

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 31 MARCH 2020**

	3 months ended 31 March			3 months ended 31 March		
	2020	2019		2020	2019	
	RM'000	RM'000		RM'000	RM'000	
Unaudited	Unaudited	%	Unaudited	Unaudited	%	
Revenue	13,704	13,227	4%	13,704	13,227	4%
Cost of sales	(9,154)	(8,676)		(9,154)	(8,676)	
Gross profit	4,550	4,551	0%	4,550	4,551	0%
Other income	253	233		253	233	
Administrative and other operating expenses	(3,092)	(3,148)		(3,092)	(3,148)	
Selling and distribution expenses	(922)	(884)		(922)	(884)	
Net impairment loss on trade receivables	-	-		-	-	
Operating profit	789	752	5%	789	752	5%
Finance costs	(16)	-		(16)	-	
Profit before taxation	773	752	3%	773	752	3%
Taxation	(344)	(357)		(344)	(357)	
Profit for the period	429	395	9%	429	395	9%
Other comprehensive income	(16)	4		(16)	4	
Foreign currency translation difference	-	-		-	-	
Total comprehensive income for the period	413	399	3%	413	399	3%

Profit after taxation attributable to the equity holders of the Company	429	395	429	395
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Total comprehensive income attributable to the equity holders of the Company	413	399	413	399
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Weighted average no. of ordinary shares in issue ('000)	141,160	141,160	141,160	141,160
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Earnings per share (sen):				
- Basic	0.30	0.28	0.30	0.28
- Diluted	0.30	0.28	0.30	0.28

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 2019 and the accompanying explanatory notes attached to the interim financial statements.

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2020

	UNAUDITED As at 31/03/2020 RM'000	AUDITED As At 31/12/2019 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	5,229	5,341
Investment securities	72	72
Right of Use Assets	728	814
Goodwill on consolidation	8	8
	6,038	6,235
Current Assets		
Inventories	11,470	10,858
Trade receivables	11,499	13,212
Other receivables, deposits and prepayments	431	1,303
Tax recoverable	84	67
Other investment	15,252	14,725
Cash and bank balances	4,617	5,764
	43,353	45,929
TOTAL ASSETS	49,391	52,164
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	24,079	24,079
Reserves	19,370	18,957
Total equity	43,449	43,036
Non current liabilities		
Deferred tax liabilities	86	86
Long Term Lease	433	499
	519	585
Current liabilities		
Trade payables	2,788	3,632
Other payables, deposits and accruals	1,800	3,870
Short term lease	337	355
Hire purchase payables	-	-
Bank borrowing	-	-
Tax payables	497	686
	5,422	8,543
Total liabilities	5,942	9,128
TOTAL EQUITY AND LIABILITIES	49,391	52,164
Net assets per share attributable to ordinary equity owners of the Company (sen)	30.78	30.49

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 2019 and the accompanying explanatory notes attached to the interim financial statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED 31 MARCH 2020**

	Non-Distributable				Distributable	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Fair value Adjustment Reserve RM'000	Foreign Currency Translation Reserve RM'000	Retained Profits RM'000	
Balance as at 1.1.2019 as previously stated	24,079	-	70	-	18,286	42,435
Effect of adopting MFRS 16	-	-	-	-	(24)	(24)
At 1 January 2019, as restated	24,079	-	70	-	18,262	42,411
Dividends	-	-	-	-	(4,799)	(4,799)
Total comprehensive income for the financial year	-	-	(8)	3	5,429	5,424
At 31 December 2019 (<i>Audited</i>)	24,079	-	62	3	18,892	43,036
Balance as at 1.1.2020	24,079	-	62	3	18,892	43,036
Dividends	-	-	-	-	-	-
Total comprehensive income for the financial year	-	-	-	(16)	429	413
Balance as at 31.03.2020 (<i>Unaudited</i>)	24,079	-	62	(13)	19,321	43,449

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 2019 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 2020**

	3 months ended 31/03/2020 RM'000	12 months ended 31/12/2019 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	773	7,611
Adjustments for		
- Bad debts written off	-	-
- Depreciation	255	1,034
- Gain/loss on disposal of property, plant and equipment	-	(87)
- Impairment loss on trade receivables	-	278
- Fixed asset written off	-	2
- Reversal of impairment loss on trade receivables	-	(109)
- Reversal of inventory written down	-	-
- Dividend received	-	-
- Unrealised loss/(gain) on foreign exchange	-	(223)
- Fair value gain on financial assets	(115)	(481)
- Realised fair value gain on investment	-	-
- Interest income	(20)	(86)
- Finance cost	-	-
- Interest expenses	16	71
Operating profit before working capital changes	910	8,010
Changes in working capital		
Inventories	(571)	(2,910)
Receivables	2,290	3,532
Payables	(279)	(1,329)
Net cash generated from operations	2,351	7,303
Interest received	20	86
Interest expenses	-	(71)
Taxation refund	-	186
Taxation paid	(549)	(2,530)
Net cash flows from operating activities	1,821	4,974
CASH FLOWS FROM INVESTING ACTIVITIES		
Net (purchase) / withdrawal of other investments	(413)	(547)
Sales proceeds on disposal of property, plant and equipment	-	88
Investment in subsidiaries	-	-
Dividend received	0	-
Dividend paid	(2,400)	(4,799)
Purchase of property, plant and equipment	(52)	(501)
Net cash flows from investing activities	(2,864)	(5,759)
CASH FLOWS FROM FINANCING ACTIVITIES		
Contributed Share Capital	-	-
Repayment of Financial Liabilities	(105)	(319)
Repayment of hire purchase liabilities	-	-
Net cash used in financing activities	(105)	(319)
Net Changes In Cash And Cash Equivalents	(1,148)	(1,104)
Cash And Cash Equivalents At The Beginning Of The Period	5,762	6,642
Effect of exchange translation differences on cash and cash equivalents	3	226
Cash And Cash Equivalents At The End Of The Period	4,617	5,764
Analysis of Cash And Cash Equivalents		
Cash and bank balances	4,617	5,764
Less: Bank borrowings	-	-
	4,617	5,764

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 2019 and the accompanying explanatory notes attached to the interim financial statements.

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2020

NOTES TO THE INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2020
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 2019 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 2019 except for the adoption of the pronouncements that become effective from 1 January 2020.

MFRSs and amendments effective for annual period beginning on or after 1 January 2020:

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: Definition of Material
The Conceptual Framework for Financial Reporting (Revised 2018)

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 2021
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current	1 January 2022
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 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.

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2020

A3. Auditors' report

There was no qualification on the audited financial statements of the Group for the FYE 31 December 2019.

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 1.7 sen per ordinary share amounting to RM 2,399,722.35 in respect of the financial year ending 31 December 2019 was paid on 9 January 2020.
- (b) A single tier tax exempt interim dividend of 1.7 sen per ordinary share amounting to RM 2,399,722.35 in respect of the financial year ending 31 December 2018 was paid on 22 January 2019.

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2020

A9. Segmental information

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

	3 months ended		3 months ended	
	31/03/2020	31/03/2019	31/03/2020	31/03/2019
	RM'000	RM'000	RM'000	RM'000
Profit				
Reportable segment profit	429	395	429	395
<i>Included in the measure of segment profit are:</i>				
Revenue - Animal Health Products	8,279	6,792	8,279	6,792
- Foodservice Equipment	3,359	3,105	3,359	3,105
- Food Supplies	2,063	3,307	2,063	3,307
- Food Manufacturing	4	23	4	23
	13,704	13,227	13,704	13,227
Add: Inter-segment sales	1,720	1,767	1,720	1,767
Total revenue before eliminating inter company transaction	15,424	14,994	15,424	14,994
Depreciation of property, plant and equipment	(191)	(172)	(191)	(172)
Reconciliation of reportable segment profit and revenue				
Profit				
Reportable segment revenue	13,704	13,227	13,704	13,227
Unallocated expenses	(12,951)	(12,499)	(12,951)	(12,499)
Finance cost	-	-	-	-
Finance income	20	24	20	24
Taxation	(344)	(357)	(344)	(357)
Consolidated profit after tax	429	395	429	395
Revenue				
Reported segment	13,704	13,227	13,704	13,227
Non-reportable segment	-	-	-	-
Consolidated revenue	13,704	13,227	13,704	13,227

No segmental information is provided on a geographical basis as the Group's activities are carried out predominantly in Malaysia.

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 2020

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 2019, there were no other significant related party transactions for the current quarter under review.

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2020

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		
	31/03/2020	31/03/2019	Change	31/03/2020	31/03/2019	Change
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	13,704	13,227	4%	13,704	13,227	4%
Cost of sales	(9,154)	(8,676)	6%	(9,154)	(8,676)	6%
Gross profit	4,550	4,551	0%	4,550	4,551	0%
Profit before interest and tax	789	752	5%	789	752	5%
Profit before tax	773	752	3%	773	752	3%
Profit after tax	429	395	9%	429	395	9%

Quarter Ended 31 March 2020 compared to Quarter Ended 31 March 2019

The Group's revenue for the current quarter ended 31 March 2020 increased by 4% to RM13.704 million compared to RM13.227 million in the preceding corresponding quarter ended 31 March 2019. The increase was mainly due to reasons as explained below.

During the current quarter ended 31 March 2020, Animal Health Product Division recorded revenue of RM8.279 million as compared to RM6.792 million in the preceding corresponding quarter ended 31 March 2019. The increase of approximately 22% was due to increase in demand by customers.

During the current quarter ended 31 March 2020, Foodservice Equipment Division recorded revenue of RM5.422 million as compared to RM6.412 million in the preceding year quarter ended 31 March 2019. The decrease of approximately 15% was mainly due to lower demand for food supplies by cinemas and supermarkets during the current quarter.

During the current quarter ended 31 March 2020, Food Manufacturing Division recorded revenue of RM0.004 million as compared to RM0.023 million in the preceding year quarter ended 31 March 2019. The decrease of approximately 83% was mainly due to lower demand from customers during the quarter under review.

The profit before tax for the current quarter ended 31 March 2020 increased by 3% as compared to the preceding corresponding quarter ended 31 March 2019, mainly due to increase in revenue caused by higher demand from customers.

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2020

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

	3 months ended		
	31/03/2020	31/12/2019	Change
	RM'000	RM'000	%
Revenue	13,704	17,189	-20%
Operating profit	789	3,460	-77%
Profit before interest and tax	789	3,460	-77%
Profit before tax	773	3,389	-77%
Profit after tax	429	2,713	-84%

For current quarter ended 31 March 2020, the Group achieved a profit before tax of approximately RM0.773 million as compared to RM3.389 million in the immediate preceding quarter ended 31 December 2019. The decrease in profit before taxation approximately by 77% compared to the immediate preceding quarter was mainly due to decrease in revenue and provisions for staff expenses during the current quarter.

B3. Prospects

The Group's outlook is expected to be challenging as a result of the unprecedented economic crisis caused by the ongoing COVID-19 pandemic.

The negative impact and considerable uncertainties due to the pandemic together with the Movement Control Order (MCO) imposed by the Government have disrupted demand for goods and services in an unprecedented proportion.

However, the Group believes that its strong financial stability will enable it to weather these challenges and continue to deliver values to its customers and shareholders.

The Group will continue its effort to align its business strategies and speed up diversification in order to mitigate the effects of rapid changing business environment.

The Board of Directors would exercise extra caution in conducting their duties during these periods and are optimistic of the Group's long term prospect.

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 2020

B5. Taxation

	3 months ended		3 months ended	
	31/03/2020 RM'000	31/03/2019 RM'000	31/03/2020 RM'000	31/03/2019 RM'000
Income tax:				
- current year	344	357	344	357
- (Over) / under provision of tax in prior year	-	-	-	-
	344	357	344	357
Deferred tax				
- Relating to origination and reversal of temporary differences	-	-	-	-
- (Over) /under provision of tax in prior year	-	-	-	-
	344	357	344	357

The Group's effective tax rate for the current quarter ended 31 March 2019 was 44% which was higher than the statutory rate due to certain non tax-deductible expenses and losses incurred by some subsidiaries during the current year.

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 2020.

B8. Trade Receivables

	Financial period ended 31/03/2020 RM'000	Immediate preceding financial year ended 31/12/2019 RM'000
Trade receivables		
Third party	11,881	13,594
Less: Impairment losses		
- brought forward	(382)	(351)
- reversal of impairment loss for bad debts recovered	-	247
- written off	-	-
- impaired during the period / year	-	(278)
	(382)	(382)
	11,499	13,212

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2020

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 31/03/2020 RM'000	Immediate preceding financial year ended 31/12/2019 RM'000
Neither past due nor impaired	8,037	5,625
Up to 90 days past due not impaired	3,044	7,085
More than 90 days past due not impaired	801	884
	3,845	7,969
Impaired		
- brought forward	(382)	(351)
- reversal of impairment loss for bad debts recovered	-	247
- written off	-	-
- impaired during the period / year	-	(278)
	(382)	(382)
	11,499	13,212

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 2020

B9. Fair value information (Cont'd)

As at 31.03.2020				
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	72	-	-	72
Other investment	15,252	-	-	15,252
	15,324	-	-	15,324

As at 31.12.2019				
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	72	-	-	72
Other investment	14,725	-	-	14,725
	14,797	-	-	14,797

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	
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Group's profit after tax attributable to ordinary equity holders of the parent (RM)	429	395	429	395
Weighted average number of ordinary shares	141,160	141,160	141,160	141,160
Earnings per share (sen)	0.30	0.28	0.30	0.28

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2020

B13. Profit for the year

Profit for the current quarter ended 31 March 2020 was arrived at after crediting / (charging) the following:

	3 months ended 31 March		3 months ended 31 March	
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Profit for the period is arrived at after charging/(crediting):				
Interest income	20	24	20	24
Fair value gain on financial assets	115	115	115	115
Gain/(Loss) on disposal of quoted or unquoted investments or properties	-	-	-	-
Foreign exchange gain /(loss)	-	-	-	-
Gain / (loss) on derivatives	-	-	-	-
Finance costs	-	-	-	-
Depreciation and amortization	(255)	(172)	(255)	(172)
Provision for and write off of receivables	-	-	-	-
Provision for and write off of inventories	-	-	-	-
Impairment of assets	-	-	-	-
Exceptional items (with details)	-	-	-	-

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 2020.

By order of the Board
SCC Holdings Berhad

Wong Yuet Chyn (MAICSA 7047163)
Company Secretary
Kuala Lumpur
Date: 28 May 2020