

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 31 MARCH 2024**

	3 months ended 31 March			3 months ended 31 March		
	2024 RM'000 Unaudited	2023 RM'000 Unaudited	%	2024 RM'000 Unaudited	2023 RM'000 Unaudited	%
Revenue	13,707	12,768	7%	13,707	12,768	7%
Cost of sales	(11,183)	(9,555)		(11,183)	(9,555)	
Gross profit	2,524	3,213	-21%	2,524	3,213	-21%
Other income	386	184		386	184	
Administrative and other operating expenses	(2,610)	(2,861)		(2,610)	(2,861)	
Selling and distribution expenses	(716)	(732)		(716)	(732)	
Operating Loss	(416)	(196)	112%	(416)	(196)	112%
Finance costs	(26)	(15)		(26)	(15)	
Loss before taxation	(442)	(211)	109%	(442)	(211)	109%
Taxation	(86)	(53)		(86)	(53)	
Loss for the period	(528)	(264)	100%	(528)	(264)	100%
Other comprehensive (loss)/income	(49)	2		(49)	2	
Total comprehensive loss for the period	(577)	(262)	120%	(577)	(262)	120%
Loss after taxation attributable to the equity holders of the Company	(528)	(264)		(528)	(264)	
Total comprehensive loss attributable to the equity holders of the Company	(577)	(262)		(577)	(262)	
Weighted average no. of ordinary shares in issue ('000)	141,160	141,160		141,160	141,160	
Loss per share (sen):						
- Basic	(0.37)	(0.19)		(0.37)	(0.19)	
- Diluted	(0.37)	(0.19)		(0.37)	(0.19)	

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 2023 and the accompanying explanatory notes attached to the interim financial statements.

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024

	UNAUDITED As at 31/3/2024 RM'000	AUDITED As At 31/12/2023 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	5,711	5,853
Investment securities	80	75
Right of Use Assets	1,017	596
	6,808	6,524
Current Assets		
Inventories	14,502	16,823
Trade receivables	12,917	13,443
Other receivables, deposits and prepayments	478	1,503
Tax recoverable	1,908	1,691
Other investment	11,408	7,628
Cash and bank balances	6,120	6,389
	47,333	47,477
TOTAL ASSETS	54,141	54,001
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	24,079	24,079
Reserves	22,962	23,539
Total equity	47,041	47,618
Non current liabilities		
Deferred tax liabilities	103	103
Long Term Lease	660	337
	763	440
Current liabilities		
Trade payables	3,393	3,735
Other payables, deposits and accruals	2,535	1,897
Short term lease	404	310
Tax payables	5	1
	6,337	5,943
Total liabilities	7,100	6,383
TOTAL EQUITY AND LIABILITIES	54,141	54,001
Net assets per share attributable to ordinary equity owners of the Company (sen)	33.32	33.73

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 2023 and the accompanying explanatory notes attached to the interim financial statements.

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FOURTH QUARTER ENDED 31 MARCH 2024**

	Non-Distributable			Distributable	Total Equity RM'000
	Share Capital RM'000	Fair value Adjustment Reserve RM'000	Foreign Currency Translation Reserve RM'000	Retained Profits RM'000	
Balance as at 1.1.2023	24,079	59	(28)	23,284	47,394
Total comprehensive income for the financial year	-	6	(30)	1,660	1,636
Dividends paid	-	-	-	(1,412)	(1,412)
At 31.12. 2023 (<i>Audited</i>)	24,079	65	(58)	23,532	47,618
Balance as at 1.1.2024	24,079	65	(58)	23,532	47,618
Total comprehensive (Loss)/income for the financial year	-	4	(53)	(528)	(577)
Balance as at 31.03.2024 (<i>Unaudited</i>)	24,079	69	(111)	23,004	47,041

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 2023 and the accompanying explanatory notes attached to the interim financial statements.

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FOURTH QUARTER ENDED 31 MARCH 2024		
	3 months ended 31/03/2024 RM'000	12 months ended 31/12/2023 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	(442)	2,680
Adjustments for		
- Depreciation and amortisation	258	960
- Dividend received	-	(1)
- Gain/ loss on forgiven lease payments	(8)	(1)
- Fair value gain on financial assets	(80)	(256)
- Impairment loss on trade receivables/other receivables	-	26
- Fixed asset written off	-	6
- Goodwill written off	-	8
- Bad debts written off	-	9
- Reversal of impairment loss on trade receivables	-	(184)
- Unrealised loss/(gain) on foreign exchange	(54)	(266)
- Interest income	(31)	(119)
- Interest expenses	21	58
Operating profit before working capital changes	(336)	2,920
Changes in working capital		
Inventories	2,321	1,466
Receivables	1,518	215
Payables	300	(876)
Net cash generated from/(used in) operations	3,803	3,725
Interest received	31	119
Interest expenses	(21)	(58)
Taxation refund	-	39
Taxation paid	(303)	(1,859)
Net cash flows from/(used in) operating activities	3,510	1,966
CASH FLOWS FROM INVESTING ACTIVITIES		
Net changes in other investments	(3,700)	(1,283)
Sales proceeds on disposal of property, plant and equipment	-	-
Dividend received	-	1
Dividend paid	-	(1,412)
Purchase of property, plant and equipment	(9)	(408)
Net cash flows (used in)/from investing activities	(3,709)	(3,102)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of Financial Liabilities	(120)	(345)
Net cash used in financing activities	(120)	(345)
Net Changes In Cash And Cash Equivalents	(319)	(1,481)
Cash And Cash Equivalents At The Beginning Of The Period	6,389	7,634
Effect of exchange translation differences on cash and cash equivalents	50	236
Cash And Cash Equivalents At The End Of The Period	6,120	6,389
Analysis of Cash And Cash Equivalents		
Cash and bank balances	6,120	6,389
Less: Bank borrowings	-	-
	6,120	6,389

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 2023 and the accompanying explanatory notes attached to the interim financial statements.

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2024

NOTES TO THE INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 31 2024

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 2024 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 2024 except for the adoption of the pronouncements that become effective from 1 January 2024.

MFRSs and amendments effective for annual period beginning on or after 1 January 2024:

Amendments to MFRS 107 and MFRS 7	Supplier Finance Arrangements
Amendments to MFRS 101	Non-current Liabilities with Covenants
Amendments to MFRS 101	Classification of liabilities as current or Non-Current
Amendments to MFRS 16	Lease Liability in a Sale and Leaseback

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

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2024

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

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:

		<u>Effective dates for financial periods beginning on or after</u>
Amendments to MFRS 121	Lack of Exchangeability	1 January 2025
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

The Group intends to adopt the new MFRSs and amendment to MFRSs, if applicable, when they become effective.

The initial application of the accounting standards or amendments is not expected to have any material financial impacts to the current period and prior period financial statements of the Group.

A3. Auditors' report

There was no qualification on the audited financial statements of the Group for the FYE 31 December 2023.

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

There was no dividend paid during the financial period ended 31 March 2024.

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2024

A9. Segmental information

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

	3 months ended		3 months ended	
	31/3/2024	31/3/2023	31/3/2024	31/3/2023
	RM'000	RM'000	RM'000	RM'000
Profit				
Reportable segment profit	(528)	(264)	(528)	(264)
<i>Included in the measure of segment profit are:</i>				
Revenue - Animal Health Products	8,523	6,478	8,523	6,478
- Foodservice Equipment	1,876	4,224	1,876	4,224
- Food Supplies	3,308	2,062	3,308	2,062
- Food Manufacturing	-	3	-	3
	13,707	12,768	13,707	12,767
Add: Inter-segment sales	153	1,318	153	1,318
Total revenue before eliminating inter company transaction	13,860	14,086	13,860	14,085
Depreciation of property, plant and equipment	(153)	(149)	(153)	(149)
Reconciliation of reportable segment profit and revenue				
Profit				
Reportable segment revenue	13,707	12,768	13,707	12,768
Unallocated expenses	(14,160)	(12,991)	(14,160)	(12,991)
Finance cost	(21)	(15)	(21)	(15)
Finance income	31	27	31	27
Taxation	(86)	(53)	(86)	(53)
Consolidated profit after tax	(528)	(264)	(528)	(264)
Revenue				
Reported segment	13,707	12,768	13,707	12,768
Non-reportable segment	-	-	-	-
Consolidated revenue	13,707	12,768	13,707	12,768

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 2024

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 2023, there were no other significant related party transactions for the current quarter under review.

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2024

B. ADDITIONAL INFORMATION REQUIRED UNDER THE LISTING REQUIREMENTS

B1. Review of performance

The comparison of the current year fourth quarter revenue against previous year first quarter revenue is set out below:

	3 months ended 31 March			13 months ended 31 March		
	31/3/2024	31/3/2024	Change	31/3/2024	31/3/2023	Change
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	13,707	12,768	7%	13,707	12,768	7%
Cost of sales	(11,183)	(9,555)	17%	(11,183)	(9,555)	17%
Gross profit	2,524	3,213	-21%	2,524	3,213	-21%
Loss before interest and tax	(416)	(196)	112%	(416)	(196)	112%
Loss before tax	(442)	(211)	109%	(442)	(211)	109%
Loss after tax	(528)	(264)	100%	(528)	(264)	100%

Quarter Ended 31 March 2024 compared to Quarter Ended 31 March 2023

The Group's revenue for the current quarter ended 31 March 2024 increased by 7% to RM13.707 million compared to RM12.768 million in the preceding corresponding quarter ended 31 March 2023. The decrease was mainly due to reasons as explained below.

During the current quarter ended 31 March 2024, Animal Health Product Division recorded revenue of RM8.523 million as compared to RM6.478 million in the preceding corresponding quarter ended 31 March 2023. The increase of approximately 31% was primarily due to increase in demand by customers.

During the current quarter ended 31 March 2024, Foodservice Equipment Division recorded revenue of RM1,876million as compared to RM4.224 million in the preceding year quarter ended 31 March 2023. The significant decrease of approximately 55% was mainly due to a decrease in demand by cinemas and chain restaurants as compared to the preceding year quarter.

The loss before tax for the current quarter ended 31 March 2024 increased by 112% compared to the preceding corresponding quarter ended 31 March 2023. The primary reasons due to decline in Gross Profit margin especially Foodservice Equipment Division.

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2024

B1 Review of performance (cont'd)

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

3 months ended		
	31/3/2024	31/12/2023
	RM'000	RM'000
		%
Revenue	13,707	15,115 -9%
Operating profit	(416)	2,061 -120%
Profit before interest and tax	(416)	2,061 -120%
Profit before tax	(442)	2,033 -122%
Profit after tax	(528)	1,595 -133%

For current quarter ended 31 March 2024, the Group recorded a loss before tax of approximately RM0.442 million as compared to profit before tax of RM2.033 million in the immediately preceding quarter ended 31 December 2023. The decreased in profit before taxation compared to the immediate preceding quarter is primarily due to reduce in revenue and lower profit margin during the current quarter.

B2. Prospects

For year 2024, Malaysia's economic momentum expected steadily improve with expected gross Domestic product ("GDP") to growth by 4% to 5%, which drive by expansion of domestic consumption with supported by resilient labour market and recovery in global trade.

The recovery of swine production after African Swine Flu progress slow as government implement very strict requirement for swine farmer to compiled. However demand for chicken meat and eggs would continue high as they are key source of protein for Malaysians and poultry farm will increase capacities which indirectly will benefits Animal Health segment performance.

Although the cinemas patrons and chain restaurant still did not recover to the pre-pandemic volume, furthermore wars in Europe and Middle East also affected domestic consumers spending pattern and indirectly affected our business.

For rest of 2024, we will continue looking to expand our business by exploring overseas market and re-focusing on what we performed best in the past, sourcing for better value supplies that could improve margin and minimise forex exposure.

The Board of Directors is committed to navigating market dynamics, emphasizing the strength of business innovations for sustainable profitability. In the current fragile economy, focus remains on financial discipline for stakeholder returns and responsiveness to market needs. Collectively, these efforts aim to ensure the Group's resilience and success amid challenging economic conditions.

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2024

B4. Profit forecast

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

B5. Taxation

	3 months ended		3 months ended	
	31/3/2024	31/3/2023	31/3/2024	31/3/2023
	RM'000	RM'000	RM'000	RM'000
Income tax:				
- current year	86	53	86	53
- under provision of tax in prior year	-	-	-	-
	86	53	86	53
Deferred tax				
- Relating to origination and reversal of temporary difference	-	-	-	-
- Over provision of tax in prior year	-	-	-	-
	86	53	86	53

The Group's effective tax rate for the current quarter ended 31 March 2024 was approximately 119% 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 2024.

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2024

B8. Trade Receivables

		Financial period ended 31/3/2024 RM'000	Immediate preceding financial year ended 31/12/2023 RM'000
Trade receivables			
Third party		12,978	13,504
Less: Impairment losses	- brought forward	(61)	(228)
	- reversal of impairment loss for bad debts recovered	0	184
	- written off	-	9
	- impaired during the period / year	-	(26)
		(61)	(61)
		12,917	13,443

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.

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2024

Ageing analysis of trade receivables is as follow:

	Financial period ended 31/3/2024 RM'000	Immediate preceding financial year ended 31/12/2023 RM'000
Neither past due nor impaired	7,710	6,686
Up to 90 days past due not impaired	3,309	5,686
More than 90 days past due not impaired	1,959	1,132
	5,268	6,818
Impaired		
- brought forward	(61)	(228)
- reversal of impairment loss for bad debts recovered	-	184
- written off	-	9
- impaired during the period / year	-	(26)
	(61)	(61)
	12,917	13,443

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 2024

As at 31.03.2024				
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	80	-	-	80
Other investment	11,408	-	-	11,408
	11,489	-	-	11,489

As at 31.12.2023				
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	75	-	-	75
Other investment	7,628	-	-	7,628
	7,703	-	-	7,703

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	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Group's loss after tax attributable to ordinary equity holders of the parent (RM)	(528)	(264)	(528)	(264)
Weighted average number of ordinary shares	141,160	141,160	141,160	141,160
Earnings per share (sen)	(0.37)	(0.19)	(0.37)	(0.19)

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2024

B13. Profit for the period

Profit for the current quarter ended 31 March 2024 was arrived at after crediting / (charging) the following:

	3 months ended 31 March		3 months ended 31 March	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Profit for the period is arrived at after charging/(crediting):				
Interest income	31	27	31	27
Fair value gain on financial assets	80	54	30	54
Depreciation and amortization	(258)	(239)	(258)	(239)

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 28 May 2024.

By order of the Board
SCC Holdings Berhad

Thong Pui Yee (MAICSA 7067416)
Company Secretary
Kuala Lumpur
Date: 28 May 2024