

M & A EQUITY HOLDINGS BERHAD
(formerly known as SYF RESOURCES BERHAD)
Co. No. 199501035170 (364372-H)

Condensed Consolidated Statement of Financial Position
As at 30 June 2023

(The figures have not been audited)

	(UNAUDITED) As At 30/06/2023 RM'000	(AUDITED) As At 30/06/2022 RM'000 (Note 1)
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	8,056	6,809
Investment Property	9,806	9,806
Land and Property Development Costs	68,041	-
Goodwill	25,696	-
Intangible Assets	26,047	26,171
Deferred Tax Assets	1,636	2,666
	<u>139,282</u>	<u>45,452</u>
Current Assets		
Land and Property Development Costs	3,038	-
Inventories	10,066	-
Trade Receivables	178,191	158,303
Contract Assets	75,923	-
Other Receivables, Deposits and Prepayments	14,231	7,635
Amount Due from Related Companies	-	9,614
Financial Assets at Fair Value through Profit or Loss	1,893	4,951
Tax Recoverable	2,048	16
Fixed Deposits with Licensed Banks and Financial Institutions	119,566	18,093
Cash and Bank Balances	61,284	82,889
	<u>466,240</u>	<u>281,501</u>
TOTAL ASSETS	<u>605,522</u>	<u>326,953</u>
EQUITY AND LIABILITIES		
Share Capital	377,719	160,000
Reserves	(10)	(10)
Retained Earning	17,655	33,384
Equity Attributable to Equity Holders of the Company	<u>395,364</u>	<u>193,374</u>
Non-Controlling Interests	14,661	-
TOTAL EQUITY	<u>410,025</u>	<u>193,374</u>
Non-Current Liabilities		
Borrowings	18,151	-
Deferred Tax Liabilities	8,838	-
Lease Liabilities	388	40
	<u>27,377</u>	<u>40</u>
Current Liabilities		
Trade Payables	74,383	45,231
Contract Liabilities	1,154	-
Amount Due to Ultimate Holding Company	2,477	3,035
Amount Due to Related Companies	60,267	57,979
Other Payables and Accruals	16,102	16,438
Borrowings	12,485	10,078
Lease Liabilities	1,197	395
Tax Payable	55	383
	<u>168,120</u>	<u>133,539</u>
TOTAL LIABILITIES	<u>195,497</u>	<u>133,579</u>
TOTAL EQUITY AND LIABILITIES	<u>605,522</u>	<u>326,953</u>
Net Assets Per Share Attributable to Ordinary Equity Holders of the Company (RM)	0.20	0.19 (Note 2)

Note 1:

The audited Statement of Financial Position of M & A Securities Sdn Bhd ("M & A Securities") and its subsidiaries ("M & A Securities Group") as at 30 June 2022 has been presented as the comparative Statement of Financial Position following the Reverse Acquisition as explained in Note A1 and Note A2.1 to the interim financial statements.

Note 2:

It was calculated based on:
the newly issued 1,009,090,909 new ordinary shares in M & A Equity Holdings Berhad (formerly known as SYF Resources Berhad) ("M & A", "the Company") in exchange for 100,000,000 ordinary shares and 60,000,000 redeemable convertible preference shares ("RCPS") in M & A Securities following the Reverse Acquisition as explained in Note A1 and Note A2.1 to the interim financial statements.

(The Unaudited Condensed Statement of Financial Position should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements)

M & A EQUITY HOLDINGS BERHAD
(formerly known as SYF RESOURCES BERHAD)
Co. No. 199501035170 (364372-H)

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the Quarter Ended 30 June 2023
(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	<u>FY 2023</u> Current Quarter Ended 30/06/2023	<u>FY 2022</u> Current Quarter Ended 30/06/2022	<u>FY 2023</u> Year To Date 30/06/2023	<u>FY 2022</u> Year To Date 30/06/2022
	RM'000	RM'000 (Note 3)	RM'000	RM'000 (Note 3)
Revenue	9,432	N/A	40,869	N/A
Cost of Sales	(192)	N/A	(192)	N/A
Other Operating Expense	(21,881)	N/A	(54,869)	N/A
Other Operating Income	14,769	N/A	34,572	N/A
Profit from Operations	2,128	N/A	20,380	N/A
Finance Costs	(1,208)	N/A	(3,641)	N/A
Profit Before Tax	920	N/A	16,739	N/A
Taxation	(1,371)	N/A	(4,627)	N/A
Net (Loss)/Profit for the Quarter/Year	(451)	N/A	12,112	N/A
Other Comprehensive Income	-	N/A	-	N/A
Total Comprehensive (Loss)/Income for the Quarter/Year	(451)	N/A	12,112	N/A
Net (Loss)/Profit for the Quarter/Year, Representing Total Comprehensive (Loss)/Income for the Quarter/Year:				
Owners of the Company	(360)	N/A	12,203	N/A
Non-Controlling Interests	(91)	N/A	(91)	N/A
	(451)	N/A	12,112	N/A
(Loss)/Earnings Per Share Attributable to Equity Holders of the Company (Note B12)	(0.03)	N/A	1.04	N/A

N/A denotes not available

Note 3:

There are no comparative figures being presented due to the Reverse Acquisition of SYF Resources Berhad Group by M & A Securities as explained in Note A1 and Note A2.1 to the interim financial statements. M & A Securities, being a non-listed private limited company was not required and had not prepared any interim financial statements prior to the Reverse Acquisition.

(The Unaudited Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements)

M & A EQUITY HOLDINGS BERHAD
(formerly known as SYF RESOURCES BERHAD)
Co. No. 199501035170 (364372-H)

Condensed Consolidated Statement of Changes in Equity
For the Quarter Ended 30 June 2023

(The figures have not been audited)

	<----- Attributable to Shareholders of the Company ----->		Retained Earnings RM'000	Total RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Reserve RM'000				
30 June 2023						
Balance at beginning of year 01 July 2022	160,000	(10)	33,384	193,374	-	193,374
Total comprehensive income for the year	-	-	12,203	12,203	(91)	12,112
Cash dividends paid to Insas (Note A8)	-	-	(27,932)	(27,932)	-	(27,932)
Non-controlling interest in a subsidiary company arising from the Reverse Acquisition	-	-	-	-	14,752	14,752
Deemed purchase consideration by M & A Securities arising from the Reverse Acquisition	125,152	-	-	125,152	-	125,152
Proceeds from issuance of shares arising from Rights Issue (Note B10)	62,576	-	-	62,576	-	62,576
Proceeds from issuance of shares arising from Restricted Issue (Note B10)	29,991	-	-	29,991	-	29,991
Balance at end of year 30 June 2023	377,719	(10)	17,655	395,364	14,661	410,025

Note 4:
There are no comparative figures for the preceding year being presented due to the Reverse Acquisition as explained in Note A1 and Note A2.1 to the interim financial statements. M & A Securities being a non-listed private limited company was not required and had not prepared any interim financial statements prior to the Reverse Acquisition.

(The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements)

M & A EQUITY HOLDINGS BERHAD
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Condensed Consolidated Statement of Cash Flows
For the Quarter Ended 30 June 2023
(The figures have not been audited)

	<u>FY 2023</u> 12 Months Ended 30/06/2023 <u>RM'000</u>	<u>FY 2022</u> 12 Months Ended 30/06/2022 <u>RM'000</u> (Note 5)
Operating activities :		
Profit before tax	16,739	N/A
Adjustments for :		
Bad debts written off	8,338	N/A
Depreciation of property, plant and equipment and right-of-use assets	1,661	N/A
Dividend income	(35)	N/A
Fair value loss on investment property	422	N/A
Gain on disposal of property, plant and equipment	(30)	N/A
Gain on fair value changes of financial assets at fair value through profit or loss	(1,757)	N/A
Interest expense	3,641	N/A
Interest income	(2,764)	N/A
Allowance of doubtful debts no longer required	(8,506)	N/A
Operating profit before working capital changes	<u>17,709</u>	<u>N/A</u>
Changes in working capital :		
Land and property development costs	9,106	N/A
Contract assets	(1,293)	N/A
Contract liabilities	1,154	N/A
Receivables	(22,945)	N/A
Payables	9,887	N/A
Financial assets at fair value through profit or loss	4,814	N/A
Cash generated from operations	<u>18,432</u>	<u>N/A</u>
Interest received	2,764	N/A
Interest paid	(3,591)	N/A
Income tax paid	(5,030)	N/A
Net cash generated from operating activities	<u>12,575</u>	<u>N/A</u>
Investing activities :		
Purchase of property, plant and equipment	(490)	N/A
Proceeds from disposal of property, plant and equipment	30	N/A
Addition to investment property	(594)	N/A
Repayment from a related company	9,614	N/A
Net cash inflow from the Reverse Acquisition	672	N/A
Dividend received	35	N/A
Net cash flows from investing activities	<u>9,267</u>	<u>N/A</u>
Financing activities :		
Repayment of lease liabilities	(1,022)	N/A
Increase in fixed deposits pledged with licensed banks	(13)	N/A
Net repayment of loans and borrowings	(416)	N/A
Proceeds from Rights Issue and Restricted Issue (Note B10)	92,567	N/A
Repayment to ultimate holding company	(558)	N/A
Repayment to related companies	(7,711)	N/A
Dividend paid	(27,932)	N/A
Net cash flows from financing activities	<u>54,915</u>	<u>N/A</u>
Net increase in cash and cash equivalents	76,757	N/A
Cash and cash equivalents at beginning of year	100,278	N/A
Cash and cash equivalents at end of year	<u>177,035</u>	<u>N/A</u>
Cash and cash equivalents included in the statement of cash flow:		
Fixed deposits with licensed banks	119,566	N/A
Cash and bank balances	61,284	N/A
	180,850	N/A
Less : Fixed deposits pledged with a licensed bank	(3,815)	N/A
	<u>177,035</u>	<u>N/A</u>

N/A denotes not available

Note 5:

There are no comparative figures for the preceding year being presented due to the Reverse Acquisition as explained in Note A1 and Note A2.1 to the interim financial statements. M & A Securities being a non-listed private limited company was not required and had not prepared any interim financial statements prior to the Reverse Acquisition.

(The Unaudited Condensed Consolidated Statement of Cash Flow should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements)

M & A EQUITY HOLDINGS BERHAD
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Notes To The Unaudited Financial Report
For the Quarter Ended 30 June 2023

Part A – Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134: Interim Financial Reporting

A1. Basis of Preparation

This set of financial report is unaudited and has been prepared in compliance with the reporting requirements outlined in the Malaysian Financial Reporting Standard (“MFRS”) 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and Paragraph 9.22 of the Main Market Listing Requirements of the Bursa Malaysia Securities Berhad (“Bursa Securities”).

On 10 May 2023 (“Completion Date”), the Company completed the acquisition of 100,000,000 ordinary shares and 60,000,000 redeemable convertible preference shares (“RCPS”) in M & A Securities Sdn Bhd (“M & A Securities”), representing the entire equity interest and RCPS in M & A Securities (“the Acquisition”), and the purchase consideration is satisfied via the issuance of 1,009,090,909 new ordinary shares (“Consideration Shares”) in the Company to the vendor, Insas Berhad (“Insas”). The Acquisition fulfils the criteria of a Reverse Acquisition under MFRS 3 Business Combinations detailed in Note A2.1 below, ie. M & A Securities acquiring the Company and its subsidiaries (“SYF Resources Berhad Group”) on the Completion Date and thus, this set of interim financial statements comprise the financial results and cashflows of M & A Securities Group for the period from 1 July 2022 to 30 June 2023 and accounting for the results of SYF Resources Berhad Group from the Completion Date to 30 June 2023 and the financial position of the enlarged group on 30 June 2023. Other than the Reverse Acquisition, the accounting policies, estimates and judgements adopted in this interim financial statements are consistent with those adopted by the M & A Securities Group for the financial year ended 30 June 2022.

As announced on 26 May 2023, the financial year end of the Company has been changed from 31 July 2023 to 30 June 2023 and for FY 2023, arising from the Reverse Acquisition, the financial year commenced from 1 July 2022 to 30 June 2023 (“Financial Year”), covering a period of 12 months for enlarged group.

On 8 June 2023, the Company changed its name from SYF Resources Berhad to M & A Equity Holdings Berhad, to reflect the new corporate identity of M & A Equity Holdings Berhad with its new core business arising from the completion of the Acquisition and the future undertakings of the Group in the financial services industry.

The accompanying explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2022.

A2. Significant Accounting Policies

A2.1 Application of MFRS 3: Business Combinations – Reverse Acquisition on Completion Date

On 6 October 2021, the Company announced that it had entered into a Share Sale and Purchase Agreement (“SSPA”) with Insas for the Acquisition. The purchase consideration will be fully satisfied through the issuance of 1,585,714,286 new ordinary shares (“Shares”) in the Company. On 14 November 2022, the Company announced the number of Shares shall be revised from 1,585,714,286 to the Consideration Shares and the revised issue price from RM0.14 to RM0.22 per share, resulted in a total purchase consideration of RM222.0 million. Upon completion of the Acquisition on 10 May 2023, the Company became the legal holding company of M & A Securities.

In accordance with MFRS 3: Business Combinations, the aforementioned business combination between the Company and M & A Securities is treated as a Reverse Acquisition whereby for accounting purposes, the accounting acquirer is M & A Securities while the accounting acquiree is the Company.

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Notes To The Unaudited Financial Report
For the Quarter Ended 30 June 2023

A2. Significant Accounting Policies (Cont'd)

A2.1 Application of MFRS 3: Business Combinations – Reverse Acquisition on Completion Date (cont'd)

Under the Reverse Acquisition method of accounting, even though the consolidated financial statements of the combined entity are issued under the name of the legal holding company, that is, the Company, the consolidated financial statements represent a continuation of the historical financial statements of the legal subsidiary, that is, M & A Securities. Accordingly:

- i. For the current year-to-date of the Unaudited Consolidated Statement of Profit or Loss and Other Comprehensive Income, Unaudited Consolidated Statement of Changes in Equity and Unaudited Consolidated Statement of Cash Flow relates to the period from 1 July 2022 to 30 June 2023 of M & A and its subsidiaries ("M & A Group"). No comparative figures are presented as M & A Securities, being a non-listed private limited company was not required and had not prepared any interim financial statements prior to the Reverse Acquisition.
- ii. The Consolidated Statement of Financial Position of M & A Securities Group as at 30 June 2022 has been presented as the comparative in the Consolidated Statement of Financial Position.
- iii. The fair value of the identifiable assets and liabilities of SYF Resources Berhad Group as at the Completion Date are as follows:-

	RM'000
Deemed purchase consideration of SYF Resources Berhad Group by M & A Securities	125,152
Less: Net assets acquired	
Non-current assets	68,000
Current assets	105,163
Non-current liabilities	(27,405)
Current liabilities	(31,550)
Non-controlling interests	(14,752)
Total identifiable net assets	<u>99,456</u>
Goodwill on acquisition	<u><u>25,696</u></u>

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Notes To The Unaudited Financial Report
For the Quarter Ended 30 June 2023

A2. Significant Accounting Policies (Cont'd)

A2.2 Adoption of Amendments/Improvements to MFRS

The accounting policies and methods of computation and presentation adopted by M & A and its subsidiaries ("M & A Group") in this Quarterly Report are consistent with those adopted in the audited financial statements for the financial year ended 30 June 2022, except for the abovementioned in Note A2.1 and the adoption of the following new Standard, amendments to Standards and annual improvements to Standards issued by the MASB that became effective and relevant to the Group for the financial year beginning on or after 1 July 2022:-

	Effective dates for financial period beginning on or after
Amendments to MFRS 3 Business Combinations – Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 116 Property, Plant and Equipment – Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets - Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to MFRS Standards 2018 - 2020	1 January 2022

The adoption of these relevant new Standard, amendments to Standards and annual improvements to Standards did not have any material financial impact on the financial statements of the Group.

The Group has not early adopted the following new Standard, amendments to Standards and annual improvements to Standards that have been issued but are not yet effective for the accounting period beginning 1 July 2022, as follows:-

	Effective dates for financial period beginning on or after
MFRS 17 and amendments to MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 17 Insurance Contracts - Initial Application of MFRS 17 and MFRS 9 - Comparative Information	1 January 2023
Amendments to MFRS 101 Presentation of Financial Statements - Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112 Income Taxes - Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 16 Leases - Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101 Presentation of Financial Statements - Non-Current Liabilities with Covenants	1 January 2024
Amendments to MFRS 101 Presentation of Financial Statements - Classification of Liabilities as Current or Non-Current	1 January 2024
Amendments to MFRS 10 and MFRS 128 Consolidated Financial Statements and Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Effective date deferred indefinitely

Management anticipates that all relevant pronouncements will be adopted in the Group's accounting policies for the first period beginning after the effective date of the pronouncements.

The initial applications of the relevant new Standard, amendments to Standards and annual improvements to Standards are not expected to have any material financial impact to the financial statements of the Group.

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Notes To The Unaudited Financial Report
For the Quarter Ended 30 June 2023

A3. Declaration of Audit Qualification

The audit report of the preceding annual financial statements for the financial year ended 30 June 2022 was not subject to any qualifications.

A4. Seasonal or Cyclical Factors

The Group's core business in stock broking and corporate advisory services are dependent on Bursa Malaysia trading volume and value and the financial markets sentiments.

A5. Exceptional/Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

Except for the effects of the Reverse Acquisition and the completion of Multiple Proposals as announced on 30 June 2023, there were no unusual items affecting assets, liabilities, equity, net income or cash flows in the current quarter and Financial Year.

A6. Material Changes in Estimates

There were no material changes in accounting estimates used in the preparation of the financial statements in the current quarter and Financial Year.

A7. Debt and Equity Securities

There were no issuance, cancellations, repurchases, resale and repayments of debt and equity securities for the current quarter and financial year other than as disclosed below:

- i. On 30 June 2023, 284,436,506 Rights Shares pursuant to the Rights Issue and 136,323,600 Restricted Issue Shares pursuant to the Restricted Issue were listed and quoted on the Main Market of Bursa Securities.
- ii. The Company did not repurchase any of its shares from the open market during the Financial Year. Of the total 2,003,960,027 issued and fully paid-up ordinary shares, 5,236,000 shares are being held as treasury shares by the Company as at 30 June 2023.

A8. Dividends Paid

<u>In respect of the financial year ended 30 June 2023</u>	RM
Preferential cash dividend of 3.0247 sen per RCPS, paid on 30 December 2022 to Insas	1,814,795
Cash dividend of 26.1167 sen per ordinary share, paid on 1 June 2023 to Insas	26,116,710
	<u><u>27,931,505</u></u>

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Notes To The Unaudited Financial Report
For the Quarter Ended 30 June 2023

A9. Segmental Reporting

Analysis by activities for the current quarter and financial year ended 30 June 2023 is as follows:

	Financial Services RM'000	Property Investment and Development RM'000	Investment Holding RM'000	Eliminations RM'000	Consolidation RM'000
<u>Current quarter ended 30 June 2023</u>					
Revenue					
External sales	9,271	161	-	-	9,432
Inter-segment sales	-	157	100	(257)	-
Total sales	<u>9,271</u>	<u>318</u>	<u>100</u>	<u>(257)</u>	<u>9,432</u>
Results					
Segment results	9,271	126	100	(257)	9,240
Net other operating expense	(3,952)	(1,045)	(810)	(1,305)	(7,112)
Finance costs	(909)	(1,464)	(397)	1,562	(1,208)
Profit/(Loss) before tax	<u>4,410</u>	<u>(2,383)</u>	<u>(1,107)</u>	<u>-</u>	<u>920</u>
Taxation	(1,357)	(49)	35	-	(1,371)
Net profit/(loss)	<u>3,053</u>	<u>(2,432)</u>	<u>(1,072)</u>	<u>-</u>	<u>(451)</u>
<u>Year to date ended 30 June 2023</u>					
Revenue					
External sales	40,652	217	-	-	40,869
Inter-segment sales	-	630	100	(730)	-
Total sales	<u>40,652</u>	<u>847</u>	<u>100</u>	<u>(730)</u>	<u>40,869</u>
Results					
Segment results	40,652	655	100	(730)	40,677
Net other operating expense	(17,273)	(1,382)	(810)	(832)	(20,297)
Finance costs	(3,342)	(1,464)	(397)	1,562	(3,641)
Profit/(Loss) before tax	<u>20,037</u>	<u>(2,191)</u>	<u>(1,107)</u>	<u>-</u>	<u>16,739</u>
Taxation	(4,612)	(50)	35	-	(4,627)
Net profit/(loss)	<u>15,425</u>	<u>(2,241)</u>	<u>(1,072)</u>	<u>-</u>	<u>12,112</u>
Other information					
Segment assets	<u>303,583</u>	<u>183,660</u>	<u>118,279</u>	<u>-</u>	<u>605,522</u>
Segment liabilities	<u>138,829</u>	<u>56,253</u>	<u>415</u>	<u>-</u>	<u>195,497</u>

A10. Valuations of Property, Plant and Equipment

The valuation of land and building held under property, plant and equipment have been brought forward without amendment from the annual financial statements of the Group for the financial year ended 30 June 2022.

A11. Material Events Subsequent to the End of the Current Quarter

There were no material events subsequent to the end of the current quarter that have not been reflected in the financial statements for the current quarter under review and financial year.

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Notes To The Unaudited Financial Report
For the Quarter Ended 30 June 2023

A12. Changes in the Composition of the Group

Other than the Reverse Acquisition as disclosed in Note A1 and Note A2.1 to the interim financial statements, there were no changes in the composition of the Group during the current quarter under review and financial year.

A13. Contingent Assets or Liabilities

Save as set out below, there were no other contingent assets or liabilities as at the end of this interim financial statements.

	Company	
	30 June 2023	30 June 2022
	RM'000	RM'000
Corporate guarantee given to a financial institution in respect of credit facility granted to a subsidiary		
- Limit of guarantee	39,700	-
- Amount utilised	<u>20,636</u>	<u>-</u>

A14. Capital Commitment

Capital commitment approved by the Board of Directors not provided for in the financial statements as at 30 June 2023 are as follows:

	30 June 2023	30 June 2022
	RM'000	RM'000
Investment commitment for new subsidiaries in the financing related activities	4,500	-
Setting up new corporate website	110	-
Purchase of property, plant and equipment	<u>587</u>	<u>-</u>

A15. Related Party Transactions

Related party transactions had been entered into in the ordinary course of business that had been undertaken at arm's length basis on normal commercial terms.

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Notes To The Unaudited Financial Report
For the Quarter Ended 30 June 2023

B1. Review of Performance

Comparison between the current financial quarter against preceding year corresponding financial quarter

	<u>FY 2023</u>	<u>FY 2022</u>		
	Current	Comparative		
	Quarter Ended	Quarter Ended		
	30/06/2023	30/06/2022	Changes	Variance
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>%</u>
Revenue	9,432	N/A	N/A	N/A
Profit from operations	2,128	N/A	N/A	N/A
Profit before tax	920	N/A	N/A	N/A
Net loss for the quarter	(451)	N/A	N/A	N/A
Loss attributable to owners of the Company	(360)	N/A	N/A	N/A

For the quarter

The Group reported revenue of RM9.43 million in the current quarter. The revenue was mainly generated from Financial Services units.

The Group posted profit before tax of RM0.92 million due mainly to higher operational expenses incurred by the Property Investment and Development and Investment Holding units being offset with profit before tax generated by Financial Services units of RM4.41 million.

In line with the above, the Group's loss after taxation for 4Q2023 was -RM0.45 million.

There is no comparative figures disclosed for the preceding year corresponding quarter due to the Reverse Acquisition as explained in Note A1 and Note A2.1 to the interim financial statements.

Financial Services

The Group's Financial Services units reported revenue and profit before tax of RM9.27 million and RM4.41 million due mainly to higher revenue generated from corporate advisory services.

Property Investment and Development

The Group's Property Investments and Development units recorded a revenue of RM0.16 million. The residential development is 100.0% sold and the current construction progress is approximately 98.0%. The Group's Property Investment and Development units posted a loss before tax of -RM2.38 million for the current quarter due mainly to adjustment for fair value loss on an investment property and higher operational expenses incurred in the current quarter.

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B1. Review of Performance (cont'd)

Comparison between the current financial period against preceding year corresponding financial period

	<u>FY 2023</u>	<u>FY 2022</u>		
	Cummulative period 30/06/2023	Cummulative period 30/06/2022	Changes	Variance
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>%</u>
Revenue	40,869	N/A	N/A	N/A
Profit from operations	20,380	N/A	N/A	N/A
Profit before tax	16,739	N/A	N/A	N/A
Net profit for the year	12,112	N/A	N/A	N/A
Profit attributable to owners of the Company	12,203	N/A	N/A	N/A

For the cumulative period

For the financial year ended 30 June 2023, the Group recorded a revenue and profit before tax of RM40.87 million and RM16.74 million respectively due mainly to the contribution from Financial Services units.

There is no comparison of the performance of current year and preceding year due to the Reverse Acquisition as explained in Note A1 and Note A2.1 to the interim financial statements.

Financial Services

The Group's Financial Services units reported revenue of RM40.65 million and a profit before tax of RM20.04 million in the current year due mainly to higher revenue from corporate advisory services recorded in the current financial year.

Property Investment and Development

The Group's Property Investment and Development units reported revenue of RM0.22 million due mainly from its Alstonia project.

The Group's Property Investment and Development units posted loss before tax of -RM2.19 million for the current year due mainly to higher operating expenses incurred in the financial year.

In line with the above, the Group's Property Investment and Development units recorded a loss after taxation of -RM2.24 million.

B2. Material changes in the results for the current financial quarter compared with the immediate preceding quarter

No comparison of the current financial quarter's result is made with that of the immediate preceding quarter due to the Reverse Acquisition as explained in Note A1 and Note A2.1 to the interim financial statements.

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B3. Prospects for the Next Financial Year

The Malaysian economy is expected to continue to expand, supported by resilient domestic demand, improving labour market conditions, higher tourism activity and further progress of multi year investment projects. Domestic financial conditions also remain conducive to financial intermediation amid sustained credit growth, for which the prospects augus well for the Financial Service segment.

The Group's Financial Services' outlook is expected to be bright as we continue to expand the corporate finance advisory business, intensify the client coverage activities to secure deal origination opportunities and take on more initial public offering exercises and secondary offerings, and grow the stock brokerage and margin financing business by further enhancing our online trading platform and broadening the client base beyond the small and medium enterprises market.

For the Property Investment and Development, the Group's Alstonia project was completed and the Group has delivered the vacant possession to the owners in July 2023.

The Investment Holding unit is a supporting segment of the Group. This segment does not generate significant external revenue, and its activities relate to offering management services to the Group.

Barring unforeseen circumstances, the Board is cautiously optimistic that the Group will deliver a satisfactory performance for the new financial year.

B4. Variance of Actual Profit from Profit Forecast or Profit Guarantee

Not applicable as there was no profit forecast or profit guarantee.

B5. Profit Before Tax

Profit before tax is derived after charging/(crediting):

	<u>FY 2023</u> Current Quarter Ended 30/06/2023 <u>RM'000</u>	<u>FY 2022</u> Current Quarter Ended 30/06/2022 <u>RM'000</u>	<u>FY 2023</u> Year To Date 30/06/2023 <u>RM'000</u>	<u>FY 2022</u> Year To Date 30/06/2022 <u>RM'000</u>
Bad debts written off	(8,336)	N/A	(8,338)	N/A
Depreciation of property, plant and equipment and right-of-use assets	(490)	N/A	(1,661)	N/A
Dividend income	-	N/A	35	N/A
Fair value loss on an investment property	(422)	N/A	(422)	N/A
Gain on disposal of property, plant and equipment	30	N/A	30	N/A
Gain on fair value changes of financial assets at fair value through profit or loss	2,057	N/A	1,757	N/A
Interest expense	(1,208)	N/A	(3,641)	N/A
Interest income	767	N/A	2,764	N/A
Professional fee in relation to completion of Multiple Proposal as announced on 30 June 2023	1,056	N/A	1,056	N/A
Allowance of doubtful debts no longer required	8,353	N/A	8,506	N/A
	<u>8,353</u>	<u>N/A</u>	<u>8,506</u>	<u>N/A</u>

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B6. Taxation

	<u>FY 2023</u> Current Quarter Ended 30/06/2023 <u>RM'000</u>	<u>FY 2022</u> Current Quarter Ended 30/06/2022 <u>RM'000</u>	<u>FY 2023</u> Year To Date 30/06/2023 <u>RM'000</u>	<u>FY 2022</u> Year To Date 30/06/2022 <u>RM'000</u>
Income tax				
- current period	77	N/A	3,907	N/A
- over provision in prior year	<u>(5)</u>	<u>N/A</u>	<u>(310)</u>	<u>N/A</u>
	<u>72</u>	<u>N/A</u>	<u>3,597</u>	<u>N/A</u>
Deferred tax				
- relating to origination and reversal of temporary differences	391	N/A	122	N/A
- over provision in prior year	<u>908</u>	<u>N/A</u>	<u>908</u>	<u>N/A</u>
	<u>1,299</u>	<u>N/A</u>	<u>1,030</u>	<u>N/A</u>
Tax expense	<u>1,371</u>	<u>N/A</u>	<u>4,627</u>	<u>N/A</u>

The Group's effective tax rate for the current quarter under review and financial year to date were higher than the statutory tax rate due mainly to the non-deductibility of expenses.

B7. Group Borrowings and Securities

	<u>30 June 2023</u> <u>RM'000</u>	<u>30 June 2022</u> <u>RM'000</u>
Denominated in Ringgit Malaysia		
Long-term borrowings		
Term loan - secured	<u>18,151</u>	<u>-</u>
Short-term borrowings		
Term loan - secured	2,485	-
Bank overdraft - secured	-	78
Revolving credit - secured	<u>10,000</u>	<u>10,000</u>
	<u>12,485</u>	<u>10,078</u>
Total Borrowings	<u>30,636</u>	<u>10,078</u>

B8. Material Litigation

There was no material litigation or pending litigation as at the date of the interim financial statements.

B9. Proposed Dividend

The Board of Directors does not propose any dividend for the quarter under review.

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B10. The Status of Corporate Exercise Announced but Not Completed as at the Date of This Report

Other than as disclosed below, there is no corporate proposal announced that is not complete as at the date of this Report:-

On 6 October 2021, the Company announced the following proposals ("Multiple Proposals"):

- a) the Company had entered into a share sale agreement ("SSA") with Mieco Chipboard Berhad ("Mieco"), to dispose of the entire 20,000,000 ordinary shares, representing 100% equity interest in Seng Yip Furniture Sdn Bhd ("Seng Yip"), a wholly-owned subsidiary, for a total disposal consideration of RM50.00 million ("Disposal of Furniture Business");
- b) the following subsidiaries had entered into sale and purchase agreement ("SPAs") with Juta Development Sdn Bhd ("Juta") for the disposal of the following:
 - i. disposal by Nikmat Sekitar Sdn Bhd ("Nikmat Sekitar"), an indirect wholly-owned subsidiary of a parcel of freehold land held under GM 403, Lot 1461, Mukim Ceras, Daerah Hulu Langat, Negeri Selangor for a cash disposal consideration of RM10.60 million; and
 - ii. disposal by Nuri Meriah Sdn Bhd ("Nuri Meriah"), an indirect wholly-owned subsidiary of a parcel of freehold land held under GM 1128, Lot 1464, Mukim Ceras, Daerah Hulu Langat, Negeri Selangor for a cash disposal consideration of RM10.60 million; ("Disposal of Freehold Land")
- c) special dividend of RM0.07 per ordinary share in the Company ("SYF Share") and a proposed capital repayment of RM0.11 per SYF Share on an entitlement date to be determined;
- d) the Company had entered into a share sale and purchase agreement ("SSPA") with Insas Berhad ("Insas") for the acquisition of the 100,000,000 ordinary shares and 60,000,000 redeemable convertible preference shares ("RCPS") in M & A Securities Sdn Bhd ("M & A Securities"), representing 100% equity interest and 100% of the RCPS in M & A Securities from Insas for a total purchase consideration of RM222.00 million, which will be fully satisfied through the issuance of 1,585,714,286 new SYF Shares ("Consideration Share(s)") at an issue price of RM0.14 per Consideration Share ("Acquisition");
- e) renounceable rights issue of 284,436,506 new SYF Shares ("Rights Shares") to SYF shareholders on the basis of one (1) Rights Share at an issue price of RM0.14 each for every two (2) existing SYF Shares held on the Entitlement Date ("Rights Issue");
- f) restricted issue of up to 215,458,730 new SYF Shares at an issue price of RM0.14 each, representing 10% of the enlarged share capital of SYF after the Proposed Acquisition to eligible directors and employees of the enlarged SYF group including M & A Securities and its subsidiary companies ("M & A Group") and persons who have contributed to the business of M & A Group ("Restricted Issue");
- g) exemption under Paragraph 4.08(1)(a) of the Rules on Take-overs, Mergers and Compulsory Acquisitions for Insas and its persons acting in concert from the obligation to undertake a mandatory take-over offer to acquire the remaining SYF Shares not already owned by them upon completion of the Acquisition ("Exemption"); and
- h) change of name of "SYF Resources Berhad" to "M & A Capital Berhad" ("Change of Name").

On 2 December 2021, the Company announced:-

- i. The distribution of RM0.07 per SYF Share or RM39,821,111 will be undertaken by way of a special dividend or capital repayment or a combination of both and funded from the proceeds of the Disposal of Furniture Business; and
- ii. The distribution of RM0.11 per SYF Share or RM62,576,031 will be undertaken by way of a special dividend or capital repayment or a combination of both and funded from the proceeds of the Disposal of Freehold Land and internal generated funds of SYF ("Special Dividend and/or Capital Repayment").

On 1 June 2022, the Company announced that the name "M&A Capital Berhad" was not approved by Companies Commission of Malaysia ("CCM"). However, the CCM had subsequently approved the new proposed name of "M & A Equity Holdings Berhad". Pursuant to the foregoing, the parties have vide a letter dated 1 June 2022, mutually agreed to adopt a new name of "M & A Equity Holdings Berhad".

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B10. The Status of Corporate Exercise Announced but Not Completed as at the Date of This Report (Cont'd)

On 13 October 2022, the Company announced that:-

The Disposal of Furniture Business, Disposal of Freehold Land, Special Dividend and/or Capital Repayment, Acquisition, Rights Issue, Restricted Issue, Exemption and Change of Name are inter-conditional upon one another.

On 14 November 2022, the Company announced that the Company and Insas had on 14 November 2022 entered into a supplemental SSPA to vary certain terms of the SSPA to reflect the following changes:

- i. That the issue price of the Consideration Shares, Rights Shares and Restricted Issue Shares shall be revised from RM0.14 to RM0.22 per share; and
- ii. That arising from the revised issue price of the Consideration Shares, the number of SYF Shares to be issued for the Acquisition and Restricted Issue has been revised to 1,009,090,909 Consideration Shares and up to 157,796,392 Restricted Issue Shares respectively.

In addition, on behalf of the Board, Malacca Securities announced that the Proposed Acquisition is deemed as a related party transaction in accordance with paragraph 10.08 of the Listing Requirements.

On 14 November 2022, Dato' Sri Ng Ah Chai has given an irrevocable undertaking to SYF that he shall: - (a) remit an amount of RM6.00 million to SYF in the event he disposes of all or any part of his SYF Shares prior to the Entitlement Date for the Special Dividend and/or Capital Repayment, out of the proceeds from such disposal; OR (b) forgo his entitlement to the Special Dividend and/or Capital Repayment amounting to RM6.00 million which shall be retained by SYF ("Remittance").

On 14 December 2022, the Company announced that the Securities Commission ("SC") had, vide its letter dated 14 December 2022 ("Letter"), informed that the application in relation to the Multiple Proposals (save for the Exemption) has been approved by the SC under Section 214(1) of the Capital Markets and Services Act 2007 ("CMSA"), subject to terms and conditions to be fulfilled.

On 27 December 2022, the Company announced that Bursa Malaysia had, vide its letter dated 27 December 2022 approved, subject to conditions, the listing and quotation of the following: -

- i. 1,009,090,909 new SYF shares to be issued pursuant to the Acquisition;
- ii. 284,436,506 new SYF shares to be issued pursuant to the Rights Issue; and
- iii. up to 157,796,392 new SYF shares to be issued pursuant to the Restricted Issue.

On 19 January 2023, the Company announced that all the resolutions pertaining to the Multiple Proposals as set out in the Notice of the Extraordinary General Meeting ("EGM") dated 28 December 2022 were duly passed by the shareholders of the Company at the EGM held on 19 January 2023.

On 30 January 2023, the Company announced that the Company had on 26 January 2023, filed the cause papers for the High Court of Malaya's ("High Court") confirmation in relation to the Capital Repayment and the High Court had on 30 January 2023 granted the order ("order") confirming the reduction of share capital of SYF under Section 116 of the Companies Act 2016 and that the share capital of the Company shall be reduced from RM143,527,253.00 to RM41,130,111.00 comprising of 568,873,012 ordinary shares of the Company and the amount of RM0.072 shall be deemed to be paid-up on each share at the date of the Order.

On 3 March 2023, the Company announced that SYF has been informed by Insas that the SC had, vide its letter dated 2 March 2023, approved the application made by Insas on 22 February 2023 in relation to the Exemption under subparagraph 4.08(1)(a) of the Rules on Take-Overs, Mergers and Compulsory Acquisitions.

On 10 March 2023, the Company announced that all conditions precedent to the SSA, SPAs and SSPA have been fulfilled. Accordingly, the SSA, SPAs and SSPA have become unconditional on the even date.

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B10. The Status of Corporate Exercise Announced but Not Completed as at the Date of This Report (Cont'd)

On 14 March 2023, the Company announced that the SSA has been completed.

On 17 March 2023, the Company announced capital repayment exercise pursuant to Section 116 of the Companies Act 2016 by way of cash distribution of RM0.07 per SYF Share which will be paid on 17 April 2023 upon completion of the Disposal of Furniture Business.

On 9 May 2023, the disposal of two (2) parcels of freehold land under GM 403, Lot 1461, and GM 1128, Lot 1464, Mukim Ceras, Daerah Hulu Langat, Negeri Selangor held by Nikmat Sekitar and Nuri Meriah respectively to Juta for a total disposal consideration of RM21.20 million has been completed.

On 10 May 2023, the Company announced that the acquisition of 100,000,000 ordinary shares and 60,000,000 RCPS in M & A Securities, representing the entire equity interest in M & A Securities from Insas for a purchase consideration of RM222.0 million to be satisfied through the issuance of 1,009,090,909 new SYF Shares has been completed.

On 10 May 2023, the Company announced capital repayment exercise pursuant to Section 116 of the Companies Act 2016 by way of cash distribution of RM0.11 per SYF Share which will be paid on 7 June 2023, upon completion of the Disposal of Freehold Land.

On 8 June 2023, the Company announced the change of name of the Company from "SYF Resources Berhad" to "M & A Equity Holdings Berhad".

On 28 June 2023, the Company announced the Consideration Shares, the Rights Shares and 136,323,600 new SYF Shares issued pursuant to the Restricted Issue will be listed on 30 June 2023 and the sector re-classification for the Company will be changed from Consumer Products & Services to Financial Services on 30 June 2023.

B11. Status of Utilisation of Proceeds

The total proceeds generated from Rights Issue of RM62.6 million and Restricted Issue of RM30.0 million have been utilised as follows:-

Purpose	Expected timeframe upon completion of the Proposed Rights Issue and Proposed Restricted Issue	Proposed Utilisation RM'000	Actual Utilisation RM'000	Deviation	
				RM'000	%
Working capital	Within 24 months	35,823	-	35,823	100%
Repayment of amount due to related companies of M & A Securities					
- Amount due to Insas	Within 3 months	2,477	2,477	-	0%
- Amount due to Insas Technology Berhad, a wholly-owned subsidiary of Insas	Within 3 months	50,267	50,267	-	0%
Expenses relating to the Multiple Proposals	Immediate	4,000	4,000	-	0%
		<u>92,567</u>	<u>56,744</u>		

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B12. Earnings Per Share Attributable to Equity Holders of the Company

	<u>FY 2023</u> Current Quarter Ended 30/06/2023 <u>RM'000</u>	<u>FY 2022</u> Comparative Quarter Ended 30/06/2022 <u>RM'000</u>	<u>FY 2023</u> Year To Date 30/06/2023 <u>RM'000</u>	<u>FY 2022</u> Year To Date 30/06/2022 <u>RM'000</u>
Net (loss)/profit attributable to equity holders of the Company	(360)	N/A	12,203	N/A
<i>Basic earnings per share</i>				
Weighted average number of ordinary shares in issue ('000)	1,174,029	N/A	1,174,029	N/A
Basic (loss)/earnings per share (sen)	<u>(0.03)</u>	<u>N/A</u>	<u>1.04</u>	<u>N/A</u>