

SCC HOLDINGS BERHAD (Company No: 511477-A)

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2011

NOTES TO THE INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2011

(a) NOTES PURSUANT TO THE FINANCIAL REPORTING STANDARD 134 (FRS 134): INTERIM FINANCIAL REPORTING

A1. Basis of reporting preparation

The interim financial statements are unaudited and have been prepared in accordance with FRS 134: Interim Financial Reporting and Appendix 9B of the Listing Requirements.

The interim financial statements should be read in conjunction with the Audited Financial Statements of the Company for the FYE 31 December 2010 and the accompanying explanatory notes attached to the interim financial report.

A2. Summary of significant accounting policies

The significant accounting policies adopted in the interim financial report are consistent with the Audited Financial Statements for the FYE 31 December 2010, except for the adoption of the following new/revised FRS, Issues Committee ("IC") Interpretations, amendments to FRS and IC Interpretations, issued by the Malaysian Accounting Standards Board ("MASB"), which are mandatory and will be effective for the financial periods as stated below:

<u>Revised FRSs</u>		Effective date
FRS 1	First-time Adoption of Financial Reporting Standards	1 July 2010
FRS 3	Business Combinations	1 July 2010
FRS 127	Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	1 July 2010
<u>Amendments/Improvements to FRSs</u>		
FRS 1	First-time Adoption of Financial Reporting Standards	1 January 2011
FRS 2	Share-based Payment Vesting Conditions and Cancellations	1 January 2011
FRS 3	Business Combinations	1 July 2010
FRS 5	Non-current Assets Held for Sale and Discontinued Operations	1 July 2010
FRS 7	Financial Instruments : Disclosure	1 January 2011
FRS 101	Presentation of Financial Statements	1 January 2011
FRS 121	The Effects of Changes in Foreign Exchange Rates	1 January 2011
FRS 128	Investment in Associates	1 January 2011
FRS 131	Interests in Joint Ventures	1 January 2011
FRS 132	Financial Instruments : Presentation	1 March 2010
FRS 134	Interim Financial Reporting	1 January 2011
FRS 138	Intangible Assets	1 July 2010
FRS 139	Financial Instruments : Recognition and Measurement	1 January 2011
<u>IC Interpretations</u>		
IC Int 4	Determining whether an arrangement contains a lease	1 January 2011
IC Int 12	Service Concession Arrangements	1 July 2010
IC Int 15	Agreements for the Construction on real Estate	1 January 2012
IC Int 16	Hedges of a Net Investment in a Foreign Operation	1 July 2010
IC Int 17	Distributions of Non-cash Assets to Owners	1 July 2010

SCC HOLDINGS BERHAD (Company No: 511477-A)

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2011

A2. Summary of significant accounting policies (Continued)

IC Int 18	Transfers of Assets from Customers	1 January 2011
IC Int 19	Extinguishing Financial Liabilities with Equity Instruments	1 July 2011

Amendments to IC Interpretations

IC Int 9	Reassessment of Embedded Derivatives	1 July 2010
IC Int 13	Customer Loyalty Programmes	1 January 2011
IC Int 15	Agreements for the Construction on real Estate	1 January 2012

The adoption of the above did not have any significant effects on the interim financial report upon their initial application, other than as below:

FRS 101: Presentation of Financial Statements (revised)

FRS 101 introduces terminology changes (including revised titles for the financial statements) and changes in the format and content of the financial statements. In addition, the revised Standard requires the presentation of a third statement of financial position in the event that the entity has applied new accounting policies retrospectively. There is no impact on the Group's financial statements as this change in accounting policy affects only the presentation of the Group's financial statements.

A3. Auditors' report

There was no qualification on the audited financial statements of the Group for the FYE 31 December 2010.

A4. Seasonal or cyclical factors

The operations of the Group were not significantly affected by seasonal or cyclical factors during the current quarter under review.

A5. Items of unusual nature and amount

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current quarter under review.

A6. Material changes in estimates

There were no changes in the estimates that had a material effect in the current quarter and period to date results.

A7. Issuances, cancellations, repurchases, resale and repayments of debt and equity securities

There was no issuance, cancellation, repurchase, resale and repayment of debts and equity securities for the current quarter under review.

A8. Dividends paid

There was no dividend paid in the current quarter under review.

SCC HOLDINGS BERHAD (Company No: 511477-A)

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2011

A9. Segmental information

Segmental information of the Group's revenue is as follows:

	Animal Health Products RM'000	Food Service Equipment RM'000	Total RM'000	Inter-segment Elimination RM'000	Consolidated RM'000
REVENUE					
External revenue	3,713	4,484	8,197	-	8,197
Inter-segment revenue	41	2	43	(43)	-
Total revenue	<u>3,754</u>	<u>4,486</u>	<u>8,240</u>	<u>(43)</u>	<u>8,197</u>
RESULTS					
Depreciation					(129)
Finance costs					(14)
Taxation expenses					(429)
Unallocated corporate expenses					<u>(6,379)</u>
					<u>1,246</u>

A10. Valuation of property, plant and equipment

There was no valuation of property, plant and equipment in the current quarter under review.

A11. Capital commitments

As at the balance sheet date, there was no outstanding capital commitments not provided for in the interim financial report.

A12. Material subsequent event

There was no material subsequent event.

A13. Changes in the composition of the Group

There was no change in the composition of the Group for the current quarter under review.

A14. Contingent liabilities and contingent assets

There were no contingent liabilities and contingent assets, which upon becoming enforceable may have a material effect on the net assets, profits or financial position of the Group for the current quarter under review.

A15. Significant related party transactions

Save as disclosed in the Audited Financial Statements for the FYE 31 December 2010, there were no other significant related party transactions for the current quarter under review.

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2011

B. ADDITIONAL INFORMATION REQUIRED UNDER THE LISTING REQUIREMENTS

B1. Review of performance

The Group achieved a revenue of RM8.197 million and a profit before taxation of RM1.675 million for the current quarter ended 31 March 2011. There is no comparison available for the preceding year corresponding quarter as the Group was formed on 24 June 2010.

B2. Material changes in the current quarter's results compared to the results of the immediate preceding quarter

No comparative figures are presented for the immediate preceding quarter as this is the fourth interim financial report being announced by the Company. Moreover, the Group was only formed on 24 June 2010.

B3. Prospects

The Malaysian animal feed additives market is expected to have a positive outlook with an expected compound annual growth rate ("CAGR") of 5.9% from 2009 to 2014 with market size growing to RM270.8 million in 2014, whilst the Malaysian food service equipment market is also expected to grow at a CAGR of 8.3% from 2009 to 2014 with market size growing to RM434.5 million in 2014.

Barring any unforeseen circumstances, the Board of Directors is optimistic of the Group's prospect in the future.

B4. Profit forecast

No profit forecast has been issued by the Group previously in any public document.

B5. Taxation

	Current quarter ended	Current year to-date
	31-Mar-11	31-Mar-11
	RM' 000	RM' 000
Current tax	429	429
Deferred tax	107	107
	<u>536</u>	<u>536</u>

The Group's effective tax rate for the current quarter was 25.61%, which was higher than the statutory rate due to certain expenses being disallowed for tax purposes.

B6. Profit from sale of unquoted investments and/or properties

There was no disposal of unquoted investments or properties for the current quarter under review.

SCC HOLDINGS BERHAD (Company No: 511477-A)

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2011

B7. Quoted securities

Investments in quoted securities as at 31 March 2011 were as follows:

	Cost	Book value	Market Value
	RM'000	RM'000	RM'000
Quoted shares	24	50	45

There was no acquisition and/or disposal of quoted securities for the current quarter under review.

B8. Status of corporate proposal

There is no corporate proposal announced but not completed at a date not earlier than 7 days from the date of this quarterly report.

Utilisation of IPO Proceeds

The status of utilisation of the IPO proceeds is as follows:-

Purpose	Proposed utilisation	Actual utilisation	Intended timeframe for utilisation from the listing date	Balance
	RM'000	RM'000	Month	RM'000
Capital expenditures	2,000	105	24	1,895
Program development expenditure	3,000	-	36	3,000
Working capital	2,291	4	24	2,287
Estimated listing expenses	1,380	1,380	Upon listing	-
Total	8,671	1,489		7,182

SCC HOLDINGS BERHAD (Company No: 511477-A)

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2011

B9. Group borrowings and debt securities

The Group's borrowings as at 31 March 2011 were as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
<u>Short term borrowings:</u>			
Bankers' acceptance	577	-	577
Hire purchase	-	44	44
	<u>577</u>	<u>44</u>	<u>621</u>
	Secured RM'000	Unsecured RM'000	Total RM'000
<u>Long term borrowings:</u>			
Hire purchase	-	53	53
	<u>-</u>	<u>53</u>	<u>53</u>
Total	<u>577</u>	<u>97</u>	<u>674</u>

All the Group's borrowings are denominated in Ringgit Malaysia.

B10. Off balance sheet financial instruments

The Group does not have any financial instruments with off-balance sheet risk as at the date of this quarterly report.

B11. Material litigation

There are no material litigations during the current quarter under review.

B12. Dividend

No interim dividend has been recommended for the financial quarter ended 31 March 2011.

SCC HOLDINGS BERHAD (Company No: 511477-A)**QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2011****B13. Earnings per share**

The basic and diluted earnings per share is calculated based on the Group's comprehensive income attributable to equity holders of the Company divided by the weighted average number of ordinary shares as follows:

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended 31-Mar-11 RM'000	Preceding Year Corresponding Quarter Ended 31-Mar-10 RM'000	Current Year to Date Ended 31-Mar-11 RM'000	Preceding Year to Date Ended 31-Mar-10 RM'000
Comprehensive income attributable to equity holders of the Company (RM)	1,246	N/A	1,246	N/A
Weighted average number of ordinary shares ('000)	42,757	N/A	31,708	N/A
Earnings per share (sen)				
- Basic	2.91	N/A	3.93	N/A
- Diluted	2.91	N/A	3.93	N/A

B14. Supplementary information on the disclosure of realised and unrealised profit

The amount of realised and unrealised profits included in the retained profit of the Group are as follows.

	Unaudited As at 31.03.2011 RM'000	Audited As at 31.12.2010 RM'000
- Realised	6,710	5,357
- Unrealised	(107)	107
	<u>6,603</u>	<u>5,464</u>

By order of the board
SCC Holdings Berhad

Wong Keo Rou (MAICSA 7021435)
Company Secretary
Kuala Lumpur
Date: 27 May 2011