

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

	As At 30.09.2022 RM'000 (Unaudited)	As At 30.06.2022 RM'000 (Audited)
ASSETS		
Non-Current Assets		
Property, plant and equipment	164	178
Inventories	23,931	23,927
Goodwill	1,816	1,816
Rights-of-use assets	9	37
	25,920	25,958
Current Assets		
Prepayments	46	256
Inventories	12,895	12,895
Trade and other receivables	9,460	6,471
Contract assets	2,200	2,083
Current tax assets	6	5
Fixed deposits, cash and bank balances	8,945	7,151
	33,552	28,861
TOTAL ASSETS	59,472	54,819
EQUITY AND LIABILITIES		
Equity attributable to Owners of the Parent		
Share capital	76,311	76,310
Other reserves	(18,944)	(19,531)
	57,367	56,779
Non-Controlling Interests	(13,147)	(13,164)
TOTAL EQUITY	44,220	43,615
Non-Current Liabilities		
Lease liabilities	-	12
Deferred tax liabilities	1,805	1,805
	1,805	1,817

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 PROFIT OR LOSS AND OTHER COMPREHENSIVE
INCOME**
FINANCIAL QUARTER ENDED 30 SEPTEMBER 2022
(UNAUDITED)

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.09.2022 RM'000	Preceding Year Corresponding Quarter 30.09.2021 RM'000	Current Year To Date 30.09.2022 RM'000	Preceding Year Corresponding Period 30.09.2021 RM'000
Revenue	20,290	4,792	20,290	4,792
Cost of sales	(19,290)	(4,603)	(19,290)	(4,603)
Gross profit/ (loss)	1,000	189	1,000	189
Other income	188	29	188	29
Administrative expenses	(494)	(355)	(494)	(355)
Other operating expenses	(126)	(154)	(126)	(154)
Finance income/ (costs)	37	(2)	37	(2)
Net impairment losses on financial instruments	-	-	-	-
Profit/(loss) before tax	605	(293)	605	(293)
Tax income/(expense)	-	(3)	-	(3)
Profit/(Loss) and total comprehensive income/ (loss) for the year from continuing operations	605	(296)	605	(296)
Loss and total comprehensive loss for the year from discontinued operations	-	-	-	-
Net Profit/(loss) and total comprehensive income/(loss) for the year	605	(296)	605	(296)
Owners of the Company				
- From continuing operations	587	(294)	587	(294)
- From discontinued	-	-	-	-
Non-controlling interest	18	(2)	18	(2)
	605	(296)	605	(296)
(Loss) per share attributable to owners of the Company (sen)				
- Basic				
Continuing operations	0.11	(0.05)	0.11	(0.05)
Discontinued operations	-	-	-	-

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 SEPTEMBER 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	
2023					
Balance as of 1 July 2022	76,310	15,447	(34,978)	(13,164)	43,615
(Loss)/Profit and total comprehensive (loss)/income for the year	-	-	587	18	605
Balance as of 30 September 2023	76,310	15,447	(34,391)	(13,146)	44,220
2022					
Balance as of 1 July 2021	7,6310	15,447	(32,611)	(13,499)	45,646
(Loss)/Profit and total comprehensive (loss)/income for the year	-	-	(2,367)	335	(2,031)
Balance as of 30 June 2022	76,310	15,447	(34,978)	(13,164)	43,615

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 SEPTEMBER 2022
(UNAUDITED)

	For the 3 months ended 30.09.2022 RM'000	For the 3 months ended 30.09.2021 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the financial period		
- Continuing operations	605	(293)
Adjustments for depreciation of:		
- Property, plant and equipment	13	14
- Right-of-use assets	27	27
Interest expenses	1	-
Interest income	(36)	2
Property, plant and equipment written off	-	(19)
Operating profit/ (loss) before changes in working capital	610	(269)
Changes in working capital:		
(Increase)/ Decrease in:		
Trade and other receivables	(2,988)	158
Contract assets	865	83
Prepayment	210	11
Property development cost	(3)	-
(Decrease)/ Increase in:		
Trade and other payables	3,137	(365)
Contract liabilities		
Net cash (used in)/ generated for operations	1,831	(382)
Income tax paid	-	(19)
Interest paid	(1)	
Net cash (used in)/ generated from operating activities	1,830	(401)

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

	For the 3 months ended 30.09.2022 RM'000	For the 3 months ended 30.06.2022 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest on fixed deposits received	36	19
Net cash generated from investing Activities	36	19
CASH FLOW FOR FINANCING ACTIVITIES		
Net repayment of lease liabilities	(53)	(30)
Repayment to ultimate holding company	(20)	-
Interest paid	-	(3)
Net cash (used in)/ generated from financing activities	(73)	(33)
NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS	1,794	(415)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	7,150	7,543
CASH AND CASH EQUIVALENTS AT END OF YEAR	8,944	7,128
Cash and cash equivalents comprise:		
Bank and cash balances	4,897	591
Fixed deposits with licensed banks	4,047	6,537
	8,944	7,128

A EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 30 SEPTEMBER 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 2022. 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 2022. 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 SEPTEMBER 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 2022 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 SEPTEMBER 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	Intersegment	Total	External	Intersegment	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Properties and construction	20,452	-	20,452	20,452	-	20,452
Others	-	150	150	-	150	150
	<u>20,452</u>	<u>150</u>	<u>20,602</u>	<u>20,452</u>	<u>150</u>	<u>20,602</u>
Intersegment elimination			<u>(150)</u>			<u>(150)</u>
			<u>20,452</u>			<u>20,452</u>

(b) Segment Results

Properties and construction	970	970
Others	<u>(365)</u>	<u>(365)</u>
	<u>605</u>	<u>605</u>

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

On 4 November 2022, Pluto Sdn Bhd ("PSB") a 55% owned subsidiary of the Company has entered into a sales and purchase agreement with Balkhis Binti Othman and Siti Hawa Binti Othman to acquire the following five (5) parcels of freehold vacant adjoining agriculture lands for a total purchase price of RM7,400,907.59:

- (a) Title no. Hakmilik Geran Mukim ("GM") 1058, Lot 277, Tempat Naga Lilit, Mukim Naga Lilit, Daerah Kulim, Negeri Kedah measuring approximately 1.7022 hectares (4.20614 acres);
- (b) Title no. Hakmilik GM 1059, Lot 278, Tempat Naga Lilit, Mukim Naga Lilit, Daerah Kulim, Negeri Kedah measuring approximately 0.5095 hectares (1.25897 acres);
- (c) Title no. Hakmilik GM 1060, Lot 279, Tempat Naga Lilit, Mukim Naga Lilit, Daerah Kulim, Negeri Kedah measuring approximately 0.5583 hectares (1.37956 acres);
- (d) Title no. Hakmilik GM 213, Lot 996, Tempat Naga Lilit, Mukim Naga Lilit, Daerah Kulim, Negeri Kedah measuring approximately 0.9085 hectares (2.24490 acres); and
- (e) Title no. Hakmilik GM 1056, Lot 997, Tempat Naga Lilit, Mukim Naga Lilit, Daerah Kulim, Negeri Kedah measuring approximately 0.1414 hectares (0.34940 acres).

Save as disclosed above, there were no other material event subsequent to the end of the current financial quarter which has not been reflected in the interim financial report.

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

A11 Changes in the Composition of the Group

On 2 November 2022, Pluto Sdn Bhd (“PSB”) emerged as a subsidiary of the Company. The Company subscribed for 55% equity interest in the share capital of PSB with the other 45% equity interest of PSB in the hands of other investors.

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.

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.	993	993
Contract cost payable to S & F Construction, a company in which certain directors of the company have interests.	(223)	(223)

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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			3 Months Cumulative Period		
	30.09.2022	30.09.2021	Changes	30.09.2022	30.09.2021	Changes
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	20,452	4,792	15,660	20,452	4,792	15,660
Profit/ (Loss) Before Tax	605	(293)	898	605	(293)	898

The Group's continuing operation registered a total revenue of RM20.45 million in this quarter compared to RM4.79 million revenue in last year corresponding quarter. The higher revenue was contributed by the two (2) new projects of construction and completion of light rail transit (LRT) line. The profit before tax is RM0.60 million this quarter compared to loss of RM0.29 million in last year corresponding quarter.

B2 Comparison with Immediate Preceding Financial Quarter

	3 Months Individual Period		
	30.09.2022	30.06.2022	Changes
	RM'000	RM'000	RM'000
Revenue	20,452	5,233	15,219
Profit/ (Loss) Before Tax	605	(570)	1,175

The Group registered a revenue of RM20.45 million in this quarter compared to a revenue of RM5.23 million in the preceding quarter. The higher revenue was contributed by the two (2) new projects of construction and completion of LRT lines. The loss before tax in the immediate preceding financial quarter was due to the lower revenue as the previous projects were all at the completion stage and the contributions by the new contracts were registered only in this quarter.

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. In addition to the process of getting a developer license to launch a small-scale housing project in Ipoh, the Group has entered into a proposed land acquisition which can provide an opportunity for the Company to increase its existing land bank for investment and property development activities. Please refer to A10 for further details of the land.

Our Group has also been awarded three (3) contracts recently with total contract amount of RM138 million to construct LRT building stations and terrace houses at Cyberjaya. 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	-	-
	-	-
	-	-

B6 Status of Corporate Proposals

There were no corporate proposals announced but not completed as at 28 November 2022.

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 28 November 2022.

B9 Earnings Per Share

	Current Financial Year To Date RM'000	Preceding Corresponding Financial Year To Date RM'000
Net (loss)/ profit attributable to owners of the Company	587	(296)
Weighted average number of ordinary shares for basic loss per share ('000)	550,366	550,366
Basic loss per share (sen)	0.11	(0.05)

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	407	5,593	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	10,911	5,600	

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	(37)	(37)
Employee benefits expenses	452	452
Depreciation and amortisation	41	41
Interest expense	(1)	(1)

By order of the Board,
 28 November 2022