

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE QUARTER ENDED 31 DECEMBER 2020**

	NOTE	INDIVIDUAL QUARTER 3 MONTHS ENDED		CUMMULATIVE QUARTER 12 MONTHS ENDED	
		CURRENT YEAR 31/12/2020 UNAUDITED RM'000	PRECEEDING YEAR 31/12/2019 UNAUDITED RM'000	CURRENT YEAR 31/12/2020 UNAUDITED RM'000	PRECEEDING YEAR 31/12/2019 AUDITED RM'000
<b>Continuing Operations</b>					
Revenue	9, 14 & 15	25,275	36,165	123,136	182,458
Cost of Sales		<u>(22,632)</u>	<u>(37,405)</u>	<u>(116,325)</u>	<u>(178,587)</u>
<b>Gross Profit</b>		2,643	(1,240)	6,811	3,871
Other income	23	1,894	1,876	6,669	25,285
Administrative expenses		<u>(12,378)</u>	<u>(5,561)</u>	<u>(33,235)</u>	<u>(24,289)</u>
Selling & marketing expenses		-	-	-	-
	9	<u>(7,841)</u>	<u>(4,925)</u>	<u>(19,755)</u>	<u>4,867</u>
Finance costs		<u>(1,510)</u>	<u>(1,440)</u>	<u>(5,748)</u>	<u>(4,150)</u>
Interest income		421	197	834	709
<b>(Loss)/Profit before tax</b>	9	<u>(8,930)</u>	<u>(6,168)</u>	<u>(24,669)</u>	<u>1,426</u>
Income tax expense	19	2,191	3,894	2,365	(2,229)
<b>(Loss)/Profit for the period</b>		<u>(6,739)</u>	<u>(2,274)</u>	<u>(22,304)</u>	<u>(803)</u>
<b>Other comprehensive income, net of tax:</b>		0	0	0	0
<b>Other comprehensive income, net of tax</b>		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total comprehensive income for the period</b>		<u>(6,739)</u>	<u>(2,274)</u>	<u>(22,304)</u>	<u>(803)</u>
<b>Loss attributable to:</b>					
Owners of the parent	14 & 15	(6,737)	(2,471)	(22,354)	(853)
Non-Controlling Interest		<u>(2)</u>	<u>197</u>	<u>50</u>	<u>50</u>
		<u>(6,739)</u>	<u>(2,274)</u>	<u>(22,304)</u>	<u>(803)</u>
<b>Total comprehensive income attributable to:</b>					
Owners of the parent		(6,737)	(2,471)	(22,354)	(853)
Non-Controlling Interest		<u>(2)</u>	<u>197</u>	<u>50</u>	<u>50</u>
		<u>(6,739)</u>	<u>(2,274)</u>	<u>(22,304)</u>	<u>(803)</u>
<b>Loss per ordinary share attributable to owners of the parent:</b>					
Basic (sen)	27	<u>(3.05)</u>	<u>(1.16)</u>	<u>(10.37)</u>	<u>(0.40)</u>
Fully diluted (sen)	27	<u>(2.60)</u>	<u>(0.98)</u>	<u>(8.81)</u>	<u>(0.30)</u>

(The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
FOR THE QUARTER ENDED 31 DECEMBER 2020**

	Note	As at 31 December 2020 (Unaudited) RM'000	As at 31 December 2019 (Audited) RM'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		5,706	6,571
Investment property		1,798	-
Right-of-use assets		3,725	3,832
Goodwill		1,084	3,348
Inventories		13,327	5,336
<b>Total non-current assets</b>		<u>25,640</u>	<u>19,087</u>
<b>Current assets</b>			
Inventories		72,167	85,023
Contract assets		3,894	6,469
Trade receivables	22	37,956	44,155
Other receivables		13,982	11,448
Tax recoverable		334	513
Deposits, cash and bank balances		21,134	32,625
<b>Total current assets</b>		<u>149,467</u>	<u>180,233</u>
<b>TOTAL ASSETS</b>		<u><u>175,107</u></u>	<u><u>199,320</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves</b>			
Share capital		160,229	149,840
Warrants reserve		3,619	3,619
Accumulated losses		(80,112)	(57,758)
<b>Equity attributable to owners of the parent</b>		<u>83,736</u>	<u>95,701</u>
<b>Non-controlling interest</b>		<u>236</u>	<u>186</u>
<b>Total equity</b>		<u>83,972</u>	<u>95,887</u>
<b>Non-current liabilities</b>			
Bank borrowings	21	40,354	25,926
Lease liabilities	21	2,963	3,299
Deferred tax liabilities		3,005	3,312
		<u>46,322</u>	<u>32,537</u>
<b>Current liabilities</b>			
Bank borrowings	21	26,883	47,375
Lease liabilities	21	866	702
Contract liabilities		896	-
Trade payables		5,646	12,470
Other payables		10,493	6,684
Amount due to directors		4	829
Tax payable		-	2,836
		<u>44,813</u>	<u>70,896</u>
<b>Total Liabilities</b>		<u>91,135</u>	<u>103,433</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>175,107</u></u>	<u><u>199,320</u></u>
Net assets per share attributable to owners of the parent		0.3326	0.4476

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE QUARTER ENDED 31 DECEMBER 2020**

	Note	Attributable to owners of the parent			Total RM'000	Non- Controlling Interest RM'000	Total Equity RM'000
		Capital RM'000	Warrants Reserve RM'000	Accumulated Losses RM'000			
<b>At 1 January 2019</b>		149,840	3,619	(56,905)	96,554	958	97,512
Non-controlling interests in acquisition of new subsidiaries		-	-	-	-	250	250
Non-controlling interests in disposed subsidiaries		-	-	-	-	(1,072)	(1,072)
Total comprehensive income for the financial period		-	-	(853)	(853)	50	(803)
<b>At 31 December 2019</b>		<u>149,840</u>	<u>3,619</u>	<u>(57,758)</u>	<u>95,701</u>	<u>186</u>	<u>95,887</u>
<b>At 1 January 2020</b>		149,840	3,619	(57,758)	95,701	186	95,887
Transactions with owners: Private placement		10,389	-	-	10,389	-	10,389
Total comprehensive income for the financial period		-	-	(22,354)	(22,354)	50	(22,304)
<b>At 31 December 2020</b>		<u>160,229</u>	<u>3,619</u>	<u>(80,112)</u>	<u>83,736</u>	<u>236</u>	<u>83,972</u>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE QUARTER ENDED 31 DECEMBER 2020**

	Note	Current Year To-Date (Unaudited) 31 December 2020 RM'000	Preceding Year To-Date (Audited) 31 December 2019 RM'000
<b>Net (loss)/profit before tax</b>	9	(24,669)	1,426
Adjustments for non-cash flow:			
Depreciation and amortisation		1,512	1,246
Non-cash items		8,085	(21,332)
Interest expense		5,657	4,150
Interest income		(834)	(709)
<b>Operating loss before changes in working capital</b>		<u>(10,249)</u>	<u>(15,219)</u>
<b>Changes to working capital</b>			
Net increase in current assets		(15,668)	(10,356)
Net increase/(decrease) in current liabilities		18,813	(8,556)
<b>Net cash flows fused in operating activities</b>		<u>(7,104)</u>	<u>(34,131)</u>
Interest received		834	709
Interest paid		(5,657)	(4,150)
Tax paid		(3,457)	(1,631)
Tax refunded		2,072	920
<b>Net cash used in operating activities</b>		<u>(13,312)</u>	<u>(38,283)</u>
<b>Investing activities</b>			
Purchase of property, plant and equipment		(1,007)	(389)
Purchase of right of use assets		(599)	-
Proceeds from sale of property, plant and equipment		269	28,182
Increase/(decrease) in fixed deposits with licensed banks		10,518	(4,320)
Net cash outflow from acquisition of subsidiaries		-	(11,119)
Net cash outflow from disposal of subsidiaries		(28)	(57)
Proceeds from disposal of subsidiaries		-	30
<b>Net cash flows generated from investing activities</b>		<u>9,153</u>	<u>12,327</u>
<b>Financing activities</b>			
Net (repayments)/proceeds on bank borrowings		(1,673)	18,465
Lease liabilities paid		(318)	(2,025)
Repayment of amount due to directors		(822)	(3,740)
Proceeds from private placement exercise		10,389	-
Non-controlling interests in acquisition of new subsidiaries		-	250
<b>Net cash generated from financing activities</b>		<u>7,576</u>	<u>12,950</u>
Net changes in cash and cash equivalents		3,417	(13,006)
Effects of exchange rate changes		-	-
Cash and cash equivalents at beginning of the period		(8,064)	4,942
Cash and cash equivalents at the end of the period		<u>(4,647)</u>	<u>(8,064)</u>

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE QUARTER ENDED 31 DECEMBER 2020 (CONT'D)****Cash and cash equivalents at end of financial year comprise:**

Deposits, cash and bank balances		3,900	4,874
Overdraft	21	(8,547)	(12,938)
Fixed deposits with licensed banks		<u>17,234</u>	<u>27,751</u>
		12,587	19,687
Less: Fixed deposits pledged with licensed banks		(17,234)	(27,751)
<b>Cash and cash equivalents at the end of the year</b>		<u><u>(4,647)</u></u>	<u><u>(8,064)</u></u>

Included in the cash flows from operating activities are:

Cash receipts from customers	129,335	173,426
Cash payments to suppliers, contractors and employees	140,730	199,710

(The Condensed Consolidated Statements of Cash Flow should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements)

**A) Notes in accordance to requirements under Financial Reporting Standards (“FRS”) No. 134 - Interim Financial Reporting**

**1. Basis of Preparation**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2019. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2019.

**2. Changes in Accounting Policies**

The accounting policies and methods of computation adopted by the Group in these quarterly financial statements are consistent with those adopted in the most recent audited financial statements for the year ended 31 December 2019.

On 1 January 2020, the Group adopted the following FRSs, Amendments to FRSs and IC Interpretations:-

Description	Effective for annual periods beginning on or after
Amendments to References to the Conceptual Framework in MFRS Standards	1 January 2020
Amendments to MFRS3: Definition of a Business	1 January 2020
Amendments to MFRS 101: Definition of Material	1 January 2020

The adoption of the above amendments and Annual Improvements to Standards did not have any material impact on the Group and the Company’s financial statements upon their initial application.

The following MFRSs, Amendments to FRSs and IC Interpretations were issued by the MASB but are not yet effective to the Group:

Description	Effective for annual periods beginning on or after
MFRS 17: Insurance Contracts	1 January 2021
Amendments to MFRS 10 and FMRS 128: Sale or Contribution of Assets between an Investor and its Associates and Joint Venture	Deferred until further notice

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

The initial application of the abovementioned standards, amendments or interpretations are not expected to have any material impact to the financial statements of the Group and the Company.

**3. Auditors’ Report on Preceding Annual Financial Statements**

The audited financial statements for the year ended 31 December 2019 were reported without any qualification.

**4. Comments about Seasonal or Cyclical factors**

The Company operations are not affected by any seasonal or cyclical factors.

**5. Unusual Items due to their Nature, Size or Incidence**

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the financial period ended 31 December 2020.

## 6. Changes in Estimates

There were no changes in estimates that had any material effect to the financial statements in the quarter under review.

## 7. Debt and equity securities

There were no issuances, repurchases and repayments of debt and equity securities for the current quarter and financial year to-date, except as follows:

On 18 December 2020, the Company issued 38,000,000 new shares at an issue price of RM0.2734 per share pursuant to our Private Placement proposals ("Private Placement I and Private Placement II). Based on the number of shares in issue after the issuance of the new shares, the Company may issue up to 50,358,284 new shares to investors under the Private Placement I. Hence, as at 31 December 2020, there are still 12,358,284 shares yet to be issued in order to complete Private Placement I.

With the issue of 38,000,000 new shares at an issue price of RM0.2734 per share raised RM10,389,200 additional capital for the Company increasing its paid-up share capital from RM149,839,953.88 to RM160,229,153.88 and its number of shares from 213,791,420 to 251,791,420.

## 8. Dividends paid

No dividend has been declared for the current quarter ended 31 December 2020.

## 9. Segmental information

The Group is organized into three main business divisions:

- (i) Food – This consists of contract farming, and trading of live broilers, feeds, day-old chicks, medications and vaccines.
- (ii) Property development – This consists of development and construction of residential and commercial properties.
- (iii) Healthcare – This consists of setting up and running of hospitals and clinics.

Segment information for the year ended 31 December 2020 was as follows:

	<u>Food</u>	<u>Property</u>	<u>Healthcare</u>	<u>Eliminations</u>	<u>Group</u>
	RM'000	development RM'000	RM'000	RM'000	RM'000
<b><u>2020</u></b>					
Revenue	149,332	28,537	121	(54,854)	123,136
<b>Results</b>					
Segment results	8,405	(2,502)	(4,519)	(19,501)	(18,117)
Unallocated expense					(1,638)
Loss from operations					(19,755)
Finance income					834
Finance costs					(5,748)
Loss before tax					(24,669)

Segment information for the year ended 31 December 2019 was as follows:

	<u>Food</u>	<u>Property development</u>	<u>Healthcare</u>	<u>Eliminations</u>	<u>Group</u>
	RM'000	RM'000	RM'000		RM'000
<b><u>2019</u></b>					
<b>Revenue</b>	289,667	29,090	47	(136,346)	182,458
<b>Results</b>					
Segment results	13,565	(3,684)	(1,788)	(542)	7,551
Unallocated expense					(2,684)
Profit from operations					4,867
Finance income					709
Finance costs					(4,150)
Profit before tax					1,426

Unallocated expenses refer to the results of the Company.

#### 10. Subsequent Events

As at the date of this report, there were no material events subsequent to the current quarter ended 31 December 2020, except as follows:

On 8 January 2021, the Company issued an additional 40,000,000 new shares at an issue price of RM0.3864 per share to selected investors pursuant to our Private Placement proposals as mentioned in Note 7 above.

The 40,000,000 new shares were issued under the following:

- i. 12,358,284 Placement Shares I issued pursuant to Private Placement I; and
- ii. 27,641,716 Placement Shares II issued pursuant to Private Placement II.

With that, Private Placement I was duly completed.

Barring any unforeseen circumstances, private placement II is expected to be completed within the quarter ending 31 March 2021.

#### 11. Changes to the composition of the Group

There were no changes in the composition of the Group in the current quarter under review, except as follows:

- (a) On 30 December 2020, the Company had entered into a Share Sale Agreement with Proaktif Enterprise Sdn Bhd ("the Purchaser") to dispose of 9,999,997 ordinary shares, representing 99.99% of the equity interest in Sinmah Multifeed Sdn. Bhd. ("Sinmah Multifeed") for a total cash consideration of RM1.00 only ("the Proposed Disposal"). The consideration for the Proposed Disposal has been received and the disposal has been deemed completed. As such, Sinmah Multifeed has ceased to be a member of the Sinmah Group.
- (b) On 30 December 2020, the Company also entered into a Share Sale Agreement with Ramatron Sdn Bhd ("the Purchaser") to dispose of 3,000,000 ordinary shares, representing 100% of the equity interest in Sinmah Livestocks Sdn. Bhd. ("Sinmah Livestocks") ("the Sale Shares") for a total cash consideration of RM1.00 only ("the Proposed Disposal"). The consideration for the Proposed Disposal has been received and the disposal has been deemed completed. As such, Sinmah Livestocks and its subsidiary, Chem Ventures Sdn. Bhd. ("Chem Ventures") have ceased to be members of the Sinmah Group.



## **12. Contingent Liabilities**

The Company provides corporate guarantee to financial institutions for all unsecured credit facilities granted to subsidiaries amounting to RM49.44 million as at 31 December 2020.

## **13. Capital Commitments**

There were no material capital commitments not provided for in the interim financial statements as at 31 December 2020.

#### 14. Review of Current Quarter Events and Performance

The Group’s performance for the current year’s fourth quarter ended 31 December 2020 compared to the preceding year’s fourth quarter ended 31 December 2019 is shown in Table 1 and Table 2.

**Table 1: Financial review for current quarter and financial year to date**

	Individual Period (4th Quarter)		Changes (Amount/%)	Cumulative Period (12 Months)		Changes (Amount/%)
	Current Year 31/12/2020 RM’000	Preceding Year 31/12/2019 RM’000		Current Year 31/12/2020 RM’000	Preceding Year 31/12/2019 RM’000	
Revenue	25,275	36,165	(10,890), (30%)	123,136	182,458	(59,332), (33%)
(Loss)/profit before interest and tax	(7,841)	(4,925)	(2,9216), (59%)	(19,755)	4,867	(24,622), (>100%)
(Loss)/profit before tax	(8,930)	(6,168)	(2,762), (45%)	(24,669)	1,426	(26,095), (>100%)
(Loss)/profit after tax	(6,739)	(2,274)	(4,465), (>100%)	(22,304)	(803)	(21,501), (>100%)
(Loss)/profit attributable to Ordinary Equity Holders of the Parent	(6,737)	(2,471)	(4,266), (>100%)	(22,354)	(853)	(21,501), (>100%)

**Table 2: Revenue by Segment (Current Quarter and Corresponding Quarter)**

Description	3 months ended	3 months ended	Increase/(Decrease)	
	31-Dec-20 RM’000	31-Dec-19 RM’000	RM’000	%
<b>Revenue</b>				
- Food	17,303	31,046	(13,743)	(44)
- Property development	7,909	5,072	2,837	56
- Healthcare	63	47	16	34
	25,275	36,165		

For the current quarter ended 31 December 2020, the food segment recorded a lower revenue of RM17.30 million as compared with RM31.05 million in the corresponding quarter ended 31 December 2019, a decrease of 44%. The decrease was mainly due to decrease in sales volume of live broilers sold during the quarter ended 31 December 2020 as compared to the corresponding quarter ended 31 December 2019.

The property development segment posted a higher revenue of RM7.91 million in the current quarter ended 31 December 2020 as compared to the revenue of RM5.07 million in the corresponding quarter ended 31 December 2019, an increase of 56%. This was due to higher recognition of revenue on the percentage of completion basis for the Group’s project in Grisek during the current quarter ended 31 December 2020 as compared to the corresponding quarter ended 31 December 2019.

The healthcare division posted a slightly higher revenue of RM63,000 during the current quarter ended 31 December 2020 as compared to the revenue of RM47,000 during the corresponding quarter ended 31 December 2019, an increase of 34%. This was due to there being 2 clinics in operation during the current quarter ended 31 December 2020 as compared to only 1 clinic during the corresponding quarter ended 31 December 2019.

As total revenue decreased, the Group posted a loss attributable to owners of the parent of RM6.74 million during the current quarter ended 31 December 2020 as compared to a loss attributable to owners of the parent of RM2.47 million in the corresponding quarter ended 31 December 2019. Furthermore, there was an impairment of goodwill of RM2.26 million during the quarter ended 31 December 2020.

**Table 3: Revenue by Segment (Cumulative Quarter and Corresponding period)**

Description	12 months ended	12 months ended	Increase/(Decrease)	
	31-Dec-20	31-Dec-19	RM'000	%
	RM'000	RM'000		
<b>Revenue</b>				
- Food	106,744	165,612	(58,868)	(36)
- Property development	16,270	16,799	(529)	(3)
- Healthcare	122	47	75	>100
	123,136	182,458		

For the year ended 31 December 2020, the food segment recorded a lower revenue of RM106.74 million as compared with RM165.61 million in the corresponding period ended 31 December 2019, a decrease of 36%. The decrease was mainly due to decrease in sales volume of live broilers resulting from the disposal of all its broilers farm lands and assets during the corresponding period ended 31 December 2019.

The property development segment posted a lower revenue of RM16.27 million during the year ended 31 December 2020 as compared to the revenue of RM16.80 million in the corresponding period ended 31 December 2019, a decrease of 3%. This was due to lower recognition of revenue on the percentage of completion basis during year ended 31 December 2020 as compared to the corresponding period ended 31 December 2019. Furthermore, there was a decrease in the number of properties sold during the year ended 31 December 2020 caused by temporary closure of operations due to the COVID-19 pandemic outbreak.

The healthcare division posted a higher revenue of RM122,000 during the year ended 31 December 2020 as compared to RM47,000 during the year ended 31 December 2019, an increase of more than 100%. The higher revenue during the current year ended 31 December 2020 was due to the healthcare division only commenced operations during the fourth quarter of the previous financial year ended 31 December 2019.

As total revenue decreased, the Group posted a loss attributable to owners of the parent of RM22.35 million during the current financial year ended 31 December 2020 as compared to a loss attributable to owners of the parent of RM0.85 million in the previous financial year ended 31 December 2019. Besides that, profit on disposal of property, plant and equipment during the current financial year ended 31 December 2020 amounted to RM60,000 only as compared to RM18.71 million during the previous financial year ended 31 December 2019, a decrease of RM18.65 million.

#### 15. Comparison to Preceding Quarter's Results

The Group's performance for the current quarter ended 31 December 2020 compared to the previous quarter ended 30 September 2020 is as shown in Table 4 and Table 5 below:

**Table 4: Financial review for current quarter compared with the immediately preceding quarter**

	3 months ended 31 December 2020 RM'000	3 months ended 30 September 2020 RM'000	Changes (Amount/%)
Revenue	25,275	23,459	1,816, 8%
Loss before interest and tax	(7,841)	(4,162)	(3,679), (88%)
Loss before tax	(8,930)	(5,237)	(3,693), (71%)
Loss after tax	(6,739)	(5,220)	(1,519), (29%)
Loss attributable to Ordinary Equity Holders of the Parent	(6,737)	(5,217)	(1,520), (29%)

**Table 5: Revenue by Segment (Current Quarter Compared With The Immediately Preceding Quarter)**

Description	3 months ended	3 months ended	Increase/(Decrease)	
	31-Dec-20	30-Sep-20	RM'000	%
	RM'000	RM'000		
<b>Revenue</b>				
- Food	17,303	20,031	(2,728)	(14)
- Property development	7,909	3,400	4,509	>100%
- Healthcare	63	28	35	>100%
	25,275	24,267		

For the current quarter ended 31 December 2020, the food segment posted a lower revenue of RM17.30 million compared to the turnover of RM20.03 million recorded in the previous quarter ended 30 September 2020, a decrease of 14%. The decrease was mainly due to decrease in sales volume of live broilers during the current quarter ended 31 December 2020.

The property development segment posted a higher revenue of RM7.91 million in the current quarter ended 31 December 2020 as compared to the revenue of RM3.40 million in the preceding quarter ended 30 September 2020, an increase of 73%. This was due to higher recognition of revenue on the percentage of completion basis from its Grisek project in the current quarter ended 31 December 2020 as compared to previous quarter ended 30 September 2020.

The healthcare segment recorded a higher revenue of RM63,000 during the quarter ended 31 December 2020 as compared to RM28,000 during the preceding quarter ended 30 September 2020, an increase of more than 100%. This was mainly due to COVID-19 testing being carried out at the Group's clinics during the quarter under review.

Although revenue increased, the Group posted a higher loss attributable to owners of the parent of RM6.74 million during the current quarter ended 31 December 2020 compared to a loss attributable to owners of the parent of RM5.22 million during the preceding quarter ended 30 September 2020. The higher loss during the current quarter ended 31 December 2020 was mainly due to impairment of goodwill of RM2.26 million during the quarter ended 31 December 2020.

## 16. Prospects

As at the date of this report, the average selling prices of live broilers is higher than the average selling prices during the quarter ended 31 December 2020.

The Group's property development division is still facing massive challenges especially in obtaining sales of its properties due to the MCO and CMCO announced by the Government.

However, the Group's healthcare services division is showing signs of improvement as the COVID-19 cases have been rising since November 2020.

Nevertheless, the Group is expecting a challenging year in 2021.

## 17. Profit Forecast or Profit Guarantee

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

## 18. Profit/(Loss) before tax

	Current Year	Preceding Year	Current	Preceding
	Quarter ended	Quarter ended	Year to-date	Year to-date
	31 Dec 2020	31 Dec 2019	31 Dec 2020	31 Dec 2019
	RM'000	RM'000	RM'000	RM'000
Depreciation and amortization	455	409	1,512	1,246
Foreign exchange loss / (gain)	-	4	-	(5)
(Gain) / loss on disposal of properties, plant and equipment	(28)	(32)	(59)	(18,708)
Gain on disposal of subsidiary companies	(1,254)	(4)	(1,293)	(2,476)
Gain on disposal of associated companies	-	-	-	-
Impairment loss of investment in associated companies	-	-	-	-
Impairment/(reversal) loss on trade receivables	174	(2,651)	7,174	(784)
Impairment of goodwill	2,264	-	2,264	-
Provision for write-off of receivables	-	-	-	-
Provision for write-off of inventories	-	-	-	-
Gain or loss on derivatives	-	-	-	-
Exceptional items	-	-	-	-
Interest income	(421)	(197)	(834)	(709)
Interest expense	1,419	1,440	5,657	4,150

## 19. Taxation

The income tax (expense)/income to the Group for the current quarter under review is as follows:

	Quarter ended	Year to-date	Quarter ended	Year to-date
	31 Dec 2020	31 Dec 2020	31 Dec 2019	31 Dec 2019
	RM '000	RM '000	RM '000	RM '000
Current tax – income tax	2,072	2,072	3000	(2,626)
Current tax – real property gains tax	-	-	45	(455)
Deferred tax	119	293	849	852
Total tax income/(expense)	2,191	2,365	3,894	(2,229)

## 20. Corporate Proposals

There were no corporate proposals in the current quarter under review, other than the following:

As disclosed in the previous quarter ended 30 September 2020, the Group's private placements Proposals which were announced on 17 August 2020 have been approved by members of the Company at an Extraordinary General Meeting held on 7 October 2020.

The proposed private placement I is expected to raise between RM8.17 million under the Minimum Scenario and RM9.63 million under the Maximum Scenario while the proposed private placement II is expected to raise between RM.9.80 million under the Minimum Scenario and RM13.28 million under the Maximum Scenario. Together the two proposed private placements are expected to raise between RM17.97 million under the Minimum Scenario and RM22.91 million under the Maximum Scenario.

The proceeds of the proposed private placements have been earmarked towards development expenditure of the Group's existing housing development projects with an amount of RM6.0 million while the balance will be for working capital and expenses in respect of the two private placements.

To-date the Company has raised the following amounts:

Date	Description	No. of Shares	Price/Share (RM)	Amount (RM)
18 Dec 2020	Placement I	38,000,000	0.2734	10,389,200.00
8 Jan 2021	Placement I	12,358,284	0.3864	4,775,240.94
	Sub-total	<u>50,358,284</u>		<u>15,164,440.94</u>
8 Jan 2021	Placement II	27,641,716	0.3864	10,680,759.06
26 Feb 2021	Placement II	32,788,200	0.3879	12,718,542.78
	Sub-total	<u>60,429,916</u>		<u>23,399,301.84</u>
	Total	<u>110,788,200</u>		<u>38,563,742.78</u>

Private Placement I was completed on 8 January 2021 and Private Placement II was completed on 26 February 2021.

Hence, the Group's private placement Proposals have been completed.

Utilisation of proceeds up to the date of this report is as follows:

	Planned Utilisation	Actual Utilisation	Balance to be Utilised
	RM'000	RM'000	RM'000
<b>Private Placement I</b>			
Expenses	110	38	72
Working capital	15,054	375	14,679
	<u>15,164</u>	<u>413</u>	<u>14,751</u>
<b>Private Placement II</b>			
Expenses	140	66	74
Project development expenditure	6,000	-	6,000
Working capital	17,259	-	17,259
	<u>23,399</u>	<u>66</u>	<u>23,333</u>
Total	<u>38,563</u>	<u>479</u>	<u>38,084</u>

## 21. Group Borrowings

Group borrowings and debt securities as at the end of the reporting period:

(a) The borrowings of the Group are secured by way of fixed and floating charges over certain assets and negative pledges over assets of the Group, corporate guarantees from the Company's certain existing operating subsidiaries, persona guarantees of certain directors of the Company and undertaking by the holding company to fully repay the facilities should the Company be unable to meet its obligations.

(b) Group borrowings as at the end of the reporting period are as follows:-

	Short Term RM'000	Long term RM'000	Total RM'000
Bank overdraft	8,547	-	8,547
Revolving credit	11,000	-	11,000
Term loans	7,336	40,354	47,690
Bank borrowings	26,883	40,354	67,237
Lease liabilities	866	2,963	3,829
Total borrowings	27,749	43,317	71,066

## 22. Trade Receivables

	Financial Period Ended 31 Dec 2020 RM'000	Financial Year Ended 31 Dec 2019 RM'000
Trade receivables		
Third parties	44,307	141,714
Impairment losses		
- brought forward	(97,559)	(98,343)
- impaired during the period/year	(7,864)	-
- reversed during the period/year	690	784
- disposal of subsidiaries	98,382	-
- written off during the period/year	-	-
	(6,351)	(97,559)
	37,956	44,155

The Group's normal credit term for trade receivables ranges from 30 to 120 days. They are recognised at their original invoice amounts which represents their fair values upon initial recognition. There are no trade receivables due from related parties

The Group has no significant concentration of credit risk that may arise from exposures to a single receivable or groups of receivables.

Ageing analysis of trade receivables is as follows:

	Financial Period Ended 30 Sep 2020 RM'000	Financial Year Ended 31 Dec 2019 RM'000
Neither past due nor impaired	12,456	10,670
Past due not impaired:		
Up to 60 days past due	7,843	16,392
More than 60 days	17,657	17,093
	25,500	33,485
Impaired	37,956	44,155
	6,351	97,559
	44,307	141,714

Trade receivables that are neither past due nor impaired are creditworthy receivables with good payment records with the Group.

As at 31 December 2020, trade receivables of approximately RM25,500,000 (31 December 2019: RM33,485,000) were past due but not impaired. These relate to a number of independent customers from whom there is no recent history of default.

The trade receivables of the Group that are individually assessed to be impaired amounting to approximately RM6,351,000 relates to customers that are in financial difficulties, have defaulted on payments and / or have disputed on billings. These balances are expected to be recovered through the Group's debt recovery process.

**Commentaries on the recoverability of trade receivables which exceeded the average credit term granted**

All trade receivables which exceeded the average credit terms are closely monitored by the Group's credit control team. Delinquent cases are handed over promptly to external lawyers for further recovery action.

**23. Other Income**

	Current Year Quarter Ended 31 Dec 2020 RM'000	Preceding Year Quarter Ended 31 Dec 2019 RM'000	Current Year Cumulative Period Ended 31 Dec 2020 RM'000	Preceding Year Cumulative Period Ended 31 Dec 2019 RM'000
Other income comprises the following:				
Rental income	29	-	81	113
Sales of used packaging materials, scrap & others	-	-	-	917
Government grant received	-	-	4,509	-
Miscellaneous other income	(107)	310	37	2,277
Bad debts recovered	-	22	-	6
Gain on disposal of property, plant and equipment	29	32	60	18,708
Gain on disposal of subsidiaries	1,254	4	1,293	2,476
Gain on foreign exchange (realised)	-	-	-	4
Reversal of impairment loss on trade receivables	689	-	689	-
Reversal of ECL provision	-	1,508	-	784
	1,894	1,876	6,669	25,285

**24. Off Balance Sheet Financial Instruments**

There were no off-balance sheet financial instruments as at 26 February 2021.

**25. Material Litigations**

There was no material litigation for the current quarter under review, except for the Group's appeal against the additional tax liability and penalty on two (2) of the Company's subsidiary companies which has now been forwarded by the Inland Revenue Department to the Special Commissioners of Income Tax for registration for trial. The above matters were fixed for case management before the Special Commissioners of Income Tax ("SCIT") in Johor Bahru on 1 November 2018. The counsel for the Company's subsidiary companies requested for a date to file statement of agreed facts and statement of issues to be tried. The SCIT had directed the parties to attend case management on 22 February 2019 in Putrajaya and to file the statement of agreed facts and issues to be tried.

On 22 February 2019, the parties requested more time to finalise the statement of agreed facts and statement of issues to be tried. The counsel for the Appellant (i.e. the Company's subsidiary companies) requested for hearing dates to be fixed and for the statements to be filed before the hearing. However, the learned Special Commissioner informed the Appellant's counsel that she would like to ensure that all cause papers are filed before a hearing date is fixed. In this regard, the SCIT has directed the following:

- (1) The Appellant to file statements of agreed facts, issues to be tried and index on/by 24 May 2019; and
- (2) Parties to attend case management fixed on 24.5.2019 to update SCIT on whether the cause papers above have been filed.

On 24 May 2019, the SCIT set the dates for trial to be held on 27 and 28 April 2021.



## 26. Dividend

No interim dividend has been declared for the quarter ended 31 December 2020 (31 December 2019: Nil).

## 27. Earnings Per Share

### Basic earnings/(loss) per share

The basic earnings/(loss) per share is calculated by dividing the profit for the period attributable to owners of the parent by the weighted average number of ordinary shares in issue during the current quarter and current year-to-date respectively as follows:

	Current Year Quarter Ended 31 Dec 2020 RM'000	Preceding Year Quarter Ended 31 Dec 2019 RM'000	Current Year To-Date 31 Dec 2020 RM'000	Preceding Year To-Date 31 Dec 2019 RM'000
Loss attributable to owners of the parent (RM'000)	(6,737)	(2,471)	(22,354)	(853)
Weighted average number of shares ('000)	221,226	213,791	215,665	213,791
Basic loss per share (sen)	(3.05)	(1.16)	(10.37)	(0.40)

## 28. Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 26 February 2021.