

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE QUARTER ENDED 30 JUNE 2021**

	NOTE	INDIVIDUAL QUARTER 3 MONTHS ENDED		CUMMULATIVE QUARTER 6 MONTHS ENDED	
		CURRENT YEAR 30/6/2021 UNAUDITED RM'000	PRECEEDING YEAR 30/6/2020 UNAUDITED RM'000	CURRENT YEAR 30/6/2021 UNAUDITED RM'000	PRECEEDING YEAR 30/6/2020 UNAUDITED RM'000
<b>Continuing Operations</b>					
Revenue	9, 14 & 15	25,540	36,094	54,303	74,402
Cost of Sales		(23,460)	(34,462)	(49,323)	(70,782)
<b>Gross Profit</b>		<u>2,080</u>	<u>1,632</u>	<u>4,980</u>	<u>3,620</u>
Other income	23	3,500	135	3,645	4,675
Administrative expenses		(3,840)	(8,030)	(6,746)	(16,047)
Selling & marketing expenses		-	-	-	-
	9	<u>1,740</u>	<u>(6,263)</u>	<u>1,879</u>	<u>(7,752)</u>
Finance costs		(1,192)	(1,467)	(2,123)	(2,891)
Interest income		120	121	165	141
<b>Loss before tax</b>	9	<u>668</u>	<u>(7,609)</u>	<u>(79)</u>	<u>(10,502)</u>
Income tax income/(expense)	19	215	45	167	157
<b>Profit/(loss) for the period</b>		<u>883</u>	<u>(7,564)</u>	<u>88</u>	<u>(10,345)</u>
<b>Other comprehensive income, net of tax:</b>		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<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>883</u>	<u>(7,564)</u>	<u>88</u>	<u>(10,345)</u>
<b>Profit/(Loss) attributable to:</b>					
Owners of the parent	14 & 15	890	(7,619)	107	(10,400)
Non-Controlling Interest		(7)	55	(19)	55
		<u>883</u>	<u>(7,564)</u>	<u>88</u>	<u>(10,345)</u>
<b>Total comprehensive income attributable to:</b>					
Owners of the parent		890	(7,619)	107	(10,400)
Non-Controlling Interest		(7)	55	(19)	55
		<u>883</u>	<u>(7,564)</u>	<u>88</u>	<u>(10,345)</u>
<b>Profit/(Loss) per ordinary share attributable to owners of the parent:</b>					
Basic (sen)	27	<u>0.27</u>	<u>(3.56)</u>	<u>0.03</u>	<u>(4.86)</u>
Fully diluted (sen)	27	<u>0.25</u>	<u>(3.02)</u>	<u>0.03</u>	<u>(4.13)</u>

(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)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
FOR THE QUARTER ENDED 30 JUNE 2021**

	Note	As at 30 June 2021 (Unaudited) RM'000	As at 31 December 2020 (Audited) RM'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		3,721	4,626
Right-of-use assets		2,300	4,793
Investment property		2,476	1,736
Goodwill		1,084	1,084
Inventories		13,875	13,337
<b>Total non-current assets</b>		<b>23,456</b>	<b>25,576</b>
<b>Current assets</b>			
Inventories		71,005	75,510
Contract assets		5,135	1,149
Trade receivables	22	38,046	39,587
Other receivables		11,557	9,392
Tax recoverable		442	294
Deposits, cash and bank balances		48,643	21,133
<b>Total current assets</b>		<b>174,828</b>	<b>147,065</b>
<b>TOTAL ASSETS</b>		<b>198,284</b>	<b>172,641</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves</b>			
Share capital		188,469	160,229
Warrants reserve		3,619	3,619
Accumulated losses		(80,071)	(80,178)
<b>Equity attributable to owners of the parent</b>		<b>112,017</b>	<b>83,670</b>
<b>Non-controlling interest</b>		<b>-</b>	<b>(108)</b>
<b>Total equity</b>		<b>112,017</b>	<b>83,562</b>
<b>Non-current liabilities</b>			
Bank borrowings	21	20,082	23,238
Lease liabilities		1,290	2,988
Deferred tax liabilities		2,671	2,848
		<b>24,043</b>	<b>29,074</b>
<b>Current liabilities</b>			
Bank borrowings	21	51,342	43,998
Lease liabilities		296	796
Contract liabilities		1,304	1,059
Trade payables		3,624	6,292
Other payables		5,650	7,848
Amount due to directors		2	4
Tax payable		6	8
		<b>62,224</b>	<b>60,005</b>
<b>Total Liabilities</b>		<b>86,267</b>	<b>89,079</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>198,284</b>	<b>172,641</b>
Net assets per share attributable to owners of the parent		0.3448	0.3914

(The Condensed Consolidated Statements of Financial Position 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)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE QUARTER ENDED 30 JUNE 2021**

	Note	Attributable to owners of the parent Non-Distributable			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 2020</b>		149,840	3,619	(57,758)	95,701	186	95,887
Total comprehensive income for the financial period		-	-	(10,400)	(10400)	55	(10,345)
<b>At 30 June 2020</b>		149,840	3,619	(68,158)	85,301	241	85,542
<b>At 1 January 2021</b>		160,229	3,619	(80,178)	83,670	(108)	83,562
Transaction with owners: Private placement		28,240	-	-	28,240	-	28,240
Disposal of subsidiaries		-	-	-	-	127	127
Total comprehensive income for the financial period		-	-	107	107	(19)	88
<b>At 30 June 2021</b>		188,469	3,619	(80,071)	112,017	-	112,017

(The Condensed Consolidated Statement of Changes in Equity 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)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE QUARTER ENDED 30 JUNE 2021**

	Note	Current Year To-Date (Unaudited) 30 June 2021 RM'000	Preceding Year To-Date (Unaudited) 30 June 2020 RM'000
<b>Net loss before tax</b>	9	(79)	(10,502)
Adjustments for non-cash flow:			
Depreciation and amortisation		619	808
Non-cash items		(3,590)	6,991
Interest expense		2,123	2,891
Interest income		(165)	(141)
<b>Operating profit/(loss) before changes in working capital</b>		<u>(1,092)</u>	<u>47</u>
<b>Changes to working capital</b>			
Net increase in current assets		(6,957)	(5,518)
Net increase/(decrease) in current liabilities		6,292	(183)
<b>Net cash flows used in operating activities</b>		<u>(1,757)</u>	<u>(5,654)</u>
Interest paid		(2,123)	(2,891)
Tax paid		(150)	(623)
<b>Net cash used in operating activities</b>		<u>(4,030)</u>	<u>(9,168)</u>
<b>Investing activities</b>			
Purchase of property, plant and equipment		(434)	(732)
Proceeds from sale of property, plant and equipment		-	9
Purchase of right-of-use assets		-	(52)
Net cash outflow from disposal of subsidiary company		(487)	-
Interest received		165	141
<b>Net cash used in investing activities</b>		<u>(756)</u>	<u>(634)</u>
<b>Financing activities</b>			
Net proceeds on bank borrowings		5,152	10,203
Lease liabilities paid		(130)	(201)
Proceeds of private placement		28,240	-
Amount due to directors		(2)	(812)
<b>Net cash generated from financing activities</b>		<u>33,260</u>	<u>9,190</u>
Net changes in cash and cash equivalents		28,474	(612)
Effects of exchange rate changes		-	-
Cash and cash equivalents at beginning of the period		12,586	19,687
Cash and cash equivalents at the end of the period		<u>41,060</u>	<u>19,075</u>
Cash and cash equivalents comprise:			
Cash and bank balances		48,643	31,191
Overdraft	22	(7,583)	(12,116)
Cash and cash equivalents at the end of the year		<u>41,060</u>	<u>19,075</u>
Included in the cash flows from operating activities are:			
Cash receipts from customers		55,844	68,593
Cash payments to suppliers, contractors and employees		59,982	81,481

(The Condensed Consolidated Statements of Cash Flow 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)

**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 2020. 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 2020.

**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 2020.

On 1 January 2021, the Group adopted the following FRSs, Amendments to FRSs and IC Interpretations:-

Description	Effective for annual periods beginning on or after
Amendments to MFRS 16; COVID-19-Related Rent Concessions	1 June 2020
MFRS 4; Extension of the Temporary Exemption from Applying MFRS 9 (Amendments to MFRS 4 Insurance Contracts)	17 August 2020
MFRS 4, MFRS 7, MFRS 9, MFRS 16 and MFRS 139; Interest Rate Benchmark Reform - Phase 2	1 January 2021
Amendments to MFRS 16; COVID-19-Related Rent Concessions Beyond 30 June 2021	1 April 2021

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
Amendments to MFRS 3 Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 116 Property, Plant and Equipment – Proceeds Before Intended Use	1 January 2022
Amendments to MFRS 137 Onerous Contracts – Costs of Fulfilling a Contract	1 January 2022
Annual Improvements MFRS Standards 2018 – 2020	
Amendments to MFRS 1	1 January 2022
Amendments to MFRS 9	1 January 2022
Amendments to MFRS 16	1 January 2022
Amendments to MFRS 141	1 January 2022
MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 101	
Classification of Liabilities as Current or Non-current	1 January 2023
Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 8 Definition of Accounting Estimates	1 January 2023
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 2020 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 30 June 2021.

### 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.

### 8. Dividends paid

No dividend has been declared for the current quarter ended 30 June 2021.

### 9. Segmental information

The Group is organized into three main business divisions:

- (i) Poultry – 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 six months ended 30 June 2021 was as follows:

	<u>Poultry</u> RM'000	<u>Property development</u> RM'000	<u>Healthcare</u> RM'000	<u>Eliminations</u>	<u>Group</u> RM'000
<b><u>2021</u></b>					
<b>Revenue</b>	45,301	15,792	611	(7,401)	54,303
<b>Results</b>					
Segment results	323	(883)	(1,241)	4,164	2,363
Unallocated expense					(484)
Profit from operations					1,879
Finance income					165
Finance costs					(2,123)
Loss before tax					(79)

Segment information for the six months ended 30 June 2020 was as follows:

	<u>Poultry</u>	<u>Property</u> <u>development</u>	<u>Healthcare</u>	<u>Eliminations</u>	<u>Group</u>
	RM'000	RM'000	RM'000		RM'000
<b><u>2020</u></b>					
<b>Revenue</b>	126,992	10,633	30	(63,253)	74,402
<b>Results</b>					
Segment results	(7,715)	2,414	(1,664)	(432)	(7,397)
Unallocated expense					(355)
Loss from operations					(7,752)
Finance income					141
Finance costs					(2,891)
Loss before tax					(10,502)

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 30 June 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:

On 15 June 2021, Sinmah Healthcare Sdn. Bhd. a wholly owned subsidiary of the Company, had entered into a share sale agreement with Intan Lyana Binti Md Jali and Azliana Binti Alias ("the Purchasers") to dispose of 65 ordinary shares, representing the 65% equity interest in Sah Medical Sdn. Bhd. ("Sah Medical") for total cash consideration of RM2.00 only ("the Disposal"). Upon completion of the Disposal, SAH Medical and its wholly-owned subsidiary companies, SAH Medical Center (Melaka) Sdn. Bhd. ("SMC (Melaka)") and SAH Medical Center (Segamat) Sdn. Bhd. ("SMC (Segamat)") shall cease to be members of the Sinmah Group.

On 15 June 2021, Sinmah Healthcare Sdn. Bhd. and Sinmah Development Sdn. Bhd., both wholly-owned subsidiaries of the Company, had entered into a share sale agreement with Intan Lyana Binti Md Jali and Azliana Binti Alias ("the Purchasers") to dispose of 2,970,000 ordinary shares, representing 99% equity interest in Sinmah Axis Healthcare Sdn. Bhd. (formerly known as Sinmah Amegajaya Healthcare Sdn. Bhd.) ("SAH") for total cash consideration of RM3.00 only ("the Disposal"). Upon completion of the Disposal, SAH and its wholly-owned subsidiary company, SAH Medical Center Sdn. Bhd. ("SMC") shall cease to be members of the Sinmah Group.

On 24 June 2021, Sinmah Healthcare Sdn. Bhd. a wholly owned subsidiary of the Company, had entered into a share sale agreement with Zainal Shaffiq Bin Ahmad Shukkeri ("the Purchaser") to dispose of 500,000 ordinary shares, representing the entire equity interest in Sterling Healthcare Sdn. Bhd. ("Sterling Healthcare") for total cash consideration of RM1.00 only ("the Disposal"). Upon completion of the Disposal, Sterling Healthcare ceases to be a member of the Sinmah Group.

All the Disposals above were completed on 14 July 2021. With this, all the above companies 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 RM53.83 million as at 30 June 2021.

#### 13. Capital Commitments

There were no material capital commitments not provided for in the interim financial statements as at 30 June 2021.

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

The Group’s performance for the current year’s second quarter ended 30 June 2021 compared to the preceding year’s second quarter ended 30 June 2020 is shown in Table 1, Table 2 and Table 3.

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

	Individual Period (2 <sup>nd</sup> Quarter)		Changes (Amount/%)	Cumulative Period (6 Months)		Changes (Amount/%)
	Current Year 30/6/2021 RM’000	Preceding Year 30/6/2020 RM’000		Current Year 30/6/2021 RM’000	Preceding Year 30/6/2020 RM’000	
Revenue	25,540	36,094	-10,554, -29%	54,303	74,402	-20,099, -27%
Profit/(Loss) before interest and tax	1,740	(6,263)	+8,003, +>100%	1,879	(7,752)	+9,631, +>100%
Profit/(Loss) before tax	668	(7,609)	+8,277, +>100%	(79)	(10,502)	+10,423, +99%
Profit/(Loss) after tax	883	(7,564)	+8,447, +>100%	88	(10,345)	+10,433, +>100%
Profit/(Loss) attributable to Ordinary Equity Holders of the Parent	890	(7,619)	+8,509, +>100%	107	(10,400)	+10,507, +>100%

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

Description	3 months ended	3 months ended	Increase/(Decrease)	
	30-Jun-21 RM’000	30-Jun-20 RM’000	RM’000	%
<b>Revenue</b>				
- Poultry	21,201	34,037	(12,836)	(38)
- Property development	4,022	2,054	1,968	96
- Healthcare	317	3	314	>100
	25,540	36,094		

For the current quarter ended 30 June 2021, the poultry segment recorded a lower revenue of RM21.20 million as compared with RM34.04 million in the corresponding quarter ended 30 June 2020, a decrease of 38%. The decrease was mainly due to decrease in sales volume of live broilers resulting from decrease in demand due to customers being forced to close businesses caused by MCO 3.0 announced by the government during the quarter ended 30 June 2021 as compared to the corresponding quarter ended 30 June 2020.

The property development segment posted a higher revenue of RM4.02 million in the current quarter ended 30 June 2021 as compared to the revenue of RM2.05 million in the corresponding quarter ended 30 June 2020, an increase of 96%. This was mainly due to spill-over of sales and purchase agreements signed during the previous quarter ended 31 March 2021 but revenue only recognised during the current quarter ended 30 June 2021.

Although total revenue decreased, the Group posted a profit attributable to owners of the parent of RM0.89 million during the current quarter ended 30 June 2021 as opposed to a loss attributable to owners of the parent of RM7.62 million in the corresponding quarter ended 30 June 2020. The turnaround in results during the current quarter ended 30 June 2021 was mainly due to a gain on disposal of subsidiary companies of RM3.47 million during the current quarter ended 30 June 2021. Furthermore, there was impairment loss on trade receivables of RM4.00 million during the corresponding quarter ended 30 June 2020 but no such impairment loss during the current quarter ended 30 June 2021.



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

Description	6 months ended	6 months ended	Increase/(Decrease)	
	30-Jun-21	30-Jun-20		
	RM'000	RM'000	RM'000	%
<b>Revenue</b>				
- Poultry	45,301	69,411	(24,110)	(35)
- Property development	8,391	4,961	1,968	96
- Healthcare	611	30	314	>100
	54,303	74,402		

For the six months ended 30 June 2021, the poultry segment recorded a lower revenue of RM45.30 million as compared with RM69.41 million in the corresponding period ended 30 June 2020, a decrease of 35%. The decrease was mainly due to decrease in sales volume and average selling price of live broilers resulting from decrease in demand due to customers being forced to close businesses caused by MCO 3.0 announced by the government during the quarter ended 30 June 2021.

The property development segment posted a higher revenue of RM8.39 million in the six months ended 30 June 2021 as compared to the revenue of RM4.96 million in the corresponding period ended 30 June 2020, an increase of 96%. This was mainly due to spill-over of sales and purchased agreements signed during the previous quarter ended 31 March 2021 but revenue only recognised during the current quarter ended 30 June 2021.

Although total revenue decreased, the Group posted a profit attributable to owners of the parent of RM0.11 million during the six months ended 30 June 2021 as opposed to a loss attributable to owners of the parent of RM10.40 million in the corresponding period ended 30 June 2020. The turnaround in results during the current six months ended 30 June 2021 was mainly due to a gain on disposal of subsidiary companies of RM3.59 million during the current six months ended 30 June 2021. Furthermore, there was impairment loss on trade receivables of RM7.00 million during the corresponding period ended 30 June 2020 but no such impairment loss during the current six months ended 30 June 2021.

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

The Group's performance for the current quarter ended 30 June 2021 compared to the previous quarter ended 31 March 2021 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 30 June 2021 RM'000	3 months ended 31 March 2021 RM'000	Changes (Amount/%)
Revenue	25,540	28,763	-3,223, -11%
Profit before interest and tax	1,740	139	+1,601, +>100%
Profit/(Loss) before tax	668	(747)	+1,415, +>100%
Profit/(Loss) after tax	883	(795)	+1,678, +>100%
Profit/(Loss) attributable to Ordinary Equity Holders of the Parent	890	(783)	+1,673, +>100%

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

Description	3 months ended	3 months ended	Increase/(Decrease)	
	30-Jun-21	31-Mar-21		
	RM'000	RM'000	RM'000	%
<b>Revenue</b>				
- Poultry	21,201	24,100	(2,899)	(12)
- Property development	4,022	4,369	(347)	(8)
- Healthcare	317	294	23	8
	25,540	28,763		

For the current quarter ended 30 June 2021, the poultry segment posted a lower revenue of RM21.20 million compared to the turnover of RM24.10 million recorded in the previous quarter ended 31 March 2021, decrease of 12%. The decrease was mainly due to decrease in sales volume of live broilers resulting from decrease in demand due to customers being forced to close businesses caused by MCO 3.0 announced by the government during the quarter ended 30 June 2021.

The property development segment posted a lower revenue of RM4.02 million in the current quarter ended 30 June 2021 as compared to the revenue of RM4.37 million in the preceding quarter ended 31 March 2021, a decrease of 8%. The decrease was only 8% mainly due to spill-over of sales and purchased agreements signed during the previous quarter ended 31 March 2021 but revenue only recognised during the current quarter ended 30 June 2021.

Although revenue decreased, the Group posted a profit attributable to owners of the parent of RM0.89 million during the current quarter ended 30 June 2021 as opposed to a loss attributable to owners of the parent of RM0.78 million during the preceding quarter ended 31 March 2021. This was mainly due to a gain on disposal of subsidiary companies of RM3.47 million during the current quarter ended 30 June 2021 compared to RM0.12 million during the previous quarter ended 31 March 2021. This was partially offset by adverse results of the poultry division during the current quarter ended 30 June 2021.

## 16. Prospects

As at the date of this report, the average selling prices of live broilers is lower than the average selling prices during the quarter ended 30 June 2021. However, the government has now allowed an additional 11 economic sectors to operate including allowing dine-in for fully vaccinated people. Hence, the Group is cautiously optimistic that the poultry division may produce better results during the remaining quarters of the financial year ending 31 December 2021.

As at the date of this report, the Group's property development activities have been allowed to recommence operations by the government. Hence, the Group is also cautiously optimistic that the property development division may produce better results during the remaining quarters of the financial year ending 31 December 2021.

With the above, the Group is cautiously optimistic of a better set of results for the remaining quarters of the financial year ending 31 December 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

	<b>Current Year</b>	<b>Preceding Year</b>	<b>Current</b>	<b>Preceding</b>
	<b>Quarter ended</b>	<b>Quarter ended</b>	<b>Year to-date</b>	<b>Year to-date</b>
	<b>30 Jun 2021</b>	<b>30 Jun 2020</b>	<b>30 Jun 2021</b>	<b>30 Jun 2020</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Depreciation and amortization	320	452	619	756
(Gain) / loss on disposal of properties, plant and equipment	-	(8)	-	(8)
Gain on disposal of subsidiary companies	3,468	-	3,590	-
Impairment loss on trade receivables	-	4,000	-	7,000
Interest income	(120)	(121)	(165)	(141)
Interest expense	1,192	1,467	2,123	2,891

## 19. Taxation

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

	Quarter ended 30 Jun 2021	Year to-date 30 Jun 2021	Quarter ended 30 Jun 2020	Year to-date 30 Jun 2020
	RM '000	RM '000	RM '000	RM '000
Current tax	-	-	-	-
Deferred tax	215	167	45	157
Total tax income/(expense)	215	215	45	157

There were no current tax expenses as certain subsidiaries have adequate unutilised tax benefits.

## 20. Corporate Proposals

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

As disclosed in the previous quarter ended 31 March 2021, 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.

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	50,358,284		15,164,440.94
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	60,429,916		23,399,301.84
	Total	110,788,200		38,563,742.78

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
Private Placement I	RM'000	RM'000	RM'000
Purchase of poultry feeds	9,032	9,032	-
Purchase of DOCs	2,258	2,258	-
Purchase of broilers	3,764	3,764	-
Sub-total for working capital	15,054	15,054	-
Expenses	110	67	43
Total for Private Placement I	15,164	15,121	43

**Private Placement II**

Purchase of poultry feeds	7,376	7,376	-
Purchase of DOCs	1,844	1,844	-
Purchase of broilers	3,073	3,073	-
Sub-total for working capital	12,293	12,293	-
Development expenditure	10,966	6,730	4,236
Expenses	140	92	48
Total for Private Placement II	23,399	19,115	4,284
Grand Total	38,563	34,236	4,327

**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	7,583	-	7,583
Bankers acceptance	21,767	-	21,767
Revolving credit	14,656	-	14,656
Term loans	7,336	20,082	27,418
	51,342	20,082	71,424

**22. Trade Receivables**

	Financial Period Ended 30 June 2021 RM'000	Financial Year Ended 31 Dec 2020 RM'000
Trade receivables		
Third parties	44,398	45,939
Impairment losses		
- brought forward	(6,352)	(97,559)
- impaired during the period/year	-	(10,030)
- reversed during the period/year	-	754
- disposal of subsidiary	-	100,483
	(6,352)	(6,352)
	38,046	39,587

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:

	<b>Financial Period Ended 30 June 2021 RM'000</b>	<b>Financial Year Ended 31 Dec 2020 RM'000</b>
Neither past due nor impaired	4,369	6,768
Past due not impaired:		
Up to 60 days past due	10,471	10,150
More than 60 days	23,206	22,669
	33,677	32,819
	38,046	39,587
Impaired	6,352	6,352
	44,398	45,939

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

As at 30 June 2021, trade receivables of approximately RM33,677,000 (31 December 2020: RM32,819,000) 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 RM6,352,000 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**

	<b>Current Year Quarter Ended 30 Jun 2021 RM'000</b>	<b>Preceding Year Quarter Ended 30 Jun 2020 RM'000</b>	<b>Current Year Cumulative Period Ended 30 Jun 2021 RM'000</b>	<b>Preceding Year Cumulative Period Ended 30 Jun 2020 RM'000</b>
Other income comprises the following:				
Rental income	32	17	55	36
Government grant received	-	-	-	4,509
Miscellaneous other income	-	117	-	121
Gain on disposal of property, plant and equipment	-	1	-	9
Gain on disposal of subsidiary	3,468	-	3,590	-
	3,500	135	3,645	4,675

**24. Off Balance Sheet Financial Instruments**

There were no off balance sheet financial instruments as at 24 August 2021.

## 25. Material Litigations

There was no material litigation for the current quarter under review.

## 26. Dividend

No interim dividend has been declared for the quarter ended 30 June 2021 (30 June 2020: 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 30 Jun 2021 RM'000	Preceding Year Quarter Ended 30 Jun 2020 RM'000	Current Year To-Date 30 Jun 2021 RM'000	Preceding Year To-Date 30 Jun 2020 RM'000
Profit/(Loss) attributable to owners of the parent (RM'000)	890	(7,619)	107	(10,400)
Weighted average number of shares ('000)	324,906	213,791	313,232	213,791
Basic earnings/(loss) per share (sen)	0.27	(3.56)	0.03	(4.86)

## 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 24 August 2021.