

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE FIRST QUARTER ENDED 31 MARCH 2017**

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<b>Current Quarter Ended 31-Mar-2017 RM'000 Unaudited</b>	<b>Preceding Year Corresponding Quarter Ended 31-Mar-2016 RM'000 Unaudited</b>	<b>Current Year to Date Ended 31-Mar-2017 RM'000 Unaudited</b>	<b>Preceding Year To Date Ended 31-Mar-2016 RM'000 Unaudited</b>
<b>Revenue</b>	14,546	16,660	14,546	16,660
Cost of sales	(8,991)	(10,123)	(8,991)	(10,123)
<b>Gross profit</b>	5,555	6,537	5,555	6,537
Other income	149	143	149	143
Administrative and other operating expenses	(2,879)	(2,919)	(2,879)	(2,919)
Selling and distribution expenses	(1,214)	(1,391)	(1,214)	(1,391)
<b>Operating profit</b>	1,611	2,370	1,611	2,370
Depreciation	(168)	(164)	(168)	(164)
Finance costs	(1)	(2)	(1)	(2)
<b>Profit before taxation</b>	1,442	2,204	1,442	2,204
Taxation	(528)	(659)	(528)	(659)
<b>Profit for the period</b>	914	1,545	914	1,545
Other comprehensive income	5	4	5	4
Foreign currency translation difference	62	-	62	-
<b>Total comprehensive income for the period</b>	<b>981</b>	<b>1,549</b>	<b>981</b>	<b>1,549</b>

Profit after taxation attributable to the equity holders of the Company

	914	1,545	914	1,545
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Total comprehensive income attributable to the equity holders of the Company

	981	1,549	981	1,549
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Weighted average no. of ordinary shares in issue ('000)

	42,776	42,757	42,772	42,757
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Earnings per share (sen):

- Basic	2.14	3.61	2.14	3.61
- Diluted	2.14	3.61	2.14	3.61

Note:

1) The Unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended ("FYE") 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2017**

	<b>UNAUDITED As at 31-Mar-2017 RM'000</b>	<b>AUDITED As At 31-Dec-2016 RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	5,231	5,439
Investment securities	59	54
Goodwill on consolidation	8	8
	<u>5,298</u>	<u>5,501</u>
<b>Current Assets</b>		
Inventories	7,369	8,326
Trade receivables	11,888	13,091
Other receivables, deposits and prepayments	325	641
Tax recoverable	528	561
Other investment	10,682	14,490
Cash and bank balances	6,699	5,000
	<u>37,491</u>	<u>42,109</u>
<b>TOTAL ASSETS</b>	<u>42,789</u>	<u>47,610</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	24,084	21,388
Share premium	-	2,696
Reserves	15,365	14,384
<b>Total equity</b>	<u>39,449</u>	<u>38,468</u>
<b>Non current liabilities</b>		
Deferred tax liabilities	77	77
Hire purchase payable	25	25
	<u>102</u>	<u>102</u>
<b>Current liabilities</b>		
Trade payables	1,087	4,922
Other payables, deposits and accruals	1,488	3,594
Hire purchase payables	42	67
Bank borrowing	360	71
Tax payables	260	386
	<u>3,238</u>	<u>9,040</u>
<b>Total liabilities</b>	<u>3,340</u>	<u>9,142</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>42,789</u>	<u>47,610</u>
Net assets per share attributable to ordinary equity owners of the Company (sen)	92.22	89.93

Note:

- 1) The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the FYE 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FIRST QUARTER ENDED 31 MARCH 2017**

	Attributable to Equity Holders of the Company					
	<u>Non-Distributable</u>			<u>Distributable</u>		
	Share Capital RM'000	Share Premium RM'000	Fair value Adjustment Reserve RM'000	Foreign Currency Translation Reserve RM'000	Retained Profits RM'000	Total Equity RM'000
Balance as at 1.1.2016	21,379	2,667	51	-	11,827	35,924
Issue of shares	9	29	-	-	-	38
Dividends	-	-	-	-	(4,278)	(4,278)
Total comprehensive income for the financial year	-	-	7	-	6,777	6,784
At 31 December 2016 ( <i>Audited</i> )	21,388	2,696	58	-	14,326	38,468
Balance as at 1.1.2017	21,388	2,696	58	-	14,326	38,468
Adjustments for effects of Companies Act 2016 ( <b>Note a</b> )	2,696	(2,696)				
Total comprehensive income for the financial period	-	-	5	62	914	981
Balance as at 31.03.2017 ( <i>Unaudited</i> )	24,084	-	63	62	15,240	39,449

Note:

a) With the Companies Act 2016 ("New Act") coming into effect on 31 January 2017, the credit standing in the share premium accounts of RM2,695,570.66, respectively, has been transferred to the share capital account. Pursuant to subsection 618(3) and 618(4) of the New Act, the Group may exercise its right to use the credit amounts being transferred from share premium within 24 months after the commencement of the New Act. The Board of Directors will make a decision thereon to utilise for bonus shares in 2<sup>nd</sup> Quarter 2017.

1) The Unaudited Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Audited Financial Statements for the FYE 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FIRST QUARTER ENDED 31 MARCH 2017**

	<b>Current Year To Date Ended 31-Mar-2017 (Unaudited) RM'000</b>	<b>Preceding Year To Date Ended 31-Mar-2016 (Unaudited) RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	1,442	2,204
Adjustments for		
- Depreciation	168	164
- Gain/loss on disposal of property, plant and equipment	(28)	-
- Fair value gain on financial assets	(95)	(94)
- Interest income	(19)	(5)
- Interest expense	1	2
<b>Operating profit before working capital changes</b>	<b>1,469</b>	<b>2,271</b>
Changes in working capital		
Inventories	957	(348)
Receivables	1,180	257
Payables	(3,398)	687
<b>Net cash generated from operations</b>	<b>208</b>	<b>2,866</b>
Interest received	19	5
Interest paid	(1)	(2)
Taxation paid	(625)	(647)
<b>Net cash flows from operating activities</b>	<b>(399)</b>	<b>2,222</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Net (purchase) / withdrawal of other investments	3,903	(4,000)
Sales proceeds on disposal of property, plant and equipment	88	-
Dividend paid	(2,139)	-
Purchase of property, plant and equipment	(20)	(79)
<b>Net cash flows from investing activities</b>	<b>1,832</b>	<b>(4,079)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of hire purchase liabilities	(23)	(22)
<b>Net cash used in financing activities</b>	<b>(23)</b>	<b>(22)</b>
<b>Net Changes In Cash And Cash Equivalents</b>	<b>1,410</b>	<b>(1,879)</b>
<b>Cash And Cash Equivalents At The Begining Of The Period</b>	<b>4,929</b>	<b>6,066</b>
<b>Cash And Cash Equivalents At The End Of The Period</b>	<b>6,339</b>	<b>4,188</b>
<b>Analysis of Cash And Cash Equivalents</b>		
Deposits with licensed banks	-	860
Cash and bank balances	6,699	3,328
	<b>6,699</b>	<b>4,188</b>
Less: Bank borrowings	(360)	-
	<b>6,339</b>	<b>4,188</b>

Note:

1) The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the FYE 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2017

NOTES TO THE INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2017

(a) **NOTES PURSUANT TO THE FINANCIAL REPORTING STANDARD 134 (MFRS 134): INTERIM FINANCIAL REPORTING**

**A1. Basis of reporting preparation**

The interim financial statements are unaudited and have been prepared in accordance with MFRS 134: Interim Financial Reporting and Appendix 9B of the Bursa Malaysia Securities Berhad ACE Market Listing Requirements.

The interim financial statements should be read in conjunction with the Audited Financial Statements of the Company for the FYE 31 December 2016 and the accompanying explanatory notes attached to the interim financial report.

**A2. Summary of significant accounting policies**

The accounting policies and methods of computation adopted by SCC and its subsidiary companies ("SCC Group" or "Group") in the preparation of this interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2016.

The application of the following new/revised MFRSs, Issues Committee ("IC") Interpretations, and amendments to MFRSs and IC Interpretations, issued by the Malaysian Accounting Standards Board ("MASB"), which are mandatory and will be effective for the financial periods as stated below, will have no material impact on the financial statements of the Group and of the Company:

	Effective for financial periods beginning on or after
<b>New MFRSs</b>	
MFRS 9 Financial Instruments	1 January 2018
MFRS 15 Revenue from Contracts with Customers	1 January 2018
MFRS 16 Leases	1 January 2019
<b>Amendments/Improvements to MFRSs</b>	
MFRS 1 First-time adoption of MFRSs	1 January 2018
MFRS 2 Share-based Payment	1 January 2018
MFRS 4 Insurance Contracts	1 January 2018
MFRS 10 Consolidated Financial Statements	Deferred
MFRS 12 Disclosure of Interests in Other Entities	1 January 2017
MFRS 107 Statement of Cash Flows	1 January 2017
MFRS 112 Income Taxes	1 January 2017
MFRS 128 Investments in Associates and Joint Ventures	1 January 2018/ Deferred
MFRS 140 Investment Property	1 January 2018
New IC Int	
IC Int 22 Foreign Currency Transactions and Advance Consideration	1 January 2018

The Group did not adopt the above standards that have been issued by the Malaysian Accounting Standards Board as these are effective for financial period beginning on or after 1 January 2017.

**A3. Auditors' report**

There was no qualification on the audited financial statements of the Group for the FYE 31 December 2016.

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2017

**A4. Seasonal or cyclical factors**

The operations of the Group were not significantly affected by seasonal or cyclical factors during the current quarter and current year to date under review.

**A5. Items of unusual nature and amount**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current quarter and current year to date under review.

**A6. Material changes in estimates**

There were no changes in the estimates that had a material effect in the current quarter and period to date results.

**A7. Issuances, cancellations, repurchase, resale and repayments of debt and equity securities**

There was no issuance, cancellation, repurchase, resale and repayment of debts and equity securities for the current quarter and current year to date under review.

**A8. Dividends paid**

(a) A single tier tax exempt interim dividend of 5 sen per ordinary share amounting to RM 2,138,790.00 in respect of the financial year ending 31 December 2016 was paid on 20 January 2017.

(b) There was no dividend paid during the financial period ended 31 March 2016.

**A9. Segmental information**

Segmental information of the Group's revenue is as follows:

	Animal Health Products RM'000	Foodservice Equipment RM'000	Food Supplies RM'000	Food Manufacturing RM'000	Others RM'000	Total RM'000	Inter- segment Elimination RM'000	Consolidated RM'000
<b>RESULTS FOR THE QUARTER ENDED 31 March 2017</b>								
REVENUE								
External revenue	6,828	3,278	4,186	254	-	14,546	-	14,546
Inter-segment								
- sales	-	-	-	637	-	637	(637)	-
- management fees received	-	-	-	-	897	897	(897)	-
- dividend received	-	-	-	-	2,498	2,498	(2,498)	-
Total revenue	6,828	3,278	4,186	891	3,395	18,578	(4,032)	14,546
Segment profit	304	420	536	(1)	2,197	3,456	(2,542)	914
	Animal Health Products RM'000	Foodservice Equipment RM'000	Food Supplies RM'000	Food Manufacturing RM'000	Others RM'000	Total RM'000	Inter- segment Elimination RM'000	Consolidated RM'000
<b>RESULTS FOR THE QUARTER ENDED 31 March 2016</b>								
REVENUE								
External revenue	7,351	4,203	5,018	87	-	16,660	-	16,660
Inter-segment								
- sales	-	-	-	824	-	824	(824)	-
- management fees received	-	-	-	-	897	897	(897)	-
- dividend received	-	-	-	-	2,718	2,718	(2,718)	-
Total revenue	7,351	4,203	5,018	911	3,615	21,100	(4,439)	16,660
Segment profit	425	660	788	(76)	2,482	4,280	(2,735)	1,545

**QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2017**

**A10. Valuation of property, plant and equipment**

There was no valuation of property, plant and equipment in the current quarter under review.

**A11. Capital commitments**

As at the balance sheet date, there was no outstanding capital commitments not provided for in the interim financial report.

**A12. Material subsequent event**

There was no material subsequent event.

**A13. Changes in the composition of the Group**

There was no change in the composition of the Group for the current quarter under review.

**A14. Contingent liabilities and contingent assets**

There were no contingent liabilities and contingent assets, which upon becoming enforceable may have a material effect on the net assets, profits or financial position of the Group for the current quarter and current year to date under review since the last annual balance sheet date.

**A15. Significant related party transactions**

Save as disclosed in the Audited Financial Statements for the FYE 31 December 2016, there were no other significant related party transactions for the current quarter under review.

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2017

**B. ADDITIONAL INFORMATION REQUIRED UNDER THE LISTING REQUIREMENTS**

**B1. Review of performance**

The comparison of the current year 1<sup>st</sup> quarter revenue against previous year 1<sup>st</sup> quarter revenue is set out below:

	<b>Current Quarter Ended 31-Mar-17 RM'000</b>	<b>Corresponding Quarter ended 31-Mar-16 RM'000</b>	<b>Variance RM'000</b>
Revenue - Animal Health Product Division	6,828	7,351	(523)
- Foodservice Equipment Division	7,464	9,222	(1,758)
- Food Manufacturing Division	254	87	167

The Group achieved revenue of RM14.55 million for the current quarter ended 31 March 2017 as compared to RM16.66 million in the preceding year quarter ended 31 March 2016. The decrease in revenue by approximately 12.67% compared to the preceding year corresponding quarter was mainly due to reasons as explained below.

During the current quarter ended 31 March 2017, Animal Health Product Division recorded revenue of RM6.83 million as compared to RM7.35 million in the preceding year quarter ended 31 March 2016. The decrease of approximately 7.07% was due to lower demand from customers and depressed commodity prices of amino acid.

During the current quarter ended 31 March 2017, Foodservice Equipment Division recorded revenue of RM7.46 million as compared to RM9.22 million in the preceding year quarter ended 31 March 2016. The decrease of approximately 19.09% was due to lower demand of sales in equipment and food supplies during the current quarter.

During the current quarter ended 31 March 2017, Food Manufacturing Division recorded revenue of RM0.25 million as compared to RM0.09 million in the preceding year quarter ended 31 March 2016. The increase of approximately 191.95% was due to the increase in our customers' orders during the current quarter.

**B2. Material changes in the profit before taxation for the current quarter as compared to the immediate preceding quarter**

For current quarter ended 31 March 2017, the Group achieved a profit before tax of approximately RM1.44 million as compared to RM3.41 million in the immediate preceding quarter ended 31 December 2016. The decreased in profit before taxation of RM1.97 million, representing an decrease of approximately 57.78% was mainly due to the increase in administrative expenses by approximately RM2.58 million from approximately RM0.31 million in the immediate preceding quarter ended 31 December 2016 to approximately RM2.87 million in the current quarter ended 31 March 2017. The increase in administrative expenses was mainly due to provision in staff expenses during current quarter.

**B3. Prospects**

The results of our first quarter of 2017 are of not as excited as we expected, mainly due to lower order from customers and depressed commodity prices of amino acid. However, we foresee our results would start to pick up by mid-end of the second Quarter and towards end of the year.

We will be launching new products during the year under review and also will diversify our business segment into some end-consumer products within the second and third Quarter of 2017. Although the contribution would be small and insignificant initially but we see the potential in these projects and believe they will play an important role in driving the company to greater height.

The Board of Directors will exercise extra caution in conducting their duties during these uncertain and difficult periods. However, we are optimistic of the Group's long term prospect.



QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2017

**B4. Profit forecast**

No profit forecast has been issued by the Group previously in any public document.

**B5. Taxation**

	Current Quarter Ended 31-03-17 RM'000	Preceding Year Corresponding Quarter Ended 31-03-16 RM'000	Current Year-To-Date Ended 31-03-17 RM'000	Preceding Year- To-Date Ended 31-03-16 RM'000
Income tax:				
- current year	528	729	528	729
- (Over) / under provision of tax in prior year	-	-	-	-
	<u>528</u>	<u>729</u>	<u>528</u>	<u>729</u>
Deferred tax				
- Relating to origination and reversal of temporary difference	-	-	-	-
- (Over) /under provision of tax in prior year	-	-	-	-
	<u>528</u>	<u>729</u>	<u>528</u>	<u>729</u>

The Group's effective tax rate for the current quarter 31 March 2017 and current year to date ended 31 March 2017 was 36.62% which was higher than the statutory rate due to certain non tax-deductible expenses.

**B6. Status of corporate proposal**

Save as disclosed below, there were no corporate proposals announced but not completed as at the date of this report:-

On 19 April 2017, SCC proposed to undertake the following corporate proposals:

- (a) proposed bonus issue of 4,277,580 new ordinary shares in SCC ("SCC Shares") ("Bonus Shares") on the basis of 1 Bonus Share for every 10 existing SCC Shares held on an entitlement date to be determined later ("Proposed Bonus Issue"); and
- (b) proposed share split involving the subdivision of every 1 SCC Share held after the Proposed Bonus Issue into 3 ordinary shares in SCC,

(collectively referred to as the "Proposals").

Bursa Malaysia Securities Berhad has, vide its letter dated 27 April 2017, resolved to approve the following:

- (a) listing of 4,277,580 Bonus Shares to be issued pursuant to the Proposed Bonus Issue; and
- (b) Proposed Share Split.

The extraordinary general meeting for the shareholders of SCC to approve the Proposals will be held on 29 May 2017.

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2017

**B7. Group borrowings and debt securities**

The Group's borrowings as 31 March 2017 were as follow:-

	Secured RM'000	Unsecured RM'000	Total RM'000
<b>Short term borrowings:-</b>			
Hire purchase payables	43	-	43
	<u>43</u>	<u>-</u>	<u>43</u>
<b>Long term borrowings:-</b>			
Hire purchase payables	25	-	25
	<u>25</u>	<u>-</u>	<u>25</u>
Total borrowings	<u>68</u>	<u>-</u>	<u>68</u>

All the Group's borrowings are denominated in Ringgit Malaysia.

**B8. Material litigation**

There are no material litigations during the current quarter under review.

**B9. Dividend**

- (a) The Directors declared a single tier tax exempt interim dividend of 5 sen per ordinary share amounting to RM2,138,790.00 in respect of the financial year ending 31 December 2017.
- (b) The entitlement date is 14 June 2017 and date of payment for the single tier tax exempt interim dividend in respect of the financial year ending 31 December 2017 is 21 June 2017.

**B10. Earnings per share**

The basic and diluted earnings per share is calculated based on the Group's profit after tax attributable to equity holders of the Company divided by the weighted average number of ordinary shares as follows:

	Current Quarter Ended 31-Mar-17 RM'000	Corresponding Quarter Ended 31-Mar-16 RM'000	Current Year-To-Date Ended 31-Mar-17 RM'000	Corresponding Year -To -Date Ended 31-Mar-16 RM'000
Group's profit after tax attributable to ordinary equity holders of the parent(RM)	914	1,545	914	1,545
Weighted average number of ordinary shares	42,776	42,757	42,772	42,757
Earnings per share (sen)	2.14	3.61	2.14	3.61

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2017

**B11. Supplementary information on the disclosure of realised and unrealised profit**

The amounts of realised and unrealised profits included in the retained profit of the Group are as follows:

	<b>Unaudited As at 31-Mar-17 RM'000</b>	<b>Unaudited As at 31-Mar-16 RM'000</b>
Total retained profits of the Group		
- Realised	27,693	25,792
- Unrealised	(213)	(192)
	<b>27,480</b>	<b>25,600</b>
Add: Consolidation adjustments	(12,240)	(12,228)
At 31 March	<b>15,240</b>	<b>13,372</b>

**B12. Profit for the year**

Profit for the current quarter ended 31 March 2017 was arrived at after crediting / (charging) the following:

	<b>Current Quarter Ended 31-Mar-17 RM'000</b>	<b>Current Year to Date Ended 31-Mar-17 RM'000</b>
Interest income	19	19
Other income including investment income	122	122
Interest expense	(1)	(1)
Depreciation and amortization	(168)	(168)
Provision for and write off of receivables	-	-
Provision for and write off of inventories	-	-
Gain on disposal of quoted or unquoted investments or properties	28	28
Impairment of assets	-	-
Foreign exchange gain /(loss)	(19)	(19)
Gain / (loss) on derivatives	-	-
Exceptional items (with details)	-	-

**B13. Authorisation for issue**

The interim financial statements were authorized for issue by the Board of Directors in accordance with a resolution of the Directors on 29 May 2017.

By order of the board  
SCC Holdings Berhad

Wong Yuet Chyn (MAICSA 7047163)  
Company Secretary  
Kuala Lumpur  
Date: 29 May 2017