

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 DECEMBER 2022**

	NOTE	INDIVIDUAL QUARTER 3 MONTHS ENDED		CUMMULATIVE QUARTER 12 MONTHS ENDED	
		CURRENT YEAR 31/12/2022 UNAUDITED RM'000	PRECEEDING YEAR 31/12/2021 UNAUDITED RM'000 Restated	CURRENT YEAR 31/12/2022 UNAUDITED RM'000	PRECEEDING YEAR 31/12/2021 AUDITED RM'000 Restated
Continuing Operations					
Revenue	9, 14 & 15	2,100	23,001	29,409	42,479
Cost of Sales		(1,523)	(16,485)	(23,731)	(33,592)
Gross Profit		577	6,516	5,678	8,887
Other income	23	4,214	137	5,477	4,837
Administrative expenses		(8,741)	(2,167)	(19,408)	(8,931)
Selling & marketing expenses		-	-	-	-
		(3,950)	4,486	(8,253)	4,793
Finance costs		(256)	(649)	(1,759)	(2,722)
Interest income		38	234	327	525
Profit/(Loss) before tax	9	(4,168)	4,071	(9,685)	2,596
Income tax income/(expense)	19	123	(633)	74	(548)
Profit/(loss) from continuing operations	9	(4,045)	3,438	(9,611)	2,048
Profit/(loss) from discontinued operations		-	(3,018)	(3,742)	(9,893)
Net profit/(loss) for the period		(4,045)	420	(13,353)	(7,845)
Other comprehensive income/(loss), net of tax:		-	-	-	-
Other comprehensive income/(loss), net of tax		-	-	-	-
Total comprehensive income/(loss) for the period		(4,045)	420	(13,353)	(7,845)

	NOTE	INDIVIDUAL QUARTER 3 MONTHS ENDED		CUMMULATIVE QUARTER 12 MONTHS ENDED	
		CURRENT YEAR 31/12/2022 UNAUDITED RM'000	PRECEEDING YEAR 31/12/2021 UNAUDITED RM'000 Restated	CURRENT YEAR 31/12/2022 UNAUDITED RM'000	PRECEEDING YEAR 31/12/2021 UNAUDITED RM'000 Restated
Profit/(Loss) attributable to:					
<i>Continuing operations</i>					
Owners of the parent	14 & 15	(4,045)	3,438	(9,611)	2,067
Non-Controlling Interest		-	-	-	(19)
		<u>(4,045)</u>	<u>3,438</u>	<u>(9,611)</u>	<u>2,048</u>
<i>Discontinued operations</i>					
Owners of the parent		-	(3,018)	(3,742)	(9,893)
Non-Controlling Interest		-	-	-	-
		<u>-</u>	<u>(3,018)</u>	<u>(3,742)</u>	<u>(9,893)</u>
		<u>(4,045)</u>	<u>420</u>	<u>(13,353)</u>	<u>(7,845)</u>
Total comprehensive income attributable to:					
<i>Continuing operations</i>					
Owners of the parent		(4,045)	3,438	(9,611)	2,067
Non-Controlling Interest		-	-	-	(19)
		<u>(4,045)</u>	<u>3,438</u>	<u>(9,611)</u>	<u>2,048</u>
<i>Discontinued operation</i>					
Owners of the parent		-	(3,018)	(3,742)	(9,893)
Non-Controlling Interest		-	-	-	-
		<u>-</u>	<u>(3,018)</u>	<u>(3,742)</u>	<u>(9,893)</u>
		<u>(4,045)</u>	<u>420</u>	<u>(13,353)</u>	<u>(7,845)</u>
Earnings per share attributable to owners of the parent:					
<i>Continuing operations</i>					
Basic (sen)		<u>(1.03)</u>	<u>1.06</u>	<u>(2.63)</u>	<u>0.64</u>
Fully diluted (sen)		<u>(0.84)</u>	<u>0.95</u>	<u>(2.28)</u>	<u>0.57</u>
<i>Discontinued operation</i>					
Basic (sen)	27	<u>-</u>	<u>(0.93)</u>	<u>(1.03)</u>	<u>(3.10)</u>
Fully diluted (sen)		<u>-</u>	<u>(0.83)</u>	<u>(0.89)</u>	<u>(2.77)</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 31 DECEMBER 2022**

	Note	As at 31 December 2022 (Unaudited) RM'000	As at 31 December 2021 (Audited) RM'000 Restated
ASSETS			
Non-current assets			
Property, plant and equipment		1,388	1,744
Right-of-use assets		1,353	1,563
Inventories		14,226	13,960
Investment property		757	1,234
Total non-current assets		<u>17,724</u>	<u>18,501</u>
Current assets			
Inventories		58,509	61,730
Contract assets		17,383	12,213
Trade receivables	22	6,764	23,876
Other receivables		12,607	2,182
Assets of disposal group classified as held for sale		-	38,800
Tax recoverable		520	468
Deposits, cash and bank balances		11,444	37,083
Total current assets		<u>107,227</u>	<u>176,352</u>
TOTAL ASSETS		<u>124,951</u>	<u>194,853</u>
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital		107,188	188,500
Warrants reserve		3,588	3,588
SIS reserve		1,838	-
Accumulated losses		(13,357)	(88,004)
Equity attributable to owners of the parent		<u>99,257</u>	<u>104,084</u>
Non-controlling interest		<u>-</u>	<u>-</u>
Total equity		<u>99,257</u>	<u>104,084</u>
Non-current liabilities			
Bank borrowings	21	5,978	15,646
Lease liabilities		459	636
Deferred tax liabilities		2,257	2,424
		<u>8,694</u>	<u>18,706</u>
Current liabilities			
Bank borrowings	21	6,941	28,516
Lease liabilities		127	221
Trade payables		5,772	3,228
Other payables		3,456	3,127
Amount due to directors		-	9
Tax payable		704	962
Liabilities of disposal group classified as held for sale		-	36,000
		<u>17,000</u>	<u>72,063</u>
Total Liabilities		<u>25,694</u>	<u>90,769</u>
TOTAL EQUITY AND LIABILITIES		<u>124,951</u>	<u>194,853</u>
Net assets per share attributable to owners of the parent		0.2529	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 31 DECEMBER 2022**

Note	Attributable to owners of the parent							Total Equity RM'000
	Non-Distributable				Retained Earnings/ (Accumulated Losses) RM'000	Total RM'000	Non- Controlling Interest RM'000	
	Capital RM'000	SIS Reserve RM'000	Warrants Reserve RM'000					
At 1 January 2021	160,229	-	3,619		(80,178)	83,670	(108)	83,562
Total comprehensive income for the financial period	-	-	-		(7,826)	(7,826)	(19)	(7,845)
Transactions with owners								
Private placement	28,175	-	-		-	28,175	-	28,175
Conversion of warrants	96	-	(31)		-	65	-	65
Disposal of subsidiary companies	-	-	-		-	-	127	127
	28,271	-	(31)		-	28,240	127	28,367
At 31 December 2021	188,500	-	3,588		(88,004)	104,084	-	104,084
At 1 January 2022	188,500	-	3,588		(88,004)	104,084	-	104,084
Total comprehensive income for the financial period	-	-	-		(13,353)	(13,353)	-	(13,353)
Transactions with owners								
Private placement	6,688	-	-		-	6,688	-	6,688
Share capital reduction	(88,000)	-	-		88,000	-	-	-
SIS reserve	-	1,838	-		-	1,838	-	1,838
	(81,312)	1,838	-		88,000	8,526	-	8,526
At 31 December 2022	107,188	1,838	3,588		(13,357)	99,257	-	99,257

(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 31 DECEMBER 2022**

	Note	Current Year To-Date (Unaudited) 31 Dec 2022 RM'000	Preceding Year To-Date (Audited) 31 Dec 2021 RM'000
Net loss before tax		(13,427)	(7,281)
Adjustments for non-cash flow:			
Depreciation and amortisation		1,089	1,423
Non-cash items		(1,791)	1,525
Interest expense		3,142	9,063
Interest income		(372)	(636)
Operating loss before changes in working capital		<u>(11,359)</u>	<u>4,094</u>
Changes to working capital			
Net decrease/(increase) in current assets		3,555	(11,576)
Net increase in current liabilities		6,909	9,054
Net cash flows from/(used in) operating activities		<u>(895)</u>	<u>1,572</u>
Interest received		372	636
Interest paid		(3,142)	(9,063)
Tax paid		(412)	(52)
Tax refund		7	-
Net cash used in operating activities		<u>(4,070)</u>	<u>(6,907)</u>
Investing activities			
Purchase of property, plant and equipment		(229)	(630)
Purchase of right-of-use assets		-	(19)
Proceeds from sale of property, plant and equipment		425	-
Proceeds from sale of right-of-use assets		-	70
Proceeds from disposal of investment property		450	1530
Net cash inflow/(outflow) from disposal of subsidiaries		2,605	(494)
Net cash from investing activities		<u>3,251</u>	<u>457</u>
Financing activities			
Net (repayments)/proceeds on bank borrowings		(25,764)	3,530
Lease liabilities paid		(257)	(590)
Issuance of new shares		6,688	28,240
Amount due to directors		(9)	5
Net cash (used in)/generated from financing activities		<u>(19,342)</u>	<u>31,185</u>
Net changes in cash and cash equivalents		(20,161)	24,735
Effects of exchange rate changes		-	-
Cash and cash equivalents at beginning of the period		29,607	4,872
Cash and cash equivalents at the end of the period		<u>9,446</u>	<u>29,607</u>
Cash and cash equivalents comprise:			
Deposits, cash and bank balances		11,444	37,083
Overdraft	21	(1,998)	(7,476)
		<u>9,446</u>	<u>29,607</u>
Included in the cash flows from operating activities are:			
Cash receipts from customers		103,913	120,684
Cash payments to suppliers, contractors and employees		102,107	135,555

(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 31 December 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 (4 th Quarter)		Cumulative Period (12 months)	
	Current Year 31/12/2022 RM'000	Preceding Year 31/12/2021 RM'000	Current Year 31/12/2022 RM'000	Preceding Year 31/12/2021 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 31 December 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 is now only involved in property development activities.

Segment information for the twelve months ended 31 December 2022 was as follows:

	<u>Poultry</u>	<u>Property</u> <u>development</u>	<u>Healthcare</u>	<u>Others</u>	<u>Sub-Total</u>	<u>Eliminations</u>	<u>Group</u>
	RM'000	RM'000	RM'000		RM'000	RM'000	RM'000
2022							
Revenue							
External	57,392	29,409	-	-	86,801	-	86,801
Internal	-	14,945	-	-	14,945	(14,945)	-
Total Revenue	57,392	44,354	-	-	101,746	(14,945)	86,801
Results							
Segment results	(2,200)	(1,161)	-	(17,989)	(21,350)	(616)	(21,966)
Interest income	45	99	-	228	372	-	372
Interest expense	(1,383)	(1,420)	-	(339)	(3,142)	-	(3,142)
Non-cash income/(expense)	(204)	(1,086)	-	189	(1,101)	12,410	11,309
Loss before tax	(3,742)	(3,568)	-	(17,911)	(25,221)	11,794	(13,427)
Taxation	-	(93)	-	-	(93)	167	74
Segment loss	(3,742)	(3,661)	-	(17,911)	(25,314)	11,961	(13,353)

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 twelve months ended 31 December 2021 was as follows:

	<u>Poultry</u>	<u>Property</u> <u>Development</u>	<u>Healthcare</u>	<u>Others</u>	<u>Sub-Total</u>	<u>Eliminations</u>	<u>Group</u>
	RM'000	RM'000	RM'000		RM'000	RM'000	RM'000
2021							
Revenue							
External	88,463	42,479	611	-	131,553	-	131,553
Internal	-	11,756	-	-	11,756	(11,756)	-
Total Revenue	88,463	54,235	611	-	143,309	(11,756)	131,553
Results							
Segment results	2,061	5,304	(1,098)	(1,220)	5,047	(953)	4,094
Interest income	111	36	-	489	636	-	636
Interest expense	(6,341)	(1,930)	(71)	(721)	(9,063)	-	(9,063)
Non-cash income/(expense)	(5,708)	180	2,913	(3,320)	(5,935)	2,987	(2,948)
Profit/(loss) before tax	(9,877)	3,590	1,744	(4,772)	(9,315)	2,034	(7,281)
Taxation	(16)	(962)	-	-	(978)	414	(564)
Segment profit/(loss)	(9,893)	2,628	1,744	(4,772)	(10,293)	2,448	(7,845)

Note: The comparative figures of the poultry segment for the twelve months ended 31 December 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 31 December 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 company. 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. SM Broilers Sdn Bhd is no longer a member 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 RM12.92 million as at 31 December 2022.

13. Capital Commitments

There were no material capital commitments not provided for in the interim financial statements as at 31 December 2022.

14. Review of Current Quarter Events and Performance

The Group’s performance for the current year’s fourth quarter ended 31 December 2022 compared to the preceding year’s fourth quarter ended 31 December 2021 is shown in Table 1.

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

	Individual Period (4 th Quarter)		Changes (Amount/%)	Cumulative Period (12 Months)		Changes (Amount/%)
	Current Year 31/12/2022 RM’000	Preceding Year 31/12/2021 RM’000		Current Year 31/12/2022 RM’000	Preceding Year 31/12/2021 RM’000	
<u>Continuing Operations</u>						
Revenue	2,100	23,001	-20,901, -91%	29,409	42,479	-13,070, -31%
Profit/(Loss) before interest and tax	(3,950)	4,486	-8,436, ->100%	(8,253)	4,793	-13,046, ->100%
Profit/(Loss) before tax	(4,168)	4,071	-8,239, ->100%	(9,685)	2,596	-12,281, ->100%
Profit/(Loss) after tax	(4,045)	3,438	-7,483, ->100%	(9,611)	2,048	-11,659, ->100%
Loss attributable to Ordinary Equity Holders of the Parent	(4,045)	3,438	-7,483, ->100%	(9,611)	2,067	-11,678, ->100%
<u>Discontinued Operation</u>						
Loss after tax	-	(3,018)	+3,018, +100%	(3,742)	(9,893)	+6,151, +62%
Loss attributable to Ordinary Equity Holders of the Parent	(4,045)	420	-4,465, ->100%	(13,353)	(7,826)	-5,527, -71%

Continuing Operations

For the current quarter ended 31 December 2022, revenue decreased to RM2.10 million as compared with RM23.00 million in the corresponding quarter ended 31 December 2021, a decrease of 91%. The decrease was mainly due to lower recognition of revenue on the percentage of completion basis and lower number of properties sold during the current quarter ended 31 December 2022 as compared to the corresponding quarter ended 31 December 2021.

As revenue decreased significantly, the Group posted a loss attributable to owners of the parent of RM4.05 million during the quarter ended 31 December 2022 as opposed to a profit attributable to owners of the parent of RM0.42 million in the corresponding quarter ended 31 December 2021. The loss during the quarter ended 31 December 2022 was mainly due to a consultancy fee of RM5.00 million incurred in connection with the proposed development of a piece of land located at Mukim Setapak, Negeri Wilayah Persekutuan, Kuala Lumpur measuring approximately 15,929 square meters during the quarter ended 31 December 2022.

For the twelve months ended 31 December 2022, revenue decreased to RM29.41 million as compared with RM42.48 million in the corresponding period ended 31 December 2021, a decrease of 31%. The decrease was mainly due to lower recognition of revenue on the percentage of completion basis during the twelve months ended 31 December 2022 as compared to the corresponding period ended 31 December 2021.

As revenue decreased, the Group posted a higher loss attributable to owners of the parent of RM13.35 million during the twelve months ended 31 December 2022 as compared to a loss attributable to owners of the parent of RM7.83 million in the corresponding period ended 31 December 2021. The higher loss was mainly due to a consultancy fee of RM5.00 million incurred in connection with the proposed development of a piece of land located at Mukim Setapak, Negeri Wilayah Persekutuan, Kuala Lumpur measuring approximately 15,929 square meters during the twelve months ended 31 December 2022.

15. Comparison to Preceding Quarter's Results

The Group's performance for the quarter ended 31 December 2022 compared to the previous quarter ended 30 September 2022 is as shown in Table 2:

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

	3 months ended 31 December 2022 RM'000	3 months ended 30 September 2022 RM'000	Changes (Amount/%)
<u>Continuing Operations</u>			
Revenue	2,100	8,198	-6,098, -74%
Loss before interest and tax	(3,950)	(671)	-3,279, ->100%
Profit/(Loss) before tax	(4,168)	(932)	-3,236, ->100%
Profit/(Loss) after tax	(4,045)	(735)	-3,310, ->100%
Profit/(Loss) attributable to Ordinary Equity Holders of the Parent	(4,045)	(735)	-3,310, ->100%
<u>Discontinued Operation</u>			
(Loss)/Profit after tax	-	(3,507)	+3,507, +100%
(Loss)/Profit attributable to Ordinary Equity Holders of the Parent	-	(3,507)	+3,507, +100%

Continuing Operations

For the quarter ended 31 December 2022, revenue decreased to RM2.10 million as compared to the turnover of RM8.20 million recorded in the previous quarter ended 30 September 2022, a significant decrease of 74%. The decrease was mainly due to lower recognition of revenue on the percentage of completion basis and lower number of properties sold during the quarter ended 31 December 2022 as compared to the previous quarter ended 30 September 2022.

As revenue from discontinued operations decreased significantly, the Group posted a higher loss attributable to owners of the parent of RM4.05 million during the quarter ended 31 December 2022 as compared to a loss attributable to owners of the parent of RM0.74 million during the previous quarter ended 30 September 2022. The higher loss during the quarter ended 31 December 2022 was mainly due a consultancy fee of RM5.00 million incurred in connection with the proposed development of a piece of land located at Mukim Setapak, Negeri Wilayah Persekutuan, Kuala Lumpur measuring approximately 15,929 square meters during the quarter ended 31 December 2022.

16. Prospects

The financial year ending 31 December 2023 is expected to be a challenging year for everyone. Nevertheless, the Group expects to achieve a higher revenue for the coming quarter ending 31 March 2023 as much efforts have been put in by the Group's sales personnel for which bookings have yet to be recognized as sales due to circumstances beyond the control of the Group. With these sales spillover, the Group is hoping for a better set of results for the coming quarter ending 31 March 2023.

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 Quarter ended 31 Dec 2022 RM'000	Preceding Year Quarter ended 31 Dec 2021 RM'000	Current Year To-date 31 Dec 2022 RM'000	Preceding Year To-date 31 Dec 2021 RM'000
Depreciation and amortization	187	357	1,089	1,423
Gain on disposal of properties, plant and equipment	-	-	(390)	-
Fair value loss on SIS	-	-	1,838	-
Gain on disposal of subsidiary companies	(3,841)	(18)	(3,841)	(3,571)
Gain on disposal of investment property	-	-	(317)	(461)
Inventory written down	918	-	918	-
Impairment loss on trade receivables	-	(1,079)	-	4,518

18. Profit/(Loss) before tax (cont'd)

	Current Year Quarter ended 31 Dec 2022 RM'000	Preceding Year Quarter ended 31 Dec 2021 RM'000	Current Year To-date 31 Dec 2022 RM'000	Preceding Year To-date 31 Dec 2021 RM'000
Impairment loss on other receivables	-	892	-	1,294
Impairment loss on goodwill	-	1,084	-	1,084
Interest income	(83)	(246)	(372)	(636)
Interest expense	256	5,873	3,142	9,063

19. Taxation

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

	Quarter ended 31 Dec 2022 RM '000	Year to-date 31 Dec 2022 RM '000	Quarter ended 31 Dec 2021 RM '000	Year to-date 31 Dec 2021 RM '000
Current tax	336	(93)	(962)	(962)
Deferred tax	(213)	167	329	414
Total tax income/(expense)	123	74	(633)	(548)

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:

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

The utilisation of proceeds was as follows:

- a) RM2.400 million was for the purchase of land by Irama Setia Sdn Bhd, a wholly-owned subsidiary of the Company.
- b) RM4.288 million was for consideration of joint-venture agreement by Sinmah Properties Sdn Bhd, a wholly-owned subsidiary of the Company with Persatuan Bolasepak Kuala Lumpur.

Hence, the proceeds from the private placements have been fully utilised within the prescribed period.

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:-

	Short Term RM’000	Long term RM’000	Total RM’000
Bank overdraft	1,998	-	1,998
Bankers acceptance	-	-	-
Term loans	4,943	5,978	10,921
	6,941	5,978	12,919

22. Trade Receivables

	Financial Period Ended 31 Dec 2022 RM’000	Financial Year Ended 31 Dec 2021 RM’000
Trade receivables		
Third parties	6,764	23,876
Impairment losses		
- brought forward	-	-
- impaired during the period/year	-	-
- reversed during the period/year	-	-
- disposal of subsidiary	-	-
	6,764	23,876

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:

	Financial Period Ended 31 Dec 2022 RM'000	Financial Year Ended 31 Dec 2021 RM'000
Neither past due nor impaired	1,670	14,301
Past due not impaired:		
Up to 60 days past due	2,153	2,477
More than 60 days	2,941	7,098
	5,094	9,575
	6,764	23,876
Impaired	-	-
	6,764	23,876

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

As at 31 December 2022, trade receivables of approximately RM5,094,000 (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

	Current Year Quarter Ended 31 Dec 2022 RM'000	Preceding Year Quarter Ended 31 Dec 2021 RM'000	Current Year Cumulative Period Ended 31 Dec 2022 RM'000	Preceding Year Cumulative Period Ended 31 Dec 2021 RM'000
Other income comprises the following:				
Rental income	35	26	129	81
Miscellaneous other income	21	111	800	724
Gain on disposal of property, plant and equipment	-	-	390	-
Gain on disposal of investment property	317	-	317	461
Gain on disposal of subsidiary	3,841	-	3,841	3,571
	4,214	137	5,477	4,837

24. Off Balance Sheet Financial Instruments

There were no off-balance sheet financial instruments as at 20 February 2023.

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 31 December 2022 (31 December 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 31 Dec 2022	Preceding Year Quarter Ended 31 Dec 2021	Current Year To-Date 31 Dec 2022	Preceding Year To-Date 31 Dec 2021
Continuing Operations				
Profit/(Loss) attributable to owners of the parent (RM'000)	(4,045)	3,438	(9,611)	2,067
Weighted average number of shares ('000)	392,427	324,906	365,031	319,085
Basic earnings/(loss) per share (sen)	(1.03)	1.06	(2.63)	0.64
Discontinued Operation				
Loss attributable to owners of the parent (RM'000)	-	(3,018)	(3,742)	(9,893)
Weighted average number of shares ('000)	-	324,906	365,031	319,085
Basic loss per share (sen)	-	(0.95)	(1.03)	(3.10)

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 20 February 2023.