

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
 AS AT 30 JUNE 2022**

	As At 30.06.2022 RM'000 (Unaudited)	As At 30.06.2021 RM'000 (Audited)
ASSETS		
Non-Current Assets		
Property, plant and equipment	178	257
Inventories	23,927	23,917
Goodwill	1,816	1,816
Rights-of-use assets	36	146
	25,957	26,136
Current Assets		
Prepayments	256	26
Inventories	12,895	13,985
Trade and other receivables	8,526	7,775
Contract assets	51	357
Current tax assets	5	30
Fixed deposits, cash and bank balances	7,151	7,543
	28,884	29,716
TOTAL ASSETS	54,841	55,852
EQUITY AND LIABILITIES		
Equity attributable to Owners of the Parent		
Share capital	76,310	76,310
Other reserves	(19,510)	(17,164)
	56,800	59,146
Non-Controlling Interests	(13,164)	(13,499)
TOTAL EQUITY	43,636	45,647
Non-Current Liabilities		
Lease liabilities	-	61
Deferred tax liabilities	1,805	1,805
	1,805	1,866

The accompanying Notes to Interim Financial Report form an integral part of the Condensed Consolidated Statement of Financial Position

S & F CAPITAL BERHAD
 Company No. 200201000757 (568420-K)
 (Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022
[CONTINUED]

	As At 30.06.2022 RM'000 (Unaudited)	As At 30.06.2021 RM'000 (Audited)
Current Liabilities		
Trade and other payables	9,146	8,113
Contract liabilities	177	99
Lease liabilities	38	124
Tax liabilities	39	3
	9,400	8,339
TOTAL LIABILITIES	11,205	10,205
TOTAL EQUITY AND LIABILITIES	54,841	55,852
 Net assets per share attributable to owners of the Parent (RM)	 0.10	 0.11

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S & F CAPITAL BERHAD
Company No. 200201000757 (568420-K)
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE
INCOME**
FINANCIAL QUARTER ENDED 30 JUNE 2022
(UNAUDITED)

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.06.2022 RM'000	Preceding Year Corresponding Quarter 30.06.2021 RM'000	Current Year To Date 30.06.2022 RM'000	Preceding Year Corresponding Period 30.06.2021 RM'000
Revenue	5,233	4,014	23,002	26,847
Cost of sales	(5,484)	(4,410)	(22,908)	(25,735)
Gross profit/ (loss)	(251)	(396)	94	1,112
Other income	319	(115)	453	1,809
Administrative expenses	(400)	(350)	(1,467)	(1,461)
Other operating expenses	(280)	(117)	(1,079)	(2,485)
Finance income/ (costs)	17	21	85	25
Net impairment losses on financial instruments	(36)	(8,022)	(36)	(8,022)
Profit/(loss) before tax	(570)	(8,979)	(1,950)	(9,021)
Tax income/(expense)	(60)	(3)	(60)	(3)
Profit/(Loss) and total comprehensive income/ (loss) for the year from continuing operations	(691)	(8,982)	(2,010)	(9,023)
Loss and total comprehensive loss for the year from discontinued operations	-	-	-	(335)
Net Profit/(loss) and total comprehensive income/(loss) for the year	(691)	(8,982)	(2,010)	(9,359)
Owners of the Company				
- From continuing operations	(660)	(8,961)	(2,345)	(8,978)
- From discontinued	-	6	-	(165)
Non-controlling interest	(31)	(27)	335	(217)
	(691)	(8,982)	(2,010)	(9,359)
(Loss) per share attributable to owners of the Company (sen)				
- Basic				
Continuing operations	(0.12)	(1.94)	(0.43)	(1.94)
Discontinued operations	-	-	-	(0.04)

The accompanying Notes to Interim Financial Report form an integral part of the Condensed Consolidated Statement of Comprehensive Income

S & F CAPITAL BERHAD
Company No. 200201000757 (568420-K)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FINANCIAL QUARTER ENDED 30 JUNE 2022
(UNAUDITED)

	Attributable to owners of the Company			Non-	Total
	Share Capital RM'000	Warrants Reserve RM'000	Retained Earnings RM'000	Controlling Interest RM'000	
2022					
Balance as of 1 July 2021	76,310	15,447	(32,611)	(13,499)	45,646
(Loss)/Profit and total comprehensive (loss)/income for the year	-	-	(2,345)	335	(2,010)
Balance as of 30 June 2022	76,310	15,447	(34,956)	(13,164)	43,636
2021					
Balance as of 1 July 2020	75,242	2,900	(26,369)	(9,456)	42,318
(Loss)/Profit and total comprehensive (loss)/income for the year	-	-	(9,142)	(217)	(9,359)
Warrants exercised	4	-	-	-	4
Transfer of unexercised warrants reserve	-	(2,900)	2,900	-	-
Non-controlling interests arising from disposal of subsidiaries	-	-	-	(3,827)	(3,827)
Issuance of rights issue	1,064	15,447	-	-	16,511
Balance as of 30 June 2021	76,310	15,447	(32,611)	(13,500)	45,646

The accompanying Notes to Interim Financial Report form an integral part of the Condensed Consolidated Statement of Changes in Equity

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FINANCIAL QUARTER ENDED 30 JUNE 2022
(UNAUDITED)

	Current Year To Date 30.06.2022 RM'000	Financial Year Ended 30.06.2021 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the financial period		
- Continuing operations	(2,010)	(9,021)
- Discontinued operation	-	(335)
Adjustments for:		
Amortisation of intangible assets	-	36
Depreciation of:		
- Property, plant and equipment	56	265
- Right-of-use assets	109	110
Gain on disposal of assets	-	(1,677)
Impairment loss on receivables	-	8,022
Interest expenses	7	39
Interest income	(92)	(56)
Operating profit/ (loss) before changes in working capital	(1,930)	(2,617)
Changes in working capital:		
(Increase)/ Decrease in:		
Inventories	1,090	(122)
Trade and other receivables	(751)	(2,046)
Contract assets	385	6,322
Prepayment	(230)	3
Property development cost	(10)	(360)
(Decrease)/ Increase in:		
Trade and other payables	1,032	(10,869)
Contract liabilities	-	(1,610)
Net cash generated for operations	(414)	(11,298)
Income tax paid	61	(112)
Interest received	-	7
Interest paid	(2)	(10)
Net cash used in operating activities	(355)	(11,412)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FINANCIAL QUARTER ENDED 30 JUNE 2022
(UNAUDITED)
[CONTINUED]

	Current Year To Date 30.06.2022 RM'000	Financial Year Ended 30.06.2021 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and right-of-use assets	-	(120)
Sale proceeds from disposal of property, plant and equipment	23	-
Disposal of subsidiaries	-	1,290
Interest on fixed deposits received	-	28
Interest on short-term deposits received	92	21
Changes in pledged deposits	-	414
	115	1,632
CASH FLOW FOR FINANCING ACTIVITIES		
Proceeds from issuance of right issue	-	16,511
Proceeds from expiry of warrants	-	3
Net repayment of lease liabilities	(147)	(131)
Net repayment of bankers' acceptances and trust receipts	-	(1,209)
Net repayment to directors	-	(615)
Advances from holding company	-	365
Interest paid	(5)	(29)
	(152)	14,895
NET DECREASE IN CASH AND CASH EQUIVALENTS	(392)	5,115
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	7,543	2,428
CASH AND CASH EQUIVALENTS AT END OF YEAR	7,151	7,543
Cash and cash equivalents comprise:		
Bank and cash balances	1,091	1,026
Short term deposits	6,060	6,517
	7,151	7,543

The accompanying Notes to Interim Financial Report form an integral part of the Condensed Consolidated Statement of Cash Flows

A EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2022

A1 Basis of Preparation

The interim financial report is unaudited and has been prepared in accordance with FRS 134: Interim Financial Reporting and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The preparation of an interim financial report in conformity with FRS 134: Interim Financial Reporting, requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year-to-date basis. Actual results may differ from these estimates.

The interim financial report should be read in conjunction with the audited financial statements for the financial year ended 30 June 2021. It contains unaudited condensed consolidated financial statements and selected explanatory notes. The notes include 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 2021. The condensed consolidated interim financial report and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with MFRSs.

A2 Changes in Accounting Policies

The Group and the Company have not adopted the following new MFRS and amendments/improvements to MFRSs that have been issued, but yet to be effective:

MFRSs and/ or IC Interpretations (Including the Consequential Amendments)	Effective for financial periods beginning on or after
Amendments to MFRS 3 Business Combinations	1 January 2023
Amendments to MFRS 9 Financial Instruments: Recognition and Measurement	1 January 2023
Amendments to MFRS 7 Financial Instruments: Disclosures	1 January 2023
Amendments to MFRS 4 Insurance Contract	1 January 2023
Amendments to MFRS 16 Leases	1 January 2022
Amendments to MFS 101 Presentation of Financial Statements	1 January 2023
Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2023
Amendments to MFRS 112 Income Taxes	1 January 2023
Amendments to MFRS 116 Property, Plant and Equipment	1 January 2023
Amendments to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets	1 January 2023

The adoption of the above accounting standards and/ or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group upon their initial application.

A EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2022 (CONT'D)

A3 Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial period ended 30 June 2021 was not qualified.

A4 Seasonality or Cyclical Factors

The Group's performance is not affected by any seasonal or cyclical factors.

A5 Unusual Items

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

A6 Changes in Estimates

There were no changes in estimates of amounts reported in the prior financial quarter or prior financial years that have had a material effect in the current financial quarter.

A7 Debt and Equity Securities

There was no issuance, cancellations, repurchases, resale or repayments of debt and equity securities during the current financial quarter.

A8 Dividends Paid

No dividends have been paid during the current financial year to date.

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A EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2022 (CONT'D)

A9 Segmental Information

The Group is organised into the following operating divisions:

Property and construction: Property development, construction of commercial, residential, mixed development, building infrastructure and other related contract works; and

Others: investment holding and provision of management and corporate services.

(a) Segment Revenue

	Current Financial Quarter			Current Financial Year To Date		
	External	Interseg ment	Total	External	Intersegment	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Properties and construction	5,233	-	5,233	23,002	-	23,002
Others	-	150	150	-	600	600
	5,233	150	5,383	23,002	600	23,602
Intersegment elimination			(150)			(600)
			5,233			23,002

(b) Segment Results

Properties and construction	(254)	(536)
Others	(374)	(1,407)
	(628)	(1,943)

A10 Material Events Subsequent to the End of the Current Financial Quarter

There were no material events subsequent to the end of the current financial quarter which has not been reflected in the interim financial report.

A11 Changes in the Composition of the Group

There were no changes in the composition of the Group for the current period.

A12 Fair Value of Financial Instruments

There was no gain or losses arising from fair value changes for all financial assets and liabilities for the current financial quarter under review.

A13 Capital Commitments

As at the date of this report, the Group has no material capital commitments.

A EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2022 (CONT'D)

A14 Changes in Contingent Liabilities and Contingent Assets

There were no material changes in the contingent liabilities or contingent assets since the end of the last financial period.

A15 Related Party Transactions

	Current Financial Quarter RM'000	Current Financial Year To Date RM'000
Contract awarded by S & F Construction, a company in which certain directors of the company have interests.	4,681	18,836
Contract cost payable to S & F Construction, a company in which certain directors of the company have interests.	(837)	(6,813)

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B ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1 Performance Review

	3 Months Individual Period			12 Months Cumulative Period		
	30.06.2022	30.06.2021	Changes	30.06.2022	30.06.2021	Changes
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	5,233	4,014	1,219	23,002	26,847	(3,845)
Profit/ (Loss)						
Before Tax	(631)	(8,979)	8,348	(1,950)	(9,021)	(7,071)

The Group's continuing operation registered a total revenue of RM5.23 million in this quarter compared to RM4.01 million revenue in last year corresponding quarter. The higher revenue was due to higher work done to complete our project in Penang. The loss before tax is RM0.63 million this quarter compared to RM8.98 million as the Group recorded an impairment loss of receivable in the amount of RM8.0 million in last year corresponding quarter. The loss before tax of RM1.95 million in this financial year was due to the increased in material and labour cost which had lower the projects gross margin.

B2 Comparison with Immediate Preceding Financial Quarter

	3 Months Individual Period		
	30.06.2022	31.03.2022	Changes
	RM'000	RM'000	RM'000
Revenue	5,233	7,058	(1,825)
Profit/ (Loss)			
Before Tax	(631)	(605)	(26)

The Group registered a revenue of RM5.23 million in this quarter compared to a revenue of RM7.06 million in the preceding quarter. The higher revenue in the preceding quarter was due to the sale of inventories in Ipoh. The losses before tax in both individual quarters were mainly due to the rising material and labour costs.

B3 Commentary on Prospects

The property market in Malaysia remains challenging. However, the re-opening of the economy with higher global growth and sustained policy support is expected to provide a further lift to economic growth. To remain competitive, our Group has aligned our new property projects in Ipoh to residential homes where demand is still strong. We are currently in the process of getting developer license approved to launch a small-scale housing project.

Our Group has also been awarded two (2) contracts recently with total contract amount of RM78 million to construct LRT building stations. Nevertheless, we are still actively participating in tenders for both public and private projects to increase our order book. Our Group is optimistic that our experiences will strengthen our market positioning and provide us a wider range of work opportunities. In addition, our Group takes a proactive approach to integrate environment, social and governance risk and strategies when implementing projects and at the same time taking the necessary steps to proactively pursue disciplined cost optimisation and active capital management to strengthen our financial position.

B ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B4 Profit Forecast or Profit Guarantee

The disclosure requirements for explanatory notes for the variance of actual profit after tax with profit forecast and shortfall in profit guarantee are not applicable.

B5 Tax Expense

	Current Financial Quarter RM'000	Current Financial Year To Date RM'000
Income tax		
Current financial period	60	60
	60	60
	60	60

B6 Status of Corporate Proposals

There were no corporate proposals announced.

B7 Borrowings and Debt Securities

There are no borrowings and debt securities by the Group for the current financial quarter under review.

B8 Changes in Material Litigations

The Group has no material litigations as at 29 August 2022.

B9 Earnings Per Share

	Current Financial Year To Date RM'000	Preceding Corresponding Financial Year To Date RM'000
Net (loss) attributable to owners of the Company	(1,950)	(9,142)
Weighted average number of ordinary shares for basic loss per share ('000)	550,366	461,902
Basic loss per share (sen)	(0.43)	(1.98)

B10 Dividends Payable

No interim dividend has been declared or recommended for the current financial quarter.

B ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B11 Utilisation of Proceeds Raised from Rights Issue

The gross proceeds raised on 29 December 2020 from the Rights Issue amounting to RM16.51 million is intended to be utilised in the following manner:

Details of utilisation		Proposed utilisation	Actual utilisation	Unutilised proceeds	Timeframe for utilisation (from rights issue listing date)
		RM'000	RM'000	RM'000	
(i)	Funding for existing and/ or future construction projects	7,000	7,000	-	Within 12 months
(ii)	Acquisition of new land bank for property development	6,000	-	6,000	Within 24 months
(iii)	Working capital	2,733	2,733	-	Within 12 months
(iv)	Estimated expense for the Rights Issue	778	771	7	Within 1 months
		16,511	10,504	6,007	

The utilisation of the proceeds as disclosed above should be read in conjunction with the Abridged Prospectus of the Company dated 2 December 2020.

B12 (Loss)/ Profit Before Taxation

Loss before tax is arrived at after charging/ (crediting):

	Unaudited	
	Current Financial Quarter	Current Financial Year To Date
	RM'000	RM'000
Interest income	(19)	(92)
Employee benefits expenses	359	1,301
Depreciation and amortisation	41	165
Interest expense	2	7
Impairment losses on receivables	36	36

By order of the Board,
 29 August 2022