

(Incorporated in Malaysia)

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

	3 months ended 31 March			3 months ended 31 March		
	2022 RM'000 Unaudited	2021 RM'000 Unaudited	%	2022 RM'000 Unaudited	2021 RM'000 Unaudited	%
Revenue	14,002	10,714	31%	14,002	10,714	31%
Cost of sales	(9,644)	(7,364)		(9,644)	(7,364)	
Gross profit	4,358	3,350	30%	4,358	3,350	30%
Other income	162	259		162	259	
Administrative and other operating expenses	(2,889)	(3,111)		(2,889)	(3,111)	
Selling and distribution expenses	(674)	(552)		(674)	(552)	
Operating profit/(loss)	957	(54)	1873%	957	(54)	1873%
Finance costs	(18)	(12)		(18)	(12)	
Profit/(Loss) before taxation	939	(66)	1522%	939	(66)	1522%
Taxation	(316)	(147)		(316)	(147)	
Profit/(Loss) for the period	623	(213)	392%	623	(213)	392%
Other comprehensive income/(loss)	63	(5)		63	(5)	
Total comprehensive income/(loss) for the period	686	(218)	415%	686	(218)	415%
Profit/(loss) after taxation attributable to the equity holders of the Company	623	(213)		623	(213)	
Total comprehensive income/(loss) attributable to the equity holders of the Company	686	(218)		686	(218)	
Weighted average no. of ordinary shares in issue ('000)	141,160	141,160		141,160	141,160	
Earnings per share (sen):						
- Basic	0.44	(0.15)		0.44	(0.15)	
- Diluted	0.44	(0.15)		0.44	(0.15)	

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 2021 and the accompanying explanatory notes attached to the interim financial statements.

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022

	UNAUDITED As at 31/3/2022 RM'000	AUDITED As At 31/12/2021 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	5,861	5,992
Investment securities	64	59
Right of Use Assets	953	774
Goodwill on consolidation	8	8
	6,886	6,833
Current Assets		
Inventories	11,219	8,998
Trade receivables	10,817	12,233
Other receivables, deposits and prepayments	280	1,463
Tax recoverable	823	835
Other investment	15,781	16,256
Cash and bank balances	7,202	6,690
	46,122	46,475
TOTAL ASSETS	53,008	53,308
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	24,079	24,079
Reserves	21,471	22,197
Total equity	45,550	46,276
Non current liabilities		
Deferred tax liabilities	98	98
Long Term Lease	668	588
	766	686
Current liabilities		
Trade payables	3,916	4,463
Other payables, deposits and accruals	2,421	1,667
Short term lease	323	214
Tax payables	32	2
	6,692	6,346
Total liabilities	7,458	7,032
TOTAL EQUITY AND LIABILITIES	53,008	53,308
Net assets per share attributable to ordinary equity owners of the Company (sen)	32.27	32.78

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 2021 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 2022**

	Non-Distributable				Distributable	Total Equity
	Share Capital RM'000	Share Premium RM'000	Fair value Adjustment Reserve RM'000	Foreign Currency Translation Reserve RM'000	Retained Profits RM'000	RM'000
Balance as at 1.1.2021	24,079	-	66	12	20,412	44,569
Total comprehensive income for the financial year	-	-	(15)	(8)	1,730	1,707
At 31.12. 2021 (<i>Audited</i>)	24,079	-	51	4	22,142	46,276
Balance as at 1.1.2022	24,079	-	51	4	22,142	46,276
Dividends	-	-	-	-	(1,412)	(1,412)
Total comprehensive income for the financial year	-	-	73	(10)	623	686
Balance as at 31.03.2022 (<i>Unaudited</i>)	24,079	-	124	(6)	21,353	45,550

Note:

- 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 2021 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 2022

	3 months ended 31/03/2022 RM'000	12 months ended 31/12/2021 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	939	2,326
Adjustments for		
- Depreciation	228	932
- Gain/loss on disposal of property, plant and equipment	0	0
- Gain/loss on forgiven lease payments	0	(29)
- Impairment loss on trade receivables	0	15
- Impairment loss on other receivables	0	122
- Impairment loss on inventories'	0	0
- Fixed asset written off	0	27
- Reversal of impairment loss on trade receivables	0	(254)
- Dividend received	(1)	0
- Unrealised loss/(gain) on foreign exchange	(6)	(102)
- Fair value gain on financial assets	(5)	(317)
- Interest income	(14)	(41)
- Interest expenses	18	60
Operating profit before working capital changes	1,159	2,739
Changes in working capital		
Inventories	(2,208)	2,320
Receivables	4,290	(2,986)
Payables	(1,472)	136
Net cash generated from operations	1,769	2,209
Interest received	14	41
Interest expenses	(18)	(60)
Taxation refund	0	57
Taxation paid	(301)	(1,222)
Net cash flows from operating activities	1,464	1,025
CASH FLOWS FROM INVESTING ACTIVITIES		
Net purchase of other investments	550	1,653
Sales proceeds on disposal of property, plant and equipment	0	0
Dividend received	1	0
Dividend paid	(1,412)	0
Purchase of property, plant and equipment	(12)	(1,779)
Net cash flows from investing activities	(873)	(126)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of Financial Liabilities	(75)	(315)
Net cash used in financing activities	(75)	(315)
Net Changes In Cash And Cash Equivalents	516	584
Cash And Cash Equivalents At The Begining Of The Period	6,690	6,011
Effect of exchange translation differences on cash and cash equivalents	(4)	95
Cash And Cash Equivalents At The End Of The Period	7,202	6,690
Analysis of Cash And Cash Equivalents		
Cash and bank balances	7,202	6,690
	7,202	6,690
Less: Bank borrowings	0	0
	7,202	6,690

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 2021 and the accompanying explanatory notes attached to the interim financial statements.

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2022

**NOTES TO THE INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2022
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 2021 and the accompanying explanatory notes attached to the interim financial report.

A2. Summary of significant accounting policies

The significant accounting policies adopted in the preparation of the interim financial statements are consistent with those used in the preparation of the Group's audited financial statements for the financial year ended 31 December 2021 except for the adoption of the pronouncements that become effective from 1 January 2022.

MFRSs and amendments effective for annual period beginning on or after 1 January 2022:

Amendments to MFRS 3: Definition of a Business
Amendments to MFRS 9, MFRS 139 and MFRS 7: Interest Rate Benchmark Reform
Amendments to MFRS 101 and MFRS 108: Definition of Material
The Conceptual Framework for Financial Reporting (Revised 2018)
Amendments to MFRS 16 Leases – COVID-19-Related Rent Concessions 1 June 2020
Extension of the temporary exemption from applying MFRS 9 17 August 2020
(Amendments to MFRS 4 Insurance Contracts)

The adoption of the above pronouncement did not have a material impact on the financial statements of the Group.

The Group has not applied the following new MFRSs, new interpretations and amendments to MFRSs that have been issued by the MASB but are not yet effective for the Group:

		Effective dates for financial periods beginning on or after
MFRS 17	Insurance Contracts	1 January 2023
Amendments to MFRS 17	Insurance Contracts	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 116	Proceeds before Intended Use for Property, plant and Equipment	1 January 2022
	Annual improvements to MFRS standards 2018 - 2020	1 January 2022
Amendments to MFRS 3 Business Combinations	Reference to conceptual frameworks	1 January 2022

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2022

A2. Summary of significant accounting policies (cont'd)

Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice
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The Group plans to apply the abovementioned accounting standards, interpretation and amendments when they become effective, except for MFRS 17 *Insurance Contracts*, as it is not applicable to the Group. The initial application of the accounting standards, amendments or interpretations are not expected to have any material financial impacts to the financial statements.

A3. Auditors' report

There was no qualification on the audited financial statements of the Group for the FYE 31 December 2021.

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 single tier tax exempt interim dividend of 1 sen per ordinary share amounting to RM 1,411,601.40 in respect of the financial year ending 31 December 2021 was paid on 25 March 2022.

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2022

A9. Segmental information

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

	3 months ended		3 months ended	
	31/3/2022	31/3/2021	31/3/2022	31/3/2021
	RM'000	RM'000	RM'000	RM'000
Profit				
Reportable segment profit/(loss)	623	(213)	623	(213)
<i>Included in the measure of segment profit are:</i>				
Revenue - Animal Health Products	7,762	7,076	7,762	7,076
- Foodservice Equipment	3,738	2,257	3,738	2,257
- Food Supplies	2,490	1,371	2,490	1,371
- Food Manufacturing	12	10	12	10
	14,002	10,714	14,002	10,714
Add: Inter-segment sales	2,898	1,328	2,898	1,328
Total revenue before eliminating inter company transaction	16,900	12,042	16,900	12,042
Depreciation of property, plant and equipment	(144)	(167)	(144)	(167)
Reconciliation of reportable segment profit and revenue				
Profit				
Reportable segment revenue	14,002	10,714	14,002	10,714
Unallocated expenses	(13,059)	(10,777)	(13,059)	(10,777)
Finance cost	(18)	(12)	(18)	(12)
Finance income	14	9	14	9
Taxation	(316)	(147)	(316)	(147)
Consolidated profit/(loss) after tax	623	(213)	623	(213)
Revenue				
Reported segment	14,002	10,714	14,002	10,714
Non-reportable segment	-	-	-	-
Consolidated revenue	14,002	10,714	14,002	10,714

No segmental information is provided on a geographical basis as the Group's activities are carried out predominantly in Malaysia. Revenue from subsidiary in Cambodia has been consolidated in the reported revenue of the Foodservice Equipment and Food Supplies segments.

Segment assets

Segment assets information is not presented regularly to Board of Directors and hence, no disclosure is made on segment assets.

Segment liabilities

Segment liabilities information is not presented regularly to Board of Directors and hence, no disclosure is made on segment liabilities.

The comments on page 5 apply to operating segments.

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2022

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

Saved as disclosed in the Audited Financial Statements for the FYE 31 December 2021, there were no other significant related party transactions for the current quarter under review.

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2022

B. ADDITIONAL INFORMATION REQUIRED UNDER THE LISTING REQUIREMENTS

B1. Review of performance

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

	3 months ended 31 March			3 months ended 31 March		
	31/3/2022	31/3/2021	Change	31/3/2022	31/3/2021	Change
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	14,002	10,714	31%	14,002	10,714	31%
Cost of sales	(9,644)	(7,364)	31%	(9,644)	(7,364)	31%
Gross profit	4,358	3,350	30%	4,358	3,350	30%
Profit/(Loss) before interest and tax	957	(54)	1873%	957	(54)	1873%
Profit/(Loss) before tax	939	(66)	1522%	939	(66)	1522%
Profit/(Loss) after tax	623	(213)	392%	623	(213)	392%

Quarter Ended 31 March 2022 compared to Quarter Ended 31 March 2021

The Group's revenue for the current quarter ended 31 March 2022 increased by 31% to RM14.002 million compared to RM10.714 million in the preceding corresponding quarter ended 31 March 2021. The increase was mainly due to reasons as explained below.

During the current quarter ended 31 March 2022, Animal Health Product Division recorded revenue of RM7.762 million as compared to RM7.076 million in the preceding corresponding quarter ended 31 March 2021. The increase of approximately 10% was due to increase in demand by customers.

During the current quarter ended 31 March 2022, Foodservice Equipment Division recorded revenue of RM6.228 million as compared to RM3.628 million in the preceding year quarter ended 31 March 2021. The increase of approximately 72% was mainly due to a surge in demand by customers, mainly cinema chains as compared to the preceding year quarter which was seriously undermined by the reinstatement of the Movement Control Order (MCO) on a number of states from January to February 2021.

During the current quarter ended 31 March 2022, Food Manufacturing Division recorded revenue of RM0.012 million as compared to RM0.010 million in the preceding year quarter 31 March 2021. The increase of approximately 20% was due to larger orders from customers.

The profit before tax for the current quarter ended 31 March 2022 increased by 1522% as compared to the preceding corresponding quarter ended 31 March 2021, mainly due to the much higher revenue caused by higher demand from customers.

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2022

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

	3 months ended		
	31/3/2022	31/12/2021	Change
	RM'000	RM'000	%
Revenue	14,002	15,417	-9%
Operating profit	957	2,298	-58%
Profit before interest and tax	957	2,298	-58%
Profit before tax	939	2,278	-59%
Profit after tax	623	1,990	-69%

For current quarter ended 31 March 2022, the Group recorded a profit before tax of approximately RM0.939 million as compared to a profit before tax of RM2.278 million in the immediate preceding quarter ended 31 December 2021. The significant decrease in profit before taxation compared to the immediate preceding quarter was mainly due to decrease in revenue and increase in provision for staff expenses during the current quarter.

B3. Prospects

The Malaysian economy is expected to recover at a faster and more even pace in 2022 as the country entered the “Transition to Endemic” phase of Covid-19 on April 1, reopening international borders and lifted most of its Covid-19 restrictions and preventive measures from May 1.

With lower virus cases amid a ramped-up vaccination programme and further easing of restrictions, consumer spending is expected to further rebound this year.

The Group is expected to perform in line with the higher level of economic activities. However, the risks to the Group’s performance remain which include worsening supply chain disruptions, global price inflation as a result of the ongoing military conflict in Ukraine and adverse developments surrounding Covid-19.

Despite the headwinds, the Group is still confident of its long-term sustainability as it continues to maintain a healthy cash flow position with zero gearing in the face of rising interest rates.

The Group will continue to prioritize cost management efforts and be vigilant in the procurement process to mitigate disruption caused by supply shortage and to maintain margins at acceptable levels.

As the Group reaches another milestone and celebrates its “Golden Jubilee” this year, it is well-positioned to draw on its five decades of experience to navigate through yet another challenging year ahead.

B4. Profit forecast

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

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2022

B5. Taxation

	3 months ended		3 months ended	
	31/3/2022 RM'000	31/3/2021 RM'000	31/3/2022 RM'000	31/3/2021 RM'000
Income tax:				
- current year	316	147	316	147
- (Over) / under provision of tax in prior year	-	-	-	-
	316	147	316	147
Deferred tax				
- Relating to origination and reversal of temporary difference	-	-	-	-
- (Over) /under provision of tax in prior year	-	-	-	-
	316	147	316	147

The Group's effective tax rate for the current quarter ended 31 March 2022 was approximately 34% which is higher than the statutory rate of 24% due to certain non tax-deductible expenses and losses generated by some subsidiaries during the current period.

B6. Status of corporate proposal

There is no corporate proposal announced but not completed at a date not earlier than 7 days from the date of this quarterly report.

B7. Group borrowings and debt securities

The Group has no borrowings as at 31 March 2022.

B8. Trade Receivables

		Financial period ended 31/3/2022 RM'000	Immediate preceding financial year ended 31/12/2021 RM'000
Trade receivables			
Third party		10,895	12,311
Less: Impairment losses			
	- brought forward	(78)	(328)
	- reversal of impairment loss for bad debts recovered	0	254
	- written off	0	11
	- impaired during the period / year	0	(15)
		(78)	(78)
		10,817	12,233

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2022

B8. Trade Receivables (Cont'd)

The Groups' normal trade credits range from 30 to 90 days. Other credit terms are assessed and approved on a case-by-case basis. The credit period varies from customers to customers after taking into consideration their payment track record, financial background, length of business relationship and size of transactions.

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

Ageing analysis of trade receivables is as follow:

	Financial period ended 31/3/2022 RM'000	Immediate preceding financial year ended 31/12/2021 RM'000
Neither past due nor impaired	6,651	4,511
Up to 90 days past due not impaired	3,173	7,732
More than 90 days past due not impaired	1,071	68
	4,244	7,800
Impaired		
- brought forward	(78)	(328)
- reversal of impairment loss for bad debts recovered	0	254
- written off	0	11
- impaired during the period / year	0	(15)
	(78)	(78)
	10,817	12,233

Commentaries for the recoverability of trade receivables which exceed the average credit terms granted:

All trade receivables which exceeded the average credit terms are closely monitored by the credit control committee.

B9. Fair value information

The carrying amounts of cash and cash equivalents, short term receivables and payables and short term borrowings reasonably approximate their fair values due to the relatively short term nature of these financial instruments. Fair value of quoted equity instrument is determined directly by reference to their published market bid price at the reporting date.

There have been no transfers between Level 1 and Level 2 during the financial year. The table below analyses financial instruments carried at fair value shown in the statement of financial position.

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2022

B9. Fair value information (Cont'd)

As at 31.03.2022				
Fair value of financial instruments carried at fair value				
	Level 1	Level 2	Level 3	Total
	RM'000	RM'000	RM'000	RM'000
Financial assets				
Investment securities	64	-	-	64
Other investment	15,781	-	-	15,781
	15,845	-	-	15,845

As at 31.12.2021				
Fair value of financial instruments carried at fair value				
	Level 1	Level 2	Level 3	Total
	RM'000	RM'000	RM'000	RM'000
Financial assets				
Investment securities	59	-	-	59
Other investment	16,256	-	-	16,256
	16,315	-	-	16,315

B10. Material litigation

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

B11. Dividend

No dividend has been declared or proposed during the quarter under review.

B12. 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:

	3 months ended 31 March		3 months ended 31 March	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Group's profit/(loss) after tax attributable to ordinary equity holders of the parent (RM)	623	(213)	623	(213)
Weighted average number of ordinary shares	141,160	141,160	141,160	141,160
Earnings/(Loss) per share (sen)	0.44	(0.15)	0.44	(0.15)

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2022

B13. Profit for the period

Profit for the current quarter ended 31 March 2022 was arrived at after crediting / (charging) the following:

	3 months ended 31 March		3 months ended 31 March	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Profit for the period is arrived at after charging/(crediting):				
Interest income	14	9	14	9
Fair value gain on financial assets	5	79	5	79
Foreign exchange gain /(loss)	6	-	6	-
Depreciation and amortization	(228)	(248)	(228)	(248)

B14. 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 25 May 2022.

By order of the Board
SCC Holdings Berhad

Wong Yuet Chyn (MAICSA 7047163)
Company Secretary
Kuala Lumpur
Date: 25 May 2022