya percaya bahawa bukti audit yang diperoleh adalah mencukupi dan bersesuaian untuk dijadikan asas kepada pendapat saya.

**Kebebasan dan Tanggungjawab Etika Lain**

Saya adalah bebas daripada Perbadanan Pembangunan Ekonomi Sarawak dan Kumpulan serta telah memenuhi tanggungjawab etika lain berdasarkan International Standards of Supreme Audit Institutions.

### **Maklumat Lain Selain Daripada Penyata Kewangan dan Sijil Juruaudit Mengenainya**

Lembaga Pengarah Perbadanan Pembangunan Ekonomi Sarawak bertanggungjawab terhadap maklumat lain dalam Laporan Tahunan. Pendapat saya terhadap Penyata Kewangan Perbadanan Pembangunan Ekonomi Sarawak dan Kumpulan tidak meliputi maklumat lain selain daripada Penyata Kewangan dan Sijil Juruaudit mengenainya dan saya tidak menyatakan sebarang bentuk kesimpulan jaminan mengenainya.

### **Tanggungjawab Lembaga Pengarah Terhadap Penyata Kewangan**

Lembaga Pengarah bertanggungjawab terhadap penyediaan Penyata Kewangan Perbadanan Pembangunan Ekonomi Sarawak dan Kumpulan yang memberi gambaran benar dan saksama selaras dengan Piawaian Pelaporan Entiti Persendirian Malaysia (MPERS) dan keperluan Statutory Bodies (Financial and Accounting Procedure) Ordinance, 1995 serta Perbadanan Pembangunan Ekonomi Sarawak Ordinance, 1972. Lembaga Pengarah juga bertanggungjawab terhadap penetapan kawalan dalaman yang perlu bagi membolehkan penyediaan Penyata Kewangan Perbadanan Pembangunan Ekonomi Sarawak dan Kumpulan yang bebas daripada salah nyata yang ketara, sama ada disebabkan fraud atau kesilapan.

Semasa penyediaan Penyata Kewangan Perbadanan Pembangunan Ekonomi Sarawak dan Kumpulan, Lembaga Pengarah bertanggungjawab untuk menilai keupayaan Perbadanan Pembangunan Ekonomi Sarawak dan Kumpulan untuk beroperasi sebagai satu usaha berterusan, mendedahkannya jika berkaitan serta menggunakannya sebagai asas perakaunan.

### **Tanggungjawab Juruaudit Terhadap Pengauditan Penyata Kewangan**

Objektif saya adalah untuk memperoleh keyakinan yang munasabah sama ada Penyata Kewangan Perbadanan Pembangunan Ekonomi Sarawak dan Kumpulan secara keseluruhannya adalah bebas daripada salah nyata yang ketara, sama ada disebabkan fraud atau kesilapan, dan mengeluarkan Sijil Juruaudit yang merangkumi pendapat saya. Jaminan yang munasabah adalah satu tahap jaminan yang tinggi, tetapi bukan satu jaminan bahawa audit yang dijalankan mengikut International Standards of Supreme Audit Institutions akan sentiasa mengesan salah nyata yang ketara apabila ia wujud. Salah nyata boleh wujud daripada fraud atau kesilapan dan dianggap ketara sama ada secara individu atau agregat sekiranya boleh dijangkakan dengan munasabah untuk mempengaruhi keputusan ekonomi yang dibuat oleh pengguna berdasarkan penyata kewangan ini.



Sebagai sebahagian daripada pengauditan mengikut International Standards of Supreme Audit Institutions, saya menggunakan pertimbangan profesional dan mengekalkan keraguan profesional sepanjang pengauditan. Saya juga:

- a. Mengenal pasti dan menilai risiko salah nyata ketara dalam Penyata Kewangan Perbadanan Pembangunan Ekonomi Sarawak dan Kumpulan, sama ada disebabkan fraud atau kesilapan, merangka dan melaksanakan prosedur audit yang responsif terhadap risiko berkenaan serta mendapatkan bukti audit yang mencukupi dan bersesuaian untuk memberikan asas kepada pendapat saya. Risiko untuk tidak mengesan salah nyata ketara akibat daripada fraud adalah lebih tinggi daripada kesilapan kerana fraud mungkin melibatkan pakatan, pemalsuan, ketinggalan yang disengajakan, representasi yang salah, atau mengatasi kawalan dalaman.
- b. Memahami kawalan dalaman yang relevan untuk merangka prosedur audit yang bersesuaian tetapi bukan untuk menyatakan pendapat mengenai keberkesanan kawalan dalaman Perbadanan Pembangunan Ekonomi Sarawak dan Kumpulan.
- c. Menilai kesesuaian dasar perakaunan yang diguna pakai dan kemunasabahan anggaran perakaunan dan pendedahan yang berkaitan oleh Lembaga Pengarah.
- d. Membuat kesimpulan terhadap kesesuaian penggunaan asas perakaunan untuk usaha berterusan oleh Lembaga Pengarah dan berdasarkan bukti audit yang diperoleh, sama ada wujudnya ketidakpastian ketara yang berkaitan dengan peristiwa atau keadaan yang mungkin menimbulkan keraguan yang signifikan terhadap keupayaan Perbadanan Pembangunan Ekonomi Sarawak atau Kumpulan sebagai satu usaha berterusan. Jika saya membuat kesimpulan bahawa ketidakpastian ketara wujud, saya perlu melaporkan dalam Sijil Juruaudit terhadap pendedahan yang berkaitan dalam Penyata Kewangan Perbadanan Pembangunan Ekonomi Sarawak dan Kumpulan atau, jika pendedahan tersebut tidak mencukupi, pendapat saya akan diubah. Kesimpulan saya dibuat berdasarkan bukti audit yang diperoleh sehingga tarikh Sijil Juruaudit.
- e. Menilai persembahan secara keseluruhan, struktur dan kandungan Penyata Kewangan Perbadanan Pembangunan Ekonomi Sarawak dan Kumpulan termasuk pendedahannya, dan sama ada Penyata Kewangan Perbadanan Pembangunan Ekonomi Sarawak dan Kumpulan telah melaporkan asas-asas urus niaga dan peristiwa-peristiwa yang memberikan gambaran saksama.
- f. Mendapatkan bukti audit yang mencukupi dan bersesuaian berkaitan maklumat kewangan entiti dan aktiviti perniagaan dalam Kumpulan untuk memberikan pendapat terhadap Penyata Kewangan Kumpulan. Saya bertanggungjawab untuk hala tuju, pengawasan dan pelaksanaan pengauditan kumpulan. Saya hanya bertanggungjawab terhadap pendapat saya.

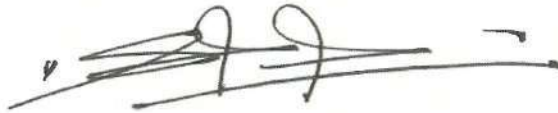
### Laporan Mengenai Keperluan Perundangan dan Peraturan Lain

Berdasarkan keperluan Statutory Bodies (Financial and Accounting Procedure) Ordinance, 1995 dan Perbadanan Pembangunan Ekonomi Sarawak Ordinance, 1972, saya juga melaporkan syarikat subsidiari yang tidak diaudit oleh saya, telah dinyatakan di Nota 8 dalam penyata kewangan.

### Hal-hal Lain

Perbadanan Pembangunan Ekonomi Sarawak perlu memastikan perjanjian bagi pinjaman berjangka Kerajaan berjumlah RM380 juta ditandatangani dengan segera. Ini bagi memastikan pelaporan untuk liabiliti dalam Penyata Kewangan adalah tepat dan kepentingan pihak terlibat dilindungi.

Sijil ini dibuat untuk Lembaga Pengarah berdasarkan keperluan Statutory Bodies (Financial and Accounting Procedure) Ordinance, 1995 serta Perbadanan Pembangunan Ekonomi Sarawak Ordinance, 1972 dan bukan untuk tujuan lain. Saya tidak bertanggungjawab terhadap pihak lain bagi kandungan sijil ini.



**(DATUK NOR SALWANI BINTI MUHAMMAD)**  
b.p. KETUA AUDIT NEGARA

PUTRAJAYA  
25 JANUARI 2022





**SARAWAK ECONOMIC DEVELOPMENT CORPORATION**

(Established under the Sarawak Economic Development Corporation Ordinance, 1972)

**STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2020**

	NOTE	The Group		The Corporation	
		2020 RM'000	2019 RM'000 (Restated)	2020 RM'000	2019 RM'000
<b>ASSETS</b>					
<b>NON-CURRENT ASSETS</b>					
Property, plant and equipment	4	816,974	464,284	578,502	236,368
Land held for property development		5,082	5,158	2,298	2,298
Investment properties	5	591,204	592,606	-	-
Biological assets	6	29,263	29,370	-	-
Intangible assets	7	488	474	-	-
Investment in subsidiaries	8	-	-	457,364	434,426
Investment in associates	9	75,208	352,180	43,162	47,485
Investment in jointly controlled entities	10	207,803	-	22,724	-
Other investments	11	194,593	190,358	176,958	173,468
Deferred tax assets	12	844	886	-	-
		<b>1,921,459</b>	<b>1,635,316</b>	<b>1,281,008</b>	<b>894,045</b>
<b>CURRENT ASSETS</b>					
Inventories	13	27,133	21,892	6,166	6,221
Trade and other receivables	14	548,511	78,072	633,000	167,883
Government grant		61,970	-	-	-
Current tax assets		2,141	1,827	315	162
Fixed deposits with financial institutions	15	14,372	37,149	-	-
Cash and cash equivalents	16	414,788	237,371	315,607	164,777
		<b>1,068,915</b>	<b>376,311</b>	<b>955,088</b>	<b>339,043</b>
<b>TOTAL ASSETS</b>		<b>2,990,374</b>	<b>2,011,627</b>	<b>2,236,096</b>	<b>1,233,088</b>

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

**SARAWAK ECONOMIC DEVELOPMENT CORPORATION**

(Established under the Sarawak Economic Development Corporation Ordinance, 1972)

**STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2020**

		The Group		The Corporation	
	NOTE	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
<b>EQUITY AND LIABILITIES</b>					
<b>EQUITY</b>					
Reserves	17	1,329,676	1,297,831	848,879	732,184
Equity attributable to owners of the Corporation		1,329,676	1,297,831	848,879	732,184
Non-controlling interests		14,939	15,470	-	-
<b>TOTAL EQUITY</b>		<b>1,344,615</b>	<b>1,313,301</b>	<b>848,879</b>	<b>732,184</b>
<b>NON-CURRENT LIABILITIES</b>					
State government equity grant	18(a)	18,595	24,793	18,595	24,793
State government contribution for equity participant	18(b)	264,677	264,677	264,677	264,677
Development funds	19	125,436	101,800	125,436	101,800
Government term loans and other borrowings	20	957,674	74,934	887,543	7,798
Deferred tax liabilities	12	14,298	12,287	-	-
Deferred income	21	145,668	164,668	80,886	89,796
Employee benefits	22	2,374	2,343	2,226	2,213
		1,528,722	645,502	1,379,363	491,077
<b>CURRENT LIABILITIES</b>					
Trade and other payables	23	44,127	45,388	7,458	9,368
Employee benefits	22	141	213	141	213
Deferred income	21	69,805	4,119	-	-
Hire purchase payables	24	-	1	-	-
Government term loans and other borrowings	20	1,921	1,730	255	246
Current tax liabilities		1,043	1,373	-	-
		117,037	52,824	7,854	9,827
<b>TOTAL LIABILITIES</b>		<b>1,645,759</b>	<b>698,326</b>	<b>1,387,217</b>	<b>500,904</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,990,374</b>	<b>2,011,627</b>	<b>2,236,096</b>	<b>1,233,088</b>

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



**SARAWAK ECONOMIC DEVELOPMENT CORPORATION**

(Established under the Sarawak Economic Development Corporation Ordinance, 1972)

**STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE FINANCIAL YEAR 31 DECEMBER 2020**

	NOTE	The Group		The Corporation	
		2020 RM'000	2019 RM'000 (Restated)	2020 RM'000	2019 RM'000
REVENUE	25	143,684	230,973	129,861	40,743
COST OF SALES		(93,058)	(130,509)	(12)	-
GROSS PROFIT		50,626	100,464	129,849	40,743
OTHER INCOME	26	79,807	92,078	40,177	61,993
DISTRIBUTION COSTS		(1,487)	(1,812)	-	-
ADMINISTRATIVE EXPENSES		(89,090)	(83,847)	(21,798)	(21,882)
OTHER OPERATING EXPENSES		(37,914)	(71,310)	(31,215)	(66,627)
PROFIT FROM OPERATIONS		1,942	35,573	117,013	14,227
FINANCE COSTS	27	(3,574)	(4,253)	(318)	(326)
SHARE OF NET PROFITS OF EQUITY ACCOUNTED ASSOCIATES		24,490	17,290	-	-
SHARE OF NET PROFITS OF JOINTLY CONTROLLED ENTITIES		1,773	-	-	-
PROFIT BEFORE TAXATION	28	24,631	48,610	116,695	13,901
TAXATION	29	(3,160)	(3,838)	-	-
PROFIT AFTER TAXATION		21,471	44,772	116,695	13,901
OTHER COMPREHENSIVE INCOME					
<u>Items that will not be reclassified subsequently to Profit or Loss</u>					
Translation differences of foreign operations		4,851	(985)	-	-
Revaluation of a foreign subsidiary's perpetual leasehold land		4,992	(1,268)	-	-
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		31,314	42,519	116,695	13,901

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

**SARAWAK ECONOMIC DEVELOPMENT CORPORATION**

(Established under the Sarawak Economic Development Corporation Ordinance, 1972)

**STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE FINANCIAL YEAR 31 DECEMBER 2020 (CONT'D)**

	<b>The Group</b>		<b>The Corporation</b>	
	2020 RM'000	2019 RM'000 (Restated)	2020 RM'000	2019 RM'000
<b>PROFIT AFTER TAXATION</b>				
<b>ATTRIBUTABLE TO:-</b>				
Owners of the Corporation	22,002	44,762	116,695	13,901
Non-controlling interests	(531)	10	-	-
	<b>21,471</b>	<b>44,772</b>	<b>116,695</b>	<b>13,901</b>
<b>TOTAL COMPREHENSIVE INCOME</b>				
<b>ATTRIBUTABLE TO:-</b>				
Owners of the Company	31,845	42,509	116,695	13,901
Non-controlling interests	(531)	10	-	-
	<b>31,314</b>	<b>42,519</b>	<b>116,695</b>	<b>13,901</b>

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



**SARAWAK ECONOMIC DEVELOPMENT CORPORATION**  
(Established under the Sarawak Economic Development Corporation Ordinance, 1972)

**STATEMENTS OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

	< ----- Non-Distributable ----- >							
NOTE	Capital Reserve RM'000	Revaluation Reserve RM'000	Translation Reserve RM'000	Reserve on Consolidation RM'000	Revenue Reserve RM'000	Attributable to Owners of the Corporation RM'000	Non-controlling interests RM'000	Total Equity RM'000
<b>The Group</b>								
Balance at 1.1.2019								
- As previously reported	3,768	60,193	(1,014)	52,323	1,131,176	1,246,446	15,460	1,261,906
- Prior year adjustments	-	-	-	-	7,681	7,681	-	7,681
- As restated	3,768	60,193	(1,014)	52,323	1,138,857	1,254,127	15,460	1,269,587
Profit after taxation for the financial year								
- As previously reported	-	-	-	-	44,577	44,577	10	44,587
- Prior year adjustments	-	-	-	-	185	185	-	185
Profit after taxation for the financial year, restated	-	-	-	-	44,762	44,762	10	44,772
Other comprehensive income								
Arising on consolidation	(3,415)	(1,268)	(985)	-	-	(2,253)	-	(2,253)
Balance at 31.12.2019	353	63,985	(1,999)	-	1,235,492	1,297,831	15,470	1,313,301

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

**SARAWAK ECONOMIC DEVELOPMENT CORPORATION**  
(Established under the Sarawak Economic Development Corporation Ordinance, 1972)

**STATEMENTS OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020 (CONT'D)**

	< ----- Non-Distributable ----- >						
	Capital Reserve	Revaluation Reserve	Translation Reserve	Revenue Reserve	Attributable to Owners of the Corporation	Non-controlling interests	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>The Group</b>							
Balance at 1.1.2020	353	63,985	(1,999)	1,235,492	1,297,831	15,470	1,313,301
Profit/(Loss) after taxation for the financial year	-	-	-	22,002	22,002	(531)	21,471
Other comprehensive income	-	4,992	4,851	-	9,843	-	9,843
Balance at 31.12.2020	353	68,977	2,852	1,257,494	1,329,676	14,939	1,344,615

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



**SARAWAK ECONOMIC DEVELOPMENT CORPORATION**

(Established under the Sarawak Economic Development Corporation Ordinance, 1972)

**STATEMENTS OF CHANGES IN EQUITY****FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020 (CONT'D)**

	Revenue Reserve RM'000	Total Equity RM'000
<b>The Corporation</b>		
Balance at 1.1.2019	718,283	718,283
Profit after taxation for the financial year	13,901	13,901
Balance at 31.12.2019/1.1.2020	732,184	732,184
Profit after taxation for the financial year	116,695	116,695
Balance at 31.12.2020	848,879	848,879

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

**SARAWAK ECONOMIC DEVELOPMENT CORPORATION**

(Established under the Sarawak Economic Development Corporation Ordinance, 1972)

**STATEMENTS OF CASH FLOWS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

	The Group		The Corporation	
	2020 RM'000	2019 RM'000 (Restated)	2020 RM'000	2019 RM'000
<b>CASH FLOWS (FOR)/FROM OPERATING ACTIVITIES</b>				
Profit before taxation	24,631	48,610	116,695	13,901
Adjustments for:-				
Allowance for/(Reversal of) impairment losses on:				
- investment in associates	157	-	-	-
- other investments	182	16,660	-	46,137
- trade and other receivables	(399)	(1,737)	(2,931)	3,814
Amortisation of:				
- development expenditure	(4,096)	(4,096)	(4,096)	(4,096)
- deferred income	(3,032)	(2,662)	-	-
- intangible assets	46	38	-	-
- government grant	(6,198)	(50,105)	(6,198)	(50,415)
Bad debts written off	1,131	-	-	-
Depreciation:				
- property, plant and equipment	13,945	12,463	4,988	4,029
- investment properties	1,779	-	-	-
- biological assets	32	31	-	-
Deposit forfeited written off	4	-	-	-
Loss/(Gain) on disposal of property, plant and equipment	2,640	(404)	-	(126)
Loss on disposal of a subsidiary	3,360	-	-	-
Loss on disposal of associates	2,990	10	-	-
Gain on unrealised foreign exchange	(3)	(5)	-	-
Loss/(Gain) on fair value changes in				
- investment properties	-	431	-	-
- other investments	(15,583)	-	(15,490)	-
Impairment loss on:				
- biological assets	267	-	-	-
- investment properties	2,165	-	-	-
- property, plant and equipment	309	-	-	-
- intangible assets	18	-	-	-
Property, plant and equipment written off	71	272	-	-
Interest expenses	3,574	4,253	318	326
Dividend income	(2,785)	(21,412)	(112,734)	(20,981)
Interest income	(11,846)	(10,180)	(13,253)	(8,221)
Share of net profits of equity accounted associates	(24,490)	(17,290)	-	-
Share of net profits of equity accounted jointly controlled entities	(1,773)	-	-	-
Operating loss before working capital changes	(12,904)	(25,123)	(32,701)	(15,632)
<b>BALANCE CARRIED FORWARD</b>	<b>(12,904)</b>	<b>(25,123)</b>	<b>(32,701)</b>	<b>(15,632)</b>

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



**SARAWAK ECONOMIC DEVELOPMENT CORPORATION**

(Established under the Sarawak Economic Development Corporation Ordinance, 1972)

**STATEMENTS OF CASH FLOWS****FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020 (CONT'D)**

	NOTE	The Group		The Corporation	
		2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
BALANCE BROUGHT FORWARD		(12,904)	(25,123)	(32,701)	(15,632)
(Increase)/Decrease in inventories		(5,552)	(28,635)	55	7
Decrease in deferred income		(22,531)	-	-	-
(Increase)/Decrease in trade and other receivables		(26,793)	56,752	23,183	(34,402)
(Decrease)/Increase in trade and other payables		(393)	2,108	(1,970)	(8,182)
(Decrease)/Increase in biological assets		75	(31)	-	-
<b>CASH (FOR)/FROM OPERATIONS</b>		<b>(68,098)</b>	<b>5,071</b>	<b>(11,433)</b>	<b>(58,209)</b>
Interest paid		(3,574)	(4,253)	(318)	(326)
Interest received		11,846	10,180	13,253	8,221
Tax (paid)/refunded, net		(3,705)	1,058	(153)	562
<b>NET CASH (FOR)/FROM OPERATING ACTIVITIES</b>		<b>(63,531)</b>	<b>12,056</b>	<b>1,349</b>	<b>(49,752)</b>
<b>CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES</b>					
Additional investments in existing subsidiaries	8(a)	-	-	(15,537)	-
Acquisition of an associate		(900)	-	(900)	-
Acquisition of jointly controlled entities		(17,500)	-	(17,500)	-
Acquisition of intangible assets		(72)	(75)	-	-
Decrease/(Increase) in land held for development		76	(2,860)	-	-
Acquisition of subsidiaries, net of cash and cash equivalents acquired	8(b)	(200)	-	(200)	-
Advances repaid to associates		(504,580)	-	(500,016)	(26)
Advances repaid from/(to) subsidiaries		-	-	6,946	(36,056)
Increase in other investments		(1,304)	-	-	(12,238)
Dividend received		2,785	21,412	112,734	20,981
Disposal of investment in a subsidiary	8(c)	(94)	-	500	-
Decrease in fixed deposits with maturity more than three months		22,777	10,082	-	32,262
Purchase of property, plant and equipment		(370,983)	(126,255)	(353,319)	(20,566)
Purchase of investment properties		(2,542)	-	-	-
Net movement in associates		110,842	1	-	-
Proceeds from disposal of other investments		12,470	27,888	12,000	41,777
Proceeds from disposal of property, plant and equipment		2,005	25,810	-	306
<b>NET CASH (FOR)/FROM INVESTING ACTIVITIES</b>		<b>(747,220)</b>	<b>(43,997)</b>	<b>(755,292)</b>	<b>26,440</b>

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

**SARAWAK ECONOMIC DEVELOPMENT CORPORATION**

(Established under the Sarawak Economic Development Corporation Ordinance, 1972)

**STATEMENTS OF CASH FLOWS****FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020 (CONT'D)**

	NOTE	The Group		The Corporation	
		2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Drawdown of term loan and other borrowings		883,177	6,605	880,000	-
Repayment of term loan		(246)	(275)	(246)	(236)
Government grant received		82,542	17,089	1,383	17,089
Proceeds/(Disbursement) of development funds		23,636	(14,372)	23,636	680
<b>NET CASH FROM FINANCING ACTIVITIES</b>		<b>989,109</b>	<b>9,047</b>	<b>904,773</b>	<b>17,533</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>178,358</b>	<b>(22,894)</b>	<b>150,830</b>	<b>(5,779)</b>
<b>EFFECTS OF FOREIGN EXCHANGE TRANSLATION</b>		<b>(941)</b>	<b>(3,060)</b>	<b>-</b>	<b>-</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR</b>		<b>237,371</b>	<b>263,325</b>	<b>164,777</b>	<b>170,556</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR</b>	16	<b>414,788</b>	<b>237,371</b>	<b>315,607</b>	<b>164,777</b>

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



**SARAWAK ECONOMIC DEVELOPMENT CORPORATION**

(Established under the Sarawak Economic Development Corporation Ordinance, 1972)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020****1. CORPORATION INFORMATION**

The Corporation is principally engaged in activities related to tourism and leisure, agro-food, property development, community development, mineral and mining, commercial and socio-economic projects substantially through its investments in subsidiaries and associated companies.

The Corporation is established under the Perbadanan Pembangunan Ekonomi Sarawak Ordinance, 1972 (Sarawak Cap.35). The registered office is located at Menara SEDC, Level 3-11, Lot 2787, Isthmus, off Jalan Bako, 93050 Kuching, Sarawak.

The financial statements were authorised for issue by the Board of Members in accordance with a resolution of the Members dated 26 April 2021.

**2. BASIS OF PREPARATION**

The financial statements of the Group are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under significant accounting policies, and in compliance with Malaysian Private Entities Reporting Standard ("MPERS").

**3. SIGNIFICANT ACCOUNTING POLICIES****3.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS***Key Sources of Estimation Uncertainty*

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as disclosed below:-

**(a) Depreciation of Property, Plant and Equipment**

The estimates for the residual values, useful lives and related depreciation charges for the property, plant and equipment are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

**(b) Valuation of Investment Properties**

Investment properties of the Group are reported at fair value which is based on valuations performed by independent professional valuers.

The independent professional valuers have exercised judgement in determining market rental and other factors used in the valuation process. Also, judgement has been applied in estimating prices for less readily observable external parameters. Other factors such as model assumptions, market dislocations and unexpected correlations can also materially affect these estimates and the resulting fair value.

**SARAWAK ECONOMIC DEVELOPMENT CORPORATION**

(Established under the Sarawak Economic Development Corporation Ordinance, 1972)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020****3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****3.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)***Key Sources of Estimation Uncertainty (Cont'd)***(c) Impairment of Property, Plant and Equipment**

The Group and the Corporation determine whether an item of their property, plant and equipment is impaired by evaluating the extent to which the recoverable amount of the asset is less than its carrying amount. This evaluation is subject to changes such as market performance, economic and political situation of the country. A variety of methods is used to determine the recoverable amount, such as valuation reports and discounted cash flows. For discounted cash flows, significant judgement is required in the estimation of the present value of future cash flows generated by the assets, which involve uncertainties and are significantly affected by assumptions used and judgements made regarding estimates of future cash flows and discount rates which are subject to higher degree of estimation uncertainties due to uncertainty on how the COVID-19 pandemic may progress and evolve and volatility in markets in which the Group and the Corporation operate.

**(d) Impairment of Inventories**

Reviews are made periodically by management on damaged, obsolete and slow-moving inventories. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories.

**(e) Impairment of Trade and Other Receivables**

An impairment loss is recognised when there is objective evidence that a financial asset is impaired. Management specifically reviews its trade and other receivables and analyses their ageing profiles, historical bad debts, customer concentrations, customer creditworthiness, current economic trends and changes in the customer payment profile in response to the COVID-19 pandemic when making a judgement to evaluate the adequacy of the allowance for impairment losses. Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. If the expectation is different from the estimation, such difference will impact the carrying value of receivables.

**(f) Impairment of Investment in Subsidiaries, Jointly Controlled Entities, Associates and Other Investments**

The Group and the Corporation determine whether their investments in jointly controlled entities, associates and other investments is impaired by evaluating the extent to which the recoverable amount of the asset is less than its carrying amount. This evaluation is subject to changes such as market performance, economic and political situation of the country. A variety of methods is used to determine the recoverable amount, such as valuation reports and discounted cash flows. For discounted cash flows, significant judgement is required in the estimation of the present value of future cash flows generated by the assets, which involve uncertainties and are significantly affected by assumptions used and judgements made regarding estimates of future cash flows and discount rates.



**SARAWAK ECONOMIC DEVELOPMENT CORPORATION**

(Established under the Sarawak Economic Development Corporation Ordinance, 1972)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020****3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****3.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)***Key Sources of Estimation Uncertainty (Cont'd)***(g) Fair Value of Livestock**

Livestock are measured at fair value less costs to sell. The fair value is measured based on either the market prices as at the reporting date adjusted with reference to the species, age and growing condition to reflect differences in characteristics of the livestock; or the present value of expected net cash flows from the livestock when market prices are unavailable. Any change in the estimates may affect the fair value of the livestock significantly.

**(h) Income Taxes**

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group and the Corporation recognise tax liabilities based on their understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax expense and deferred tax balances in the period in which such determination is made.

**(i) Deferred Tax Assets**

Deferred tax assets are recognised for all deductible temporary differences or unused tax losses or unabsorbed capital allowances to the extent that it is probable that future taxable profits would be available against which the deductible temporary differences or unused tax losses or unabsorbed capital allowances could be utilised. Management judgement is required to determine the amount of deferred tax assets that can be recognised, based on the assessment of the probability of the future taxable profits.

*Critical Judgements Made in Applying Accounting Policies*

Management believes that there are no instances of application of critical judgement in applying the Group's and the Corporation's accounting policies which will have a significant effect on the amounts recognised in the financial statements other than as disclosed below:-

**(a) Classification of Leasehold Land**

The classification of leasehold land as a finance lease or an operating lease requires the use of judgement in determining the extent to which risks and rewards incidental to its ownership lie. Despite the fact that there will be no transfer of ownership by the end of the lease term and that the lease term does not constitute the major part of the indefinite economic life of the land, management consider that the present value of the minimum lease payments approximates to the fair value of the land at the inception of the lease. Accordingly, management judge that the Group has acquired substantially all the risks and rewards incidental to the ownership of the land through a finance lease.

**SARAWAK ECONOMIC DEVELOPMENT CORPORATION**

(Established under the Sarawak Economic Development Corporation Ordinance, 1972)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

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**3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****3.2 BASIS OF CONSOLIDATION**

The consolidated financial statements include the financial statements of the Corporation and its subsidiaries made up to the end of the reporting period.

Subsidiaries are entities controlled by the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Subsidiaries are consolidated from the date on which control is transferred to the Group up to the effective date on which control ceases, as appropriate.

Intragroup transactions, balances, income and expenses are eliminated on consolidation. Where necessary, adjustments are made to the financial statements of subsidiaries to ensure consistency of accounting policies with those of the Group.

**(a) Business Combinations**

Acquisitions of businesses are accounted for using the purchase method. Under the purchase method, the cost of a business combination is measured at the aggregate of the fair values at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued plus any costs directly attributable to the business combination.

If an associate becomes a subsidiary, the Group remeasures its previously held equity interests to fair value and any corresponding gain or loss is recognised in profit or loss. The remeasured carrying amount forms part of the cost of business combination.

Non-controlling interests in the acquiree are measured at the non-controlling interest's proportionate share of the acquiree's recognised identifiable net assets at the date of acquisition.

**(b) Non-controlling Interests**

Non-controlling interests are presented within equity in the consolidated statement of financial position, separately from the equity attributable to owners of the Corporation. Profit or loss and each component of other comprehensive income are attributed to the owners of the Corporation and to the non-controlling interests. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

**(c) Changes in Ownership Interests in Subsidiaries Without Change of Control**

All changes in the parent's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in the equity of the Group.



**SARAWAK ECONOMIC DEVELOPMENT CORPORATION**

(Established under the Sarawak Economic Development Corporation Ordinance, 1972)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

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**3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****3.2 BASIS OF CONSOLIDATION (CONT'D)****(d) Loss of Control**

Upon the loss of control of a subsidiary, the Group recognises any gain or loss in profit or loss which is calculated as the difference between the proceeds from the disposal of the subsidiary and its carrying amount at the date of disposal.

If the Group retains any interest in the former subsidiary, that investment is accounted for as a financial asset from the date the entity ceases to be a subsidiary, provided that it does not become an associate or a jointly controlled entity. The carrying amount on that date is regarded as the cost of the initial measurement of the financial asset.

**3.3 FUNCTIONAL AND FOREIGN CURRENCIES****(a) Functional and Presentation Currency**

The individual financial statements of each entity in the Group are presented in the currency of the primary economic environment in which the entity operates, which is the functional currency.

The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is the Corporation's functional and presentation currency.

**(b) Foreign Currency Transactions and Balances**

Transactions in foreign currencies are converted into the respective functional currencies on initial recognition using exchange rates at the transaction dates. At the end of the reporting period, foreign currency monetary assets and liabilities are retranslated at the exchange rates of that date. Non-monetary assets and liabilities denominated in foreign currencies are not retranslated at the end of the reporting date.

All foreign currency exchange differences arising from the settlement of monetary items or on the retranslation of monetary items are recognised in profit or loss in the period in which they arise.

**(c) Foreign Operations**

Assets and liabilities of foreign operations (including any goodwill and fair value adjustments arising on acquisition) are translated to the Group's presentation currency at the exchange rates at the end of the reporting period. Income, expenses and other comprehensive income of foreign operations are translated at exchange rates at the dates of the transactions. All exchange differences arising from translation are taken directly to other comprehensive income and accumulated in equity; attributed to the owners of the Corporation and non-controlling interests, as appropriate.

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**3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****3.3 FUNCTIONAL AND FOREIGN CURRENCIES (CONT'D)****(c) Foreign Operations (Cont'd)**

On the disposal of a foreign operation, all of the exchange differences accumulated in equity in respect of that foreign operation are not reclassified to profit or loss. In relation to partial disposal of a subsidiary that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are reattributed to non-controlling interests.

In the consolidated financial statements, when the settlement of an intragroup loan is neither planned nor likely to occur in the foreseeable future, the exchange differences arising from translating such monetary item are considered to form part of a net investment in the foreign operation and are recognised in other comprehensive income. The cumulated foreign currency differences are not reclassified to profit or loss on the disposal of the net investment.

**3.4 FINANCIAL INSTRUMENTS****(a) Initial Recognition and Measurement**

Financial assets and financial liabilities are recognised in the statements of financial position when the Group and the Corporation have become a party to the contractual provisions of the instruments.

A financial instrument is recognised initially at the transaction price, including transaction costs. For a financial asset or a financial liability that is subsequently measured at fair value through profit or loss, transaction costs are recognised in profit or loss when incurred.

**(b) Subsequent Measurement**

Debt instruments that are classified as current assets or current liabilities are measured at the undiscounted amount of cash or other consideration expected to be paid or received. Other debt instruments are measured at amortised cost using the effective interest method.

Investments in non-puttable ordinary shares are measured at cost less impairment unless the shares are publicly traded or their fair value can otherwise be measured reliably without undue cost or effort, in which case the investments are measured at fair value with changes in fair value recognised in profit or loss.

Other than the above, all financial assets and financial liabilities are measured at fair value with changes in fair value recognised in profit or loss.



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

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged, cancelled or expires. A substantial modification to the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

For this purpose, the Group and the Corporation consider a modification as substantial if the present value of the revised cash flows of the modified terms discounted at the original effective interest rate differs by 10% or more when compared with the carrying amount of the original liability.

**3.5 INVESTMENTS IN SUBSIDIARIES**

Investments in subsidiaries are measured in the statement of financial position of the Corporation at cost less any impairment losses. The cost of the investments includes transaction costs.

**3.6 INVESTMENTS IN ASSOCIATES**

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture.

The investment in an associate is accounted for in the consolidated financial statements using the equity method based on the financial statements of the associate made up to 31 December 2020. The Group's share of the post-acquisition profits and other comprehensive income of the associate is included in the consolidated statement of comprehensive income, after adjustment if any, to align the accounting policies with those of the Group, from the date that significant influence commences up to the effective date on which significant influence ceases. Dividends received and receivable from associates are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses exceeds its interest in an associate, the carrying amount of that interest 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.

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**3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****3.6 INVESTMENTS IN ASSOCIATES (CONT'D)**

Unrealised gains and losses on transactions between the Group and the associate are eliminated to the extent of the Group's interest in the associate.

When the Group loses significant influence over an associate as a result of a full or partial disposal, any retained interest in the former associate at the date is measured at fair value and this amount is regarded as the initial carrying amount of a financial asset. The difference between the fair value of any retained interest plus proceeds from the interest disposed of and the carrying amount of the investment at that date is recognised in profit or loss. In addition, any gains or losses previously recognised in other comprehensive income are also reclassified to profit or loss if that gain or loss would be required to be reclassified to profit or loss on the disposal of the related assets or liabilities.

In the separate financial statements of the Corporation, investments in associates are stated at cost less any impairment losses. The cost of the investment includes transaction costs. Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the associate arising before or after the date of acquisition. Any gain or loss arising from the disposal of an associate is recognised in profit or loss.

**3.7 INVESTMENTS IN JOINTLY CONTROLLED ENTITIES**

A jointly controlled entity is a corporation, partnership or other entity over which there is a contractual arrangement between the parties that have joint control over the economic activity of the entity.

The Group accounts for its interest in the jointly controlled entities using the equity method based on the financial statements of the jointly controlled entities made up to 31 December 2020. The Group's share of the post-acquisition profits and other comprehensive income of the jointly controlled entities is included in the consolidated statement of comprehensive income, after adjustment if any, to align the accounting policies with those of the Group, from the date that significant influence commences up to the effective date on which significant influence ceases. Dividends received and receivable from jointly controlled entities are recognised as a reduction in the carrying amount of the investment.

In the separate financial statements of the Corporation, investments in jointly controlled entities are stated at cost less any impairment losses. The cost of the investment includes transaction costs. Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the jointly controlled entities arising before or after the date of acquisition. Any gain or loss arising from the disposal of a jointly controlled entity is recognised in profit or loss.



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### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 3.8 PROPERTY, PLANT AND EQUIPMENT

All items of property, plant and equipment are initially measured at cost. Cost includes expenditure that are directly attributable to the acquisition of the asset and other costs directly attributable to bringing the asset to working condition for its intended use.

Subsequent to initial recognition, all property, plant and equipment, other than freehold land, are stated at cost less accumulated depreciation and any impairment losses.

Freehold land is stated at valuation less any impairment losses recognised after the date of the revaluation.

Freehold land is revalued periodically. Surpluses arising from the revaluation are recognised in other comprehensive income and accumulated in equity under the revaluation reserve to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss. Deficits arising from the revaluation, to the extent that they are not supported by any previous revaluation surpluses, are recognised in profit or loss.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when the cost is incurred and it is probable that the future economic benefits associated with the asset will flow to the Group or the Corporation and the cost of the asset can be measured reliably. The carrying amount of parts that are replaced is derecognised.

Freehold land and long leasehold land are not depreciated. Depreciation on other property, plant and equipment is charged to profit or loss on a straight-line method to write off the depreciable amount of the assets over their estimated useful lives. The principal annual rates used for this purpose are:-

Short leasehold land	2%
Buildings and improvements	2% - 33.33%
Leasehold improvements	2% - 20%
Plant, machinery and equipment	2% - 33.33%

Crockery, glassware, cutlery and linen for subsidiaries involved in hotel operations are capitalised at the minimum level requirement for normal operation. Additions and replacements are written off in the year in which they are acquired.

Capital work-in-progress included in property, plant and equipment are not depreciated as these assets are not yet available for use.

The depreciation method, useful lives and residual values will be reviewed if there is a significant change since the last annual reporting date in the pattern by which the Group and the Corporation expect to consume an asset's future economic benefits. Any changes are accounted for as a change in accounting estimate.

Any gain or loss arising from the disposal of property, plant and equipment is recognised in profit or loss. The revaluation reserve included in equity is transferred directly to retained profits on retirement or disposal of the asset.

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Investment properties are properties which are owned or held under a leasehold interest to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties are initially measured at cost. Cost includes expenditure that is directly attributable to the acquisition of the investment property.

Subsequent to initial recognition, hotel and investment properties are stated at fair value if the fair value can be measured reliably without undue cost or effort. Any changes in the fair value of investment properties are recognised in profit or loss in the year in which they arise.

Any gain or loss arising from the disposal of investment properties is recognised in profit or loss.

**3.10 INTANGIBLE ASSETS**

Intangible assets are recognised when it is probable that expected future economic benefits that are attributable to the assets will flow to the Group, the cost or value of the assets can be measured reliably and the assets do not result from expenditure incurred internally on an intangible asset. Intangible assets are amortised over 5 to 10 years.

**3.11 IMPAIRMENT****(a) Impairment of Financial Assets**

All financial assets (except for financial assets measured at fair value through profit or loss) are assessed for impairment at each reporting date when there is an objective evidence of impairment.

For a financial asset measured at amortised cost, the impairment loss is the difference between the financial asset's carrying amount and the present value of estimated cash flows discounted at the financial asset's original effective rate.

For a financial asset measured at cost less impairment, the impairment loss is the difference between the financial asset's carrying amount and the best estimate of the amount that would be received for the financial asset if it were to be sold at the reporting date.

All impairment losses are recognised in profit or loss immediately.

If, in a subsequent period, the amount of an impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previous recognised impairment loss is reversed to the extent that the carrying amount of the financial asset does not exceed its amortised cost at the reversal date. The amount of impairment reversal is recognised in profit or loss.



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The carrying values of non-financial assets, other than those to which *Section 27 - Impairment of Assets* does not apply, are reviewed at the end of each reporting period for impairment when there is an indication that the assets might be impaired.

Impairment is measured by comparing the carrying values of the assets with their recoverable amounts. When the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount and an impairment loss shall be recognised. The recoverable amount of an asset is the higher of the asset's fair value less costs to sell and its value in use, which is measured by reference to discounted future cash flows using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where it is not possible to estimate the recoverable amount of an individual asset, the Group and the Corporation determine the recoverable amount of the cash-generating unit to which the asset belongs. Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units of the Group that is expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

An impairment loss is recognised in profit or loss unless the asset is carried at its revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease to the extent of a previously recognised revaluation surplus for the same asset. Any impairment loss recognised in respect of a cash-generating unit is allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit and then to reduce the carrying amounts of the other assets in the cash-generating unit on a pro rata basis.

In respect to non-financial assets other than goodwill, when there is a change in the estimates used to determine the recoverable amount, a subsequent increase in the recoverable amount of an asset is treated as a reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) if no impairment loss had been recognised. The reversal is recognised in profit or loss immediately unless the asset is carried at its revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

**3.12 LEASED ASSETS****(a) Finance Lease**

A lease is recognised as a finance lease if it transfers substantially to the Group all the risks and rewards incidental to ownership. Upon initial recognition, the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset. The corresponding liability is included in the statement of financial position as hire purchase payables.

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**3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****3.12 LEASED ASSETS (CONT'D)****(a) Finance Lease (Cont'd)**

Minimum lease payments made under finance leases are apportioned between the finance costs and the reduction of the outstanding liability. The finance costs, which represent the difference between the total leasing commitments and the fair value of the assets acquired, are recognised in the profit or loss and allocated over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each accounting period.

**(b) Operating Lease**

All leases that do not transfer substantially to the Group all the risks and rewards incidental to ownership are classified as operating leases and, the leased assets are not recognised on the statement of financial position of the Group.

Payments made under operating leases are recognised as an expense in the profit or loss on a straight-line method over the term of the lease.

**3.13 INVENTORIES**

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises the purchase price and incidentals incurred in bringing the inventories to their present location and condition.

For items of inventory that are individually significant or are segregated for individual projects, cost is measured using the specific identification method. For homogeneous items of inventory, cost is determined on either a first-in first-out basis or a weighted average cost formula. Net realisable value is determined on an item-by-item basis or on group of similar items basis.

At each reporting date, the Group and the Corporation assess whether any inventories are impaired by comparing the carrying amount of each item of inventory with its selling price less costs to complete and sell. If an item of inventory is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised in profit or loss immediately.

For the foreign incorporated subsidiary, livestock inventory is recorded in accordance with MPERS 34 "Agriculture" which requires that livestock be reported at their market value at each reporting date. Net market value is the amount which could be expected to be received from the disposal of the livestock in an active and liquid market after deducting costs expected to be incurred in realising the proceeds of such a disposal. The method takes into account the different types and weights of animals. Prices for each category are established in accordance with Directors valuation based on current sale yard reports or actual sales achieved by the foreign subsidiary. Net increments and decrements in the net market value of livestock are recognised in the statement of comprehensive income as revenue or expenses in the financial year in which they occur.



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Biological assets include cattles and livestock, breeder heifers, pasture development expenditure and plantation development expenditure. Cattles and livestock of the Group are measured at realisable value less cost to sell and changes in fair value are recognised as gains and losses in profit or loss. The fair value of the livestock is estimated using observable market price in active markets at the end of each reporting period.

Breeder heifers are measured at cost less accumulated amortisation and accumulated impairment losses. Cost of breeder heifers are based on the weighted average of the purchase price.

Pasture development expenditure incurred in the planting and maintenance of immature areas of pasture is capitalised as pasture development expenditure and amortised over 5 years. Upon maturity, all subsequent maintenance expenditure is charged to the profit or loss.

Plantation development expenditure comprise costs and other expenses incurred in the cultivation of oil palm plantation. These biological assets are measured using the cost model as the fair value cannot be measured reliably without undue cost or effort because an external professional valuation would involve significant costs that substantially exceed the benefits to users, there are no comparable market prices and significant uncertain variables would be needed to perform an internal valuation.

**3.15 LAND HELD FOR PROPERTY DEVELOPMENT**

Land held for future property development represents land on which no significant development work has been undertaken or where development activities are not expected to be completed within the normal operating cycle.

Land held for future property development is stated at cost less any accumulated impairment losses.

The cost comprises cost associated with the purchase of land, conversion fees and other relevant levies, and an appropriate proportion of common infrastructure costs.

Net realisable value represents the estimated selling price of intended properties that to be developed less the estimated costs of completion and the estimated costs necessary in selling the properties. If future development layout plan is not available, the replacement cost of the land held for future property development will be the best available measure of the net realisable value.

Land held for future property development is transferred to property development cost category when development activities have commenced and are expected to be completed within the normal operating cycle.

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**3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****3.16 CASH AND CASH EQUIVALENTS**

Cash and cash equivalents comprise cash in hand, bank balances, demand deposits, and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value with original maturity periods of three months or less. For the purpose of the statement of cash flows, cash and cash equivalents are presented net of bank overdrafts and pledged fixed deposits with licensed banks.

**3.17 PROVISIONS**

Provisions are recognised when the Group and the Corporation have a present obligation (legal or constructive) as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount can be made. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the provision is the present value of the estimated expenditure required to settle the obligation. The discount rate shall be a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as interest expense in profit or loss.

**3.18 EMPLOYEE BENEFITS****(a) Short-term Benefits**

Wages, salaries, paid annual leave and bonuses are measured on an undiscounted basis and are recognised in profit or loss in the period in which the associated services are rendered by employees of the Group and the Corporation.

**(b) Defined Contribution Plans**

The Group's and the Corporation's contributions to defined contribution plans are recognised in profit or loss in the period to which they relate. Once the contributions have been paid, the Group and the Corporation have no further liability in respect of the defined contribution plans.



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Current tax assets and liabilities are the expected amount of income tax recoverable or payable to the taxation authorities.

Current taxes are measured using tax rates and tax laws that have been enacted or substantively enacted at the end of the reporting period and are recognised in profit or loss except to extent that the tax relates to items recognised outside profit or loss (either in other comprehensive income or directly in equity).

**(b) Deferred Tax**

Deferred tax is recognised using the liability method for all temporary differences other than those that arise from goodwill or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of transaction, affects neither accounting profit nor taxable profit.

Deferred tax assets and liabilities are 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 the tax rates that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. The carrying amounts of deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that the related tax benefits will be realised.

Where investment properties are carried at their fair value, the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying value at the reporting date unless the property is depreciable and is held with the objective to consume substantially all of the economic benefits embodied in the property over time, rather than through sale.

Current and deferred tax items are recognised in correlation to the underlying transactions either in profit or loss, other comprehensive income or directly in equity. Deferred tax arising from a business combination is adjusted against goodwill or negative goodwill.

Current tax assets and liabilities or deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same taxable entity (or on different tax entities but they intend to settle current tax assets and liabilities on a net basis) and the same taxation authority.

**3.20 BORROWING COSTS**

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

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**3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****3.21 STATE GOVERNMENT EQUITY GRANT**

The State Government Equity Grant represents funds injected into the Corporation by the State Government of Sarawak to finance investments in subsidiaries which undertake commercial projects.

The State Government Equity Grant will be amortised over 5 years commencing from 2019.

**3.22 STATE GOVERNMENT CONTRIBUTION FOR EQUITY PARTICIPATION**

The State Government Contribution for equity participation represents funds injected into the Corporation by the State Government of Sarawak to finance investments in subsidiaries.

The State Government Contribution for Equity Participation is repayable only upon request by the State Government when investments in subsidiaries are disposed.

**3.23 DEVELOPMENT FUNDS**

Development funds are assistance by government in the form of a transfer of resources to an entity in return for past or future compliance with certain conditions relating to the operating activities of the entity.

Development funds received before the revenue recognition criteria are satisfied are recognised as liabilities in the statement of financial position. The development funds are measured at transacted price of proceeds.

**3.24 DEFERRED INCOME**

Deferred income comprises government grants, rental income and membership fees.

Deferred income are recognised initially at their fair value in the statement of financial position as deferred income where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Grants that compensate the Group and the Corporation for expenses incurred are recognised as income over the periods necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Grants that compensate the Group and the Corporation for the cost of an asset are recognised as income on a systematic basis over the useful life of the asset.

Rental income and membership fees received in advance are recognised as revenue on a straight-line basis throughout the lease term and membership period.

**3.25 CONTINGENT LIABILITIES**

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence of one or more uncertain future events not wholly within the control of the Group and the Corporation. It can also be a present obligation arising from past events that is not recognised because it is not probable that an outflow of economic resources will be required or the amount of obligation cannot be measured reliably.



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**3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****3.25 CONTINGENT LIABILITIES (CONT'D)**

A contingent liability is not recognised but is disclosed in the notes to the financial statements, unless the probability of outflow of economic benefits is remote. When a change in the probability of an outflow occurs so that the outflow is probable, it will then be recognised as a provision.

**3.26 REVENUE AND OTHER INCOME**

Revenue is measured at the fair value of the consideration received or receivable, net of returns, goods and services tax, cash and trade discounts.

**(a) Sales of Goods**

Revenue from sale of goods is recognised when significant risks and rewards of ownership of the goods have been transferred to the buyer and where the Group and the Corporation do not have continuing managerial involvement and effective control over the goods sold.

**(b) Services**

Revenue is recognised upon the rendering of services and when the outcome of the transaction can be estimated reliably by reference to the stage of completion at the end of the reporting period. When the outcome of the transaction cannot be estimated reliably, revenue is recognised to the extent of the expenses incurred that are recoverable.

**(c) Interest Income**

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

**(d) Dividend Income**

Dividend income from investment is recognised when the right to receive dividend payment is established.

**(e) Rental Income**

Rental income is accounted for on a straight-line method over the lease term.

**(f) Government Grants**

Government grants are recognised as income at their fair value when the proceeds are receivable and all attached conditions are met.

Grant received when the Group and the Corporation have yet to comply with all attached conditions are recognised as a deferred income and recognised as income when all performance conditions are met.

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**4. PROPERTY, PLANT AND EQUIPMENT**

	At 1.1.2020 RM'000	Additions RM'000	Disposals RM'000	Disposal of A Subsidiary (Note 8(c))		Write off RM'000	Exchange Differences RM'000	Depreciation Charged to Development Grant (Note 21) RM'000	Depreciation Charges RM'000	Impairment Losses RM'000	At 31.12.2020 RM'000
				RM'000	RM'000						
<b>The Group</b>											
<i>Carrying Amount</i>											
Freehold land	124,120	351,171	-	-	-	-	9,665	-	-	-	484,956
Long leasehold land	14,281	-	-	(3,283)	-	-	-	-	(151)	-	10,847
Short leasehold land	14,932	-	-	-	-	-	-	-	(527)	-	14,405
Buildings and improvements	239,845	1,380	(44)	-	(41)	493	493	(6,197)	(5,456)	(309)	229,671
Plant, machinery and equipment	41,821	11,002	(3,203)	(620)	(24)	141	141	-	(7,002)	-	42,115
Leasehold improvements	15,381	1,356	-	-	-	-	478	-	(809)	-	16,406
Capital and construction work- in-progress	13,904	6,074	(1,398)	-	(6)	-	-	-	-	-	18,574
	<b>464,284</b>	<b>370,983</b>	<b>(4,645)</b>	<b>(3,903)</b>	<b>(71)</b>	<b>10,777</b>	<b>(6,197)</b>	<b>(13,945)</b>	<b>(309)</b>		<b>816,974</b>

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

The Group	At 1.1.2019 RM'000	Additions RM'000	Disposals RM'000	Write off RM'000	Reclassi- fication RM'000	Transfer RM'000	Exchange Differences RM'000	Depreciation Charged to Development Grant (Note 21) RM'000	Depreciation Charges RM'000	At 31.12.2019 RM'000
<i>Carrying Amount (Restated)</i>										
Freehold land	68,695	56,755	-	-	-	-	(1,330)	-	-	124,120
Long leasehold land	17,330	1,222	-	-	-	(3,917)	-	-	(354)	14,281
Short leasehold land	15,322	-	-	-	-	136	-	-	(526)	14,932
Buildings and improvements	216,548	33,766	(30)	-	-	(1,599)	(71)	(4,821)	(3,948)	239,845
Plant, machinery and equipment	42,325	5,713	(4,470)	(272)	-	5,760	(33)	-	(7,202)	41,821
Leasehold improvements	14,702	1,816	(91)	-	-	(430)	(183)	-	(433)	15,381
Capital and construction work-in progress	20,518	26,983	(7,400)	-	(25,284)	(913)	-	-	-	13,904
	395,440	126,255	(11,991)	(272)	(25,284)	(963)	(1,617)	(4,821)	(12,463)	464,284

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**NOTES TO THE FINANCIAL STATEMENTS  
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	At		Depreciation	Depreciation	At	
	1.1.2020	Additions	Charged to Development Grant (Note 21)		Charges	31.12.2020
<b>The Corporation</b>	RM'000	RM'000	RM'000	RM'000	RM'000	
<i>Carrying Amount</i>						
Freehold land	117	351,069	-	-	351,186	
Long leasehold land	3,672	-	-	-	3,672	
Short leasehold land	20,999	-	-	(526)	20,473	
Buildings and improvements	207,447	845	(6,197)	(3,157)	198,938	
Plant, machinery and equipment	4,123	191	-	(1,305)	3,009	
Capital and construction work-in progress	10	1,214	-	-	1,224	
	236,368	353,319	(6,197)	(4,988)	578,502	

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	At 1.1.2019 RM'000	Additions RM'000	Disposals RM'000	Reclassi- fication RM'000	Depreciation Charged to Development Grant (Note 21) RM'000	Depreciation Charges RM'000	At 31.12.2019 RM'000
<b>The Corporation</b>							
<i>Carrying Amount</i>							
Freehold land	117	-	-	-	-	-	117
Long leasehold land	3,676	-	(4)	-	-	-	3,672
Short leasehold land	21,525	-	-	-	-	(526)	20,999
Buildings and improvements	185,265	4,459	-	24,766	(4,821)	(2,222)	207,447
Plant, machinery and equipment	4,817	711	(124)	-	-	(1,281)	4,123
Capital and construction work-in progress	9,380	15,396	-	(24,766)	-	-	10
	224,780	20,566	(128)	-	(4,821)	(4,029)	236,368

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<b>The Group</b>	At Cost RM'000	At Valuation RM'000	Accumulated Depreciation RM'000	Accumulated Impairment RM'000	Carrying Amount RM'000
31.12.2020					
Freehold land	409,640	75,316	-	-	484,956
Long leasehold land	11,237	1,154	(1,544)	-	10,847
Short leasehold land	21,459	-	(7,054)	-	14,405
Buildings and improvements	334,745	-	(100,845)	(4,229)	229,671
Plant, machinery and equipment	198,666	-	(156,205)	(346)	42,115
Lease improvements	39,105	-	(22,699)	-	16,406
Capital and construction work-in progress	18,851	-	(194)	(83)	18,574
Pasture development costs	2,412	-	(499)	(1,913)	-
	<b>1,036,115</b>	<b>76,470</b>	<b>(289,040)</b>	<b>(6,571)</b>	<b>816,974</b>

<b>The Group</b>	At Cost RM'000	At Valuation RM'000	Accumulated Depreciation RM'000	Accumulated Impairment RM'000	Carrying Amount RM'000
31.12.2019 (Restated)					
Freehold land	58,469	65,651	-	-	124,120
Long leasehold land	16,184	1,154	(3,057)	-	14,281
Short leasehold land	21,459	-	(6,527)	-	14,932
Buildings and improvements	333,107	-	(89,342)	(3,920)	239,845
Plant, machinery and equipment	203,284	-	(161,117)	(346)	41,821
Lease improvements	36,887	-	(21,506)	-	15,381
Capital and construction work-in progress	15,768	-	(1,781)	(83)	13,904
Pasture development costs	2,412	-	(499)	(1,913)	-
	<b>687,570</b>	<b>66,805</b>	<b>(283,829)</b>	<b>(6,262)</b>	<b>464,284</b>



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	At Cost RM'000	At Valuation RM'000	Accumulated Depreciation RM'000	Accumulated Impairment RM'000	Carrying Amount RM'000
<b>The Corporation</b>					
31.12.2020					
Freehold land	351,187	-	-	-	351,187
Long leasehold land	2,559	1,154	(41)	-	3,672
Short leasehold land	27,397	-	(6,925)	-	20,472
Buildings and improvements	257,874	-	(58,760)	(174)	198,940
Plant, machinery and equipment	17,314	-	(14,307)	-	3,007
Capital and construction work-in progress	1,224	-	-	-	1,224
	657,555	1,154	(80,033)	(174)	578,502

	At Cost RM'000	At Valuation RM'000	Accumulated Depreciation RM'000	Accumulated Impairment RM'000	Carrying Amount RM'000
<b>The Corporation</b>					
31.12.2019					
Freehold land	117	-	-	-	117
Long leasehold land	2,559	1,154	(41)	-	3,672
Short leasehold land	27,398	-	(6,399)	-	20,999
Buildings and improvements	257,024	-	(49,403)	(174)	207,447
Plant, machinery and equipment	17,127	-	(13,004)	-	4,123
Capital and construction work-in progress	10	-	-	-	10
	304,235	1,154	(68,847)	(174)	236,368

- (a) The Group's property, plant and equipment include motor vehicles, plant and machinery and equipment with carrying amount of Nil (2019 - RM63,775) which were acquired under hire purchase terms.
- (b) The land titles for landed properties of the Corporation and certain subsidiaries of the Group have yet to be issued by the relevant authorities.

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- (c) Included in property, plant and equipment of the Group are the following assets which have been charged to licensed banks as securities for banking facilities granted to the Group as disclosed in Note 20.

	<b>The Group</b>	
	2020	2019
	RM'000	RM'000
Freehold lands	56,606	56,606
Buildings	2,838	2,838
	59,444	59,444

**5. INVESTMENT PROPERTIES**

	<b>The Group</b>	
	2020	2019
	RM'000	RM'000
<b>At Fair Value</b>		
<i>Carrying Amount</i>		
At 1 January	457,065	456,602
Additions	2,534	-
Changes in fair value recognised in profit or loss	-	522
Transferred to property, plant and equipment	-	(59)
Transferred from investment properties carried at cost less accumulated depreciation	81,241	-
At 31 December	540,840	457,065
<b>At Cost</b>		
<i>Carrying Amount</i>		
At 1 January	135,541	136,435
Additions	8	1,412
Transferred to investment properties carried at fair value	(81,241)	-
Depreciation charges	(1,779)	(2,306)
Impairment losses	(2,165)	-
At 31 December	50,364	135,541
Total carrying amount of hotel and investment properties	591,204	592,606



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	<b>The Group</b>	
	2020	2019
	RM'000	RM'000
Represented by:-		
Building, at fair value	468,411	469,138
Building, at cost	51,057	53,131
Infrastructure, at fair value	19,831	18,432
Leasehold land, at fair value	51,905	51,905
	591,204	592,606

The fair value of hotel and investment properties is measured by independent professional valuers, by reference to comparable market prices of similar property of recent transactions in the property market.

**6. BIOLOGICAL ASSETS**

	<b>The Group</b>	
	2020	2019
	RM'000	RM'000
Cattles and other livestock, at fair value	29,009	28,856
Breeder heifers, at cost	166	127
Pasture development expenditure*	88	120
Oil palm plantation**	-	267
	29,263	29,370

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020****6. BIOLOGICAL ASSETS (CONT'D)**

\*Pasture development expenditure:

	<b>The Group</b>	
	2020	2019
	RM'000	RM'000
<b><u>Cost</u></b>		
At 1 January and 31 December	2,568	2,568
<b><u>Accumulated Depreciation</u></b>		
At 1 January	(535)	(504)
Charge for the financial year	(32)	(31)
At 31 December	(567)	(535)
<b><u>Accumulated Impairment Loss</u></b>		
At 1 January and 31 December	(1,913)	(1,913)
	88	120

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**NOTES TO THE FINANCIAL STATEMENTS  
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\*\*Oil palm plantation:

	<b>The Group</b>	
	2020	2019
	RM'000	RM'000
<b><u>Cost</u></b>		
At 1 January and 31 December	7,725	7,725
<b><u>Accumulated Depreciation</u></b>		
At 1 January and 31 December	(3,304)	(3,304)
<b><u>Accumulated Impairment Loss</u></b>		
At 1 January	(4,154)	(4,154)
Charge for the financial year	(267)	-
At 31 December	(4,421)	(4,154)
	-	267

**7. INTANGIBLE ASSETS**

	At 1.1.2020	Additions RM'000	Amortisation RM'000	Impairment Loss RM'000	Exchange Differences RM'000	At 31.12.2020 RM'000
<b>The Group</b>	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<i>Carrying Amount</i>						
Computer software	408	37	(30)	-	-	415
Corporate membership	66	26	(16)	(9)	6	73
Goodwill	-	9	-	(9)	-	-
	474	72	(46)	(18)	6	488

	At 1.1.2019	Additions RM'000	Amortisation RM'000	At 31.12.2019 RM'000
<b>The Group</b>	RM'000	RM'000	RM'000	RM'000
<i>Carrying Amount</i>				
Computer software	437	-	(29)	408
Corporate membership	-	75	(9)	66
	437	75	(38)	474

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<b>The Group</b>	At Cost RM'000	Accumulated Amortisation RM'000	Accumulated Impairment RM'000	Carrying Amount RM'000
31.12.2020				
Computer software	531	(116)	-	415
Corporate membership	126	(26)	(27)	73
Goodwill	9	-	(9)	-
	<u>666</u>	<u>(142)</u>	<u>(36)</u>	<u>488</u>

<b>The Group</b>	At Cost RM'000	Accumulated Amortisation RM'000	Accumulated Impairment RM'000	Carrying Amount RM'000
31.12.2019				
Computer software	494	(86)	-	408
Corporate membership	94	(10)	(18)	66
	<u>588</u>	<u>(96)</u>	<u>(18)</u>	<u>474</u>

**8. INVESTMENT IN SUBSIDIARIES**

	<b>The Corporation</b>	
	2020 RM'000	2019 RM'000
Unquoted shares, at cost	555,268	532,330
Less: Accumulated impairment losses	(97,904)	(97,904)
	<u>457,364</u>	<u>434,426</u>



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The details of the subsidiaries are as follows:-

Name of Subsidiaries	Country of Incorporation	Percentage of Effective Interest Held		Principal Activities
		2020 %	2019 %	
Bukit Saban Resort Sdn. Bhd.*	Malaysia	100	100	Owner of a holiday resort
Damai Beach Golf Course Bhd.	Malaysia	100	100	Investment holding
Damai Holdings Sdn. Bhd. *	Malaysia	100	100	Inactive
Damai Cove Resorts Sdn. Bhd.	Malaysia	100	100	Extraction and sale of timber, investment and property holding
Eastern Empress Silk Sdn. Bhd.*	Malaysia	100	100	Inactive
Hemisphere Corporation Sdn. Bhd. (formerly known as Sara Hospitality Sdn. Bhd.)	Malaysia	100	100	Hotel management
Kuching Hotels Sdn. Bhd.	Malaysia	89	89	Owner and operator of hotel and shopping complex
Permaisara Sdn. Bhd.	Malaysia	100	100	Investment holding
Permata Carpark Sdn. Bhd.	Malaysia	100	100	Letting of commercial car park complex
PPES Aqua (Santubong) Sdn. Bhd.	Malaysia	100	100	Aquaculture and investment holding
PPES Consults Sdn. Bhd. (formerly known as Sarapine Sdn. Bhd.)	Malaysia	100	100	Inactive
PPES Ternak Holdings Sdn. Bhd.	Malaysia	100	100	Investment holding

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The details of the subsidiaries are as follows (Cont'd):-

Name of Subsidiaries	Country of Incorporation	Percentage of Effective Interest Held		Principal Activities
		2020 %	2019 %	
Sara Concrete Poles Sdn. Bhd.	Malaysia	100	100	Inactive
Sara Great Horizon Sdn. Bhd.	Malaysia	100	100	Letting of a recreational and camping facilities at Camp Permai
Sara-HL Plantation Sdn. Bhd.*	Malaysia	100	100	Inactive
Sara Rasa Sdn. Bhd.*	Malaysia	85	85	Letting of property
Sara Resorts Sdn. Bhd.	Malaysia	100	100	Owner and operator of hotel and cultural centre, and extraction and sale of timber
Sara Resorts Management Sdn. Bhd.	Malaysia	100	100	Management and service provider for trainings and events
Sara Spectrum Holdings Sdn. Bhd.*	Malaysia	100	100	Investment holding
Sara Tourism & Leisure Sdn. Bhd.	Malaysia	100	100	Extraction and sale of timber
Sara Urusharta Sdn. Bhd.	Malaysia	100	100	Property management
Sara Worldwide Vacations Bhd.*	Malaysia	100	100	Management of timeshare membership schemes
Sarawak Cultural Village Sdn. Bhd.	Malaysia	100	100	Management and operation of a cultural park and centre
Sarawak Metro Sdn. Bhd.	Malaysia	100	100	Developing public transportation



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The details of the subsidiaries are as follows (Cont'd):-

Name of Subsidiaries	Country of Incorporation	Percentage of Effective Interest Held		Principal Activities
		2020 %	2019 %	
SEDC Castwell Sdn. Bhd. (formerly known as Sarawak Glass Products Sdn. Bhd.)	Malaysia	100	-	Inactive
SEDC Energy Sdn. Bhd.*	Malaysia	100	100	Undertake oil and gas downstream activities, marketing and trading of petroleum products and development of petrol, electric vehicle charger and hydrogen refueling stations
SEDC Petchem Hub Sdn. Bhd. (formerly known as Sarawak Alumina Sdn. Bhd.)	Malaysia	100	-	Inactive
Sejadu Sdn. Bhd.	Malaysia	100	100	Owner and operator of hotel and shopping complex
Sedidik Sdn. Bhd.**	Malaysia	-	100	Early child development
Tanjung Datu Beach Resort Sdn. Bhd. *	Malaysia	100	100	Inactive
<b>Held through subsidiaries:</b>				
<u>Subsidiaries of Damai Beach Golf Course Bhd.</u>				
Damai Golf and Country Club Bhd.	Malaysia	90	90	Management of golf club

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The details of the subsidiaries are as follows (Cont'd):-

Name of Subsidiaries	Country of Incorporation	Percentage of Effective Interest Held		Principal Activities
		2020 %	2019 %	
<b>Held through subsidiaries:</b>				
<u>Subsidiaries of PPES Ternak Holdings Sdn. Bhd.</u>				
PPES Ternak Sdn. Bhd.	Malaysia	100	100	Rearing and marketing of livestock
Rosewood Station Pty Ltd.	Australia	100	100	Cattle farming
Rosewood Livestock Exports Pty Ltd.	Australia	100	-	Inactive
<u>Subsidiaries of Sara Spectrum Holdings Sdn. Bhd.</u>				
Hakanda Sdn. Bhd.	Malaysia	100	100	No trading
Sarawak Coconut Enterprise Sdn. Bhd.*	Malaysia	100	100	Inactive
<u>Subsidiaries of Sara Worldwide Vacations Bhd.</u>				
Asia Vacations Club Sdn. Bhd.*	Malaysia	90	90	Inactive

\* *The auditors' report on the financial statements of these subsidiaries include "Material Uncertainty Related to Going Concern" regarding the abilities of these subsidiaries to continue as going concern in view of their capital deficiencies position as at the end of current reporting period. The financial statements of these subsidiaries were prepared on going concern basis as the Corporation has undertaken to provide continued financial support to these subsidiaries.*

\*\* *The subsidiary has been disposed off during the financial year.*

*All of the subsidiaries are not audited by the Auditor General of Malaysia.*

- (a) During the current financial year, the Corporation has increased its investment in Sarawak Cultural Village Sdn. Bhd. by way of capitalisation of amount owing by the subsidiary of RM7,699,998.

The Corporation has also subscribed for additional issuance of share capital in PPES Ternak Holdings Sdn. Bhd., Permaisara Sdn. Bhd. and Sarawak Metro Sdn. Bhd. by way of cash of RM15,537,500.



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- (b) During the current financial year, the Corporation acquired 100% equity interests in SEDC Petchem Hub Sdn. Bhd. and SEDC Castwell Sdn. Bhd. for a purchase price of RM100,000 each.

The following summarises the major classes of consideration transferred, and the recognised amounts of assets acquired and liabilities assumed at the date of acquisition:-

	<b>The Group</b> 2020 RM'000
Amount owing by holding company	193
Other payables and accruals	(2)
Net identifiable assets acquired	<u>191</u>
Add: Goodwill on acquisition	9
Total purchase consideration	<u>200</u>
Less: cash and bank balances of subsidiaries acquired	-
Net cash outflow from the acquisition of subsidiaries	<u>200</u>
	<b>The Corporation</b> 2020 RM'000
Total purchase consideration	200
Add: Transaction costs	-
Net cash outflow from the acquisition of subsidiaries	<u>200</u>

There were no acquisitions of new subsidiaries in the last financial year.

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- (c) On 30 September 2020, the Corporation disposed of its entire equity interest in Sedidik Sdn. Bhd. for a cash consideration of RM500,000. The cash flows arising from the disposal are summarised below:

	<b>The Group</b>
	2020
	RM'000
Property, plant and equipment	3,903
Inventories	44
Other receivables, deposit and prepayments	183
Cash and bank balances	594
Current tax asset	45
Trade payables	(111)
Other payables and accruals	(798)
	<hr/>
Carrying amount of net assets disposed of	3,860
Loss on disposal of a subsidiary	(3,360)
	<hr/>
Consideration received	500
Less: cash and bank balances of subsidiary disposed of	(594)
	<hr/>
Net cash outflow from the disposal of a subsidiary	<u>(94)</u>

**9. INVESTMENT IN ASSOCIATES**

	<b>The Group</b>		<b>The Corporation</b>	
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Unquoted shares, at cost	41,491	48,888	43,162	47,485
Share of post acquisition profits	34,973	304,339	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	76,464	353,227	43,162	47,485
Less: Accumulated impairment losses	(1,256)	(1,047)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	75,208	352,180	43,162	47,485



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The details of the associates are as follows:-

Name of Associates	Country of Incorporation	Percentage of Effective Interest Held		Principal Activities
		2020 %	2019 %	
CMS Infra Trading Sdn. Bhd.	Malaysia	49	49	General trading and construction of telecommunication towers, products and services
CMS Land Sdn. Bhd.	Malaysia	49	49	Property holding, property development and construction
CMS Property Management Sdn. Bhd.	Malaysia	49	49	Management and marketing of realty and property projects
SEDC Resources Sdn. Bhd. (formerly known as CMS Resources Sdn. Bhd.)***	Malaysia	-	49	Investment and property holding
Comerich Sdn. Bhd.	Malaysia	20	20	Supplier of chicken and beef
Fieldmart Care Sdn. Bhd.	Malaysia	40	40	Investment holding
Good Harvest Plantation Sdn. Bhd.*	Malaysia	30	30	Cultivation of coconut and oil palm
IMSA Sebor (Sarawak) Holdings Sdn. Bhd.**	Malaysia	33	33	Investment holding
PPES Works (Sarawak) Sdn. Bhd.***	Malaysia	-	49	Civil engineering contractor and road maintenance
Sarawak Petchem Sdn. Bhd.	Malaysia	30	-	Investment in petrochemical
SOP Karabungan Sdn. Bhd.	Malaysia	30	30	Oil palm plantation
SPB PPES Karabungan Plantation Sdn. Bhd.	Malaysia	30	30	Cultivation of oil palm and oil palm

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The details of the associates are as follows (Cont'd):-

Name of Associates	Country of Incorporation	Percentage of Effective Interest Held		Principal Activities
		2020 %	2019 %	
Syarikat Sebangun Sdn. Bhd.	Malaysia	21	21	Extraction and processing of silica sand
<b>Associates of Sara Spectrum Holdings Sdn. Bhd.</b>				
Carbon Supplies (Sarawak) Sdn. Bhd.	Malaysia	40	40	No trading
Kemudi Saling Sdn. Bhd.	Malaysia	30	30	Oil palm plantation
<b>Associates of Eastern Empress Silk Sdn. Bhd.</b>				
Hope Aspire Sdn. Bhd.	Malaysia	30	30	Agarwood plantation, fisheries and agro tourism related activities

\* The auditors' report on the financial statements of this associate include "Material Uncertainty Related to Going Concern" regarding the abilities of the associate to continue as going concern in view of its capital deficiencies position as at the end of current reporting period. The financial statements of the associate were prepared on going concern basis as the holding company has undertaken to provide continued financial support to the associate.

\*\* The associate is in the process of liquidation during the financial year.

\*\*\* These associates have been transferred to investment in jointly controlled entities during the financial year.



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	<b>The Group</b> 2020 RM'000	<b>The Corporation</b> 2020 RM'000
Unquoted shares, at cost	22,724	22,724
Share of post acquisition profits:		
- previously held through investments in associates	183,306	-
- share of profits in current year	1,773	-
	<u>207,803</u>	<u>22,724</u>

The details of the jointly controlled entities are as follows:-

Name of Jointly Controlled Entities	Country of Incorporation	Percentage of Effective Interest Held		Principal Activities
		2020 %	2019 %	
SEDC Resources Sdn. Bhd. (formerly known as CMS Resources Sdn. Bhd.)	Malaysia	51	-	Investment and property holding
PPES Works (Sarawak) Sdn. Bhd.	Malaysia	51	-	Civil engineering contractor and road maintenance
<b>Subsidiaries held through SEDC Resources Sdn. Bhd.</b>				
SEDC Quarries Sdn. Bhd. (formerly known as CMS Quarries Sdn. Bhd.)	Malaysia	51	51	Quarry operations, marketing of aggregates and road construction
CMS Penkuari Sdn. Bhd.	Malaysia	31	31	Inactive
SEDC Premix (Betong) Sdn. Bhd. (formerly known as Betong Premix Sdn. Bhd.)	Malaysia	41	41	Production and sale of premix and road construction
SEDC Premix Sdn. Bhd. (formerly known as CMS Premix Sdn. Bhd.)	Malaysia	31	31	Production and sale of premix and road construction

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The details of the jointly controlled entities are as follows (Cont'd):-

Name of Jointly Controlled Entities	Country of Incorporation	Percentage of Effective Interest Held		Principal Activities
		2020 %	2019 %	
<b>Subsidiaries held through SEDC Resources Sdn. Bhd. (Cont'd)</b>				
SEDC Premix (Miri) Sdn. Bhd. (formerly known as CMS Premix (Miri) Sdn. Bhd.)	Malaysia	31	31	Production and sale of premix and road construction
Borneo Granite Sdn. Bhd.	Malaysia	29	29	Quarry operations
SEDC Concrete Product Sdn. Bhd. (formerly known as PPES Concrete Product Sdn. Bhd.)	Malaysia	51	51	Manufacture and sale of concrete products
<b>Subsidiaries held through PPES Works (Sarawak) Sdn. Bhd.</b>				
PPESW BPSB JV Sdn. Bhd.	Malaysia	36	36	Developing and upgrading the Pan Borneo Highway from Sg. Awik Bridge to Bintangor Junction
PPES Works CCCC JV Sdn. Bhd.	Malaysia	36	36	Construction and completion of Bintulu-Jepak Bridge crossing Kuala Kemena, Bintulu

During the current financial year, the Corporation acquired an addition of 2% equity interests in SEDC Resources Sdn. Bhd. and PPES Works (Sarawak) Sdn. Bhd. Following the acquisition, SEDC Resources Sdn. Bhd. and PPES Works (Sarawak) Sdn. Bhd. became the jointly controlled entities of the Group and the Corporation. The Corporation has a contractual arrangement with another party that has joint control over the economic activities of the jointly controlled entities.



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	<b>The Group</b>		<b>The Corporation</b>	
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Quoted shares, at fair value	172,077	151,169	166,234	151,034
Quoted unit trust, at fair value	14,254	18,745	3,018	2,728
Unquoted shares, at cost	7,706	19,706	7,706	19,706
Others, at cost	556	738	-	-
	<b>194,593</b>	<b>190,358</b>	<b>176,958</b>	<b>173,468</b>

- (a) The fair value of quoted shares is determined by reference to their quoted closing bid price at the end of the reporting period.
- (b) Investments in unquoted shares are stated at cost less accumulated impairment losses as their fair values cannot be reliably measured without undue cost or effort.
- (c) The other investments represent amounts invested through the equity barter agreement between a subsidiary, Hemisphere Corporation Sdn. Bhd. (Formerly known as Sara Hospitality Sdn. Bhd) and Margate House Film LLC (MHF) for the producing of film title "Edge of the World" (Formerly referred as "Rajah"). The cost of investment is rated at an additional 20% mark up from the normal published rate of hotel accommodations. Impairment on film financing cost is based on 5 years of film production with salvage value of RM10,000.

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**NOTES TO THE FINANCIAL STATEMENTS  
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	<b>The Group</b>	
	2020	2019
	RM'000	RM'000
At 1 January	(11,401)	(11,026)
Recognised in profit or loss	(1,438)	(598)
Exchange differences	(615)	223
At 31 December	<u>(13,454)</u>	<u>(11,401)</u>
Presented after appropriate offsetting as follows:		
Deferred tax assets	844	886
Deferred tax liabilities	(14,298)	(12,287)
	<u>(13,454)</u>	<u>(11,401)</u>

The components and movements of deferred tax liabilities and assets during the financial year prior to offsetting are as follows:-

	At 1.1.2020	Translation differences	Recognised in profit or loss	At 31.12.2020
	RM'000	RM'000	RM'000	RM'000
<b>The Group</b>				
<b>2020</b>				
<i>Deferred Tax Liabilities</i>				
Property, plant and equipment	(1,205)	(72)	(600)	(1,877)
Inventories	(10,022)	(782)	(891)	(11,695)
Others	(1,060)	231	103	(726)
	<u>(12,287)</u>	<u>(623)</u>	<u>(1,388)</u>	<u>(14,298)</u>
<i>Deferred Tax Assets</i>				
Provisions	790	8	(38)	760
Unabsorbed capital allowances and unused tax losses	96	-	(12)	84
	<u>886</u>	<u>8</u>	<u>(50)</u>	<u>844</u>
	<u>(11,401)</u>	<u>(615)</u>	<u>(1,438)</u>	<u>(13,454)</u>



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The components and movements of deferred tax liabilities and assets during the financial year prior to offsetting are as follows:-

	At 1.1.2019 RM'000	Translation differences RM'000	Recognised in profit or loss RM'000	At 31.12.2019 RM'000
<b>The Group</b>				
<b>2019</b>				
<i>Deferred Tax Liabilities</i>				
Property, plant and equipment	(1,205)	-	-	(1,205)
Inventories	(9,580)	225	(667)	(10,022)
Others	(1,060)	-	-	(1,060)
	(11,845)	225	(667)	(12,287)
<i>Deferred Tax Assets</i>				
Provisions	556	(2)	236	790
Unabsorbed capital allowances and unused tax losses	263	-	(167)	96
	819	(2)	69	886
	(11,026)	223	(598)	(11,401)

At the end of the reporting period, the amounts of deferred tax assets not recognised (stated at gross) in respect of the following items:-

	<b>The Group</b>		<b>The Corporation</b>	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Unused tax losses	159,622	149,807	41,487	37,028
Unabsorbed capital allowances	269,429	272,631	25,068	21,131
Other deductible temporary differences	185,331	188,545	-	-
	614,382	610,983	66,555	58,159

The unutilised tax losses and unabsorbed capital allowances are available for offsetting against future taxable profit of the respective subsidiaries in which the losses arose. No deferred tax assets are recognised in respect of these items as it is not probable that taxable profits of the subsidiaries will be available against which the deductible temporary differences can be utilised. The unused tax losses are allowed to be utilised for 7 consecutive years of assessment while unabsorbed capital allowances are allowed to be carried forward indefinitely.

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	<b>The Group</b>		<b>The Corporation</b>	
	2020 RM'000	2019 RM'000 (Restated)	2020 RM'000	2019 RM'000
Properties held for sales	6,116	6,191	6,116	6,191
Trading stocks	313	228	-	-
Livestock	19,374	14,024	-	-
Souvenir stocks	215	236	-	-
Materials and consumables	1,373	1,471	50	30
	<u>27,391</u>	<u>22,150</u>	<u>6,166</u>	<u>6,221</u>
Less: Provision for stock obsolescence	(258)	(258)	-	-
	<u>27,133</u>	<u>21,892</u>	<u>6,166</u>	<u>6,221</u>

Except for livestock, all other inventories are stated at cost. The valuation for livestock is as follows:

	<b>The Group</b>	
	2020 RM'000	2019 RM'000
<b>Livestock</b>		
At fair value	19,358	13,907
At cost	16	117
	<u>19,374</u>	<u>14,024</u>

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	<b>The Group</b>		<b>The Corporation</b>	
	2020 RM'000	2019 RM'000 (Restated)	2020 RM'000	2019 RM'000
Trade receivables	39,035	35,826	25,236	19,847
Allowance for impairment losses	(10,790)	(9,856)	(8,272)	(8,197)
	<b>28,245</b>	<b>25,970</b>	<b>16,964</b>	<b>11,650</b>
Other receivables and prepayments	25,899	59,347	12,364	48,637
Advances to subsidiaries	-	-	186,737	193,683
Advances to associates	504,580	-	500,451	435
Allowance for impairment losses	(10,213)	(7,245)	(83,516)	(86,522)
	<b>520,266</b>	<b>52,102</b>	<b>616,036</b>	<b>156,233</b>
<b>Total</b>	<b>548,511</b>	<b>78,072</b>	<b>633,000</b>	<b>167,883</b>

The amounts due from subsidiaries and associates are unsecured, interest free and are repayable on demand except for certain advances to subsidiaries and associates which bear interest rates ranging from 4% to 5% (2019 – 4% to 5%) per annum.

**15. FIXED DEPOSITS WITH FINANCIAL INSTITUTIONS**

The fixed deposits with financial institutions at the end of reporting period bore effective interest rates of 1.40% to 3.70% (2019 – 3.00% to 3.90%) per annum with a maturity period of 6 to 12 months (2019 – 6 to 12 months). Fixed deposits with financial institutions are not considered as cash and cash equivalents if they are more than 3 months or pledged to the financial institutions.

**16. CASH AND CASH EQUIVALENTS**

	<b>The Group</b>		<b>The Corporation</b>	
	2020 RM'000	2019 RM'000 (Restated)	2020 RM'000	2019 RM'000
Cash and bank balances	134,835	78,393	68,077	21,144
Fixed deposits with licensed banks	279,953	158,978	247,530	143,633
<b>Cash and cash equivalents</b>	<b>414,788</b>	<b>237,371</b>	<b>315,607</b>	<b>164,777</b>

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- (a) Included in the Group's fixed deposits was RM500,000 (2019 – RM500,000) placed on lien to licensed banks for bank guarantee facilities granted to certain subsidiaries of the Group.
- (b) The fixed deposits with financial institution of the Group and the Corporation at the end of the reporting period bore effective interest rates of 1.40% to 3.7% (2019 – 3.00% to 3.90%) per annum and 1.7% to 2.35% (2019 – 3.15% to 3.85%) per annum respectively with a maturity period of 3 months (2019 – 3 months).

**17. RESERVES**

	<b>The Group</b>		<b>The Corporation</b>	
	2020 RM'000	2019 RM'000 (Restated)	2020 RM'000	2019 RM'000
Capital reserve	353	353	-	-
Revaluation reserve	68,977	63,985	-	-
Translation reserve	2,852	(1,999)	-	-
Revenue reserve	1,257,494	1,235,492	848,879	732,184
	<u>1,329,676</u>	<u>1,297,831</u>	<u>848,879</u>	<u>732,184</u>

- (a) Revaluation reserve arose from the revaluation of a foreign subsidiary's perpetual leasehold land.

	<b>The Group</b>	
	2020 RM'000	2019 RM'000
As at 1 January	63,985	65,253
Exchange differences	4,992	(1,268)
As at 31 December	<u>68,977</u>	<u>63,985</u>

- (b) Translation reserve represents foreign exchange differences arising from the translation of foreign operations.



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	<b>The Group/The Corporation</b>	
	2020	2019
	RM'000	RM'000
<b>(a) State government equity grant</b>		
Sejadu Sdn. Bhd.	6,600	8,800
Sara Resorts Sdn. Bhd.	6,510	8,680
Damai Cove Resorts Sdn. Bhd.	4,885	6,513
PPES Aqua (Santubong) Sdn. Bhd.	600	800
	18,595	24,793
At 1 January	24,793	75,208
Amortisation of grants	(6,198)	(50,415)
At 31 December	18,595	24,793
<b>(b) State government contribution for equity participation</b>		
Sejadu Sdn. Bhd.	144,189	144,189
Sara Resorts Sdn. Bhd.	57,400	57,400
Kuching Hotels Sdn. Bhd.	24,088	24,088
Damai Cove Resorts Sdn. Bhd.	37,000	37,000
Borsamulu Resort Sdn. Bhd.	2,000	2,000
	264,677	264,677

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	<b>The Group</b>		<b>The Corporation</b>	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Bumiputra Participation Fund	87,121	74,141	87,121	74,141
Aquaculture Development Fund	4,851	9,611	4,851	9,611
Others	33,464	18,048	33,464	18,048
	<b>125,436</b>	<b>101,800</b>	<b>125,436</b>	<b>101,800</b>
At 1 January	101,800	116,172	101,800	101,120
Received during the year	132,915	108,103	132,915	108,103
Disbursed/utilised during the year	(109,279)	(122,475)	(109,279)	(107,423)
At 31 December	<b>125,436</b>	<b>101,800</b>	<b>125,436</b>	<b>101,800</b>

**20. GOVERNMENT TERM LOANS AND OTHER BORROWINGS**

	<b>The Group</b>		<b>The Corporation</b>	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
<u>Current liabilities</u>				
Government term loan	255	246	255	246
Term loans	1,666	1,484	-	-
	<b>1,921</b>	<b>1,730</b>	<b>255</b>	<b>246</b>
<u>Non-current liabilities</u>				
Government term loan	887,543	7,798	887,543	7,798
Term loans	70,131	24,146	-	-
Westpac bill business loan	-	42,990	-	-
	<b>957,674</b>	<b>74,934</b>	<b>887,543</b>	<b>7,798</b>
Total	<b>959,595</b>	<b>76,664</b>	<b>887,798</b>	<b>8,044</b>

- (a) The government term loan bore an interest rate of 4% (2019 – 4%) per annum.
- (b) Term loans bore interest rates of 4% to 4.99% (2019 – 4% to 4.99%) per annum.
- (c) Westpac bill business loan bore interest of 3.54% per annum in 2019 and was subject to change annually based on negotiated rate from year to year. There was no fixed tenure for the loan.



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(d) The borrowings of the Group are secured by the followings:-

- (i) Subsidiaries' buildings, freehold and long leasehold land as disclosed in Note 4; and
- (ii) "Open All Monies" Facility Agreement stamped for RM26 Million.

**21. DEFERRED INCOME**

	<b>The Group</b>		<b>The Corporation</b>	
	2020 RM'000	2019 RM'000 (Restated)	2020 RM'000	2019 RM'000
<u>Government Grant</u>				
At 1 January	146,995	142,115	89,796	81,572
Received during the year	82,542	17,089	1,383	17,089
Depreciation charges (Note 4)	(6,197)	(4,821)	(6,197)	(4,821)
Utilised for projects	(14,037)	-	-	-
	209,303	154,383	84,982	93,840
Amortisation for the year	(7,118)	(7,388)	(4,096)	(4,044)
At 31 December	202,185	146,995	80,886	89,796

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	The Group		The Corporation	
	2020 RM'000	2019 RM'000 (Restated)	2020 RM'000	2019 RM'000
<u>Rental income</u>				
At 1 January	229	240	-	-
Amortisation for the year	(10)	(11)	-	-
At 31 December	219	229	-	-
<u>Membership fees</u>				
At 1 January	21,563	21,577	-	-
Amount recognised in profit or loss during the year	(8,494)	(14)	-	-
At 31 December	13,069	21,563	-	-
Total deferred income	215,473	168,787	80,886	89,796
Analysed by:-				
Current liabilities	69,805	4,119	-	-
Non-current liabilities	145,668	164,668	80,886	89,796
	215,473	168,787	80,886	89,796

**22. EMPLOYEE BENEFITS**

	The Group		The Corporation	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Long service leave	147	130	-	-
Annual leave and others	2,368	2,426	2,367	2,426
	2,515	2,556	2,367	2,426



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	The Group		The Corporation	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Analysed by:-				
Current liabilities	141	213	141	213
Non-current liabilities	2,374	2,343	2,226	2,213
	<u>2,515</u>	<u>2,556</u>	<u>2,367</u>	<u>2,426</u>

**23. TRADE AND OTHER PAYABLES**

	The Group		The Corporation	
	2020 RM'000	2019 RM'000 (Restated)	2020 RM'000	2019 RM'000
Trade payables	4,464	5,282	-	-
Other payables and accruals	39,663	40,106	7,458	9,368
	<u>44,127</u>	<u>45,388</u>	<u>7,458</u>	<u>9,368</u>

- (a) Included in other payables and accruals of the Group is deferred membership fee amounting to RM163,836 (2019 – RM910,918) which represents membership fees received in advance from members under short term membership arrangement and licence fees received in advance from members.
- (b) The Group's other payables and accruals also include advances from a former Corporate Shareholder of a subsidiary amounting to RM1,281,912 (2019 – RM1,385,696). The amount due to the former corporate shareholder of a subsidiary, Sarawak Coconut Enterprise Sdn. Bhd., is unsecured, interest-free and repayment on demand.

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	<b>The Group</b>	
	2020	2019
	RM'000	RM'000
Minimum hire purchase payments:		
- not later than one year	-	1
	-	1
Less: Future finance charges	-	-
Present value of hire purchase payables	-	1
	-	1
Analysed by:-		
Current liabilities	-	1

**25. REVENUE**

	<b>The Group</b>		<b>The Corporation</b>	
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
		(Restated)		
Sales of livestock and meat	45,802	41,195	-	-
Hotel and cultural centre operations	32,003	70,668	-	-
Sales of timber	27,738	42,632	-	-
Sales of diesel	17	-	-	-
Dividend income	2,169	21,192	112,734	20,981
Interest income	10,279	8,221	13,253	8,221
Gain on divestment of investment	-	6,218	-	6,218
Rental income	5,085	9,752	3,066	4,290
Sundry income	488	4,529	488	847
Licensing fees	227	186	227	186
Management fees	4,908	8,776	-	-
Function revenue	867	792	-	-
Hotel management fees	928	1,925	-	-
Contract customers	11,848	8,785	-	-
Property management	1,232	2,189	-	-
Sales of property development	93	-	93	-
Childminder and operating fees	-	2,622	-	-
Land transportation services	-	1,291	-	-
	143,684	230,973	129,861	40,743



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	<b>The Group</b>		<b>The Corporation</b>	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Amortisation of:				
- government grant	6,198	50,105	6,198	50,415
- development expenditure	4,096	4,096	4,096	4,096
- deferred income	3,032	2,662	-	-
Fair value gain on other investments	15,941	-	15,490	-
Foreign exchange gains:				
- unrealised	3	1	-	-
Gain on disposal of property, plant and equipment	88	3	-	-
Government grant received	24,127	13,916	5,056	5,977
Dividend income	616	220	-	-
Interest income	1,567	1,959	-	-
Rental income	36	16	-	-
Reversal of allowance for impairment loss on receivables	3,096	2,112	2,931	1,505
Miscellaneous	21,007	16,988	6,406	-
	<b>79,807</b>	<b>92,078</b>	<b>40,177</b>	<b>61,993</b>

**27. FINANCE COSTS**

	<b>The Group</b>		<b>The Corporation</b>	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Interest expense on:-				
Bank borrowings	3,178	1,542	-	-
Government loan	314	324	314	324
Others	82	2,387	4	2
	<b>3,574</b>	<b>4,253</b>	<b>318</b>	<b>326</b>

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	The Group		The Corporation	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Profit before taxation is arrived at after charging/(crediting):-				
Auditors' remuneration:				
- current financial year	319	301	50	50
- underprovision in the previous financial year	1	11	-	-
Allowance for/(Reversal of) impairment losses on:				
- investment in associates	157	-	-	-
- other investments	182	16,660	-	46,137
- trade and other receivables	(399)	(1,737)	(2,931)	3,814
Amortisation of:				
- development expenditure	(4,096)	(4,096)	(4,096)	(4,096)
- deferred income	(3,032)	(2,662)	-	-
- government grant	(6,198)	(50,105)	(6,198)	(50,415)
- intangible assets	46	38	-	-
Bad debts written off	1,131	-	-	-
Depreciation :				
- property, plant and equipment	13,945	12,463	4,988	4,029
- investment properties	1,779	-	-	-
- biological assets	32	31	-	-
Deposit forfeited written off	4	-	-	-
(Gain)/Loss on fair value changes in:				
- investment properties	-	431	-	-
- other investments	(15,583)	-	(15,490)	-
(Gain)/Loss on foreign exchange:				
- realised	-	22	-	-
- unrealised	(3)	(5)	-	-
Management fees	178	1,957	-	-
Incentive management fees	29	146	-	-
Loss/(Gain) on disposal of:				
- associates	2,990	10	-	-
- subsidiaries	3,360	-	-	-
- property, plant and equipment	2,640	(404)	-	(126)
Impairment loss on:				
- biological assets	267	-	-	-
- property, plant and equipment	309	-	-	-
- intangible assets	18	-	-	-
- investment properties	2,165	-	-	-
Members' fees	2,562	2,041	305	311
Property, plant and equipment written off	71	272	-	-
Rental expenses				
- land and buildings	708	1,443	389	437
- rigs and equipment	59	21	-	-



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	<b>The Group</b>		<b>The Corporation</b>	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Income tax:				
- Malaysian tax	533	1,496	-	-
- Foreign tax	2,503	2,404	-	-
	<u>3,036</u>	<u>3,900</u>	<u>-</u>	<u>-</u>
- (over)/underprovision in the previous financial year	(4)	20	-	-
	<u>3,032</u>	<u>3,920</u>	<u>-</u>	<u>-</u>
Deferred tax:				
- relating to origination and reversal of temporary differences	106	(42)	-	-
- under/(over) provision in the previous financial year	22	(40)	-	-
	<u>128</u>	<u>(82)</u>	<u>-</u>	<u>-</u>
	<u>3,160</u>	<u>3,838</u>	<u>-</u>	<u>-</u>

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A reconciliation of income tax expense applicable to the profit before taxation at the statutory tax rate to income tax expense at the effective tax rate of the Group and the Corporation are as follows:-

	<b>The Group</b>		<b>The Corporation</b>	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Profit before taxation	24,631	48,610	116,695	13,901
Tax at the statutory tax rate of 24% (2019 - 24%)	5,911	11,666	28,007	3,336
Non-taxable income	(39,214)	(13,554)	(34,502)	(9,336)
Non-deductible expenses	35,300	7,640	4,481	6,000
Deferred tax assets not recognised in respect of current year's unabsorbed capital allowances and tax losses	6,887	-	5,249	-
Utilisation of deferred tax assets not recognised in prior year	(6,071)	(2,199)	(3,235)	-
Differential in tax rate of foreign subsidiaries	329	305	-	-
(Over)/underprovision in the previous financial year:				
- income tax	(4)	20	-	-
- deferred tax	22	(40)	-	-
Income tax expense for the financial year	3,160	3,838	-	-

No taxation is provided for the Corporation during the financial year due to utilisation of brought forward tax losses.

The Malaysian income tax is calculated at the statutory tax rate of 24% (2019 – 24%) of the estimated taxable profit for the financial year.



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	<b>The Group</b>		<b>The Corporation</b>	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Staff costs	46,216	45,878	21,798	21,882
Number of employees as at 1 January	1,358	1,348	259	249
(Retirement)/Addition for the year	(255)	10	25	10
Number of employees as at 31 December	1,103	1,358	284	259

**31. RELATED PARTY DISCLOSURES****(a) Identities of Related Parties**

Parties are considered to be related to the Group or the Corporation if the Group or the Corporation has the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operation decisions, or vice versa, or where the Group or the Corporation and the party are subject to common control.

In addition to the information detailed elsewhere in the financial statements, the Group has related party relationships with its Members, key management personnel and entities within the same group of companies.

**(b) Significant Related Party Transactions**

Other than those disclosed elsewhere in the financial statements, the Corporation also carried out the following significant transactions with the related parties during the financial year:-

	<b>The Corporation</b>	
	2020 RM'000	2019 RM'000
Subsidiaries:		
Dividend income	(3,568)	-
Rental income	-	(98)
Interest income	(2,974)	(1,612)
Associates:		
Dividend income	(107,187)	-
License fee received	-	(188)
Development cost paid	-	7,385

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	<b>The Group</b>	
	2020	2019
	RM'000	RM'000
<b>Purchase of property, plant and equipment</b>		
Authorised and contracted for	47,974	15,477
Authorised but not contracted for	16,737	1,602
	64,711	17,079

**33. OPERATING LEASE COMMITMENTS**

The future minimum lease payments under the non-cancellable operating leases are as follows:-

	<b>The Group</b>	
	2020	2019
	RM'000	RM'000
Not more than 1 year	1,083	748
Later than 1 year and not later than five years	2,282	2,724
Later than 5 years	15,176	15,738
	18,541	19,210

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**NOTES TO THE FINANCIAL STATEMENTS  
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## 34.1 Categories of financial instruments

	<b>The Group</b>		<b>The Corporation</b>	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
<b>Financial Assets</b>				
<u>Fair value through profit or loss</u>				
Other investments	186,331	168,832	169,252	153,762
<u>Amortised cost</u>				
Trade and other receivables	548,511	78,072	633,000	167,883
Government grant	61,970	-	-	-
Fixed deposits with licensed banks	14,372	37,149	-	-
Cash and cash equivalents	414,788	237,371	315,607	164,777
	<b>1,039,641</b>	<b>352,592</b>	<b>948,607</b>	<b>332,660</b>
<u>Cost less Impairment</u>				
Other investments	8,262	21,526	7,706	19,706
<b>Financial Liabilities</b>				
<u>Amortised cost</u>				
Government term loans				
Other borrowings	959,595	76,664	887,798	8,044
Trade and other payables	44,127	45,388	7,458	9,368
Hire purchase payables	-	1	-	-
	<b>1,003,722</b>	<b>122,053</b>	<b>895,256</b>	<b>17,412</b>

## 34.2 Net gains and losses arising from financial instruments

	<b>The Group</b>		<b>The Corporation</b>	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Net gains/(losses) on:				
Financial assets measured at fair value through profit or loss	15,401	(16,660)	15,490	(46,137)
Financial assets measured at amortised cost	12,245	11,917	16,184	4,407
Financial liabilities measured at amortised cost	(3,574)	(4,253)	(318)	(326)
	<b>24,072</b>	<b>(8,996)</b>	<b>31,356</b>	<b>(42,056)</b>



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**NOTES TO THE FINANCIAL STATEMENTS  
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The novel coronavirus ("COVID-19") pandemic has significantly disrupted many businesses and the Malaysian economy as a whole. The Movement Control Order implemented by the government required the closure of all government and private premises except for those involved in provision of essential services. The threats posed by the COVID-19 continue to spiral and many businesses have been crippled by the loss in earnings and disruption in the supply chains.

The Group took cognisance of the impact of COVID-19 pandemic and expects the tourism sector of the Group to remain challenging in the near future. The Group is also expected to implement austerity measures to mitigate the current conditions such as tightening of operational costs and overheads.

Given the unpredictability of the future development of COVID-19, the Group and the Corporation are unable to reasonably quantify the complete financial impact of the COVID-19 for the financial year ended 31 December 2020 to be disclosed in the financial statements. The Group and the Corporation will continue to monitor any material changes to future economic conditions that will affect the Group and the Corporation.

**36. PRIOR YEAR ADJUSTMENTS**

The prior year adjustments were in respect of consolidation of Sarawak Cultural Village Sdn. Bhd. which was incorporated on 28 December 2018.

The summarised financial impacts arising from the above prior year adjustments are disclosed as follows:

	As Previously Reported RM'000	Effect of the Adjustments RM'000	As Restated RM'000
<b>The Group</b>			
Statement of Financial Position (Extract):-			
Property, plant and equipment	457,018	7,266	464,284
Inventories	21,629	263	21,892
Trade and other receivables	77,206	866	78,072
Cash and cash equivalents	230,836	6,535	237,371
Reserves	(1,289,965)	(7,866)	(1,297,831)
Deferred income (Non-current)	(160,423)	(4,245)	(164,668)
Deferred income (Current)	(3,261)	(858)	(4,119)
Trade and other payables	(43,427)	(1,961)	(45,388)
Statements of Profit or Loss and Other Comprehensive Income (Extract):-			
Revenue	225,820	5,153	230,973
Cost of sales	(129,120)	(1,389)	(130,509)
Other income	90,762	1,316	92,078
Administrative expenses	(78,953)	(4,894)	(83,847)
Other operating expenses	(71,309)	(1)	(71,310)

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**DETAILED TRADING AND PROFIT OR LOSS ACCOUNT  
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	2020 RM'000	2019 RM'000
<b>Revenue</b>		
Dividend income from		
- subsidiaries	138	1,302
- associates	110,617	14,241
- other investments	1,979	5,438
Gain on disposal of property, plant and equipment	-	126
Gain on divestment of investments	-	6,218
Interest income	13,253	8,221
Licensing fees	227	186
Rental income	3,066	4,290
Sales of property development	93	-
Sundry income	488	721
	<b>129,861</b>	<b>40,743</b>
<b>Less: Cost of sales</b>		
Property development cost	12	-
<b>Add: Other Income</b>		
Reversal of allowance for impairment loss on trade and other receivables	39	1,505
Government grant	5,056	5,977
Other operating income	35,082	54,511
	<b>40,177</b>	<b>61,993</b>
<b>Less: Administrative expenses (Appendix I)</b>	21,798	21,882
<b>Less: Other operating expenses (Appendix II)</b>	31,215	66,627
Loss from operations	<b>53,013</b>	<b>88,509</b>
<b>Less: Finance costs</b>		
Interest on government loan	314	324
Other finance costs	4	2
	<b>318</b>	<b>326</b>
Loss before taxation	<b>116,695</b>	<b>13,901</b>

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**DETAILED TRADING AND PROFIT OR LOSS ACCOUNT  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020 (CONT'D)****APPENDIX I**

	2020 RM'000	2019 RM'000
<b>Administrative expenses</b>		
Chronic medical - retirees	285	86
Hotel room subsidy	35	23
Office moving expenses	11	2
Professional fees subsidy	8	10
Program Internship Siswazah	66	72
Staff accommodation	11	16
Staff incentive allowance	1,665	1,694
Staff paid leave	223	254
Staff bonus	1,567	1,702
Staff chronic illness and hospitalisation	126	45
Staff corporate gathering	10	101
Staff divisional meeting	30	29
Staff EHS (medical checkup)	37	45
Staff external training	121	410
Staff housing loan interest subsidy	173	194
Staff in-house training	209	378
Staff maternity	5	3
Staff medical	283	356
Staff mileage	39	67
Staff overtime	59	123
Staff salary - junior	6,491	6,421
- senior	9,682	8,953
Staff transport and travelling	369	752
Staff uniform	154	30
Staff welfare	15	15
Staff children education	19	72
Transformation programme	6	6
Welfare - retirement	99	23
	21,798	21,882



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**DETAILED TRADING AND PROFIT OR LOSS ACCOUNT  
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	2020 RM'000	2019 RM'000
<b>Other operating expenses</b>		
Allowance for impairment losses on:		
- Investments	9,298	46,137
- trade and other receivables	-	5,318
Bad debts written off	-	26
Board's expenses	310	362
Business zakat	300	320
Depreciation of property, plant and equipment:		
- Current year	4,988	4,581
- Overprovision in prior year	-	(552)
General expenses	1,321	1,425
GST expenses	45	182
Maintenance expenses	4,805	3,747
Office expenses	3,236	4,013
Professional fees	845	131
Project expenses	770	737
Financial assistance to subsidiaries	5,297	200
	31,215	66,627







