

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2021
(The figures have not been audited)

	Individual Quarter		Changes Increase/ (decrease) RM'000	Cumulative Quarter		Changes Increase/ (decrease) RM'000
	Unaudited Current Year Quarter 31.12.2021 RM'000	Unaudited Preceding Year Corresponding Quarter 31.12.2020 RM'000		Unaudited Current Year To Date 31.12.2021 RM'000	Audited Preceding Year 31.12.2020 RM'000	
Revenue	12,831	12,426	405	55,770	33,462	22,308
Cost of sales	(12,352)	(11,360)	(992)	(48,829)	(31,955)	(16,874)
Gross profit	479	1,066	(587)	6,941	1,507	5,434
Admin, maintenance & other operating expenses	(3,712)	(3,149)	(563)	(6,494)	(4,203)	(2,291)
Other operating income	97	391	(294)	967	609	358
Profit/(loss) from operations	(3,136)	(1,692)	(1,444)	1,414	(2,087)	3,501
Finance cost	-	-	-	-	-	-
Profit/(loss) before tax	(3,136)	(1,692)	(1,444)	1,414	(2,087)	3,501
Taxation	786	57	729	(34)	57	(91)
Profit/(loss) from continued operations	(2,350)	(1,635)	(715)	1,380	(2,030)	3,410
Net profit from discontinued operations	-	-	-	-	371	(371)
(Loss)/gain on disposal of a subsidiary (net of tax)	-	-	-	-	1,243	(1,243)
Net profit/(loss) for the period	(2,350)	(1,635)	(715)	1,380	(416)	1,796
Other comprehensive income, Net of Tax	-	-	-	-	-	-
Total comprehensive income for the period	(2,350)	(1,635)	(715)	1,380	(416)	1,796
Number of Ordinary shares issued ('000s)	231,660	72,504		231,660	72,504	
Profit/(loss) per share (sen)						
- Basic	(1.29)	(1.91)		1.15	(0.48)	
- Diluted #	(1.16)	(1.91)		1.06	(0.48)	

Note :

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

(The figures have not been audited)



	Unaudited As at End Of Current Quarter 31.12.2021 RM'000	Audited As at Preceding Financial Year End 31.12.2020 RM'000
Non-current assets		
Property, plant and equipment	20,497	13,391
Current assets		
Inventories	3,766	1,049
Contract assets	13,312	1,456
Trade receivable	6,926	15,580
Other receivable, deposits & prepayments	4,239	1,316
Tax recoverable	69	4
Cash and bank balances	2,602	4,438
	<u>30,914</u>	<u>23,843</u>
Total Assets	<u>51,411</u>	<u>37,234</u>
EQUITY		
Share capital	20,025	11,284
Reserves	16,746	15,366
Total equity	<u>36,771</u>	<u>26,650</u>
LIABILITIES		
Non-current liabilities		
Deferred tax liability	1,803	1,815
Lease liabilities	1,931	1,294
Borrowings	117	76
	<u>3,851</u>	<u>3,185</u>
Current liabilities		
Trade payables	8,798	4,947
Other payables and accruals	1,532	2,113
Lease liabilities	348	295
Borrowings	112	44
	<u>10,790</u>	<u>7,399</u>
	<u>10,790</u>	<u>7,399</u>
Total Liabilities	<u>14,641</u>	<u>10,584</u>
Total Equity And Liabilities	<u>51,412</u>	<u>37,234</u>
Number of ordinary shares ('000)	231,660	85,800
Net Assets Per Share (RM)	# 0.16	0.31

Note :

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.

Net Assets Per Share is derived based on Sand Nisko Capital Berhad consolidated net assets of RM36,941,000 (FYE 31.12.2020: RM26,650,000) over the issued number of ordinary shares of 231,660,000 (FYE 31.12.2020: 85,800,000). The increase in issued number of ordinary shares was mainly due to Employees Shares Option Scheme ("ESOS") Exercise involving the subscription of 12,870,000 shares which was completed on 14 October 2021 and Share Split involving the subdivision of every 1 existing ordinary shares in the Company in to 2 shares which was completed on 12 November 2021.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2021**
(The figures have not been audited)

	Non-Distributable			Distributable	Total RM'000
	Share Capital RM'000	Employee Share Option Reserve RM'000	Revaluation Reserve RM'000	Retained Earnings RM'000	
Balance as at 31 December 2019 (audited)	8,116	-	15,730	52	23,898
Private placement	3,168	-	-	-	3,168
Disposal of a subsidiary	-	-	(9,798)	9,798	-
Total comprehensive loss for the year	-	-	-	(416)	(416)
Realisation of revaluation surplus upon depreciation	-	-	(188)	188	-
Balance as at 31 December 2020(audited)	11,284	-	5,744	9,622	26,650
Total comprehensive profit for the year	-	-	-	1,380	1,380
Private placement	4,531	-	-	-	4,531
Issuance of shares upon exercise of employees' share option	3,398	-	-	-	3,398
Recognition of share option expenses	-	812	-	-	812
Transfer to share capital for employees' share option	812	(812)	-	-	-
Balance as at 30 September 2021	20,025	-	5,744	11,002	36,771

Note :

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statement.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2021
(The figures have not been audited)



	Current Year To Date 31.12.2021 RM'000	Cumulative Preceding Year End 31.12.2020 RM'000
Cash Flows (used in) Operating Activities		
Profit before tax	1,414	(473)
Adjustments: Non-cash items	1,154	(1,322)
Operating profit/(loss) before working capital changes	2,568	849
Changes in working capital:-	(5,573)	(10,033)
Cash (used in) operations	(3,005)	(9,184)
Interest paid	-	(63)
Interest received	86	115
Taxation paid	(100)	(1)
Net cash (used in) operating activities	(3,019)	(9,133)
Cash Flows (used in) / generated from Investing Activities		
Net cash (used in) / generated from investing activities	(7,024)	8,579
Cash Flows generated from Financing Activities		
Net cash generated from financing activities	8,207	2,884
Net (decrease) / increase in cash and cash equivalents	(1,836)	2,330
Cash and bank balances as at 1 January	4,438	2,108
Cash and cash equivalents as at end of period	2,602	4,438
<u>Reconciliation :</u>		
Cash and bank balances	2,602	4,438
Fixed deposit with licensed bank	-	-
Cash and cash equivalents as at end of period	2,602	4,438

The unaudited Condensed Consolidated Statement Of Cash Flows should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.

Notes to the interim financial report for the financial quarter ended 31 December 2021

A. Compliance with Malaysian Financial Reporting Standards ("MFRS") 134, Interim Financial Reporting and Bursa Malaysia Listing Requirements**A1. Changes in accounting policies**

The interim financial statements are unaudited and have been prepared in accordance with MFRS 134: Interim financial reporting and Chapter 9 Part K of the Listing Requirement of Malaysia Securities Berhad.

The interim unaudited financial statement should be read in conjunction with the audited financial statement for the year ended 31 December 2020 and the attached explanatory notes. The explanatory notes provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2020.

The Group and the Company have adopted the new MFRS and amendments to MFRSs issued by the Malaysian Accounting Standards Board ("MASB") that are mandatory since current financial year as below:

Amendments to MFRS 16	Covid-19-Related Rent Concessions	01-Jun-20
Amendments to MFRS 9, MFRS 7, MFRS 4, and MFRS 16	Interest Rate Benchmark Reform – Phase 2	01-Jan-21

The Group and the company have not applied the following new MFRSs and amendments to MFRSs that have been issued by MASB but are not yet effective for the Group and the Company:

Amendments to MFRS 3	Reference to the Conceptual Framework	01-Jan-22
Amendments to MFRS 116	Property, Plant and Equipment-Proceeds before Intended Use	01-Jan-22
Amendments to MFRS 137	Onerous Contracts-Cost of Fulfilling a Contract	01-Jan-22
Amendments to MFRSs contained in the document entitled "Annual Improvements to MFRS Standards 2018-2020"		01-Jan-22
MFRS 17	Insurance Contracts	01-Jan-23
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current	01-Jan-23
Amendments to MFRS 4	Insurance Contracts (Extension of the Temporary Exemption from Applying MFRS 9)	01-Jan-23
Amendments to MFRS 17	Insurance Contracts	01-Jan-23
Amendments to MFRS 101	Classification of Liabilities as Current or Non-Current	01-Jan-23
Amendments to MFRS 108	Definition of accounting policies	01-Jan-23
Amendments to MFRS 10 and MFRS 128	Sales or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice

The Group and the Company intend to adopt the above MFRSs when they become effective.

A2. Qualification of Preceding Annual Financial Statements

The auditors report for the audited financial statements of the Company and its subsidiaries of the preceding financial year ended 31 December 2020 was not subject to any qualification.

A3. Seasonal or Cyclical Factors

The Group's operations were not materially affected by any major seasonal or cyclical factors.

A4. Nature, Size or Incidence of Unusual Items

There were no unusual items affecting the Group's assets, liabilities, equity, net income or cash flows because of their nature, size or incidence during the current quarter under review and the financial period to date.

A5. Material Changes in Estimates

There were no material changes in estimates that have had a material effects in the results of the current quarter and financial period under review.

A6. Issuance or Repayment of Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayment of debt and equity securities during the financial period under review and up to the date of this report.

A7. Dividend Paid / Declared

No dividend has been declared or paid by the Company during the current financial quarter under review.

The Directors do not recommend the payment of any dividend in respect of the current financial period under review.

A. Compliance with Malaysian Financial Reporting Standards ("MFRS") 134, Interim Financial Reporting and Bursa Malaysia Listing Requirements (cont'd)
A8. Segmental Information

Segmental information is provided based on four (4) major segments as follows:-

- Construction
- Furniture manufacturing & trading
- Rental of building with comprehensive services
- Investment holding

Business segments in revenue and results of the Group for the current quarter ended 31 December 2021 were as follows:-

Quarter ended 31 December 2021 (Unaudited)

Business Segments	Construction RM'000	Furniture Manufacturing & trading RM'000	Rental of Building with Comprehensive Services RM'000	Investment Holding RM'000	Adjustments/ Eliminations RM'000	Consolidated financial statement RM'000
Revenue						
External Sales						
-local	8,049	1,729	270	-	-	10,048
-overseas	-	2,783	-	-	-	2,783
Inter-segment	-	-	-	137	(137)	-
Total Revenue	8,049	4,512	270	137	(137)	12,831
Results :						
Continuing operations						
Segment results	(1,956)	(1,190)	138	(128)	-	(3,136)
Finance cost						-
Profit before tax						(3,136)
Taxation						786
Net (loss) from continuing operations						(2,350)
Net (loss) for the period						(2,350)

Quarter ended 31 December 2020 (Unaudited)

Business Segments	Construction RM'000	Furniture Manufacturing & trading RM'000	Rental of Building with Comprehensive Services RM'000	Investment Holding RM'000	Adjustments/ Eliminations RM'000	Consolidated financial statement RM'000
Revenue						
External Sales						
-local	9,265	-	270	25	-	9,560
-overseas	-	2,866	-	-	-	2,866
Inter-segment	-	-	-	44	(44)	-
Total Revenue	9,265	2,866	270	69	(44)	12,426
Results :						
Continuing operations						
Segment results	(281)	(1,313)	41	(139)	-	(1,692)
Finance cost						-
Profit before tax						(1,692)
Taxation						57
Net (loss) from continuing operations						(1,635)
Discontinued operations						
(Loss) from assets held for sale						-
Net (loss) for the period						(1,635)

A9. Valuations of Property, Plant and Equipment

There were no changes in the valuation of property, plant and equipment since the latest audited financial statements for the financial year ended 31 December 2020.

A. Compliance with Malaysian Financial Reporting Standards ("MFRS") 134, Interim Financial Reporting and Bursa Malaysia Listing Requirements (cont'd)
A10. Subsequent Events

There were no other material events subsequent to the end of the financial quarter ended 31 December 2021 under review up to the date of this report which is likely to substantially affect the results of the operations of the Group.

A11. Changes in Composition of the Group

There were no changes in the composition of the Group during the quarter under review.

A12. Changes in Contingent Liabilities and Contingent Assets

There were no changes in contingent liabilities or contingent assets, since the last financial year ended 31 December 2020.

A13. Capital Commitments

31.12.2021
RM'000

Commitments for acquisition of land
- approved and contracted for

5,241

B. Compliance with Bursa Malaysia Main Market Listing Requirements (Part A of Appendix 9B)
B1. Review of Performance (Comparison with Last Year Corresponding Quarter's Results)

	Current Year Quarter 31.12.2021 RM'000	Preceding Year Corresponding Quarter 31.12.2020 RM'000	Increase/ (Decrease) RM'000
REVENUE			
Construction	8,049	9,265	(1,216)
Furniture manufacturing and trading	4,512	2,866	1,646
Rental of building with comprehensive services	270	270	-
Investment holding	-	25	(25)
Total Revenue	<u>12,831</u>	<u>12,426</u>	<u>405</u>
Cost of Sales	<u>(12,352)</u>	<u>(11,360)</u>	<u>(992)</u>
Gross profit	<u>479</u>	<u>1,066</u>	<u>(587)</u>
PROFIT BEFORE TAX ("PBT")			
Construction	(1,956)	(281)	(1,675)
Furniture manufacturing and trading	(1,190)	(1,313)	123
Rental of building with comprehensive services	138	41	97
Investment holding	(128)	(139)	11
Total	<u>(3,136)</u>	<u>(1,692)</u>	<u>(1,444)</u>

For the current quarter under review, the Group's revenue increased by RM0.40 million (3.2%) to RM12.83 million compared to preceding year corresponding quarter of RM12.43 million. The Group registered loss of RM3.13 million compared to Q4 2020's loss of RM1.69 million.

The higher revenue was mainly contributed by Furniture manufacturing and trading segment which recorded RM4.51 million, compared to RM2.87 million a year ago. The improved performance was mainly attributed to shipments of delayed orders following the resumption of furniture manufacturing operations towards the end of Q3 2021. However, this was offset by decline of RM1.22 million to RM8.05 million (31.12.2020: RM9.27 million) in Construction segment revenue, as one of its major projects was completed during the quarter.

The Group recorded a wider net loss of RM3.13 million compared to previous year corresponding quarter's net loss of RM1.69 million. This was mainly due to RM1.96 million net loss recorded by construction segment (31.12.2020: RM0.28 million net loss) caused by hike in building material prices and additional one-off expenses incurred to accelerate a completion of major project in fulfilment of the Group's contractual obligations.

B. Compliance with Bursa Malaysia Main Market Listing Requirements (Part A of Appendix 9B) (cont'd)**B2. Review of Performance (Comparison with Immediate Preceding Quarter's Results)**

	Current Year Quarter 31.12.2021 RM'000	Immediate Preceding Quarter 30.09.2021 RM'000	Increased/ (Decreased) RM'000
REVENUE			
Construction	8,049	7,640	409
Furniture manufacturing and trading	4,512	300	4,212
Rental of building with comprehensive services	270	216	54
Investment holding	-	30	(30)
Total Revenue	12,831	8,186	4,645
Cost of Sales	(12,352)	(6,456)	(5,896)
Gross profit	479	1,730	(1,251)
PROFIT BEFORE TAX ("PBT")			
Construction	(1,956)	394	(2,350)
Furniture manufacturing and trading	(1,190)	231	(1,421)
Rental of building with comprehensive services	138	57	81
Investment holding	(128)	41	(169)
Total	(3,136)	723	(3,859)

For the current quarter, the Group's revenue rebounded by RM4.64 million (56.65%) to RM12.83 million compared to immediate preceding quarter's RM8.19 million. The improvement was mostly contributed by shipments of delayed orders during the quarter following the resumption of the Group's furniture manufacturing operations after MCO 3.0 lockdown in Q3 2021.

Despite the revenue hike, the Group recorded net loss of RM3.13 million compared to immediate preceding quarter's net profit of RM0.72 million. This was mainly caused by construction segment's RM1.96 million net loss caused by higher building material prices and one-off expenses to rush the completion of a major project. Furniture manufacturing and trading segment also recorded net loss of RM1.33 million due to shortages and increased costs for raw materials such as rubber wood, together with ongoing labor shortage causing the Group's manufacturing facilities running below optimal levels.

B3. Commentary on Prospects

With the Group's construction segment successfully completing a major project during the quarter, the Group has identified solar photovoltaic retrofitted system and large scale-solar projects as a new potential area of growth. Accordingly, the Group's wholly-owned subsidiary Len Cheong Industries Sdn Bhd has signed a memorandum of understanding with Fabulous Sunview Sdn Bhd to explore potential collaborations in growing this segment.

While furniture manufacturing and trading segment is expected to stabilize as supply chain disruptions ease in the coming quarters, the Group shall continue to engage its suppliers and customers in re-configuring a more resilient supply chain.

For the lands secured by the Group under Joint Ventures with third parties, the Group shall continue its efforts to expand its land bank in both Mukim Durian Tunggal and Mukim Bukit Apit II, Daerah Alor Gajah, Melaka, to achieve better economies of scale. In the medium term, the Group plans to establish an aquaponics solar farm on the Mukim Bukit Apit II Land.

B4. Profit Forecast or Profit Guarantee

Not applicable as the Group did not publish any profit forecast or profit guarantee.

B5. Notes to Consolidated Statement of Comprehensive Income

	Individual Quarter Ended		Cumulative Quarter Ended	
	31.12.2021 RM'000	31.12.2020 RM'000	31.12.2021 RM'000	31.12.2020 RM'000
Profit/(loss) for the period is arrived at after crediting:				
Gain on foreign exchange	(7)	-	(24)	-
Interest income	(13)	(32)	(86)	(115)
and after charging :				
Auditors' remuneration	23	55	73	57
Depreciation	116	485	452	485
Loss on disposal of property, plant and equipment	-	(275)	-	70
Realised loss on foreign exchange	-	58	-	58
Unrealised loss on foreign exchange	-	12	-	12
Interest expense	-	-	-	-
Inventories written-off	1,578	242	-	816
Impairment of plant and machineries	139	716	139	716
Provision for doubtful debts	329	293	329	363

B. Compliance with Bursa Malaysia Main Market Listing Requirements (Part A of Appendix 9B) (cont'd)**B6. Taxation**

	Current Year Quarter 31.12.2021 RM'000	Preceding Year Corresponding Quarter 31.12.2021 RM'000
Malaysian income tax		
- current year provision	(773)	-
- under/(over) provision in prior year(s)	1	-
Deferred tax	(14)	-
Tax for the financial period	<u>(786)</u>	<u>-</u>

B7. Status of Corporate Proposals**Employees Shares Option Scheme ("ESOS")**

On 12 April 2021, the Board announced it has offered options for subscription of 12,870,000 shares at the exercise price of RM0.264 per share to its eligible directors and employees under it ESOS, followed by a subsequent announcement on 13 April 2021 listing out number of option offered to directors of the Group.

The entire ESOS exercise for subscription of 12,870,000 shares was completed on 14 October 2021.

Share Split & Bonus Issue of Warrants ("the Proposals")

On 7 September 2021, Inter-Pacific Securities announced on behalf of the Board that the Company proposed to undertake the Proposed Share Split involving the subdivision of every 1 existing ordinary shares in the Company into 2 Shares ("Proposed Share Split") and Proposed Bonus Issue of up to 115,830,000 Free Warrants in the Company on the basis of 1 warrant for every 2 ordinary shares ("Proposed Bonus Issue of Warrants") to be held on a date to be determined and announced later by the Board. The shareholders of the Company had approved the Proposed Share Split and Proposed Bonus Issue of Warrants at an Extraordinary General Meeting ("EGM") of the Company held on 25 October 2021.

On 27 October 2021, it was announced that the Company's existing total number of shares comprising 115,830,000 shares will be subdivided into 231,660,000 subdivided shares in relation to the share split on 11 November 2021 ("Share Split Entitlement Date"). The Subdivided share were listed and quoted on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities") on 12 November 2021, being the next market day following the Share Split Entitlement Date.

On 22 November 2021, Inter-Pacific Securities Sdn Bhd announced on behalf of the Board that the Company has resolved to fix the exercise price of the Bonus Issue of Warrants at RM0.475 per Warrant ("Exercise Price"), representing a discount of 19.90% to 5-day VWAP of SNC Shares (up to and including 22 November 2021, being the last trading day before the price-fixing date) of RM0.593. The Warrants are exercisable at any time for a tenure of 3 years from the date of issuance. Accordingly, the Deed Poll pursuant to the Bonus Issue of Warrants was executed on the same day. On 23 November 2021, it was announced that the Company's Bonus Issue of Warrants shall be made to entitled shareholders of the Company on 7 December 2021 ("Bonus Warrants Entitlement Date").

On 16 December 2021, the Company announced that 115,829,999 Warrants B of SNC issued pursuant to the Bonus issue of warrants were listed and quoted on the Main Market of Bursa Malaysia Securities Berhad, marking the completion of the Proposals.

B8. Utilisation of Proceeds

a) On 27 September 2019, the Company had announced to Bursa Securities to undertake, amongst others, the following:

(i) a disposal of its entire equity interest in Len Cheong Furniture Sdn Bhd, its wholly-owned subsidiary to DPS Realty Sdn Bhd for a total cash consideration of RM10,000,000 which was approved by Bursa Securities on 21 January 2020 and the shareholders of the Company via an extraordinary general meeting on 11 March 2020 ("Disposal"). The Disposal was completed on 1 April 2020.

(ii) a private placement exercise for the issuance and allotment of new SNC Shares up to 20% of the total number of issued SNC Shares in the Company, which was approved by Bursa Securities on 21 January 2020 and the shareholders of the Company via an extraordinary general meeting on 11 March 2020 ("2020 Placement"). The 2020 Placement was completed on 3 July 2020; and

(iii) a special issue of up to 6,600,000 new SNC Shares, representing up to 10% of the total number of issued SNC Shares to Dato' Sri (Dr) Sow Chin Chuan, which was approved by Bursa Securities on 21 January 2020 and the shareholders of the Company via an extraordinary general meeting on 11 March 2020 ("Special Issue"). The Special Issue was completed on 7 July 2020.

The total proceeds raised from the Disposal, 2020 Placement and Special Issue were as follows:

Description	Listing date	No. of SNC Shares issued	Issue price (RM)	Gross proceeds (RM)
Disposal				10,000,000
Settlement of net inter-company debts				2,416,000
2020 Placement	03-Jul-20	13,200,000	0.16	2,112,000
Special Issue	07-Jul-20	6,600,000	0.16	1,056,000
Total				15,584,000

B. Compliance with Bursa Malaysia Main Market Listing Requirements (Part A of Appendix 9B) (cont'd)**B8. Utilisation of Proceeds (cont'd)**

The proceeds raised had since been utilised for the following purposes:

Description	Original allocation (RM)	Amount utilised (RM)	Balance proceeds (RM)
Payment of trade & other creditors	8,000,000	8,000,000	-
Purchase of raw materials	3,179,000	3,179,000	-
Repair and maintenance of office & factory	800,000	800,000	-
Management, employees and marketing expenses	105,000	105,000	-
Development & construction of a parcel of freehold land	3,000,000*	1,103,276	1,895,134
Estimated expenses in relation the proposals	500,000	335,491	164,509
Total	15,584,000	13,522,767	2,061,233

* To be utilised within 24 months

b) On 12 March 2021, the Company had announced to Bursa Securities to undertake a private placement exercise for the issuance and allotment of new SNC Shares up to 20% of the total number of issued SNC Shares in the Company, which was approved by shareholders of the Company via an annual general meeting on 18 August 2020 and subsequently by Bursa Securities on 29 March 2021 ("2021 Placement"). The 2021 Placement was completed on 22 Apr 2021.

The total proceeds raised from the 2021 Placement were as follows:

Description	Listing date	No. of SNC Shares issued	Issue price (RM)	Gross proceeds (RM)
2021 Placement	22-Apr-21	17,160,000	0.264	4,530,240
Total				4,530,240

The proceeds raised had since been utilised for the following purposes:

Description	Original allocation (RM)	Amount utilised (RM)	Balance proceeds (RM)
Payment to trade payables			
i) Sub-contractors for the Group's construction segment	3,214,973	3,214,973	-
ii) Suppliers of raw materials for the Group's furniture manufacturing and trading segment	1,250,267	1,250,267	-
Estimated expenses in relation to the proposals	65,000	30,840	34,160
Total	4,530,240	4,496,080	34,160

B9. Material Litigation**Sand Nisko Capital Berhad vs Loh Siow Chan @ Loo Su Cheong ("LSC").**

On 18 July 2017, the Company received a notice from LSC to claim alleged debt amounting to RM4,652,951.22 ("Alleged Debt") by way of guarantee to Len Cheong Furniture Sdn Bhd ("LCF").

Pursuant to this claim, the shareholders of SNC have approved on 18 August 2020 a resolution authorizing the Company:-

- (i) to dispute the Alleged Debt amounting to RM4,652,951.22 by way of guarantee to LCF;
- (ii) to revoke DCR 2004 on the mode of settlement of the Alleged Debt approved by Board of Directors of SNC on 7 January 2004;
- (iii) to authorise the Board to appoint a firm of solicitors to take relevant and necessary actions in all related matters.

In light of the development of the abovementioned matter, the Company has appointed a firm of solicitors to take relevant and necessary actions to protect the best interest of the company, and will announce further developments in due course. Nevertheless, there is no active legal proceedings against the Company as at the date of this report.

Save for the above, the Group is not engaged in any material litigation or arbitration, either as plaintiff or defendant, which has a material effect on the financial position of the company or its subsidiaries and the Board is not aware of any proceedings pending or threatened or of any fact likely to give rise to any proceedings, which might materially and adversely affect the position or business of the Company or its subsidiaries as at the date of this report.

B10. Proposed Dividend

No dividend has been declared or paid during the current quarter and financial period under review.

B. Compliance with Bursa Malaysia Main Market Listing Requirements (Part A of Appendix 9B) (cont'd)**B11. Earnings per Share****a) Basic**

Basic earnings per ordinary share is calculated by dividing the net profit for the financial period attributable to ordinary equity holders of the company by the weighted average number of ordinary shares in issue during the financial period.

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.12.2021 RM'000	Corresponding Quarter 31.12.2020 RM'000	Current Year To Date 31.12.2021 RM'000	Corresponding Quarter 31.12.2020 RM'000
Net (loss) / profit for the period attributable to ordinary equity holders (RM '000)	(2,350)	(1,635)	1,380	(416)
Weighted average number of ordinary shares in issue ('000)	181,804	85,800	120,058	85,800
Basic (loss) / earnings per ordinary share (sen)	(1.29)	(1.91)	1.15	(0.48)

b) Diluted

Diluted earnings per ordinary share is calculated by dividing the net profit for the financial period attributable to ordinary equity holders of the company by the weighted average number of ordinary shares that would have been in issue assuming full exercise of Employees' Share Options Scheme ("ESOS") Options, adjusted for the number of such ordinary shares that would have been issued at fair value.

	3 months ended		Period ended	
	31.12.2021	31.12.2020	31.12.2021	30.12.2020
Net (loss) / profit for the period attributable to ordinary equity holders (RM '000)	(2,350)	(1,635)	1,380	(416)
Weighted average number of ordinary shares in issue ('000)	181,804	85,800	120,058	85,800
Effect of dilution of share options ('000)*	34	-	5,420	-
Effect of dilution of warrants ('000)#	20,144	-	5,077	-
Weighted average number of ordinary shares in issue (Diluted) ('000)	201,982	85,800	130,555	85,800
Diluted earnings/(loss) per ordinary share (sen)	(1.16)	(1.91)	1.06	(0.48)

* Computation of effect of dilution of share options was in relation to the Company's Employees Shares Option Scheme ("ESOS") offer made on 12 April 2021. The entire ESOS offer was taken up by 14 October 2021.

Computation of effect of dilution of warrants was in relation to the Company's 115,829,999 Warrant B which were listed and quoted on 16 December 2021.

B12. Authority For Issue

The interim financial report were authorised for issue by the Board of Directors in accordance with a resolution of the Directors dated 22 February 2022.

By order of the Board,

Emily Sow Mei Chet
 Group Managing Director
 Date : 22 February 2022