

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE QUARTER ENDED 30 SEPTEMBER 2022**

	NOTE	INDIVIDUAL QUARTER 3 MONTHS ENDED		CUMMULATIVE QUARTER 9 MONTHS ENDED	
		CURRENT YEAR 30/9/2022 UNAUDITED RM'000	PRECEEDING YEAR 30/9/2021 UNAUDITED RM'000 Restated	CURRENT YEAR 30/9/2022 UNAUDITED RM'000	PRECEEDING YEAR 30/9/2021 UNAUDITED RM'000 Restated
<b>Continuing Operations</b>					
Revenue	9, 14 & 15	8,198	11,030	27,309	19,420
Cost of Sales		(7,014)	(10,313)	(22,208)	(16,632)
<b>Gross Profit</b>		1,184	717	5,101	2,788
Other income	23	1,178	530	1,263	4,175
Administrative expenses		(3,033)	(2,692)	(10,667)	(6,310)
Selling & marketing expenses		-	-	-	-
		(671)	(1,445)	(4,303)	653
Finance costs		(346)	(639)	(1,503)	(2,007)
Interest income		85	129	289	291
<b>Profit/(Loss) before tax</b>	9	(932)	(1,955)	(5,517)	(1,063)
Income tax income/(expense)	19	197	(81)	(49)	86
<b>Profit/(loss) from continuing operations</b>	9	(735)	(2,036)	(5,566)	(977)
<b>Profit/(loss) from discontinued operations</b>		(3,507)	(7,033)	(3,742)	(8,004)
Net profit/(loss) for the period		(4,242)	(9,069)	(9,308)	(8,981)
<b>Other comprehensive income/(loss), net of tax:</b>		0	0	0	0
<b>Other comprehensive income/(loss), net of tax</b>		0	0	0	0
<b>Total comprehensive income/(loss) for the period</b>		(4,242)	(9,069)	(9,308)	(8,981)

	NOTE	INDIVIDUAL QUARTER 3 MONTHS ENDED		CUMMULATIVE QUARTER 9 MONTHS ENDED	
		CURRENT YEAR 30/9/2022 UNAUDITED RM'000	PRECEEDING YEAR 30/9/2021 UNAUDITED RM'000 Restated	CURRENT YEAR 30/9/2022 UNAUDITED RM'000	PRECEEDING YEAR 30/9/2021 UNAUDITED RM'000 Restated
<b>Profit/(Loss) attributable to:</b>					
<u>Continuing operations</u>					
Owners of the parent	14 & 15	(735)	(2,036)	(5,566)	(958)
Non-Controlling Interest		-	-	-	(19)
		<u>(735)</u>	<u>(2,036)</u>	<u>(5,566)</u>	<u>(977)</u>
<u>Discontinued operations</u>					
Owners of the parent		(3,507)	(7,033)	(3,742)	(8,004)
Non-Controlling Interest		-	-	-	-
		<u>(3,507)</u>	<u>(7,033)</u>	<u>(3,742)</u>	<u>(8,004)</u>
		<u>(4,242)</u>	<u>(9,069)</u>	<u>(9,308)</u>	<u>(8,981)</u>
<b>Total comprehensive income attributable to:</b>					
<u>Continuing operations</u>					
Owners of the parent		(735)	(2,036)	(5,566)	(958)
Non-Controlling Interest		-	-	-	(19)
		<u>(735)</u>	<u>(2,036)</u>	<u>(5,566)</u>	<u>(977)</u>
<u>Discontinued operation</u>					
Owners of the parent		(3,507)	(7,033)	(3,742)	(8,004)
Non-Controlling Interest		-	-	-	-
		<u>(3,507)</u>	<u>(7,033)</u>	<u>(3,742)</u>	<u>(8,004)</u>
		<u>(4,242)</u>	<u>(9,069)</u>	<u>(9,308)</u>	<u>(8,981)</u>
<b>Earnings per share attributable to owners of the parent:</b>					
<u>Continuing operations</u>					
Basic (sen)		<u>(0.19)</u>	<u>(0.63)</u>	<u>(1.56)</u>	<u>(0.31)</u>
Fully diluted (sen)		<u>(0.15)</u>	<u>(0.56)</u>	<u>(1.35)</u>	<u>(0.28)</u>
<u>Discontinued operation</u>					
Basic (sen)	27	<u>(0.89)</u>	<u>(2.16)</u>	<u>(1.05)</u>	<u>(2.52)</u>
Fully diluted (sen)		<u>(0.73)</u>	<u>(1.94)</u>	<u>(0.91)</u>	<u>(2.25)</u>

(The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial statements)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
FOR THE QUARTER ENDED 30 SEPTEMBER 2022**

	Note	As at 30 September 2022 (Unaudited) RM'000	As at 31 December 2021 (Audited) RM'000 Restated
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		1,316	1,744
Right-of-use assets		1,024	1,563
Inventories		13,990	13,960
Investment property		976	1,234
<b>Total non-current assets</b>		<u>17,306</u>	<u>18,501</u>
<b>Current assets</b>			
Inventories		46,357	61,730
Contract assets		27,151	12,213
Trade receivables	22	11,930	23,876
Other receivables		14,492	2,182
Assets of disposal group classified as held for sale		35,605	38,800
Tax recoverable		470	468
Deposits, cash and bank balances		14,258	37,083
<b>Total current assets</b>		<u>150,263</u>	<u>176,352</u>
<b>TOTAL ASSETS</b>		<u>167,569</u>	<u>194,853</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves</b>			
Share capital		107,188	188,500
Warrants reserve		3,588	3,588
SIS reserve		1,838	-
Accumulated losses		(9,312)	(88,004)
<b>Equity attributable to owners of the parent</b>		<u>103,302</u>	<u>104,084</u>
<b>Non-controlling interest</b>		<u>-</u>	<u>-</u>
<b>Total equity</b>		<u>103,302</u>	<u>104,084</u>
<b>Non-current liabilities</b>			
Bank borrowings	21	6,012	15,646
Lease liabilities		191	636
Deferred tax liabilities		2,044	2,424
		<u>8,247</u>	<u>18,706</u>
<b>Current liabilities</b>			
Bank borrowings	21	9,909	28,516
Lease liabilities		96	221
Trade payables		2,595	3,228
Other payables		6,753	3,127
Amount due to directors		-	9
Tax payable		1,183	962
Liabilities of disposal group classified as held for sale		35,484	36,000
		<u>56,020</u>	<u>72,063</u>
<b>Total Liabilities</b>		<u>64,267</u>	<u>90,769</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>167,569</u>	<u>194,853</u>
Net assets per share attributable to owners of the parent		0.2632	0.3204

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial statements)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE QUARTER ENDED 30 SEPTEMBER 2022**

	Note	Attributable to owners of the parent						Total Equity RM'000
		Capital RM'000	SIS Reserve RM'000	Warrants Reserve RM'000	Retained Earnings/ (Accumulated Losses) RM'000	Total RM'000	Non- Controlling Interest RM'000	
<b>At 1 January 2021</b>		160,229	-	3,619	(80,178)	83,670	(108)	83,562
Total comprehensive income for the financial period		-	-	-	(8,962)	(8,962)	(19)	(8,981)
Disposal of subsidiaries		-	-	-	-	-	127	127
<b>Transaction with owners</b>								
Private placement		28,240	-	-	-	28,240	-	28,240
<b>At 30 September 2021</b>		<u>188,469</u>	<u>-</u>	<u>3,619</u>	<u>(89,140)</u>	<u>102,948</u>	<u>-</u>	<u>102,948</u>
<b>At 1 January 2022</b>		188,500	-	3,588	(88,004)	104,084	-	104,084
Total comprehensive income for the financial period		-	-	-	(9,308)	(9,308)	-	(9,308)
<b>Transaction with owners</b>								
Private placement		6,688	-	-	-	6,688	-	6,688
Share capital reduction		(88,000)	-	-	88,000	-	-	-
SIS reserve		-	1,838	-	-	1,838	-	1,838
<b>At 30 September 2022</b>		<u>107,188</u>	<u>1,838</u>	<u>3,588</u>	<u>(9,312)</u>	<u>103,302</u>	<u>-</u>	<u>103,302</u>

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial statements)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE QUARTER ENDED 30 SEPTEMBER 2022**

	Note	Current Year To-Date (Unaudited) 30 Sep 2022 RM'000	Preceding Year To-Date (Unaudited) 30 Sep 2021 RM'000 Restated
<b>Net loss before tax</b>	9	(9,259)	(9,067)
Adjustments for non-cash flow:			
Depreciation and amortisation		902	1,040
Non-cash items		1,424	(2,859)
Interest expense		2,886	3,182
Interest income		(334)	(353)
<b>Operating loss before changes in working capital</b>		<u>(4,381)</u>	<u>(8,057)</u>
<b>Changes to working capital</b>			
Net decrease/(increase) in current assets		3,236	(11,096)
Net increase in current liabilities		2,477	11,227
<b>Net cash flows from/(used in) operating activities</b>		<u>1,332</u>	<u>(7,926)</u>
Interest received		334	353
Interest paid		(2,886)	(3,182)
Tax paid		(217)	(155)
Tax refund		7	-
<b>Net cash used in operating activities</b>		<u>(1,430)</u>	<u>(10,910)</u>
<b>Investing activities</b>			
Purchase of property, plant and equipment		(94)	(582)
Purchase of right-of-use assets		-	(412)
Proceeds from sale of property, plant and equipment		449	-
Net cash outflow from disposal of subsidiary company		-	(487)
<b>Net cash from/(used in) investing activities</b>		<u>355</u>	<u>(921)</u>
<b>Financing activities</b>			
Net (repayments)/proceeds on bank borrowings		(22,795)	5,929
Lease liabilities paid		(188)	(213)
Issuance of new shares		6,688	28,240
Amount due to directors		(9)	(4)
<b>Net cash (used in)/generated from financing activities</b>		<u>(16,304)</u>	<u>33,952</u>
Net changes in cash and cash equivalents		(17,379)	21,561
Effects of exchange rate changes		-	-
Cash and cash equivalents at beginning of the period		29,607	9,641
Cash and cash equivalents at the end of the period		<u>12,228</u>	<u>31,202</u>
Cash and cash equivalents comprise:			
Deposits, cash and bank balances		14,258	38,806
Overdraft	22	(2,030)	(7,604)
		<u>12,228</u>	<u>31,202</u>
Included in the cash flows from operating activities are:			
Cash receipts from customers		96,647	95,409
Cash payments to suppliers, contractors and employees		89,620	99,449

(The Condensed Consolidated Statements of Cash Flow should be read in conjunction with the audited financial statements for the year ended 31 December 2021 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 2021. 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 2021.

**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 2021.

On 1 January 2022, 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 Beyond 30 June 2021	1 April 2021
Amendments to MFRS 3: Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 116: Property, Plant & Equipment – Proceeds Before Intended Use	1 January 2022
Amendments to MFRS 137: Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to MFRS Standards 2018 – 2020	1 January 2022
• Amendments to MFRS 1	
• Amendments to MFRS 9	
• Amendments to Illustrative Examples accompanying MFRS 16	
• Amendments to MFRS 141	

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 2023
Amendments to MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 17 Initial Application of MFRS 17 and MFRS 9 – Comparative Information	1 January 2023
Amendments to MFRS 101 Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to MFRS 101 Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108 Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112 Deferred Tax related to Assets and Liabilities arising from a Single Transaction	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 new MFRSs and amendments to MFRSs when they become effective. The initial application of the above-mentioned MFRSs are not expected to have any significant impacts on the financial statements of the Group and of the Company.

### 3. Auditors' Report on Preceding Annual Financial Statements

The audited financial statements for the year ended 31 December 2021 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 September 2022.

### 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 current quarter and financial year to-date, except as follows:

	Individual Period (3 <sup>rd</sup> Quarter)		Cumulative Period (9 months)	
	Current Year 30/9/2022 RM'000	Preceding Year 30/9/2021 RM'000	Current Year 30/9/2022 RM'000	Preceding Year 30/9/2021 RM'000
Private placements	-	-	6,688	28,175
Warrant C exercised	-	-	-	65
Total	-	-	6,688	28,240

### 8. Dividends paid

No dividend has been declared for the current quarter ended 30 September 2022.

### 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.

However, with the completion of the disposal of SM Broilers Sdn Bhd on 30 September 2022 the Group will only be involved in property development activities.

Segment information for the nine months ended 30 September 2022 was as follows:

	<u>Poultry</u>	<u>Property</u>	<u>Healthcare</u>	<u>Others</u>	<u>Sub-Total</u>	<u>Eliminations</u>	<u>Group</u>
	RM'000	development RM'000	RM'000		RM'000	RM'000	RM'000
<b>2022</b>							
<b>Revenue</b>							
External	57,392	27,309	-	-	84,701	-	84,701
Internal	-	9,446	-	-	9,446	(9,446)	-
<b>Total Revenue</b>	<b>57,392</b>	<b>36,755</b>	<b>-</b>	<b>-</b>	<b>94,147</b>	<b>(9,446)</b>	<b>84,701</b>
<b>Results</b>							
Segment results	(2,200)	937	-	(1,537)	(2,800)	(1,583)	(4,383)
Interest income	45	76	-	213	334	-	334
Interest expense	(1,383)	(1,166)	-	(337)	(2,886)	-	(2,886)
Non-cash income/(expense)	(204)	(506)	-	(1,614)	(2,324)	-	(2,324)
Loss before tax	(3,742)	(659)	-	(3,275)	(7,676)	(1,583)	(9,259)
Taxation	-	(429)	-	-	(429)	380	(49)
Segment loss	(3,742)	(1,088)	-	(3,275)	(8,105)	(1,203)	(9,308)

**Note:** The poultry segment results are classified as discontinued operations upon completion of the disposal of SM Broilers Sdn Bhd on 30 September 2022.

Segment information for the nine months ended 30 September 2021 was as follows:

	<u>Poultry</u>	<u>Property</u>	<u>Healthcare</u>	<u>Others</u>	<u>Sub-Total</u>	<u>Eliminations</u>	<u>Group</u>
	RM'000	Development RM'000	RM'000		RM'000	RM'000	RM'000
<b>2021</b>							
<b>Revenue</b>							
External	45,301	8,391	611	-	54,303	-	54,303
Internal	-	7,401	-	-	7,401	(7,401)	-
<b>Total Revenue</b>	<b>45,301</b>	<b>15,792</b>	<b>611</b>	<b>-</b>	<b>61,704</b>	<b>(7,401)</b>	<b>54,303</b>
<b>Results</b>							
Segment results	(6,429)	(760)	(846)	(1,717)	(9,752)	228	(9,524)
Interest income	61	22	-	269	352	-	352
Interest expense	(1,117)	(1,461)	(58)	(547)	(3,183)	-	(3,183)
Non-cash income/(expense)	85	(501)	300	398	282	3,006	3,288
Profit/(loss) before tax	(7,400)	(2,700)	(604)	(1,597)	(12,301)	3,234	(9,067)
Taxation	-	2	-	-	2	84	86
Segment profit/(loss)	(7,400)	(2,698)	(604)	(1,597)	(12,299)	3,318	(8,981)

**Note:** The comparative figures of the poultry segment for the nine months ended 30 September 2021 are re-classified as discontinued operations upon completion of the disposal of SM Broilers Sdn Bhd on 30 September 2022.



## **10. Subsequent Events**

As at the date of this report, there were no material events subsequent to the current quarter ended 30 September 2022.

## **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:

At an Extraordinary General Meeting held on 30 June 2022, the shareholders of the Company had approved the disposal of SM Broilers Sdn Bhd to FCH Holdings Sdn Bhd, a director-related. Moving forward, SM Broilers Sdn Bhd will cease to be a subsidiary of the Company upon completion of the disposal. The disposal was deemed to be completed on 30 September 2022. An announcement was duly made to Bursa Malaysia Securities Berhad on 3 October 2022.

## **12. Contingent Liabilities**

The Company provides corporate guarantee to financial institutions for all unsecured credit facilities granted to subsidiaries amounting to RM15.92 million as at 30 September 2022.

## **13. Capital Commitments**

There were no material capital commitments not provided for in the interim financial statements as at 30 September 2022.

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

The Group’s performance for the current year’s third quarter ended 30 September 2022 compared to the preceding year’s third quarter ended 30 September 2021 is shown in Table 1.

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

	Individual Period (3 <sup>rd</sup> Quarter)		Changes (Amount/%)	Cumulative Period (9 Months)		Changes (Amount/%)
	Current Year 30/9/2022 RM’000	Preceding Year 30/9/2021 RM’000		Current Year 30/9/2022 RM’000	Preceding Year 30/9/2021 RM’000	
<u>Continuing Operations</u>						
Revenue	8,198	11,030	-2,832, -26%	27,309	19,420	+7,889, +41%
Profit/(Loss) before interest and tax	(671)	(1,445)	+774, +54%	(4,303)	653	-4,956, ->100%
Profit/(Loss) before tax	(932)	(1,955)	+1,023, +52%	(5,517)	(1,063)	-4,454, ->100%
Profit/(Loss) after tax	(735)	(2,036)	+1,301, +64%	(5,566)	(977)	-4,589, ->100%
Loss attributable to Ordinary Equity Holders of the Parent	(735)	(2,036)	+1,301, +64%	(5,566)	(977)	+4,589, ->100%
<u>Discontinued Operation</u>						
Loss after tax	(3,507)	(7,033)	+3,526, +50%	(3,742)	(8,004)	+4,262, +53%
Loss attributable to Ordinary Equity Holders of the Parent	(3,507)	(7,033)	+3,526, +50%	(3,742)	(8,004)	+4,262, +53%

#### Continuing Operations

For the current quarter ended 30 September 2022, the revenue decreased to RM8.20 million as compared with RM11.03 million in the corresponding quarter ended 30 September 2021, a decrease of 26%. The decrease was mainly due to lower recognition of revenue on the percentage of completion basis during the current quarter ended 30 September 2022 as compared to the corresponding quarter ended 30 September 2021.

Although revenue decreased, the Group posted a lower loss attributable to owners of the parent of RM0.74 million during the current quarter ended 30 September 2022 as compared to a loss attributable to owners of the parent of RM2.04 million in the corresponding quarter ended 30 September 2021. The lower loss during the current quarter ended 30 September 2022 was mainly due to slight increase in sales of properties during the current quarter ended 30 September 2022 compared to the corresponding quarter ended 30 September 2021. Furthermore, there was goodwill written of RM1.08 million during the corresponding quarter ended 30 September 2021.

For the nine months ended 30 September 2022, the revenue increased to RM27.31 million as compared with RM19.42 million in the corresponding period ended 30 September 2021, an increase of 41%. The increase was mainly due to higher recognition of revenue on the percentage of completion basis during the nine months ended 30 September 2022 as compared to the corresponding period ended 30 September 2021 coupled with increase in sales of properties during the nine months ended 30 September 2022.

Although revenue increased, the Group posted a higher loss attributable to owners of the parent of RM5.57 million during the nine months ended 30 September 2022 as compared to a loss attributable to owners of the parent of RM0.98 million in the corresponding period ended 30 September 2021. The higher loss during the nine months ended 30 September 2022 was mainly due to a fair value loss of RM1.84 million on the Share Issue Scheme offered to eligible Directors and employees of the Company and its active subsidiary companies during the nine months ended 30 September 2022. Furthermore, there was a gain on disposal of subsidiary companies of RM3.59 million during the corresponding nine months ended 30 September 2021. This was partially off-set by goodwill written-off of RM1.08 million during the corresponding quarter ended 30 September 2021.

## 15. Comparison to Preceding Quarter's Results

The Group's performance for the current quarter ended 30 September 2022 compared to the previous quarter ended 30 June 2022 is as shown in Table 2:

**Table 2: Financial review for current quarter compared with the immediately preceding quarter**

	<b>3 months ended 30 September 2022 RM'000</b>	<b>3 months ended 30 June 2022 RM'000</b>	<b>Changes (Amount/%)</b>
<b><u>Continuing Operations</u></b>			
Revenue	8,198	7,607	+591, +8%
Profit/(Loss) before interest and tax	(671)	553	-1,224, ->100%
Profit before tax	(932)	(5,036)	-4,104, -81%
Profit/(Loss) after tax	(735)	(4,981)	-4,246, -85%
Profit/(Loss) attributable to Ordinary Equity Holders of the Parent	(735)	(4,981)	-4,246, -85%
<b><u>Discontinued Operation</u></b>			
(Loss)/Profit after tax	(3,507)	154	-3,661, ->100%
(Loss)/Profit attributable to Ordinary Equity Holders of the Parent	(3,507)	154	-3,661, ->100%

### **Continuing Operations**

For the current quarter ended 30 September 2022, revenue increased to RM8.20 million as compared to the turnover of RM7.61 million recorded in the previous quarter ended 30 June 2022, an increase of 8%. The increase was mainly due to slight increase in sales of properties during the current quarter ended 30 September 2022.

As revenue increased, the Group posted a lower loss attributable to owners of the parent of RM0.74 million during the current quarter ended 30 September 2022 as compared to a loss attributable to owners of the parent of RM4.98 million during the preceding quarter ended 30 June 2022. The lower loss during the current quarter ended 30 September 2022 was mainly due to a fair value loss of RM1.84 million on the Share Issue Scheme offered to eligible Directors and employees of the Company and its active subsidiary companies during the quarter ended 30 June 2022. Furthermore, there was an increase in other income of RM1.16 million during the current quarter ended 30 September 2022.

## 16. Prospects

Disposal of SM Broilers Sdn Bhd to FCH Holdings Sdn Bhd, a director-related company was deemed completed on 30 September 2022. Hence, going forward the Group will only be involved in property development activities.

Ringgit Malaysia has taken a severe loss when compared with the US Dollar. Hence, prices of imported building materials are expected to increase further and lower our profits. As such, the Group is expecting a very challenging final quarter for the financial year ending 31 December 2022.

## 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

	CurrentYear	Preceding Year	Current	Preceding
	Quarter ended	Quarter ended	Year to-date	Year to-date
	30 Sep 2022	30 Sep 2021	30 Sep 2022	30 Sep 2021
	RM'000	RM'000	RM'000	RM'000
Depreciation and amortization	293	421	902	1,040
Gain on disposal of properties, plant and equipment	(414)	-	(414)	-
Fair value loss on SIS	-	-	1,838	-
Gain on disposal of subsidiary companies	-	-	-	(3,590)
Interest income	(85)	(129)	(289)	(291)
Interest expense	346	639	1,503	2,007

## 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
	30 Sep 2022	30 Sep 2022	30 Sep 2021	30 Sep 2021
	RM '000	RM '000	RM '000	RM '000
Current tax	(71)	(429)	-	-
Deferred tax	268	380	(81)	86
Total tax income/(expense)	197	(49)	(81)	86

## 20. Corporate Proposals

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

### Private Placement Pursuant to Circular to Shareholders dated 27 July 2021

The proposed private placement of up to 82,298,500 new ordinary shares in Sinmah Capital Berhad ("the Company"), representing approximately 25% of the existing number of issued shares of the Company was approved by shareholders of the Company at an extraordinary general meeting held on 24 August 2021. The proceeds of the proposed private placement (net of expenses) are to be utilised for future viable investment within 24 months from the receipt of placement funds.

On 19 January 2022, the Company allotted 12,700,000 new ordinary shares in the Company to a third-party investor pursuant to the said private placement at an issue price of RM0.1571 per share. The proceeds of RM1,995,170 was received on 19 January 2022. Hence, the last date for utilisation of the proceeds of RM1,995,170 shall be on 18 January 2024.

On 28 June 2022, the Company allotted 54,821,100 new ordinary shares in the Company to third-party investors pursuant to the said private placement at an issue price of RM0.0856 per share. The proceed of RM4,692,686 was received on 28 June 2022. Hence, the last date for utilisation of the proceeds of RM4,692,686 shall be on 27 June 2024.

With the issue of the 54,821,100 new ordinary shares, the Private Placement pursuant to the circular to shareholders dated 27 July 2021 was completed and there will be no further issue of shares pursuant the said private placement.

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

<b>Date of receipt of proceeds</b>	<b>Purpose of Utilisation</b>	<b>Planned Utilisation</b>	<b>Actual Utilisation</b>	<b>Balance to be Utilised</b>	<b>Last date for Utilisation</b>
		<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	
19 January 2022	For future viable investments	1,995	1,995	-	18 Jan 2024
28 June 2022	For future viable investments	4,693	405	4,288	27 Jun 2024
		<u>6,688</u>	<u>2,400</u>	<u>4,288</u>	

The utilisation of RM2.40 million was for the purchase of land by Irama Setia Sdn Bhd, a wholly-owned subsidiary of the Company.

Offer and Grant of Option Under Share Issue Scheme (“SIS”)

On 22 June 2022, the Company announced that 50,640,000 options were offered pursuant to the SIS at an option price of RM0.0962 to eligible Directors and employees of the Company and its subsidiaries which are not dormant. As at the date of this report, no SIS options were exercised yet.

## 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, personal 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:-

	<b>Short Term</b>	<b>Long term</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Bank overdraft	2,030	-	2,030
Bankers acceptance	-	-	-
Term loans	7,879	6,012	13,891
	<u>9,909</u>	<u>6,012</u>	<u>15,921</u>

## 22. Trade Receivables

	<b>Financial</b>	<b>Financial</b>
	<b>Period Ended</b>	<b>Year Ended</b>
	<b>30 Jun 2022</b>	<b>31 Dec 2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Trade receivables		
Third parties	11,930	23,876
Impairment losses		
- brought forward	-	-
- impaired during the period/year	-	-
- reversed during the period/year	-	-
- disposal of subsidiary	-	-
	<u>11,930</u>	<u>23,876</u>

The Group’s normal credit term for trade receivables is 30 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 Sep 2022 RM'000</b>	<b>Financial Year Ended 31 Dec 2021 RM'000</b>
Neither past due nor impaired	8,105	14,301
Past due not impaired:		
Up to 60 days past due	2,231	2,477
More than 60 days	1,594	7,098
	3,825	9,575
	11,930	23,876
Impaired	-	-
	11,930	23,876

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

As at 30 September 2022, trade receivables of approximately RM3,825,000 (31 December 2021: RM9,575,000) were past due but not impaired. These relate to a number of independent customers from whom there is no recent history of default.

**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 Sep 2022 RM'000</b>	<b>Preceding Year Quarter Ended 30 Sep 2021 RM'000</b>	<b>Current Year Cumulative Period Ended 30 Sep 2022 RM'000</b>	<b>Preceding Year Cumulative Period Ended 30 Sep 2021 RM'000</b>
Other income comprises the following:				
Rental income	50	26	94	81
Miscellaneous other income	737	504	755	504
Gain on disposal of property, plant and equipment	391	-	414	-
Gain on disposal of subsidiary	-	-	-	3,590
	1,178	530	1,263	4,175
	1,178	530	1,263	4,175

**24. Off Balance Sheet Financial Instruments**

There were no off balance sheet financial instruments as at 28 November 2022.

**25. Material Litigations**

There was no material litigation for the quarter under review.

## 26. Dividend

No interim dividend has been declared for the quarter ended 30 September 2022 (30 September 2021: 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 Sep 2022 RM'000	Preceding Year Quarter Ended 30 Sep 2021 RM'000	Current Year To-Date 30 Sep 2022 RM'000	Preceding Year To-Date 30 Sep 2021 RM'000
<b>Continuing Operations</b>				
Loss attributable to owners of the parent (RM'000)	(735)	(2,036)	(5,566)	(977)
Weighted average number of shares ('000)	392,427	324,906	355,799	317,123
Basic loss per share (sen)	(0.19)	(0.63)	(1.56)	(0.31)
<b>Discontinued Operation</b>				
Loss attributable to owners of the parent (RM'000)	(3,507)	(7,033)	(3,742)	(8,004)
Weighted average number of shares ('000)	392,427	324,906	355,799	317,213
Basic loss per share (sen)	(0.89)	(2.16)	(1.05)	(2.52)

## 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 28 November 2022.