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# CHAIRMAN'S STATEMENT



## SECTION 1 : CORPORATE STATEMENT

On behalf of the Members of the Board, I am pleased to report the performance of the Sarawak Economic Development Corporation (SEDC) for the year 2012.

SEDC did well against a backdrop of volatile market conditions that is increasingly challenging with each year. The Corporation posted a strong Profit Before Tax (PBT) of RM21.51 million which is significantly higher than the budgeted PBT of RM11.70 million for 2012. At the Group level, SEDC recorded a PBT of RM65.00 million in 2012, a notable increase of RM30.29 million or 87 per cent compared to the PBT of RM34.71 million recorded in 2011. The profits were mainly due to the increase in the Group's total income and share of Associate's results.

Our financial performance for the year reflects the resilience of our companies under difficult economic conditions. I am pleased with the performance of our business sectors especially the four main performers namely, the Mineral and Mining, Roads and Works, Tourism and Leisure and Agro-Food sectors.

For Agro-Food, it has been a most eventful year with its success in turning around a subsidiary that has been in the red for a number of years. The sector reported a couple of other achievements besides the successful turnaround. Among others, its aquaculture project in Santubong was awarded the Fish Quality Certificate by the European Union which allows us to export to EU countries.

In our coconut plantation project, we have successfully planted 42,900 seedlings of matag specie coconut palms covering an area of 197 hectares. Once completed, the whole project will cover an area of 2,115 hectares in Asajaya, Samarahan Division.

Our cattle farms, Rosewood Station, Strathmere Beadie and Karabungan successfully sold a total of 8,836 heads valued at RM20.7 million during the year. Rosewood Station also went on to win the Best Overall Exhibitor Award and Champion Brahman 2012 as well as being in the top three in other categories of the Cattle Awards, including Cattle Exported to South East Asia, in the 2012 Kununurra Livestock Show, Australia.

The Agro-Food sector has also embarked on a number of joint-venture projects to develop Swiftlets Eco-Park in the State. We are confident these will yield good returns for the Corporation in future despite the current market conditions.

In property development, a number of projects were implemented in 2012. The highlight in 2012 was the joint-venture development of Palm Villa (Phase 1), comprising 60 units of houses and shop lots, which was completed in July 2012. Phase 2 consisting of 65 similar units, has also started and is scheduled for completion next year.

The Kuching Waterfront saw reclamation works being carried out as part of the extension of the project. The completion will see an addition of 73 metres to the existing Kuching Waterfront, bringing the total stretch to 1.31 km. A total of 11 old pontoons were replaced and three new ones were installed costing RM3.42 million.

# CHAIRMAN'S STATEMENT



**YANG BERTHORMAT  
DATUK HAJI TALIB ZULPILIP  
CHAIRMAN**

Sarawak Economic Development Corporation

In Tourism and Leisure, works on SEDC's new three-star hotel in the Golden Triangle of Kuching took off in June and is expected to be completed by August 2014 at a cost of RM60 million. The 18-storey hotel, located just next to Riverside Majestic Hotel, aims to be a unique hotel with its décor and facilities leveraging on Sarawak's rich cultural heritage.

To further enhance our properties in Damai, upgrading works at the Damai Golf and Country Club (DGCC) to improve the greens, bunkers and fairway subsoil are expected to be completed in the middle of next year at a cost of RM2.52 million. With this, DGCC is expected to see better returns with more tournaments and golfing rounds in the coming years.

SEDC, as a trust agency, continued its push to create, develop and strengthen business opportunities for the local Bumiputera community. In 2012, various schemes and programmes aimed at enhancing the capacity and capability of local entrepreneurs in Sarawak were carried out benefiting a total of 3,434 entrepreneurs. These programmes include Program Peningkatan Usahawan Bumiputera (PUTERA), Program Pembangunan Rakyat Khas (PPRK) and Skim Pinjaman Industri Kecil dan Sederhana (SPIKS), Skim Pinjaman Usahawan Desa Pelbagai, Community and Commercial Broiler Programmes, Capacity Building Programmes, Pusat Inkubator dan Bimbingan Usahawan (PIBU) and 1 AZAM-Niaga.

In our SeDidik Child and Family Development Programme, we continued with the development of new centres and upgrading of our existing centres funded under the National Key Result Areas (NKRA) for education. A total of 77 centres are providing education for 2,080 children throughout Sarawak.

## CHAIRMAN'S STATEMENT

continuation

SeDidik is the first pre-school and child-care provider in the State to be certified by the Malaysian Productivity Corporation (MPC) for its 5S practices. It also received its certification for MS ISO 9001:2008 during the year. SeDidik has also established networking with UNESCO on benchmarking with international kindergartens and pre-primary schools and also with UNICEF on promoting bilingual programmes.

Much of the success of SEDC is attributed to the concerted efforts of everyone in SEDC and their unwavering spirit of dedication towards upholding a high standard of corporate governance, professionalism, integrity and excellence in their work. In SEDC, we seek to create an environment that allows governance to flourish and be wholesomely practised.

The Corporation believes good governance is not an ad hoc thing; it is an on-going exercise in the practice of sound management principles, accountability, transparency and integrity.

Our strength lies in our strong fundamentals and core values that we so passionately uphold in enhancing management efficiency and delivering value to our stakeholders.

For its efforts, SEDC maintained its 4-Star rating (highest level under the Accountability Index) for its Financial Management Practices by the National Audit Department for the third year running.



We continued to do our share for the community as part of our Corporate Social Responsibility (CSR) and corporate citizenship. CSR programmes included donations in cash and kind to the less fortunate and fire victims, annual contribution of Zakat Perniagaan to Tabung Baitulmal amounting to RM252,885.94, "Love-In-A-Box" with the presentation of gifts to needy children, Majlis Titian Kasih with the Tuan Yang Terutama Yang Di-Pertua Negeri Sarawak, assistance to residents of Old Folks' Home, Blood Donation and gotong royong projects.

As a learning organisation, we continued to invest heavily in the training and development of our people to help them to realise their full potential. With the right training, skills and work environment, our staff are motivated to add value to the group with innovative ideas and professionalism in the delivery of services to customers.

I am confident in the commitment and dedication of our board, management and staff in working as a team in realising SEDC's mission and targets.

While I rate the year's achievements highly, I see our performance as an impetus for more ambitious targets. SEDC has to prove its worth as a state trust agency to the State Government with positive results that will impact the economic development and growth of Sarawak.

SEDC is fully charged to pioneer into new areas to grow greater returns for the Corporation and the State as a whole. We will remain committed to meet the expectations of all our stakeholders and fulfil our social and economic obligations as a trust agency for the people of Sarawak.

We look forward to yet another successful year for SEDC in 2013.

"COMMITTED TO EXCELLENCE"

YB Datuk Haji Talib Zulpilip  
CHAIRMAN







## **SECTION 2 : CORPORATE INFORMATION**

## CORPORATE BACKGROUND

The 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 the State.

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

SEDC is a statutory body established under the laws of the State of Sarawak and its also comes under the purview of the Federal Government of Malaysia through the Federal Ministry of Finance (MOF).

As a catalyst, SEDC is committed to promoting economic development in the State with emphasis on pioneering in strategic industries and undertaking new investments, managing existing commercial operations on its own or through joint ventures.

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

SEDC complements the realisation of the State's development agenda towards a developed State by 2020 by implementing its projects effectively, efficiently, economically and ethically.

### VISION

To be the premier State agency in Malaysia

### MISSION

To spearhead the economic and social development of the State by implementing and managing projects and programmes effectively, economically, efficiently and ethically

### SHARED VALUES

To serve and grow together through integrity, teamwork, quality, professionalism, innovation, creativity and caring

### MOTTO

“COMMITTED TO EXCELLENCE”

### WAR CRY

“GET IT DONE - FAST AND RIGHT”



Agro-Food Based



Tourism and Leisure



Entrepreneur Development

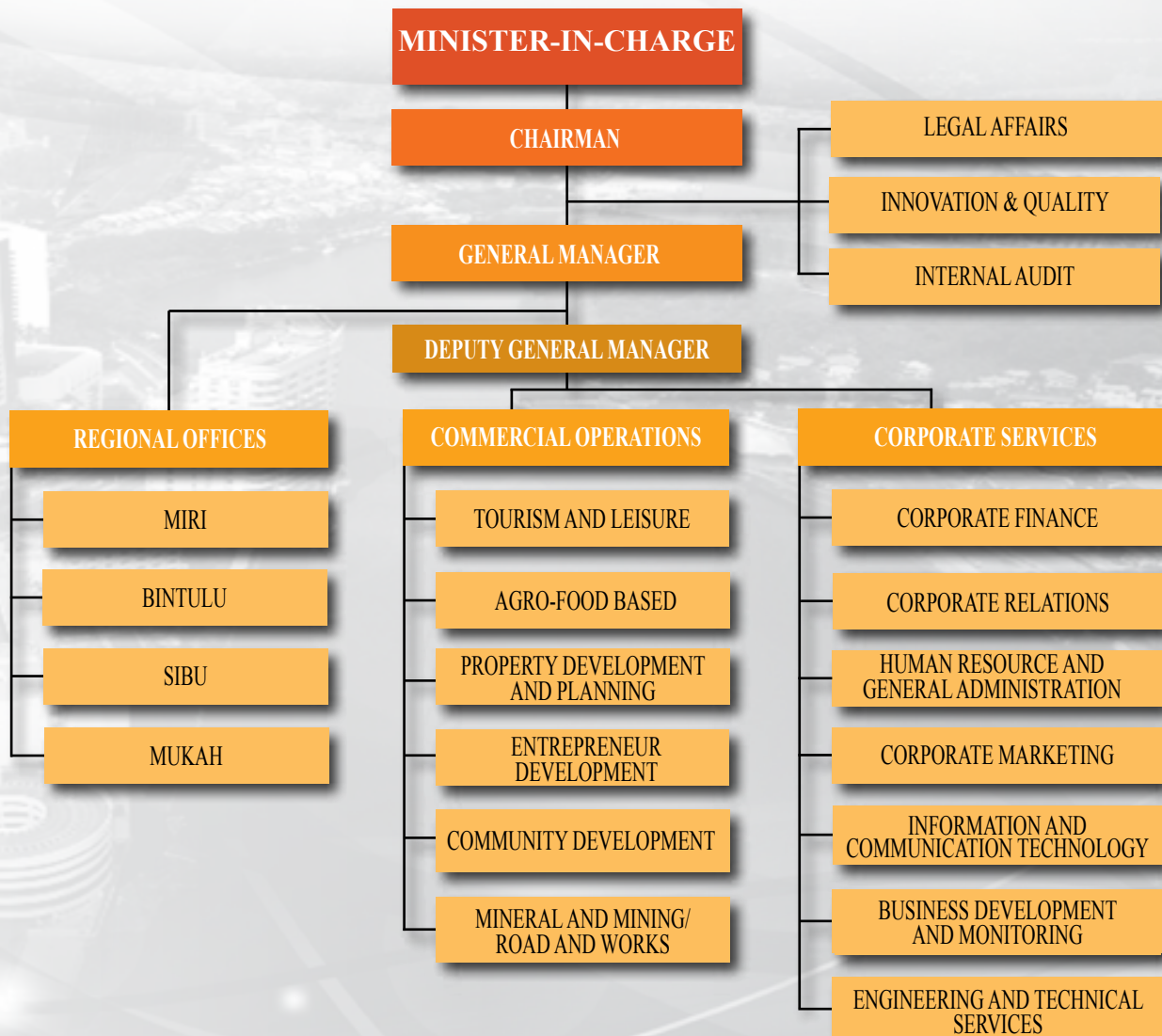


Property Development



Community Development

## Organisation Structure



***Celebrating 40 Years Of Service  
To The State And Rakyat***



## SEDC BOARD MEMBERS 2012

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**YANG BERTHORMAT DATUK  
HAJI TALIB ZULPILIP**  
Chairman



**YANG BERTHORMAT TAN SRI DATUK  
AMAR HAJI MOHAMAD MORSHIDI  
BIN ABDUL GHANI**  
Sarawak State Secretary



**YBHG. DATO SRI AHMAD TARMIZI  
BIN HAJI SULAIMAN**  
Sarawak State Financial Secretary



**YBHG. DATU HAJAH JABIDAH  
BINTI MONSERI**



**YANG BERTHORMAT DATUK  
DR STEPHEN RUNDI UTOM**



**YBHG. DATUK AMAR WILSON  
BAYA DANDOT**



**YBHG. DATUK FONG  
JOO CHUNG**



**YBHG. DATUK HAJI ISMAIL  
BIN HAJI HASHIM**



**YBHG. DATU SUDARSONO  
BIN OSMAN**



**YBHG. DATU HAJI ABDUL  
RASHID BIN HAJI AZIZ**



**YBHG. ENCIK JASNI BIN JUBLI**



## MANAGEMENT TEAM 2012



**YANG BERHORMAT DATUK  
HAJI TALIB ZULPILIP**  
Chairman



**YBHG. TUAN HAJI  
SOEDIRMAN HAJI AINI**  
General Manager



**PUAN HAJAH RAKAYAH  
HAMDAN**  
Director  
Corporate Finance



**TUAN HAJI JAMALUDIN  
MOHD. YUSOF**  
Director  
Entrepreneur Development



**ENCIK JOHN W CHAMBERLIN  
SIRAU**  
Director  
Legal Affairs & Risk Management



**ENCIK EDWIN ABIT**  
Director  
Corporate Relations & Communications,  
Tourism & Leisure



**PUAN HAJAH SITI HAJAR  
ABANG MON**  
Director  
Property Development,  
Engineering & Project Management



**PUAN MARILYN N BIYOR**  
Director  
Human Resource & General  
Administration



**ENCIK JAMES DAGO**  
Director  
Innovation & Quality, Planning &  
Monitoring



**ENCIK YAP YIEN CHIANG**  
Director  
Internal Audit



**ENCIK ASLANSIA YAHYA**  
Director  
Agro-Food Based



**CIK SITI NURAZLINA  
DOLLAH AHMAT USOP**  
Acting Director  
Information & Communications Technology

## SEDC GROUP OF COMPANIES

### TOURISM & LEISURE

#### Subsidiaries

##### Sara Resorts Sdn Bhd

❖ *Sara Hospitality Sdn Bhd*

9<sup>th</sup> Floor, Menara SEDC  
Jalan Tunku Abdul Rahman  
93100 Kuching  
Tel: 082-416777  
Fax: 082-422453  
Website: www.sedctourism.com

##### 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

9<sup>th</sup> Floor, Menara SEDC  
Jalan Tunku Abdul Rahman  
93100 Kuching  
Tel: 082-416777  
Fax: 082-422453  
Website: www.sedctourism.com

##### Sara Rasa Sdn Bhd

9<sup>th</sup> Floor, Menara SEDC  
Jalan Tunku Abdul Rahman  
93100 Kuching  
Tel: 082-416777  
Fax: 082-422453  
Website: www.sedctourism.com

##### Sara Resorts Holdings Sdn Bhd

9<sup>th</sup> Floor, Menara SEDC  
Jalan Tunku Abdul Rahman  
93100 Kuching  
Tel: 082-416777  
Fax: 082-422453  
Website: www.sedctourism.com

##### Sara Convention Sdn Bhd

9<sup>th</sup> Floor, Menara SEDC  
Jalan Tunku Abdul Rahman  
93100 Kuching  
Tel: 082-416777  
Fax: 082-422453  
Website: www.sedctourism.com

##### Damai Beach Resort Sdn Bhd

9<sup>th</sup> Floor, Menara SEDC  
Jalan Tunku Abdul Rahman  
93100 Kuching  
Tel: 082-416777  
Fax: 082-422453  
Website: www.sedctourism.com

❖ *Subsidiary of holding company*

##### Kuching Hotels Sdn Bhd

9<sup>th</sup> Floor, Menara SEDC  
Jalan Tunku Abdul Rahman  
93100 Kuching  
Tel: 082-416777  
Fax: 082-422453  
Website: www.sedctourism.com

##### Damai Beach Golf Course Bhd

❖ *Damai Golf & Country Club Bhd*

9<sup>th</sup> Floor, Menara SEDC  
Jalan Tunku Abdul Rahman  
93100 Kuching  
Tel: 082-416777  
Fax: 082-422453  
Website: www.sedctourism.com

##### Sara Resorts Management Sdn Bhd

9<sup>th</sup> Floor, Menara SEDC  
Jalan Tunku Abdul Rahman  
93100 Kuching  
Tel: 082-416777  
Fax: 082-422453  
Website: www.sedctourism.com

##### Bukit Saban Resort Sdn Bhd

9<sup>th</sup> Floor, Menara SEDC  
Jalan Tunku Abdul Rahman  
93100 Kuching  
Tel: 082-416777  
Fax: 082-422453  
Website: www.sedctourism.com

##### Sara Tourism & Leisure Sdn Bhd

9<sup>th</sup> Floor, Menara SEDC  
Jalan Tunku Abdul Rahman  
93100 Kuching  
Tel: 082-416777  
Fax: 082-422453  
Website: www.sedctourism.com

##### Sara Hotels Bhd

9<sup>th</sup> Floor, Menara SEDC  
Jalan Tunku Abdul Rahman  
93100 Kuching  
Tel: 082-416777  
Fax: 082-422453  
Website: www.sedctourism.com

##### Sejadu Sdn Bhd

9<sup>th</sup> Floor, Menara SEDC  
Jalan Tunku Abdul Rahman  
93100 Kuching  
Tel: 082-416777  
Fax: 082-422453  
Website: www.sedctourism.com

##### Sara Worldwide Vacations Bhd

❖ *Asia Vacations Club Sdn Bhd*

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

##### Permata Carpark Sdn Bhd

9<sup>th</sup> Floor, Menara SEDC  
Jalan Tunku Abdul Rahman  
93100 Kuching  
Tel: 082-416777  
Fax: 082-422453  
Website: www.sedctourism.com

##### Sara Great Horizon Sdn Bhd

9<sup>th</sup> Floor, Menara SEDC  
Jalan Tunku Abdul Rahman  
93100 Kuching  
Tel: 082-416777  
Fax: 082-422453  
Website: www.sedctourism.com

#### Investment

##### Borsarmulu Resort Sdn Bhd

Lot 154-156, 2<sup>nd</sup> Floor,  
Jalan Sungai Padungan,  
93100 Kuching  
P.O. Box 2113, 93742 Kuching  
Tel: 082-413877  
Fax: 082-244406  
Website: www.sedc.com.my



## SEDC GROUP OF COMPANIES

### AGRO-FOOD BASED

#### Subsidiaries

##### Sara Spectrum Holdings Sdn Bhd

- ❖ *Hakanda Sdn Bhd*
- ❖ *PPES Poultry Farm Sdn Bhd*
- ❖ *Sarawak Coconut Enterprise Sdn Bhd*
- ❖ *Carbon Supplies (Sarawak) Sdn Bhd*

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

##### PPES Ternak Holdings Sdn Bhd

- ❖ *PPES Ternak Sdn Bhd*
- ❖ *Rosewood Station Pty Ltd*
- ❖ *Sarabif Sdn Bhd*

Lot 1260, Jalan Mersawa  
Bintawa Industrial Estate  
93450 Kuching  
Tel: 082-482015 / 085-739317  
Fax: 082-481350 / 082-424330  
Website: www.sedc.com.my

##### PPES Aqua (Santubong) Sdn Bhd

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

##### PPES Akua (Mukah) Sdn Bhd

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

##### Eastern Empress Silk Sdn Bhd

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

##### Sarapine Sdn Bhd

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

##### Sara-HL Plantation Sdn Bhd

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

##### Sara Sago Industries Sdn Bhd

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

#### Associates

##### SOP Karabungan Sdn Bhd

No. 124-126  
Jalan Bendahara  
P. O. Box 547  
98007 Miri  
Tel: 085-436969  
Fax: 085-432929  
Website: www.sop.com.my

##### Sara Concrete Poles Sdn Bhd

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

##### Kenyalang Teguh Sdn Bhd

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

##### Good Harvest Plantation Sdn Bhd

No. 85 - 90 Pusat Pedada  
Jalan Pedada  
96000 Sibul  
98007 Miri  
Tel: 084-310190  
Fax: 084-330893

❖ *Subsidiary of holding company*





## SEDC GROUP OF COMPANIES

### ENTREPRENEUR DEVELOPMENT

#### Subsidiaries

##### Comerich Sdn Bhd

1<sup>st</sup> & 2<sup>nd</sup> Floor, Lot 2592  
Wisma Sandhu, Green Road  
93400 Kuching  
Tel: 082-332160  
Fax: 082-419455  
Website: [www.comerich.com.my](http://www.comerich.com.my)

##### Taskwin Marketing Sdn Bhd

6<sup>th</sup> - 11<sup>th</sup> Floors  
Jalan Tunku Abdul Rahman  
93100 Kuching  
Tel: 082-416777  
Fax: 082-424330  
Website: [www.sedc.com.my](http://www.sedc.com.my)

##### Revlin Holdings Sdn Bhd

6<sup>th</sup> - 11<sup>th</sup> Floors  
Jalan Tunku Abdul Rahman  
93100 Kuching  
Tel: 082-416777  
Fax: 082-424330  
Website: [www.sedc.com.my](http://www.sedc.com.my)



### COMMUNITY DEVELOPMENT

#### Subsidiaries

##### SeDidik Sdn Bhd

No. 53, Lot 67, Section 66  
Yoshi Square, Jalan Pelabuhan  
93450 Kuching  
Tel: 082-347489  
Fax: 082-346859  
Website: [www.sedidik.com.my](http://www.sedidik.com.my)



### MINERAL & MINING

#### Associates

##### CMS Infra Trading Sdn Bhd

No. 2128, Sublot 2  
Jalan Utama, Pending  
93450 Kuching  
Tel: 082-348950/ 082-348951  
Fax: 082-348952  
Website: [www.cmsb.com.my](http://www.cmsb.com.my)

##### CMS Resources Sdn Bhd

- ❖ CMS Quarries Sdn Bhd
- ❖ CMS Premix Sdn Bhd
- ❖ CMS Premix (Miri) Sdn Bhd
- ❖ CMS Penkuari Sdn Bhd
- ❖ PPES Concrete Product Sdn Bhd

7<sup>th</sup> Mile, Kuching-Serian Road  
93250 Kuching  
Tel: 082-615605 / 082-610226  
Fax: 082-611986 / 082-615598  
Website: [www.cmsb.com.my](http://www.cmsb.com.my)

### ROADS & 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](http://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](http://www.cmsproperty.com.my)

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

1<sup>st</sup> - 4<sup>th</sup> Floor, Lot 691- 623  
Section 62, Jalan Padungan  
93100 Kuching  
Tel: 082-340588  
Fax: 082-340695  
Website: [www.cmsb.com.my](http://www.cmsb.com.my)

- ❖ Subsidiary of holding company

## SEDC GROUP OF COMPANIES

### OTHERS

#### Subsidiaries

##### Sarawak Car Care Centre Sdn Bhd

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

##### Permaisara Sdn Bhd

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

##### Goebilt Seafoods Processing Bhd

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

#### Associates

##### IDS Sebor (S'wak) Holdings Sdn Bhd

Lot 2678, Section 64 KTL D  
Jalan Kwong Lee Bank  
93450 Kuching  
Tel: 082-335677  
Fax: 082-484720  
Website: www.idsgroup.com

##### Syarikat Sebangun Sdn Bhd

Off 21KM, Tanjung Kidurong Road  
P O Box 168, 97007 Bintulu  
Tel: 086-253549 / 086-253569  
Fax: 086-253919

##### GOS Management Holdings Sdn Bhd

18<sup>th</sup> Floor, Wisma Bapa Malaysia  
Petra Jaya  
93502 Kuching  
Tel: 082-311990 / 082-492336  
Fax: 082-442235 / 082-448308  
Website: www.sedc.com.my

#### Investment

##### Sarawak Consolidated Industries Bhd

Lot 1258, Jalan Utama  
Pending Industrial Area  
93450 Kuching  
Tel: 082-334485  
Fax: 082-334484/082-345597  
Website : www.scib.com.my

##### Cahaya Mata Sarawak Bhd

Wisma Mahmud  
Jalan Sungai Sarawak  
93100 Kuching  
Tel: 082-238888  
Fax: 082-338611  
Website: www.cmsb.com.my

##### Permodalan ASSAR Sdn Bhd

Lot 357, Section 5, KTL D  
Jalan Satok  
93400 Kuching  
Tel: 082-231085  
Fax: 082-232514  
Website: www.assar.com.my



## CORPORATE ACTIVITIES

### CORPORATE FUNCTIONS

#### INTEGRITY DAY 2011

11 January 2012, Grand Margherita Hotel



Launching by YAB Chief Minister of Sarawak



Recipients of SEDC Integrity Awards with YAB Chief Minister of Sarawak

#### Presidential Address 2012

17 February 2012, Grand Margherita Hotel



SEDC Chairman YB Datuk Haji Talib Zulpilip delivering his Presidential Address



Management Contract Signing

#### SEDC 40<sup>th</sup> Anniversary Dinner

25 May 2012, Riverside Majestic Hotel



Official launching by YAB Chief Minister of Sarawak



Recipients of SEDC Awards with YAB Chief Minister of Sarawak

#### Majlis Pembukaan Rasmi Kompleks Perniagaan Kubah Ria

16 November 2012, Kompleks Kubah Ria



Official Opening by YAB Chief Minister of Sarawak



YAB Chief Minister of Sarawak at one of the food outlets



## CORPORATE ACTIVITIES

### INTEGRITY DAY 2012

4 December 2012, Grand Margherita Hotel



Launching by Minister of Tourism Sarawak, YB Datuk Amar Abang Haji Abdul Rahman Zohari bin Tun Abang Haji Openg



Talk on Integrity by SEDC Chairman YB Datuk Haji Talib Zulpilip

### Media Appreciation Night

7 December 2012, Grand Margherita Hotel



SEDC Chairman Datuk Haji Talib Zulpilip presenting a prize to Araffie Ikat of TV3



Stage Performance by the media group

## CORPORATE SOCIAL RESPONSIBILITY

### Majlis Berbuka Puasa with YAB Chief Minister of Sarawak and Children of PERYATIM Orphanage Home

27 July 2012, Grand Margherita Hotel



SEDC Chairman YB Datuk Haji Talib Zulpilip presenting Zakat Pemiagaan SEDC to Tabung Baitulmal Sarawak



YAB Chief Minister of Sarawak handing over Hari Raya gifts to children of PERYATIM

### Majlis Titian Kasih with The Head of State

21 October 2012, Astana Negeri



Toh Puan Datuk Patinggi Hajah Norkiah, wife of Head of State of Sarawak, presenting Hari Raya gifts



One for the album

## CORPORATE ACTIVITIES

### LOVE-IN-A-BOX Programme with Children of Kampung Sinar Baru

11 December 2012, Sir Charles Brooke Memorial Hospital, Kuching



The children with SEDC Chairman YB Datuk Haji Talib Zulpilip



Presentation of gifts by SEDC Chairman YB Datuk Haji Talib Zulpilip

### Hi-Tea with Residents of Rumah Sri Kenangan

19 December 2012, Damai Beach Resort



SEDC Chairman YB Datuk Haji Talib Zulpilip presenting goodies to residents of Rumah Sri Kenangan



A corporate sponsor presenting a contribution to Rumah Sri Kenangan

### 5S Certification Renewal Audit

27 April 2012, Dewan Kenyalang, Menara SEDC



General Manager of SEDC Tuan Haji Soedirman Haji Aini chairing the audit meeting



Encik Izani Ishak from Malaysian Productivity Centre (MAMPU) presenting the audit findings

### SEDC Innovation & Quality Convention 2012

18 - 19 July 2012, Dewan Kenyalang, Menara SEDC



Harimau Team from Human Resource Management Division presenting its project



Presentation of the champion trophy to D'ANTZ Team



## CORPORATE ACTIVITIES

### CULTURE BUILDING

#### **SEDC Mothers and Fathers' Day** 22 June 2012, Dewan Kenyalang, Menara SEDC



SEDC Mother and Father award winners



SEDC Fathers taking part in a flower-arrangement competition

#### **Combined Morning Starter** (Monthly Staff Get Together) Dewan Kenyalang, Menara SEDC



Morning Exercise



Punctuality Award winners

### MEETINGS, WORKSHOPS AND SEMINARS

#### **Motivational Talk on "Jati Diri"** 8 May 2012, Grand Margherita Hotel



Motivational Talk by SEDC Chairman YB Datuk Talib Zulpilip



Participants at the talk



## CORPORATE ACTIVITIES

### Talk on “Akta Wang Tak Dituntut”

30 July 2012, Dewan Kenyalang



Briefing by Encik Vijaya Kumar from Jabatan Akauntan  
Negara, Negeri Sarawak



Participants at the talk

### SEDC Strategic Planning Regroup

20 - 21 September 2012, Damai Beach Resort



Regroup Sessions

### Understanding Business Transformation Framework and Corporate Governance Practices

7 - 8 November 2012, Grand Margherita Hotel



Training Sessions

## CORPORATE ACTIVITIES

### EXPOSITIONS AND EXHIBITIONS

#### **Hari Peladang, Penternak dan Nelayan Negeri**

25 - 26 August 2012, Limbang



SEDC's booth

#### **Sarawak Builders Expo (SARBEX)**

21 September 2012, Borneo Convention Centre Kuching



SEDC's booth at the Expo

#### **Career Expo**

11 December 2012, Borneo Convention Centre, Kuching



Visitors at SEDC's Booth



YAB Chief Minister of Sarawak visits SEDC's booth



## PROJECT HIGHLIGHTS

### KUCHING WATERFRONT



Kuching Waterfront Extension

Stage 1 : Reclamation Works

Project Cost : RM 1.9 million

Location : Kuching Waterfront,  
Kuching

Project Components :

This project will add 73 metres to the elevated walkway (234 metres was completed in 2011)

Completion Date : 26 July 2013

### NEW SEDC HOTEL



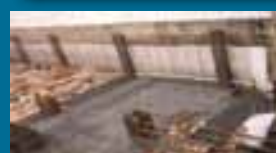
Proposed 18-Storey New Hotel

Project Cost : RM60.0 million

Location : Lot 276, Section 48, KTLD,  
Jalan Tunku Abdul Rahman, Kuching,  
Sarawak

Project Components : 168 Rooms  
F&B Outlet  
2 Meeting Rooms

Completion Date : 08 August 2014





## PROJECT HIGHLIGHTS

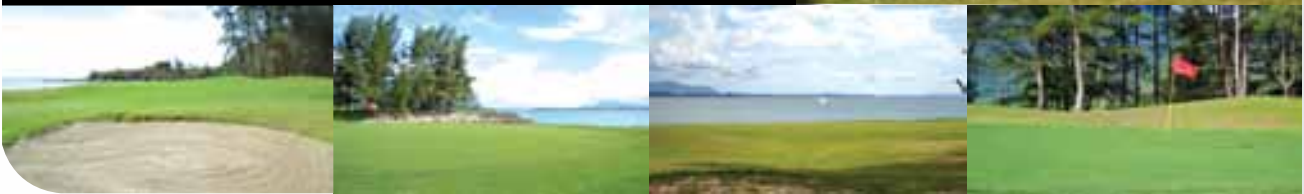


### DAMAI GOLF & COUNTRY CLUB

#### Upgrading Works

Project Cost : RM2.52 million  
Location : Damai Golf & Country Club  
Project Components : Green renovation  
Bunkers renovation  
Fairway subsoil improvement  
Other works  
(including nursery establishment  
and roofing works)

Completion Date : July 2013



### PALM VILLA PROPERTIES



Project Cost : RM44.0 million

Location : Samarahan Division

Project Components : 10 units of double storey shophouses  
197 units of residential houses

Completed Date : 31 July 2012 (Phase 1)

Commencement Date : 1 March 2013 (Phase 2)

Completed Date : 30 November 2013

Joint development with Hock Peng Realty Sdn Bhd.



## **SECTION 3 : BOARD AND BOARD COMMITTEES**

## BOARD AND BOARD COMMITTEES

### SEDC BOARD

Section 41(1) of the SEDC Ordinance provides that the Board of the Corporation shall consist of the following Members:-

- A Chairman
- Two official members
- Not less than three, but not more than eight other members

### Meetings held in 2012

In 2012, a total of four (4) meetings were held as follows : -  
28 February 2012, 24 May 2012, 25 September 2012 and 18 December 2012

The record of attendance to the meetings are as follows:-

| Members   | No. of Meetings Attended |
|---|--------------------------|
| YB Datuk Haji Talib Zulpilip<br>State Financial Secretary<br>(Represented by YBhg Datu Laura Lee Ngien Hion<br>/Encik Abdul Kadir Zainudin) | 4 out of 4               |
| YBhg Datu Hajah Jabitah Monseri<br>(Federal Treasury Representative)  | 4 out of 4               |
| YB Tan Sri Datuk Amar Haji Mohamad Morshidi bin Abdul Ghani   | 4 out of 4               |
| YB Datuk Dr Stephen Rundi Utom  | 3 out of 4               |
| YBhg Datuk Amar Wilson Baya Dandot  | 3 out of 4               |
| YBhg Datuk Fong Joo Chung   | 3 out of 4               |
| YBhg Datuk Haji Ismail bin Haji Hashim  | 2 out of 4               |
| YBhg Datu Haji Abdul Rashid bin Haji Aziz   | 4 out of 4               |
| YBhg Datu Sudarsono bin Osman   | 3 out of 4               |
| YBhg Encik Jasni bin Jubli  | 1 out of 4               |



## BOARD AND BOARD COMMITTEES

### BOARD

|            |   |
|------------|---|
| Chairman : | YB Datuk Haji Talib Zulpilip  |
| Members :  | YBhg Dato Sri Ahmad Tarmizi bin Haji Sulaiman (State Financial Secretary)<br>YBhg Datu Hajah Jabidah binti Monseri<br>(Federal Treasury Representative)<br>YB Tan Sri Datuk Amar Haji Mohamad Morshidi bin Abdul Ghani<br>YB Dr Datuk Stephen Rundi Utom<br>YBhg Datuk Amar Wilson Baya Dandot<br>YBhg Datuk Fong Joo Chung<br>YBhg Datuk Haji Ismail bin Haji Hashim<br>YBhg Datu Haji Abdul Rashid bin Haji Aziz<br>YBhg Datu Sudarsono bin Osman<br>YBhg Encik Jasni bin Jubli |

### BOARD COMMITTEES

The Corporation has established various committees to enhance and adopt good corporate governance practices in the Corporation. These Committees are as follows:-

#### ESTABLISHMENT COMMITTEE (SEC)

|            |   |
|------------|---|
| Chairman : | YBhg Datuk Amar Wilson Baya Dandot  |
| Members :  | YBhg Datu Haji Abdul Rashid bin Haji Aziz<br>YBhg Encik Bakrie Zaini<br>(Director, Human Resource Management Unit, Jabatan Ketua Menteri)<br>YBhg Tuan Haji Soedirman bin Haji Aini |

#### TENDER, FINANCE AND INVESTMENT COMMITTEE (TFIC)

|            |  |
|------------|--|
| Chairman : | YB Datuk Haji Talib Zulpilip   |
| Members :  | YBhg Dato Sri Ahmad Tarmizi bin Haji Sulaiman<br>YB Tan Sri Datuk Amar Haji Mohamad Morshidi bin Abdul Ghani<br>Representative from Federal Treasury<br>YBhg Datu Laura Lee Ngien Hion |

## BOARD AND BOARD COMMITTEES

### BOARD AUDIT COMMITTEE (BAC)

Chairman : YB Tan Sri Datuk Amar Haji Mohd. Morshidi bin Abdul Ghani  
Members : YB Datuk Dr Stephen Rundi Utom  
YBhg Datuk Haji Ismail bin Haji Hashim  
YBhg Datu William Lee Boon Tong  
Encik Abdul Kadir Zainuddin (State Financial Secretary Representative)



Seated (L-R):  
YB Datuk Dr Stephen Rundi Utom, YB Tan Sri Datuk Amar Haji Mohd. Morshidi bin Abdul Ghani and YBhg Tuan Haji Soedirman bin Haji Aini

Standing (L-R): Encik Abdul Kadir Zainuddin, YBhg Datuk Haji Ismail bin Haji Hashim and YBhg Datu William Lee Boon Tong

### BOARD RISK COMMITTEE (BRIC)

Chairman : YBhg Datuk Haji Ismail bin Haji Hashim  
Members : YBhg Datu Hajah Jabidah binti Monseri  
YBhg Datu Laura Lee Ngien Hion  
YBhg Dr Loh Leong Hua



From (L-R):  
YBhg. Datu Laura Lee Ngien Hion, YBhg. Dr. Loh Leong Hua, YBhg Datuk Haji Ismail bin Haji Hashim and YBhg Datu Hajah Jabidah Monseri

## BOARD AND BOARD COMMITTEES

### SEDC BOARD AUDIT COMMITTEE (BAC)

#### Composition Of The BAC

The members of the SEDC Board Audit Committee are appointed by the SEDC Board. The Board Audit Committee shall comprise members (other than the Chairman) from among SEDC Board members or any other person as shall be determined by SEDC Board under Section 16 of the SEDC Ordinance.

The Board Audit Committee consist of not fewer than three (3) members, of whom a majority shall not be persons having relationship which, in the opinion of the Board, would interfere with the exercise of independent judgement in carrying out the duties of the BAC.

The Board Audit Committee Members are: -

|   |                   |
|---|-------------------|
| YB Tan Sri Datuk Amar Haji Mohamad Morshidi Abdul Ghani | (Chairman)        |
| YB Datuk Dr Stephen Rundi Utom                          | (Deputy Chairman) |
| YBhg Datuk Haji Ismail Haji Hashim                      | (Member)          |
| YBhg Datu William Lee Boon Tong                         | (Member)          |
| State Financial Secretary or his representative         | (Member)          |

### DUTIES AND RESPONSIBILITIES

The Committee is responsible for the following duties:

To oversee the Internal Audit function and to approve the Annual Audit Plan

To review Internal Audit Reports and consider findings and management responses thereto, and other problems, reservations and major issues of concern

To ensure affirmative action is taken by the auditee in respect of Board Audit Committee's decisions

To review Draft Audited Financial Statements and the Auditors' Report thereon prior to tabling for adoption and/or approval by the SEDC Board

To recommend the appointment and remuneration of external auditors of subsidiaries, where appropriate

To review the maintenance of an effective internal control system including financial and accounting system and to support and recommend measures to improve internal controls

To review the accounting policies and reporting requirements and compliance with legal requirements and accounting standards

To institute efficiency reviews and help to establish the environment in which controls can operate effectively

To initiate special audits and investigations and consider findings arising from such audits and investigations

To perform any other related duties as directed by the Board



## BOARD AND BOARD COMMITTEES



### AUDIT COMMITTEE MEETINGS

Four BAC meetings were held during the financial year ended 31 December 2012.  
The record of the attendance to these meetings is as follows:-

| Members  | No. of Meetings Attended |
|--|--------------------------|
| YB Tan Sri Datuk Amar Haji Mohamad Morshidi Abdul Ghani                        | 4 out of 4               |
| YB Datuk Dr Stephen Rundi Utom   | 3 out of 4               |
| State Financial Secretary<br>(Represented by YBhg Encik Abdul Kadir Zainuddin) | 4 out of 4               |
| YBhg Datuk Haji Ismail Haji Hashim   | 3 out of 4               |
| YBhg Datu William Lee Boon Tong  | 4 out of 4               |

### Activities

Summary of activities of the BAC for the financial year ended 31 December 2012:

Reviewed and approved the annual audit plan of the Internal Audit Division for 2012, including its scope and coverage over the activities of the SEDC's Headquarters, Regional Offices and Subsidiary Companies.

Reviewed and deliberated the audit reports of the Internal Audit Division vis-a-vis findings with regard to the system of internal control highlighted during the course of the audits and the responses from the management.

Reviewed and made recommendations on significant issues on the audited financial statements of the Corporation and the Group before tabling to the SEDC Board for deliberation.

## BOARD AND BOARD COMMITTEES

### SEDC ESTABLISHMENT COMMITTEE (SEC)



#### Composition of the SEC

SEC was established in accordance with the provision in Section 16 of the SEDC Ordinance. The Committee consists of three members of the Board, the General Manager and any other person as the Corporation deems fit. The members are appointed by the Chairman of SEDC. A quorum of three members is required for the meeting to proceed. The Secretary of the Committee is the Director of the Human Resource and General Administration Division of SEDC.

#### Duties and Responsibilities

This Committee is responsible for the following functions and duties:-

Approve the appointment to all posts in the Managerial and Professional group  
(Grade 44 or equivalent and higher grades)

Approve the promotion of employees in the Managerial and Professional group

Dismiss and demote employees

Establish new posts and abolish redundant posts in the Managerial and Professional group

Upgrade and re-designate existing posts

Ex-gratia payment

Guidelines on staff welfare

#### Meetings Held in 2012

Two meetings were held in 2012.

| Members   | No. of Meetings Attended |
|---|--------------------------|
| YBhg Datuk Amar Wilson Baya Dandot  | 2 out of 2               |
| YBhg Datu Haji Abdul Rashid Bin Haji Aziz   | 2 out of 2               |
| YBhg Encik Bakrie Zaini<br>Director, Human Resource Management Unit,<br>Jabatan Ketua Menteri | 2 out of 2               |
| YBhg Tuan Haji Soedirman Bin Haji Aini  | 2 out of 2               |



## **SECTION 4 : CORPORATE GOVERNANCE**



## CORPORATE GOVERNANCE

### Background

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

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 & REGULATIONS

The Corporation seeks to ensure full compliance with the laws and regulations applicable to the Corporation. 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 Regulations and Accounting Procedure Regulations 1980 (Revised 2009)
- ❖ State and Federal Circulars

In addition, the Management is required to implement and enforce the decisions 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.

For the year 2012, numerous activities, programmes and events were held to enhance and strengthen corporate governance within the Corporation and its Group. These include the following:-

#### ❖ **Presidential Address 2012**

The Presidential Address 2012 was held on 17 February 2012 to disseminate and share information on the following:

- Corporate achievement for 2011
- Corporate targets for 2012
- Corporate direction

- ❖ **'Management Contract'** signing was done by all Divisional Directors during the Presidential Address on 17 February 2012. The Contract serves as a Key Performance Indicator (KPI) mechanism to measure the performance of the Divisions

- ❖ **INTEGRITY Day (2011 & 2012)** were held on 11 January and 4 December 2012

- ❖ **Jawatankuasa Keutuhan Tadbir Urus (JKTU) Meetings** were conducted on 10 February, 10 June and 4 October 2012

- ❖ **ISO Quality Management System Internal Quality Audit** was held on 3 May to 13 June 2012 and 22 October until 6 November 2012

- ❖ Representatives from **Jawatankuasa Keutuhan Tadbir Urus (SEDC)** attended the **Seminar Jawatankuasa Keutuhan Tadbir Urus (JKTU) Jabatan/Kementerian dan Agensi Kerajaan Negeri** on 18 to 19 June 2012, Premier Hotel Sibu



## **SECTION 5 : FINANCIAL STATEMENTS**