The following is the text of a report, prepared for the purpose of incorporation in this document, received from the Company's independent joint reporting accountants, Mazars CPA Limited, Certified Public Accountants, Hong Kong and Mazars LLP, Public Accountants and Chartered Accountants of Singapore.

mazars 中审众环 mazars

INDEPENDENT JOINT REPORTING ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION OF SWANG CHAI CHUAN LIMITED

The Directors
Swang Chai Chuan Limited
Sunny Fortune Capital Limited

Introduction

We report on the historical financial information of Swang Chai Chuan Limited (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group") set out on pages I-4 to I-70, which comprises the combined statements of financial position of the Group at 31 December 2019, 2020 and 2021 and 30 April 2022, the statements of financial position of the Company at 31 December 2019, 2020 and 2021 and 30 April 2022, and the combined statements of profit or loss and other comprehensive income, the combined statements of changes in equity and the combined statements of cash flows of the Group for each of the years ended 31 December 2019, 2020 and 2021 and the four months ended 30 April 2021 and 2022 (the "Track Record Period") and a summary of significant accounting policies and other explanatory information (together the "Historical Financial Information"). The Historical Financial Information set out on pages I-4 to I-70 forms an integral part of this report, which has been prepared for inclusion in the document of the Company dated [**REDACTED**] (the "Document") issued in connection with the initial [**REDACTED**] of shares of the Company (the "Initial [**REDACTED**]") on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

Directors' responsibility for the Historical Financial Information

The directors of the Company are responsible for the preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation and presentation set out in Note 2 to the Historical Financial Information, and for such internal control as the directors of the Company determine is necessary to enable the preparation of the Historical Financial Information that is free from material misstatement, whether due to fraud or error.

Reporting accountants' responsibility

Our responsibility is to express an opinion on the Historical Financial Information and to report our opinion to you. We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 200 "Accountants' Reports on Historical Financial Information in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). This standard requires that we comply with ethical standards and plan and perform our work to obtain reasonable assurance about whether the Historical Financial Information is free from material misstatement.

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depended on our judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, we considered internal control relevant to the Group's preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation and presentation set out in Note 2 to the Historical Financial Information in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors of the Company, as well as evaluating the overall presentation of the Historical Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Historical Financial Information gives, for the purposes of the accountants' report, a true and fair view of the financial position of the Group at 31 December 2019, 2020 and 2021 and 30 April 2022, the financial position of the Company at 31 December 2019, 2020 and 2021 and 30 April 2022, and of the Group's financial performance and cash flows for the Track Record Period (i.e. each of the three years ended 31 December 2019, 2020 and 2021 and the four months ended 30 April 2021 and 2022) in accordance with the basis of preparation and presentation set out in Note 2 to the Historical Financial Information.

REPORT ON OTHER MATTERS UNDER THE RULES GOVERNING THE LISTING OF SECURITIES ON THE MAIN BOARD OF THE STOCK EXCHANGE AND THE COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE

Adjustments

In preparing the Historical Financial Information, no adjustments to the Underlying Financial Statements as defined on page I-4 have been made.

Dividends

We refer to Note 12 to the Historical Financial Information which contains information about the dividends declared by entities now comprising the Group in respect of the Track Record Period.

Preparation or audit of financial statements

At the date of this report, no statutory audited financial statements have been prepared for the Company since its date of incorporation.

Note 1 to the Historical Financial Information contains information about whether the financial statements of the members of the Group for the Track Record Period have been audited and, if applicable, the name of the auditors.

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HISTORICAL FINANCIAL INFORMATION OF THE GROUP

Preparation of the Historical Financial Information

Set out below is the Historical Financial Information which forms an integral part of this accountants' report.

The combined financial statements of the Group for the Track Record Period, on which the Historical Financial Information is based, were prepared by the directors of the Company in accordance with the accounting policies that conform with International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board (the "IASB") and were jointly audited by Mazars CPA Limited, *Certified Public Accountants, Hong Kong*, and Mazars LLP, *Public Accountants and Chartered Accountants of Singapore*, in accordance with Hong Kong Standards on Auditing issued by the HKICPA (the "Underlying Financial Statements").

The Historical Financial Information is presented in Malaysian Ringgit ("RM"), and all values are rounded to the nearest thousand (RM'000) except otherwise indicated.

COMBINED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Year ended 31 December			Four months ended 30 April	
		2019	**2020**	**2021**	**2021**	**2022**
	Note	*RM'000*	*RM'000*	*RM'000*	*RM'000*	*RM'000*
Revenue	*5*	497,435	564,632	668,738	217,055	266,652
Cost of sales		(431,248)	(484,899)	(574,230)	(184,218)	(227,899)
Gross profit		66,187	79,733	94,508	32,837	38,753
Other income	*6*	1,924	2,813	1,296	491	226
Selling and distribution expenses		(30,369)	(36,349)	(40,699)	(11,850)	(14,228)
Administrative and other operating expenses		(12,855)	(14,320)	(16,002)	(5,616)	(6,121)
Finance costs	*7*	(1,909)	(1,581)	(1,373)	(522)	(492)
[REDACTED]		[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Profit before tax	*7*	22,950	27,108	32,756	13,072	16,508
Income tax expenses	*10*	(5,292)	(8,311)	(9,168)	(3,870)	(4,582)
Profit for the year/period		17,658	18,797	23,588	9,202	11,926
Other comprehensive income (loss)						
Items that may be reclassified subsequently to profit or loss						
Exchange differences on combination/consolidation		–	26	25	57	(60)
Total comprehensive income for the year/period		17,658	18,823	23,613	9,259	11,866

COMBINED STATEMENTS OF FINANCIAL POSITION

		At 31 December			At 30 April
		2019	2020	2021	2022
	Note	*RM'000*	*RM'000*	*RM'000*	*RM'000*
Non-current assets					
Investment properties	*13(a)*	12,929	1,815	–	–
Property, plant and equipment	*14*	27,619	29,955	32,321	32,842
Right-of-use assets	*15*	6,801	8,350	9,462	8,947
Deposits paid for acquisition of property, plant and equipment	*31(a)*	–	–	–	1,050
Deferred tax assets	*23*	354	1,053	1,774	2,219
		47,703	41,173	43,557	45,058
Current assets					
Non-current assets held for distribution to owners	*13(b)*	–	10,017	–	–
Financial assets at FVPL	*16*	–	5,954	233	234
Inventories	*17*	43,942	45,031	56,292	63,634
Trade and other receivables	*18*	70,814	73,024	95,032	119,632
Pledged bank deposits	*19*	15,674	12,844	13,430	13,419
Bank balances and cash		11,883	13,012	4,480	8,339
Income tax recoverable		165	–	–	–
		142,478	159,882	169,467	205,258
Current liabilities					
Trade and other payables	*20*	35,112	51,037	55,777	66,804
Bank overdrafts	*21*	255	–	110	–
Interest-bearing borrowings	*21*	25,980	21,088	26,065	39,864
Lease liabilities	*22*	777	1,380	1,412	1,338
Income tax payable		–	376	1,651	3,656
Dividend payables		13,350	20,517	–	–
		75,474	94,398	85,015	111,662
Net current assets		67,004	65,484	84,452	93,596
Total assets less current liabilities		114,707	106,657	128,009	138,654
Non-current liabilities					
Interest-bearing borrowings	*21*	23,079	17,121	15,250	14,662
Lease liabilities	*22*	1,178	2,431	1,980	1,574
Deferred tax liabilities	*23*	456	531	592	365
		24,713	20,083	17,822	16,601
NET ASSETS		89,994	86,574	110,187	122,053
Capital and reserves					
Share capital	*24*	–*	–*	–*	–*
Reserves	*25*	89,994	86,574	110,187	122,053
TOTAL EQUITY		89,994	86,574	110,187	122,053

* Represent amount less than RM1,000.

STATEMENTS OF FINANCIAL POSITION OF THE COMPANY

		At 31 December			At 30 April
		2019	2020	2021	2022
	Note	*RM'000*	*RM'000*	*RM'000*	*RM'000*
Non-current asset					
Investment in a subsidiary	*24(b)*	–*	–*	–*	–*
Current assets					
Prepayments		–	35	472	414
Cash		–*	–*	–*	–*
		–*	35	472	414
Current liabilities					
Accrued expenses		–	568	768	1,536
Amount due to the immediate holding company	*24(c)*	–*	–*	–*	–*
Amounts due to subsidiaries	*24(d)*	–	2,483	7,883	8,718
		–*	3,051	8,651	10,254
Net current liabilities		–*	(3,016)	(8,179)	(9,840)
NET LIABILITIES		–*	(3,016)	(8,179)	(9,840)
Capital and reserves					
Share capital	*24(a)*	–*	–*	–*	–*
Reserves	*24(e)*	–	(3,016)	(8,179)	(9,840)
TOTAL DEFICITS		–*	(3,016)	(8,179)	(9,840)

* Represent amount less than RM1,000.

COMBINED STATEMENTS OF CHANGES IN EQUITY

	Share capital	Reserves				
		Capital reserve	Translation reserve	Accumulated profits	Total
	RM'000	*RM'000*	*RM'000*	*RM'000*	*RM'000*
	(Note 24(a))	*(Note 25(a))*	*(Note 25(b))*		
At 1 January 2019	–	–*	–	85,836	85,836
Profit and total comprehensive income for the year	–	–	–	17,658	17,658
Transactions with owners:					
Contributions and distributions					
Issue of shares	–*	–	–	–	–*
Dividends *(Note 12)*	–	–	–	(13,500)	(13,500)
Total transactions with owners	–*	–	–	(13,500)	(13,500)
At 31 December 2019	–*	–*	–	89,994	89,994

* Represent amount less than RM1,000.

		Reserves			
	Share capital *RM'000* *(Note 24(a))*	**Capital reserve** *RM'000* *(Note 25(a))*	**Translation reserve** *RM'000* *(Note 25(b))*	**Accumulated profits** *RM'000*	**Total** *RM'000*
At 1 January 2020	–*	–*	–	89,994	89,994
Profit for the year	–	–	–	18,797	18,797
Other comprehensive income					
Items that may be reclassified subsequently to profit or loss					
Exchange differences on combination/consolidation	–	–	26	–	26
Total comprehensive income for the year	–	–	26	18,797	18,823
Transactions with owners:					
Contributions and distributions					
Dividends *(Note 12)*	–	–	–	(20,517)	(20,517)
Disposal of NSB Marketing *(Note 28)*	–	–	–	(1,726)	(1,726)
Total transactions with owners	–	–	–	(22,243)	(22,243)
At 31 December 2020	–*	–*	26	86,548	86,574
At 1 January 2021	–*	–*	26	86,548	86,574
Profit for the year	–	–	–	23,588	23,588
Other comprehensive income					
Items that may be reclassified subsequently to profit or loss					
Exchange differences on consolidation	–	–	25	–	25
Total comprehensive income for the year	–	–	25	23,588	23,613
At 31 December 2021	–*	–*	51	110,136	110,187

* Represent amount less than RM1,000.

		Reserves			
	Share capital	**Capital reserve**	**Translation reserve**	**Accumulated profits**	**Total**
	RM'000	*RM'000*	*RM'000*	*RM'000*	*RM'000*
	(Note 24(a))	*(Note 25(a))*	*(Note 25(b))*		
At 1 January 2022	–*	–*	51	110,136	110,187
Profit for the period	–	–	–	11,926	11,926
Other comprehensive loss					
Items that may be reclassified subsequently to profit or loss					
Exchange differences on consolidation	–	–	(60)	–	(60)
Total comprehensive (loss) income for the period	–	–	(60)	11,926	11,866
At 30 April 2022	–*	–*	(9)	122,062	122,053
At 1 January 2021	–*	–*	26	86,548	86,574
Profit for the period	–	–	–	9,202	9,202
Other comprehensive income					
Items that may be reclassified subsequently to profit or loss					
Exchange differences on consolidation	–	–	57	–	57
Total comprehensive income for the period	–	–	57	9,202	9,259
At 30 April 2021	–*	–*	83	95,750	95,833

* Represent amount less than RM1,000.

COMBINED STATEMENTS OF CASH FLOWS

	Year ended 31 December			Four months ended 30 April	
	2019	**2020**	**2021**	**2021**	**2022**
	RM'000	*RM'000*	*RM'000*	*RM'000*	*RM'000*
OPERATING ACTIVITIES					
Profit before tax	22,950	27,108	32,756	13,072	16,508
Adjustments for:					
Depreciation	3,443	3,375	4,394	1,342	1,505
Finance costs	1,909	1,581	1,373	522	492
Exchange difference	–	27	25	57	(60)
Interest income	(454)	(472)	(264)	(117)	(100)
Dividend income	–	(154)	(31)	(28)	(1)
(Gain) Loss on disposal of property, plant and equipment, net	(75)	10	(80)	(36)	–
Loss on disposal of EC Maju Frozen	–	130	–	–	–
Gain on lease termination	(9)	(1)	–	–	–
Provision for loss allowance of trade receivables	5	5	718	129	867
Reversal of loss allowance of trade receivables	–	–	(256)	–	–
Provision for write-down of inventories, net	222	138	736	36	244
Bad debts written off	54	249	331	232	156
Operating cash inflows before movements in working capital	28,045	31,996	39,702	15,209	19,611
Changes in working capital:					
Inventories	(4,188)	(1,573)	(11,997)	(5,599)	(7,586)
Trade and other receivables	(8,934)	(3,951)	(22,801)	(18,725)	(25,623)
Trade and other payables	6,405	13,647	8,653	15,639	13,105
Cash generated from (used in) operations	21,328	40,119	13,557	6,524	(493)
Income tax paid	(6,316)	(8,471)	(8,552)	(2,600)	(3,249)
Net cash from (used in) operating activities	15,012	31,648	5,005	3,924	(3,742)
INVESTING ACTIVITIES					
(Increase) Decrease in pledged bank deposits	(2,220)	2,830	(586)	(297)	11
Interest received	454	472	264	117	100
Deposits paid for acquisition of property, plant and equipment	–	–	–	–	(1,050)
Dividend received	–	154	31	28	1
Payment for purchase of property, plant and equipment	(8,167)	(4,643)	(5,127)	(2,261)	(1,511)

	Year ended 31 December			Four months ended 30 April	
	2019	**2020**	**2021**	**2021**	**2022**
	RM'000	*RM'000*	*RM'000*	*RM'000*	*RM'000*
Payment for purchase of investment properties	(987)	–	–	–	–
Payment for purchase of right-of-use assets	(140)	(77)	–	–	–
Payment for purchase of financial assets at FVPL	–	(43,554)	(11,731)	(11,728)	(1)
Proceeds from disposal of property, plant and equipment	138	75	264	143	–
Proceeds from redemption of financial assets at FVPL	–	37,600	17,452	17,452	–
Net cash flow from disposal of subsidiaries	–	(357)	–	–	–
Net cash (used in) from investing activities	(10,922)	(7,500)	567	3,454	(2,450)
FINANCING ACTIVITIES					
Inception of interest-bearing borrowings	102,148	75,150	83,530	24,944	62,695
Repayment of interest-bearing borrowings	(93,530)	(85,160)	(80,424)	(19,860)	(49,484)
Interest paid	(1,909)	(1,581)	(1,373)	(522)	(492)
(Repayment to) Advance from the Ultimate Controlling Party	(4,062)	(1,639)	(2,227)	248	(2,078)
(Repayment to) Advance from related parties	(50)	1,684	(1,687)	(1,687)	–
Issue of shares	–*	–	–	–	–
Dividends paid	(150)	(10,500)	(10,500)	(10,500)	–
Repayment of lease liabilities	(984)	(718)	(1,533)	(457)	(480)
Net cash from (used in) financing activities	1,463	(22,764)	(14,214)	(7,834)	10,161
Net increase (decrease) in cash and cash equivalents	5,553	1,384	(8,642)	(456)	3,969
Cash and cash equivalents at the beginning of the reporting period	6,075	11,628	13,012	13,012	4,370
Cash and cash equivalents at the end of the reporting period	11,628	13,012	4,370	12,556	8,339
Analysis of the balances of cash and cash equivalents					
Bank balances and cash	11,883	13,012	4,480	12,556	8,339
Bank overdrafts	(255)	–	(110)	–	–
	11,628	13,012	4,370	12,556	8,339

* Represent amount less than RM1,000.

NOTES TO THE HISTORICAL FINANCIAL INFORMATION OF THE GROUP

1. GENERAL INFORMATION AND REORGANISATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 14 February 2019. The address of the Company's registered office is 71 Fort Street, PO Box 500, George Town, Grand Cayman KY1-1106, Cayman Islands. The Company's principal place of business is situated at Units 2201-2203, 22/F., Tai Tung Building, 8 Fleming Road, Wanchai, Hong Kong and the Group's headquarter is situated at Lot 147-A, Kawasan Perindustrian Semambu, 25350 Kuantan, Pahang, Malaysia.

The Company is an investment holding company and its subsidiaries are principally engaged in distribution and sales of food and beverages ("F&B") and provision of logistics, warehousing services and others in Malaysia.

At the date of this report, the immediate and ultimate holding company of the Company is Soon Holdings Limited ("Soon Holdings"), which is incorporated in the British Virgin Islands (the "BVI"). In the opinion of the directors of the Company, the ultimate controlling parties are Mr. Soon See Beng ("SB Soon"), Mr. Soon See Long ("SL Soon"), Mr. Soon Chiew Ang ("CA Soon") and Ms. Soon Lee Shiang ("LS Soon") (together the "Ultimate Controlling Party"), who have been acting in concert over the course of the Group's business history.

Pursuant to a group reorganisation (the "Reorganisation"), which was completed on 21 January 2021, as detailed in the paragraph headed "Reorganisation" of the section headed "History, Development and Reorganisation" of the Document issued in connection with the initial [**REDACTED**] of shares of the Company on the Main Board of the Stock Exchange, the Company became the holding company of the entities now comprising the Group.

At the date of this report, the particulars of the Company's subsidiaries, which are private limited liability companies, of which the Company has direct or indirect interests, are as follows:

Name of subsidiary	Place of incorporation/ establishment	Date of incorporation/ establishment	Issued/Paid up capital	Attributable equity interest held by the Company	Principal activities/ place of operation
Directly held					
SCC Holdings Limited ("SCC Holdings")	The BVI	27 December 2018	United States Dollars ("US$")1	100%	Investment holding/ The BVI
Indirectly held					
Swang Chai Chuan Holding Sdn. Bhd. ("SCC Holding Malaysia")	Malaysia	17 December 2018	RM100	100%	Investment holding/Malaysia
Swang Chai Chuan (HK) Limited ("SCC HK")	Hong Kong	29 January 2019	Hong Kong Dollars ("HK$")1	100%	Dormant/Hong Kong
Swang Chai Chuan Sdn. Bhd. ("SCCSB")	Malaysia	28 March 1995	RM1,500,000	100%	Distribution and sales of F&B products/Malaysia
Swang Chai Chuan Seafood Sdn. Bhd. ("SCC Seafood")	Malaysia	26 October 1998	RM1,500,000	100%	Distribution and sales of frozen seafood and meat products/Malaysia

Name of subsidiary	Place of incorporation/ establishment	Date of incorporation/ establishment	Issued/Paid up capital	Attributable equity interest held by the Company	Principal activities/ place of operation
SCC Marketing (Pahang) Sdn. Bhd. ("SCCM Pahang")	Malaysia	18 June 1996	RM500,000	100%	Distribution and sales of fast-moving consumer goods/Malaysia
SCC Marketing (East Coast) Sdn. Bhd. ("SCCM East Coast")	Malaysia	14 August 2000	RM50,000	100%	Marketing and distribution and sales of F&B products/Malaysia
SCC Marketing (M) Sdn. Bhd. ("SCCM")	Malaysia	10 November 2003	RM1,000,000	100%	Packaging, processing, marketing and distribution and sales of F&B products/Malaysia
Chop Chin Huat Sendirian Berhad ("Chop Chin Huat")	Malaysia	12 January 1989	RM500,000	100%	Distribution and sales of F&B products/Malaysia
SCC Logistics Sdn. Bhd. ("SCC Logistics")	Malaysia	14 January 2013	RM500,000	100%	Provision of cold room facilities and transportation services/Malaysia

At the date of this report, the following subsidiaries that were combined in the Historical Financial Information during the Track Record Period are disposed because the principal activities of these subsidiaries do not form the core business of the Group:

Name of subsidiary	Place of incorporation/ establishment	Date of incorporation/ establishment	Issued/Paid up capital	Attributable equity interest held by the Company	Principal activities/ place of operation
NSB Marketing Sdn. Bhd. ("NSB Marketing")	Malaysia	29 September 2015	RM300,000	Nil *(Disposed on 31 December 2020) (Note 28)*	Distribution and sales of milk powder brand/Malaysia
EC Maju Frozen Sdn. Bhd. ("EC Maju Frozen")	Malaysia	2 March 2012	RM50,000	Nil *(Disposed on 31 December 2020) (Note 28)*	Retail of fast-moving consumer goods/ Malaysia

The financial statements, as prepared in accordance with respective local financial reporting standards, of the Company's subsidiaries that fall into the Track Record Period have been audited as follows:

Subsidiary	Financial period	Auditors
SCC Holding Malaysia	Period ended 31 December 2019 Years ended 31 December 2020 and 2021	S. P. Kong & Chang, *Chartered Accountants, Malaysia*
SCC HK	Period ended 31 December 2019 Years ended 31 December 2020 and 2021	Mazars CPA Limited, *Certified Public Accountants, Hong Kong*
SCCSB	Years ended 31 December 2019, 2020 and 2021	Kim & Co., *Chartered Accountants, Malaysia*
SCC Seafood	Years ended 31 December 2019, 2020 and 2021	McMillan Woods Thomas, *Chartered Accountants, Malaysia*
SCCM Pahang	Years ended 31 December 2019, 2020 and 2021	S. P. Kong & Chang, *Chartered Accountants, Malaysia*
SCCM East Coast	Years ended 31 December 2019, 2020 and 2021	S. P. Kong & Chang, *Chartered Accountants, Malaysia*
SCCM	Years ended 31 December 2019, 2020 and 2021	S. P. Kong & Chang, *Chartered Accountants, Malaysia*
Chop Chin Huat	Period ended 31 December 2019 *(Note (ii))* Years ended 31 December 2020 and 2021	Chang Kong Foo & Co., *Chartered Accountants, Malaysia*
SCC Logistics	Years ended 31 December 2019, 2020 and 2021	S. P. Kong & Chang, *Chartered Accountants, Malaysia*
NSB Marketing	Period ended 31 December 2019 *(Note (ii))* Year ended 31 December 2020	S. P. Kong & Chang, *Chartered Accountants, Malaysia*
EC Maju Frozen	Years ended 31 December 2019 and 2020	S. P. Kong & Chang, *Chartered Accountants, Malaysia*

Notes:

(i) No statutory audited financial statements have been prepared by SCC Holdings for the period from its date of incorporation to the date of this report as it is not required to issue audited financial statements under the statutory requirements at its place of incorporation.

(ii) The financial year end dates of these entities are changed to 31 December in order to be co-terminus with that of the Group. For the preparation of the Historical Financial Information, the financial statements of the subsidiaries are prepared for the same reporting period as that of the Company using consistent accounting policies, thus there is no material financial impact on the combined financial information of the Group as a result of the change of the financial year end date.

2. BASIS OF PREPARATION AND PRESENTATION OF THE HISTORICAL FINANCIAL INFORMATION

Immediately prior to and after the Reorganisation, the Company and its subsidiaries now comprising the Group are ultimately controlled by the Ultimate Controlling Party. The Group's business is mainly conducted through SCCSB, SCC Seafood, SCCM Pahang, SCCM East Coast, SCCM, Chop Chin Huat and SCC Logistics while the Company and other entities within the Group have not been involved in any other significant activities prior to the Reorganisation. As the Reorganisation did not result in any change in the ultimate control of and the resources employed by the Group's business, the Group is regarded as a continuity entity and, therefore, the Reorganisation is considered to be a restructuring of entities and business under common control.

Accordingly, for the purpose of this report, the Historical Financial Information has been prepared on a combined basis under merger accounting principles, as further explained in the paragraph headed "Merger accounting for business combination involving entities under common control" in Note 3, which presents the combined financial position, combined financial performance, combined changes in equity and combined cash flows of the entities now comprising the Group as if the current group structure had always been in existence throughout the Track Record Period or since their respective date of establishment or incorporation, where applicable.

The Historical Financial Information has been prepared based on the accounting policies set out in Note 3 which conforms with IFRSs issued by the IASB.

Statement of compliance

The Historical Financial Information has been prepared in accordance with IFRSs issued by the IASB, which collective term includes all applicable individual IFRSs, International Accounting Standards ("IASs") and Interpretations issued by the IASB. The Historical Financial Information also complies with the disclosure requirements of the Hong Kong Companies Ordinance and the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange.

The IASB has issued a number of new/revised IFRSs during the Track Record Period. For the purpose of the preparation of the Historical Financial Information, the Group has consistently adopted all those new/revised IFRSs that are relevant to its operations and are effective throughout the Track Record Period. Except for the adoption of IFRS 16, the adoption of those new/revised IFRSs does not have any significant impact on the Historical Financial Information.

Adoption of IFRS 16: Lease

The Group has consistently adopted IFRS 16, which replaced IAS 17 and effective from the accounting periods beginning on or after 1 January 2019, and the related consequential amendments to other IFRSs throughout the Track Record Period.

Before the adoption of IFRS 16, commitments under operating leases for future periods were not recognised by the Group as liabilities. Operating lease rental expenses were recognised in profit or loss over the lease period on a straight-line basis.

On adoption of IFRS 16, the Group recognised the lease liabilities in relation to leases which had previously been classified as operating leases except for those are otherwise exempted. The Group did not reassess if a contract was or contained a lease at adoption. These liabilities were initially measured at the present value of the remaining lease payments, discounted using the incremental borrowing rate of respective entities. The difference between the present value and the total remaining lease payments represents the cost of financing. Such finance cost will be charged to profit or loss in the period in which it is incurred on the basis that produces a constant periodic rate of interest on the remaining lease liability balance.

At the inception of a contract that contains a lease component, as a lessee, the Group allocated the consideration in the contract to each lease component on the basis of their relative stand-alone-price. The Group, as a lessee, assessed its leases for non-lease components and separated non-lease components from lease components for certain classes of assets if the non-lease components were material.

The associated right-of-use assets were measured at the amount equal to the initial measurement of lease liabilities, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the combined statements of financial position immediately before the date of initial application. The right-of-use assets were recognised in the combined statements of financial position.

Depreciation was charged to profit or loss on a straight-line basis over the shorter of the assets' useful lives or over the unexpired term of lease.

A summary of significant accounting policies adopted by the Group in preparing the Historical Financial Information is set out below.

Basis of measurement

The measurement basis used in the preparation of the Historical Financial Information is the historical cost basis, except for the unlisted investments of money market funds included in the financial assets at fair value through profit or loss ("FVPL") which are measured at fair value and non-current assets held for distribution to owners which is measured at the lower of its previous carrying amount and fair value less costs to distribute, as explained in the accounting policy set out below.

Basis of combinations

The Historical Financial Information comprises the financial statements of the Company and all of its subsidiaries for the Track Record Period. The financial statements of the subsidiaries are prepared for the same reporting period as that of the Company using consistent accounting policies.

All intra-group balances, transactions, income and expenses and profits and losses resulting from intra-group transactions are eliminated in full. The results of subsidiaries are combined from the date on which the Group obtains control and continue to be combined until the date that such control ceases.

3. SIGNIFICANT ACCOUNTING POLICIES

Changes in ownership interest

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest determined at the date when control is lost and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests at the date when control is lost. The amounts previously recognised in other comprehensive income in relation to the disposed subsidiary are accounted for on the same basis as would be required if the holding company had directly disposed of the related assets or liabilities. Any investment retained in the former subsidiary and any amounts owed by or to the former subsidiary are accounted for as a financial asset, associate, joint venture or others as appropriate from the date when control is lost.

Merger accounting for business combination involving entities under common control

The Historical Financial Information incorporates the financial statements of the combining entities or businesses in which the common control combination occurs as if they had been combined from the date when the combining entities or businesses first came under the control of the Ultimate Controlling Party.

The net assets of the combining entities or businesses are combined using the existing carrying values from the Ultimate Controlling Party's perspective. No amount is recognised as consideration for goodwill or excess of acquirer's interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over cost at the time of common control combination, to the extent of the continuation of the Ultimate Controlling Party's interest. All differences between the cost of acquisition (fair value of consideration paid) and the amounts at which the assets and liabilities, arising from the Reorganisation, are recognised directly in equity as part of the capital reserve. The combined statements of profit or loss and other comprehensive income include the results of each of the combining entities or businesses from the earliest date presented or since the date when the combining entities or businesses first came under the common control, where this is a shorter period, regardless of the date of the common control combination.

Transaction costs, including professional fees, registration fees, costs of furnishing information to shareholders, costs or losses incurred in combining operations of the previously separate businesses, etc., incurred in relation to the common control combination that is to be accounted for by using merger accounting, are recognised as an expense in the period in which they are incurred.

Subsidiaries

A subsidiary is an entity that is controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control.

In the Company's statements of financial position, investment in a subsidiary is stated at cost less impairment loss (if any). The carrying amount of the investment is reduced to its recoverable amount on an individual basis, if it is higher than the recoverable amount. The result of the subsidiary is accounted for by the Company on the basis of dividends received and receivable.

Property, plant and equipment

Property, plant and equipment, other than freehold land, are stated at cost less accumulated depreciation and impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Repairs and maintenance are charged to the profit or loss during the period in which they are incurred.

Depreciation is provided to write off the cost less accumulated impairment losses of property, plant and equipment over their estimated useful lives at the annual rate/useful lives as set out below from the date on which they are available for use and after taking into account their estimated residual values, using the straight-line method. Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis and depreciated separately:

Buildings	Shorter of 50 years or over the unexpired term of lease
Leasehold improvements	Shorter of 5 years or over the unexpired term of lease
Plant and machinery	10% to 20%
Furniture, fixtures and office equipment	10% to 20%
Motor vehicles	10% to 20%

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in profit or loss in the period in which the item is derecognised.

Investment properties

Investment properties are land and/or building that are held by owner or lessee, to earn rental income and/or for capital appreciation. These include properties held for a currently undetermined future use. The Group's investment properties included freehold land and leasehold land and buildings.

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties, other than freehold land, are stated at cost less accumulated depreciation and impairment losses.

Depreciation on leasehold land and buildings, other than freehold land, is calculated using the straight-line method to write off the cost less accumulated impairment losses of investment properties over their estimated useful lives as set out below:

Leasehold land and buildings	Shorter of 50 years or over the unexpired term of lease

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the item is derecognised.

The Group shall transfer a property to, or from, investment property when, and only when, there is a change in use. A change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. In isolation, a change in management's intentions for the use of a property does not provide evidence of a change in use. The change in use of properties include:

(a) commencement of owner-occupation, or of development with a view to owner-occupation, for a transfer from investment property to owner-occupied property;

(b) commencement of development with a view to sale, for a transfer from investment property to inventories;

(c) end of owner-occupation, for a transfer from owner-occupied property to investment property; and

(d) inception of an operating lease to another party, for a transfer from inventories to investment property.

When an entity uses the cost model, transfers between investment properties and owner-occupied properties do not change the carrying amounts of the properties transferred and they do not change the costs of properties for measurement or disclosure purposes.

No gain or loss will be recognised for the transfer from property, plant and equipment to investment property, or vice versa.

Non-current assets held for distribution to owners

Non-current asset is classified as held for distribution to owners when the entity is committed to distribute the asset to owners. For this to be the case, the assets must be available for immediate distribution in their present condition and the distribution must be highly probable. For the distribution to be highly probable, actions to complete the distribution must have been initiated and should be expected to be completed within one year from the date of classification. Actions required to complete the distribution should indicate that it is unlikely that significant changes to the distribution will be made or that the distribution will be withdrawn. The probability of shareholders' approval (if required in the jurisdiction) should be considered as part of the assessment of whether the distribution is highly probable. Non-current asset classified as held for distribution to owners is measured at the lower of its previous carrying amount and fair value less costs to distribute.

Financial instruments

Financial assets

Recognition and derecognition

Financial assets are recognised when and only when the Group becomes a party to the contractual provisions of the instruments and on a trade date basis.

A financial asset is derecognised when and only when (i) the Group's contractual rights to future cash flows from the financial asset expire or (ii) the Group transfers the financial asset and either (a) it transfers substantially all the risks and rewards of ownership of the financial asset, or (b) it neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset but it does not retain control of the financial asset.

If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises the financial asset to the extent of its continuing involvement and an associated liability for amounts it may have to pay.

Financial assets (except for trade receivables without a significant financing component which are initially measured at their transaction price) are initially recognised at their fair value plus, in the case of financial assets not carried at FVPL, transaction costs that are directly attributable to the acquisition of the financial assets. Such trade receivables are initially measured at their transaction price.

On initial recognition, a financial asset is classified as (i) measured at amortised cost; (ii) debt investment measured at fair value through other comprehensive income ("FVOCI"); (iii) equity investment measured at FVOCI; or (iv) measured at FVPL.

The classification of financial assets at initial recognition depends on the Group's business model for managing the financial assets and the financial asset's contractual cash flow characteristics. Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing them, in which case all affected financial assets are reclassified on the first day of the first interim reporting period following the change in the business model.

(1) *Financial assets measured at amortised cost*

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as FVPL:

(i) it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

(ii) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses arising from impairment, derecognition or through the amortisation process are recognised in profit or loss.

The Group's financial assets at amortised cost include trade and other receivables, pledged bank deposits and bank balances and cash.

(2) *Financial assets at FVPL*

These investments include financial assets that are not measured at amortised cost or FVOCI, including financial assets held for trading, financial assets designated upon initial recognition as at FVPL, financial assets resulting from a contingent consideration arrangement in a business combination to which IFRS 3 applies and financial assets that are otherwise required to be measured at FVPL. They are carried at fair value, with any resultant gain and loss recognised in profit or loss, which does not include any dividend or interest earned on the financial assets. Dividend or interest income is presented separately from fair value gain or loss.

A financial asset is classified as held for trading if it is:

(i) acquired principally for the purpose of selling it in the near term;

(ii) part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking on initial recognition; or

(iii) a derivative that is not a financial guarantee contract or not a designated and effective hedging instrument.

Financial assets are designated at initial recognition as FVPL only if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains or losses on them on different bases.

The Group's financial assets designated as FVPL include unlisted investments of money market funds recognised as financial assets at FVPL.

Financial liabilities

Recognition and derecognition

Financial liabilities are recognised when and only when the Group becomes a party to the contractual provisions of the instruments.

A financial liability is derecognised when and only when the liability is extinguished, that is, when the obligation specified in the relevant contract is discharged, cancelled or expires.

Classification and measurement

Financial liabilities are initially recognised at their fair value plus, in the case of financial liabilities not carried at FVPL, transaction costs that are direct attributable to the issue of the financial liabilities.

The Group's financial liabilities include trade and other payables, bank overdrafts, interest-bearing borrowings, lease liabilities and dividend payables. All financial liabilities, except for financial liabilities at FVPL, are recognised initially at their fair value and subsequently measured at amortised cost, using the effective interest method, unless the effect of discounting would be insignificant, in which case they are stated at cost.

Impairment of financial assets

The Group recognises loss allowances for expected credit losses ("ECL") on financial assets that are measured at amortised cost. Except for the specific treatments as detailed below, at each reporting date, the Group measures a loss allowance for a financial asset at an amount equal to the lifetime ECL if the credit risk on that financial asset has increased significantly since initial recognition. If the credit risk on a financial asset has not increased significantly since initial recognition, the Group measures the loss allowance for that financial asset at an amount equal to 12-month ECL.

Measurement of ECL

ECL is a probability-weighted estimate of credit losses (i.e. the present value of all cash shortfalls) over the expected life of the financial instrument.

For financial assets, a credit loss is the present value of the difference between the contractual cash flows that are due to an entity under the contract and the cash flows that the entity expects to receive.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of a financial instrument while 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Where ECL is measured on a collective basis, the financial instruments are grouped based on the following one or more shared credit risk characteristics:

(i) past due information;

(ii) nature of financial instruments;

(iii) nature of collateral (if any);

(iv) industry of debtors;

(v) geographical location of debtors; and

(vi) external credit risk ratings.

Loss allowance is remeasured at each reporting date to reflect changes in the financial instrument's credit risk and loss since initial recognition. The resulting changes in the loss allowance are recognised as an impairment gain or loss in profit or loss with a corresponding adjustment to the carrying amount of the financial instrument.

Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that the Group may not receive the outstanding contractual amounts in full if the financial asset that meets any of the following criteria:

(i) information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group); or

(ii) there is a breach of financial covenants by the counterparty.

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Assessment of significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. In particular, the following information is taken into account in the assessment:

- the debtor's failure to make payments of principal or interest on the due dates;

- an actual or expected significant deterioration in the financial instrument's external or internal credit rating (if available);

- an actual or expected significant deterioration in the operating results of the debtor; and

- actual or expected changes in the technological, market, economic or legal environment that have or may have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial instrument has increased significantly since initial recognition when contractual payments are more than 30 days past due.

Notwithstanding the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date.

Low credit risk

A financial instrument is determined to have low credit risk if:

(i) it has a low risk of default;

(ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and

(iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group's pledged bank deposits and bank balances and cash are determined to have low credit risk.

Simplified approach of ECL

For trade receivables without a significant financing components or otherwise for which the Group applies the practical expedient not to account for the significant financing components, the Group applies a simplified approach in calculating ECL. The Group recognises a loss allowance based on lifetime ECL at each reporting date and has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Credit-impaired financial asset

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

(a) significant financial difficulty of the issuer or the borrower;

(b) a breach of contract, such as a default or past due event;

(c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;

(d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation;

(e) the disappearance of an active market for that financial asset because of financial difficulties; or

(f) the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

Write-off

The Group writes off a financial asset when the Group has no reasonable expectations of recovering the contractual cash flows on a financial asset in its entirety or a portion thereof. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities under the Group's procedures for recovery of amounts due, taking into account legal advice if appropriate. Any subsequent recovery is recognised in profit or loss.

Cash equivalents

For the purpose of the combined statements of cash flows, cash equivalents represent short-term highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, net of bank overdrafts (if any).

Revenue recognition

Rental income under operating leases is recognised when the assets are let out and on the straight-line basis over the lease term.

Dividend income from unlisted investments of money market funds is recognised when the Group's rights to receive dividend is established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

Interest income from financial assets is recognised using the effective interest method. For financial assets measured at amortised cost that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the assets while it is applied to the amortised cost (i.e. the gross carrying amount net of loss allowance) in case of credit-impaired financial assets.

Revenue from contracts with customers within IFRS 15

Nature of goods or services

The nature of the goods or services provided by the Group is distribution and sales of F&B and provision of logistics, warehousing services and others in Malaysia.

Identification of performance obligations

At contract inception, the Group assesses the goods or services promised in a contract with a customer and identifies as a performance obligation each promise to transfer to the customer either:

(a) a good or service (or a bundle of goods or services) that is distinct; or

(b) a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.

A good or service that is promised to a customer is distinct if both of the following criteria are met:

(a) the customer can benefit from the good or service either on its own or together with other resources that are readily available to the customer (i.e. the good or service is capable of being distinct); and

(b) the Group's promise to transfer the good or service to the customer is separately identifiable from other promises in the contract (i.e. the promise to transfer the good or service is distinct within the context of the contract).

Timing of revenue recognition

Revenue is recognised when (or as) the Group satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

The Group transfers control of a good or service over time and, therefore, satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

(a) the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;

(b) the Group's performance creates or enhances an asset (for example, work in progress) that the customer controls as the asset is created or enhanced; or

(c) the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If a performance obligation is not satisfied over time, the Group satisfies the performance obligation at a point in time when the customer obtains control of the promised asset. In determining when the transfer of control occurs, the Group considers the concept of control and such indicators as legal title, physical possession, right to payment, significant risks and rewards of ownership of the asset, and customer acceptance.

Revenue from distribution and sales of F&B is recognised at a point in time at which the customer obtains the control of the promised asset, which generally coincides with the time when the goods are delivered to customers and the title is passed.

Revenue from logistics, warehousing services and others is recognised over time (except for sales of miscellaneous goods is recognised at a point in time) upon the performance obligation is satisfied.

For revenue recognised over time under IFRS 15, provided the outcome of the performance obligation can be reasonably measured, the Group applies the output method (i.e. based on the direct measurements of the value to the customer of the goods or services transferred to date relative to the remaining goods or services promised under the contract) to measure the progress towards complete satisfaction of the performance obligation because the method provides a faithful depiction of the Group's performance and reliable information is available to the Group to apply the method. Otherwise, revenue is recognised only to the extent of the costs incurred until such time that it can reasonably measure the outcome of the performance obligation.

Transaction price: significant financing components

When the contract contains a significant financing component (i.e. the customer or the Group is provided with a significant benefit of financing the transfer of goods or services to the customer), in determining the transaction price, the Group adjusts the promised consideration for the effects of the time value of money. The effect of the significant financing component is recognised as an interest income or interest expense separately from revenue from contracts with customers in profit or loss.

The Group determines the interest rate that is commensurate with the rate that would be reflected in a separate financing transaction between the Group and its customer at contract inception by reference to, where appropriate, the interest rate implicit in the contract (i.e. the interest rate that discounts the cash selling price of the goods or services to the amount paid in advance or arrears), the prevailing market interest rates, the Group's borrowing rates and other relevant creditworthiness information of the customer of the Group.

The Group has applied the practical expedient in paragraph 63 of IFRS 15 and does not adjust the consideration for the effect of the significant financing component if the period of financing is one year or less.

Variable consideration

If the consideration promised in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the promised goods or services to a customer. The variable consideration is estimated by using either the expected-value or the most-likely-amount method whichever is better to predict the entitled amount. The estimated variable consideration is then included in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised of the contract will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

The Group gives trade discounts, rebates and/or other price incentives (collectively referred to as "Marketing Incentive") to selected customers. The Group estimates the Marketing Incentive using the most-likely-amount method and assesses whether the estimated variable consideration is constrained with reference to the customer's historical Marketing Incentive entitlement and accumulated purchases to date. Any significant estimation variances will be analysed and taken into consideration in the current estimation and assessment. Typically, the estimated consideration is not constrained.

Principal versus agent

When another party is involved in providing goods or services to a customer, the Group determines whether the nature of its promise is a performance obligation to provide the specified goods or services itself (i.e. the Group is a principal) or to arrange for those goods or services to be provided by the other party (i.e. the Group is an agent).

The Group is a principal if it controls the specified good or service before that good or service is transferred to a customer.

The Group is an agent if its performance obligation is to arrange for the provision of the specified good or service by another party. In this case, the Group does not control the specified good or service provided by another party before that good or service is transferred to the customer. When the Group acts as an agent, it recognises revenue in the amount of any fee or commission to which it expects to be entitled in exchange for specified goods or services to be provided by the other party.

The Group is acting as a principal for the revenue from third-party brand distribution as the Group controls the third-party brand products before the good transferred to its customers and its performance obligation is to transfer those goods to its customers.

Contract assets and contract liabilities

If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, the contract is presented as a contract asset, excluding any amounts presented as a receivable. Conversely, if a customer pays consideration, or the Group has a right to an amount of consideration that is unconditional, before the Group transfers a good or service to the customer, the contract is presented as a contract liability when the payment is made or the payment is due (whichever is earlier). A receivable is the Group's right to consideration that is unconditional or only the passage of time is required before payment of that consideration is due.

For a single contract or a single set of related contracts, either a net contract asset or a net contract liability is presented. Contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

The Group receives payments from the customer which are largely in line with the timing of revenue recognition and no significant contract assets are recognised. Contract liabilities in relation to Marketing Incentive are recognised under "Other payables". The Group may offer the Marketing Incentive to its customers after they make purchase with and paid to the Group and customers will utilise the Marketing Incentive granted for their future purchases. The unused marketing incentives at the end of the reporting periods represent the Group's obligations to be performed and are recognised as contract liabilities.

Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The Company's functional currency is HK$ and majority of its subsidiaries have RM as their functional currency. The Historical Financial Information is presented in RM and rounded to the nearest thousands unless otherwise indicated, which is the Group's presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

The results and financial position of all the group entities that have a functional currency different from the presentation currency ("foreign operations") are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the end of the reporting period;
- income and expenses for each statement of profit or loss and other comprehensive income are translated at average exchange rate;
- all resulting exchange differences arising from the above translation and exchange differences arising from a monetary item that forms part of the Group's net investment in a foreign operation are recognised as a separate component of equity;
- on the disposal of a foreign operation, which includes a disposal of the Group's entire interest in a foreign operation and a disposal involving the loss of control over a subsidiary that includes a foreign operation, the cumulative amount of the exchange differences relating to the foreign operation that is recognised in other comprehensive income and accumulated in the separate component of equity is reclassified from equity to profit or loss when the gain or loss on disposal is recognised; and
- on the partial disposal of the Group's interest in a subsidiary that includes a foreign operation which does not result in the Group losing control over the subsidiary, the proportionate share of the cumulative amount of the exchange differences recognised in the separate component of equity is re-attributed to the non-controlling interests in that foreign operation and are not reclassified to profit or loss.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost, which comprises all costs of purchase and, where applicable, other costs that have been incurred in bringing the inventories to their present location and condition, is calculated using the first in, first out method. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period of the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

Impairment of other assets

At the end of each reporting period, the Group reviews internal and external sources of information to assess whether there is any indication that the Group's investment properties, property, plant and equipment, right-of-use assets and the Company's investment in a subsidiary may be impaired or impairment loss previously recognised no longer exists or may be reduced. If any such indication exists, the recoverable amount of the asset is estimated, based on the higher of its fair value less costs of disposal and value in use. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the smallest group of assets that generates cash flows independently (i.e. cash-generating unit).

If the recoverable amount of an asset or a cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. Impairment losses are recognised as an expense in profit or loss immediately.

A reversal of impairment loss is limited to the carrying amount of the asset or cash-generating unit that would have been determined had no impairment loss been recognised in prior periods. Reversal of impairment loss is recognised as income in profit or loss immediately.

Borrowing costs

Borrowing costs incurred, net of any investment income on the temporary investment of the specific borrowings, that are directly attributable to the acquisition, construction or production of qualifying assets, i.e. assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. Capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income over the periods necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Where the grant relates to an asset, the fair value is recognised as a deduction from the carrying amount of the relevant asset and is released to profit or loss over the expected useful life of the relevant asset by equal annual instalments.

Leases

The Group assesses whether a contract is, or contains, a lease at inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as lessee

The Group applies the recognition exemption to short-term leases and low-value asset leases. Lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

The Group has elected not to separate non-lease components from lease components, and accounts for each lease component and any associated non-lease components as a single lease component.

The Group accounts for each lease component within a lease contract as a lease separately. The Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and, where applicable, the aggregate stand-alone price of the non-lease components.

Amounts payable by the Group that do not give rise to a separate component are considered to be part of the total consideration that is allocated to the separately identified components of the contract.

The Group recognises a right-of-use asset and a lease liability at the commencement date of the lease.

The right-of-use asset is initially measured at cost, which comprises:

(a) the amount of the initial measurement of the lease liability;

(b) any lease payments made at or before the commencement date, less any lease incentives received;

(c) any initial direct costs incurred by the Group; and

(d) an estimate of costs to be incurred by the Group in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

Subsequently, the right-of-use asset is measured at cost less any accumulated depreciation and any accumulated impairment losses and adjusted for any remeasurement of the lease liability. Depreciation is provided on a straight-line basis over the shorter of the lease term and the estimated useful lives at the annual rates/useful lives of the right-of-use asset (unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or if the cost of the right-of-use asset reflects that the Group will exercise a purchase option – in which case depreciation is provided over the estimated useful life of the underlying asset) as follows:

Motor vehicles	10% to 20%
Leasehold land	Over the unexpired term of lease
Leased properties	50 years

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date of the contract.

The lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

(a) fixed payments (including in-substance fixed payments), less any lease incentives receivable;

(b) variable lease payments that depend on an index or a rate;

(c) amounts expected to be payable under residual value guarantees;

(d) exercise price of a purchase option if the Group is reasonably certain to exercise that option; and

(e) payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate the lease.

The lease payments are discounted using the interest rate implicit in the lease, or where it is not readily determinable, the incremental borrowing rate of the lessee.

Subsequently, the lease liability is measured by increasing the carrying amount to reflect interest on the lease liability and by reducing the carrying amount to reflect the lease payments made.

The lease liability is remeasured using a revised discount rate when there are changes to the lease payments arising from a change in the lease term or the reassessment of whether the Group will be reasonably certain to exercise a purchase option.

The lease liability is remeasured by using the original discount rate when there is a change in the residual value guarantee, the in-substance fixed lease payments or the future lease payments resulting from a change in an index or a rate (other than floating interest rate). In case of a change in future lease payments resulting from a change in floating interest rates, the Group remeasures the lease liability using a revised discount rate.

The Group recognises the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset. If the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the remeasurement in profit or loss.

A lease modification is accounted for as a separate lease if:

(a) the modification increases the scope of the lease by adding the right to use one or more underlying assets; and

(b) the consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

When a lease modification is not accounted for as a separate lease, at the effective date of the lease modification,

(a) the Group allocates the consideration in the modified contract on the basis of relative stand-alone price as described above;

(b) the Group determines the lease term of the modified contract;

(c) the Group remeasures the lease liability by discounting the revised lease payments using a revised discount rate over the revised lease term;

(d) for lease modifications that decrease the scope of the lease, the Group accounts for the remeasurement of the lease liability by decreasing the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease and recognising any gain or loss relating to the partial or full termination of the lease in profit or loss; and/or

(e) for all other lease modifications, the Group accounts for the remeasurement of the lease liability by making a corresponding adjustment to the right-of-use asset.

The Group has applied the practical expedient provided in Amendments to IFRS 16: COVID-19-Related Rent Concessions beyond 30 June 2021 and does not assess whether eligible rent concessions occurring as a direct consequence of the COVID-19 pandemic are lease modification. The Group accounts for any change in lease payments resulting from the rent concession the same way it would account for the change applying IFRS 16 if the change were not a lease modification.

The practical expedient applies only to rent concessions occurring as a direct consequence of the COVID-19 pandemic and only if all of the following conditions are met:

(a) the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;

(b) any reduction in lease payments affects only payments originally due on or before 30 June 2022; and

(c) there is no substantive change to other terms and conditions of the lease.

The Group has applied the practical expedient consistently to all eligible rent concessions with similar characteristics and in similar circumstances.

The Group as lessor

The Group classifies each of its leases as either a finance lease or an operating lease at the inception date of the lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of the underlying asset. All other leases are classified as operating leases.

The Group accounts for each lease component within a lease contract as a lease separately from non-lease components of the contract. The Group allocates the consideration in the contract to each lease component on a relative stand-alone price basis.

Operating lease

The Group applies the derecognition and impairment requirements in IFRS 9 to the operating lease receivables.

A modification to an operating lease is accounted for as a new lease from the effective date of the modification, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease.

The Group's rental income from operating lease is recognised to profit or loss on a straight-line basis over the term of the relevant lease.

Employee benefits

Short term employee benefits

Salaries, annual bonuses, paid annual leave and the cost of non-monetary benefits are accrued in the period in which the associated services are rendered by employees.

Defined contribution plans

The obligations for contributions to defined contribution retirement scheme are recognised as an expense in profit or loss as incurred. The assets of the scheme are held separately from those of the Group in an independently administered fund.

Taxation

The charge for current income tax is based on the results for the period as adjusted for items that are non-assessable or disallowed. It is calculated using tax rates that have been enacted or substantively enacted by the end of each reporting period.

Deferred tax is provided, using the liability method, on all temporary differences at the end of each reporting period between the tax bases of assets and liabilities and their carrying amounts in the Historical Financial Information. However, any deferred tax arising from initial recognition of goodwill; or other asset or liability in a transaction other than a business combination that at the time of the transaction affects neither the accounting profit nor taxable profit or loss is not recognised.

The deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is recovered or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, tax losses and credits can be utilised.

Deferred tax is provided on temporary differences arising on investment in a subsidiary, except where the timing of the reversal of the temporary differences is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Related parties

A related party is a person or entity that is related to the Group, that is defined as:

(a) A person or a close member of that person's family is related to the Group if that person:

(i) has control or joint control over the Group;

(ii) has significant influence over the Group; or

(iii) is a member of the key management personnel of the Group or of a holding company of the Group.

(b) An entity is related to the Group if any of the following conditions applies:

(i) the entity and the Group are members of the same group (which means that each holding company, subsidiary and fellow subsidiary is related to the others);

(ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);

(iii) both entities are joint ventures of the same third party;

(iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

(v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employers are also related to the Group;

(vi) the entity is controlled or jointly controlled by a person identified in (a);

(vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a holding company of the entity); and

(viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to a holding company of the Group.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

(a) that person's children and spouse or domestic partner;

(b) children of that person's spouse or domestic partner; and

(c) dependants of that person or that person's spouse or domestic partner.

In the definition of a related party, an associate includes subsidiaries of the associate and a joint venture includes subsidiaries of the joint venture.

Segment reporting

Operating segments, and the amounts of each segment item reported in the Historical Financial Information, are identified from the financial information provided regularly to Group's most senior executive management for the purpose of allocating resources to, and assessing the performance of, the Group's various lines of business.

Individual material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

Critical accounting estimates and judgements

Estimates and assumptions concerning the future and judgements are made by the management of the Group in the preparation of the Historical Financial Information. They affect the application of the Group's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. Where appropriate, revisions to accounting estimates are recognised in the period of revision and future periods, in case the revision also affects future periods.

Key sources of estimation uncertainty:

(i) Useful lives of investment properties, property, plant and equipment and right-of-use assets

The management of the Group determines the estimated useful lives of the Group's investment properties, property, plant and equipment and right-of-use assets based on the historical experience of the actual useful lives of the relevant assets of similar nature and functions. The estimated useful lives could be different as a result of technical innovations which could affect the related depreciation charges included in profit or loss.

(ii) Impairment of investment properties, property, plant and equipment and right-of-use assets

The management of the Group determines whether the Group's investment properties, property, plant and equipment and right-of-use assets are impaired when an indication of impairment exists. This requires an estimation of the recoverable amount of investment properties, property, plant and equipment and right-of-use assets, which is equal to the higher of fair value less costs of disposal and value in use. Estimating the value in use requires the management to make an estimate of the expected future cash flows from investment properties, property, plant and equipment and right-of-use assets and also to choose a suitable discount rate in order to calculate the present value of those cash flows. Any impairment will be charged to profit or loss.

(iii) Allowance for inventories

The management of the Group reviews the inventory ageing analysis periodically and where applicable, makes allowances for inventories that are identified as obsolete, slow-moving or no longer recoverable or suitable for use in production. The Group carries out the inventory review on a product-by-product basis and makes allowances at the end of each reporting period by reference to management's estimation of the net realisable value based on the latest market prices and current market conditions.

(iv) Loss allowance for ECL

The management of the Group estimates the loss allowance for trade and other receivables by using various inputs and assumptions including risk of a default and expected loss rate. The estimation involves high degree of uncertainty which is based on the Group's historical information, existing market conditions as well as forward-looking estimates at the end of each reporting period. Where the expectation is different from the original estimate, such difference will impact the carrying amount of trade and other receivables.

(v) Income taxes

Significant estimates are required in determining the provision for income taxes and deferred taxation. There are transactions and calculations for which the ultimate tax determination is uncertain where the final tax outcome of these matters may be different from the amounts that were initially recorded and such differences will affect the income tax and deferred tax provision in the period in which such determination is made.

Future changes in IFRSs

At the date of approving the Historical Financial Information, the IASB has issued the following new/revised IFRSs that are not yet effective for the Track Record Period, which the Group has not early adopted.

Amendments to IAS 1	Classification of Liabilities as Current or Non-current and Disclosures of Accounting Policies(1)
Amendments to IAS 1	Disclosure of Accounting Policies(1)
Amendments to IAS 8	Definition of Accounting Estimates(1)
Amendments to IAS 12	Deferred Tax Related to Assets and Liabilities arising from a Single Transaction(1)
IFRS 17	Insurance Contracts(1)
Amendment to IFRS 17	Initial Application of IFRS 17 and IFRS 9 – Comparative Information(1)
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture(2)

(1) Effective for annual periods beginning on or after 1 January 2023

(2) The effective date to be determined

The management of the Group does not anticipate that the adoption of the new/revised IFRSs in future periods will have any material impact on the Group's consolidated financial information.

4. SEGMENT INFORMATION

The directors of the Company have determined that the Group has only one operating and reportable segment throughout the Track Record Period, as the Group manages its business as a whole as the businesses of distribution and sales of F&B and provision of logistics, warehousing services and others are carried out in Malaysia and the executive directors of the Company, being the chief operating decision-makers of the Group, regularly review the internal financial reports on the same basis for the purposes of allocating resources and assessing performance of the Group. Segment information is not presented accordingly.

The Company is an investment holding company and the principal place of the Group's operation is in Malaysia. All of the Group's revenue from external customers during the Track Record Period is derived from Malaysia and almost all of the Group's assets and liabilities are located in Malaysia.

Information about major customers

The Group's revenue from any single external customer did not contribute 10% or more of the total revenue of the Group during the Track Record Period.

5. REVENUE

	Year ended 31 December			Four months ended 30 April	
	2019	**2020**	**2021**	**2021**	**2022**
	RM'000	*RM'000*	*RM'000*	*RM'000*	*RM'000*
Revenue from contracts with customers within IFRS 15					
At a point in time					
– Distribution and sales of F&B	491,248	553,379	658,164	213,990	263,723
Over time					
– Provision of logistics, warehousing services and others	6,187	11,253	10,574	3,065	2,929
	497,435	564,632	668,738	217,055	266,652

The amounts of revenue recognised for the years ended 31 December 2019, 2020 and 2021 and the four months ended 30 April 2021 and 2022 that were included in the contract liabilities at the beginning of the respective reporting periods were approximately RM551,000, RM559,000, RM4,421,000, RM1,612,000 and RM2,445,000, respectively *(Note 20(b))*.

6. OTHER INCOME

	Year ended 31 December			Four months ended 30 April	
	2019	2020	2021	2021	2022
	RM'000	*RM'000*	*RM'000*	*RM'000*	*RM'000*
Other income					
Interest income	454	472	264	117	100
Dividend income	–	154	31	28	1
Gain on disposal of property, plant and equipment	75	–	80	36	–
Gain on lease termination	9	1	–	–	–
Rental income	607	504	231	180	36
Exchange gain, net	336	–	–	–	–
Bad debts recovery	107	137	114	22	18
Government grants *(Note)*	–	877	46	–	–
Reversal of loss allowance of trade receivables	–	–	256	–	–
Sundry income	336	668	274	108	71
	1,924	2,813	1,296	491	226

Note: Government grants primarily consist of the fiscal support that the relevant government authorities offered to the Group's entities for subsidising on staff wages under COVID-19.

7. PROFIT BEFORE TAX

This is stated after charging (crediting):

	Year ended 31 December			Four months ended 30 April	
	2019	2020	2021	2021	2022
	RM'000	*RM'000*	*RM'000*	*RM'000*	*RM'000*
Finance costs					
Interest on bank overdrafts	3	1	1	–	–
Interest on interest-bearing borrowings	1,770	1,439	1,209	466	445
Interest on lease liabilities	136	141	163	56	47
	1,909	1,581	1,373	522	492
Staff costs (including directors' emoluments)					
Salaries, discretionary bonus, allowances and other benefits in kind	22,723	29,378	30,871	9,893	10,846
Contributions to defined contribution plans	2,062	2,841	3,133	904	1,054
	24,785	32,219	34,004	10,797	11,900

	Year ended 31 December			Four months ended 30 April	
	2019	**2020**	**2021**	**2021**	**2022**
	RM'000	*RM'000*	*RM'000*	*RM'000*	*RM'000*
Other items					
Cost of inventories	423,489	475,138	562,397	180,646	223,620
Auditor's remuneration	129	130	130	43	43
Depreciation of investment properties (charged to "administrative and other operating expenses")	257	265	–	–	–
Depreciation of property, plant and equipment (charged to "cost of sales" and "administrative and other operating expenses", as appropriate)	2,026	2,003	2,698	795	990
Depreciation of right-of-use assets (charged to "cost of sales" and "administrative and other operating expenses", as appropriate)	1,160	1,107	1,696	547	515
(Gain) Loss on disposal of property, plant and equipment	(75)	10	(80)	(36)	–
Loss on disposal of EC Maju Frozen *(Note 28)*	–	130	–	–	–
Gain on lease termination	(9)	(1)	–	–	–
Exchange (gain) loss, net	(336)	122	241	138	19
Expenses recognised under short-term leases	134	132	168	52	100
Bad debts written off	54	249	331	232	156
Provision for write-down of inventories, net	222	138	736	36	244
Provision for loss allowance of trade receivables, net	5	5	462	129	867

8. DIRECTORS' REMUNERATION

The Company was incorporated in the Cayman Islands on 14 February 2019. SB Soon was appointed as an executive director of the Company on the same day. CA Soon and SL Soon were appointed as executive directors of the Company on 25 January 2021. Mr. Khoo Chee Siang, Mr. Ooi Guan Hoe, Datuk Tan Teow Choon, Mr. Ngai Wah Sang and Ms. Tiong Hui Ling were appointed as independent non-executive directors of the Company on 14 July 2022.

Certain directors of the Company received remuneration from the entities now comprising the Group during the Track Record Period for their appointment as employees of these entities. The aggregate amounts of remuneration received and receivable by the directors of the Company during the Track Record Period are set out below.

Year ended 31 December 2019

	Directors' fees	Salaries, allowances and other benefits in kind	Discretionary bonus	Contributions to defined contribution plans	Total
	RM'000	*RM'000*	*RM'000*	*RM'000*	*RM'000*
Executive directors					
SB Soon	–	1,432	–	257	1,689
CA Soon	–	429	–	69	498
SL Soon	–	293	–	54	347
	–	2,154	–	380	2,534

Year ended 31 December 2020

	Directors' fees	Salaries, allowances and other benefits in kind	Discretionary bonus	Contributions to defined contribution plans	Total
	RM'000	*RM'000*	*RM'000*	*RM'000*	*RM'000*
Executive directors					
SB Soon	–	1,464	–	261	1,725
CA Soon	–	413	–	73	486
SL Soon	–	327	–	62	389
	–	2,204	–	396	2,600

Year ended 31 December 2021

	Directors' fees	Salaries, allowances and other benefits in kind	Discretionary bonus	Contributions to defined contribution plans	Total
	RM'000	*RM'000*	*RM'000*	*RM'000*	*RM'000*
Executive directors					
SB Soon	–	1,448	–	303	1,751
CA Soon	–	404	–	102	506
SL Soon	–	304	–	65	369
	–	2,156	–	470	2,626

Four months ended 30 April 2021

	Directors' fees	Salaries, allowances and other benefits in kind	Discretionary bonus	Contributions to defined contribution plans	Total
	RM'000	*RM'000*	*RM'000*	*RM'000*	*RM'000*
Executive directors					
SB Soon	–	483	–	89	572
CA Soon	–	135	–	25	160
SL Soon	–	101	–	19	120
	–	719	–	133	852

Four months ended 30 April 2022

	Directors' fees	Salaries, allowances and other benefits in kind	Discretionary bonus	Contributions to defined contribution plans	Total
	RM'000	*RM'000*	*RM'000*	*RM'000*	*RM'000*
Executive directors					
SB Soon	–	552	–	97	649
CA Soon	–	161	–	29	190
SL Soon	–	133	–	24	157
	–	846	–	150	996

During the Track Record Period, no remuneration was paid by the Group to any of these directors as an inducement to join or upon joining the Group, or as a compensation for loss of office. There was no arrangement under which a director waived or agreed to waive any emoluments during the Track Record Period.

9. FIVE HIGHEST PAID INDIVIDUALS

An analysis of the five highest paid individuals during the Track Record Period is as follows:

	Number of individuals				
	Year ended 31 December			Four months ended 30 April	
	2019	2020	2021	2021	2022
Director	3	3	3	3	3
Non-director	2	2	2	2	2
	5	5	5	5	5

Details of the remuneration of the above highest paid non-director individuals are as follows:

	Year ended 31 December			Four months ended 30 April	
	2019	2020	2021	2021	2022
	RM'000	*RM'000*	*RM'000*	*RM'000*	*RM'000*
Salaries, discretionary bonus, allowances and other benefits in kind	524	636	687	201	189
Contributions to defined contribution plans	63	76	82	27	30
	587	712	769	228	219

The number of these non-director individuals whose emoluments fell within the following emoluments band is as follows:

	Year ended 31 December			Four months ended 30 April	
	2019	**2020**	**2021**	**2021**	**2022**
Nil to HK$1,000,000	2	2	2	2	2

During the Track Record Period, no remuneration was paid by the Group to any of these highest paid non-director individuals as an inducement to join or upon joining the Group, or as a compensation for loss of office. There was no arrangement under which any of these highest paid non-director individuals waived or has agreed to waive any emoluments during the Track Record Period.

10. TAXATION

	Year ended 31 December			Four months ended 30 April	
	2019	**2020**	**2021**	**2021**	**2022**
	RM'000	*RM'000*	*RM'000*	*RM'000*	*RM'000*
Current tax					
Malaysia corporate income tax ("Malaysia CIT")	5,132	8,935	9,828	3,932	5,254
Deferred taxation *(Note 23)*					
Changes in temporary differences	160	(624)	(660)	(62)	(672)
Total income tax expenses for the year/period	5,292	8,311	9,168	3,870	4,582

No provision for Hong Kong profits tax has been made as the Group had no assessable profits arising in or derived from Hong Kong for the Track Record Period.

The group entities established in the Cayman Islands and the BVI are exempted from corporate income tax therein.

Malaysia CIT is calculated at 24% of the estimated assessable profits for the years ended 31 December 2019, 2020 and 2021 and the four months ended 30 April 2021 and 2022. Malaysia incorporated entities with paid-up capital of RM2.5 million or less enjoy tax rate of 17% on the first RM500,000 of the estimated assessable profits for the year ended 31 December 2019. For the years ended 31 December 2020 and 2021 and the four months ended 30 April 2021 and 2022, Malaysia incorporated entities with paid-up capital of RM2.5 million or less and annual sales of not more than RM50.0 million enjoy tax rate of 17% on the first RM600,000 of the estimated assessable profits. The remaining balance is calculated at the tax rate of 24%.

For the entities under pioneer status which is granted under the Promotion of Investments Act 1986 of Law of Malaysia (the "Pioneer Status"), the first 70% of the estimated assessable profit are tax exempted.

During the year ended 31 December 2019, one of the Group's subsidiaries, SCC Logistics, was granted with the Pioneer Status.

Reconciliation of income tax expenses

	Year ended 31 December			Four months ended 30 April	
	2019	**2020**	**2021**	**2021**	**2022**
	RM'000	*RM'000*	*RM'000*	*RM'000*	*RM'000*
Profit before tax	22,950	27,108	32,756	13,072	16,508
Income tax at statutory tax rate applicable in respective territories	5,508	6,506	7,861	3,137	3,962
Non-deductible expenses	505	1,973	1,431	779	697
Tax exempt revenue	–	(38)	(6)	–	–
Tax exemption and pioneer status	(483)	–	–	–	–
Tax concessions	(245)	(132)	(90)	(17)	(126)
Others	7	2	(28)	(29)	49
Income tax expenses	5,292	8,311	9,168	3,870	4,582

11. EARNINGS PER SHARE

No earnings per share information is presented as its inclusion, for the purpose of the Historical Financial Information, is not considered meaningful.

12. DIVIDENDS

	Year ended 31 December			Four months ended 30 April	
	2019	**2020**	**2021**	**2021**	**2022**
	RM'000	*RM'000*	*RM'000*	*RM'000*	*RM'000*
Dividends declared to the then equity owners of the entities now comprising the Group	13,500	20,517	–	–	–

No dividends per share information is presented as its inclusion, for the purpose of the Historical Financial Information, is not considered meaningful.

13(a) INVESTMENT PROPERTIES

	Year ended 31 December			Four months ended 30 April
	2019	**2020**	**2021**	**2022**
	RM'000	*RM'000*	*RM'000*	*RM'000*
Reconciliation of carrying amount				
At the beginning of the reporting period	12,199	12,929	1,815	–
Additions	987	–	–	–
Disposal through disposal of EC Maju Frozen *(Note 28)*	–	(1,042)	–	–
Reclassified as non-current assets held for distribution to owners *(Note 13b)*	–	(9,807)	–	–
Reclassified as property, plant and equipment *(Note 14)*	–	–	(121)	–
Reclassified as right-of-use assets *(Note 15)*	–	–	(1,694)	–
Depreciation	(257)	(265)	–	–
At the end of the reporting period	12,929	1,815	–	–

	Year ended 31 December			Four months ended 30 April
	2019	**2020**	**2021**	**2022**
	RM'000	*RM'000*	*RM'000*	*RM'000*
Cost	14,272	2,419	–	–
Accumulated depreciation	(1,343)	(604)	–	–
	12,929	1,815	–	–
Fair values	19,580	1,815	–	–

The investment properties consist of several pieces of freehold or leasehold land and buildings in Malaysia.

The fair values of investment properties/non-current assets held for distribution to owners *(Note 13(b))* are under Level 3 of the three-level fair value hierarchy as defined under IFRS 13. At 31 December 2019 and 2020, the fair value of investment properties/non-current assets held for distribution to owners were determined by the management of the Group with reference to valuation reports from independent professional qualified valuers, who have relevant experience in the location and category of the Group's investment properties/non-current assets held for distribution to owners being valued, on market value basis by comparison approach assuming sale with the benefit of vacant possession or by making reference to comparable sale evidence as available in the relevant market. The selection criteria include market knowledge, reputation, independence and relevant professional standards. Recent sale price of comparable properties in close proximity adjusted for differences in key valuation attributes, such as size and age, were used to value the investment properties/non-current assets held for distribution to owners. The most significant input into this valuation approach is the price per square feet. The Group's management has discussed with the valuer on the valuation assumptions and valuation results for financial reporting purpose.

The higher the price per square feet, the higher the fair value of the investment properties/non-current assets held for distribution to owners, and vice versa.

The fair value measurement was based on the highest and best use of the investment properties/non-current assets held for distribution to owners, which did not differ from their existing use.

During the Track Record Period and up till 1 December 2020, the Group's investment properties were held for leasing out and/or capital appreciation.

On 1 January 2021, the Group changed its use of investment properties, including leasehold land and buildings (the "Leasehold Land and Buildings") with net carrying amounts of approximately RM1,694,000 and RM121,000, respectively, from earning rental income and/or for capital appreciation to own use with commencement of development with a view to owner-occupation. Subsequent to the change in use of the Leasehold Land and Buildings, the Group ceases to recognise the Leasehold Land and Buildings as investment properties and reclassified the Leasehold Land and Buildings as property, plant and equipment and right of use assets, as appropriate.

The Group's investment properties with a total carrying amount of approximately RM10,559,000 and RM1,815,000 at 31 December 2019 and 2020, respectively, were pledged to secure banking facilities *(Note 21)* granted to the Group.

Although the risks associated with rights that the Group retains in underlying assets are not considered to be significant, the Group employs strategies to further minimise these risks by ensuring all contracts include clauses requiring the lessee to compensate the Group when a property has been subjected to excess wear-and-tear during the lease term.

13(b) NON-CURRENT ASSETS HELD FOR DISTRIBUTION TO OWNERS

		Year ended 31 December			Four months ended 30 April
		2019	**2020**	**2021**	**2022**
	Note	*RM'000*	*RM'000*	*RM'000*	*RM'000*
Investment properties					
At the beginning of the reporting period		–	–	9,807	–
Transfers	*13(a)*	–	9,807	–	–
Distribution		–	–	(9,807)	–
At the end of the reporting period		–	9,807	–	–
Property, plant and equipment					
At the beginning of the reporting period		–	–	210	–
Transfers	*14*	–	210	–	–
Distribution		–	–	(210)	–
At the end of the reporting period		–	210	–	–
		–	10,017	–	–
Fair values		–	15,143	–	–

On 1 December 2020, the directors of a subsidiary of the Company declared dividends of approximately RM20,517,000 to the then equity owners of the entities now comprising the Group, in which, approximately RM10,017,000, representing the aggregate net carrying values of certain investment properties and property, plant and equipment on 1 December 2020, will be settled by way of transfer of certain of the Group's properties (the "Properties"). As the Group intended to dispose the Properties through distribution to owners rather than continuing use of them, the Properties were classified as non-current assets held for distribution to owners in accordance with IFRS 5 and were measured at carrying amount of approximately RM10,017,000 at 1 December 2020.

During the year ended 31 December 2021, the Properties were distributed to the then equity owners of the entities now comprising the Group.

The Properties held under non-current assets held for distribution to owners of approximately RM6,455,000 at 31 December 2020 were pledged to secure banking facilities *(Note 21)* granted to the Group.

The information in relation to the fair value measurement technique of the non-current assets held for distribution to owners at 31 December 2020 is set out in *Note 13(a)*.

14. PROPERTY, PLANT AND EQUIPMENT

	Freehold land	Buildings	Leasehold improvements	Plant and machinery	Furniture, fixtures and office equipment	Motor vehicles	Total
	RM'000	*RM'000*	*RM'000*	*RM'000*	*RM'000*	*RM'000*	*RM'000*
Reconciliation of carrying amount – year ended 31 December 2019							
At 1 January 2019	5,072	9,291	403	4,248	1,196	1,199	21,409
Additions	4,089	3,186	23	45	164	660	8,167
Disposals	–	–	–	–	–	(63)	(63)
Depreciation	–	(297)	(138)	(800)	(353)	(438)	(2,026)
Transfers	–	–	–	–	–	132	132
At 31 December 2019	9,161	12,180	288	3,493	1,007	1,490	27,619
Reconciliation of carrying amount – year ended 31 December 2020							
At 1 January 2020	9,161	12,180	288	3,493	1,007	1,490	27,619
Additions	–	–	–	2,958	125	1,560	4,643
Disposals	–	–	–	–	–	(85)	(85)
Disposal through disposal of EC Maju Frozen *(Note 28)*	–	–	–	(8)	(1)	–	(9)
Reclassified as non-current assets held for distribution to owners* *(Note 13b)*	(100)	(110)	–	–	–	–	(210)
Depreciation	–	(321)	(109)	(787)	(248)	(538)	(2,003)
At 31 December 2020	9,061	11,749	179	5,656	883	2,427	29,955
Reconciliation of carrying amount – year ended 31 December 2021							
At 1 January 2021	9,061	11,749	179	5,656	883	2,427	29,955
Additions	1,458	–	–	1,509	226	1,934	5,127
Disposals	–	–	–	(24)	(33)	(127)	(184)
Reclassified from investment properties *(Note 13(a))*	–	121	–	–	–	–	121
Depreciation	–	(277)	(52)	(1,170)	(298)	(901)	(2,698)
At 31 December 2021	10,519	11,593	127	5,971	778	3,333	32,321
Reconciliation of carrying amount – period ended 30 April 2022							
At 1 January 2022	10,519	11,593	127	5,971	778	3,333	32,321
Additions	–	–	481	282	40	708	1,511
Depreciation	–	(96)	(51)	(430)	(65)	(348)	(990)
At 30 April 2022	10,519	11,497	557	5,823	753	3,693	32,842

* During the period from 1 January 2019 to 1 December 2020, these freehold land and buildings were vacant.

	Freehold land	Buildings	Leasehold improvements	Plant and machinery	Furniture, fixtures and office equipment	Motor vehicles	Total
	RM'000	*RM'000*	*RM'000*	*RM'000*	*RM'000*	*RM'000*	*RM'000*
At 31 December 2019							
Cost	9,161	13,956	811	8,613	2,742	10,872	46,155
Accumulated depreciation	–	(1,776)	(523)	(5,120)	(1,735)	(9,382)	(18,536)
	9,161	12,180	288	3,493	1,007	1,490	27,619
At 31 December 2020							
Cost	9,061	13,736	811	11,358	2,805	11,594	49,365
Accumulated depreciation	–	(1,987)	(632)	(5,702)	(1,922)	(9,167)	(19,410)
	9,061	11,749	179	5,656	883	2,427	29,955
At 31 December 2021							
Cost	10,519	13,873	811	12,722	2,907	12,516	53,348
Accumulated depreciation	–	(2,280)	(684)	(6,751)	(2,129)	(9,183)	(21,027)
	10,519	11,593	127	5,971	778	3,333	32,321
At 30 April 2022							
Cost	10,519	13,873	1,292	13,004	2,923	12,907	54,518
Accumulated depreciation	–	(2,376)	(735)	(7,181)	(2,170)	(9,214)	(21,676)
	10,519	11,497	557	5,823	753	3,693	32,842

The carrying amounts of the Group's property, plant and equipment pledged to secure banking facilities *(Note 21)* at 31 December 2019, 2020 and 2021 and 30 April 2022 are as follows:

	Freehold land	Buildings
	RM'000	*RM'000*
Pledged to secure banking facilities		
At 31 December 2019	9,061	9,924
At 31 December 2020	9,061	9,690
At 31 December 2021	9,061	9,717
At 30 April 2022	9,061	9,640

15. RIGHT-OF-USE ASSETS

	Leasehold land	Leased properties	Motor vehicles	Total
	RM'000	*RM'000*	*RM'000*	*RM'000*
Reconciliation of carrying amount – year ended 31 December 2019				
At 1 January 2019	4,779	491	2,285	7,555
Additions	–	–	647	647
Lease termination	–	(109)	–	(109)
Depreciation	(110)	(232)	(818)	(1,160)
Transfers	–	–	(132)	(132)
At 31 December 2019	4,669	150	1,982	6,801
Reconciliation of carrying amount – year ended 31 December 2020				
At 1 January 2020	4,669	150	1,982	6,801
Additions	–	1,711	1,010	2,721
Lease termination	–	(5)	–	(5)
Disposal through disposal of EC Maju Frozen *(Note 28)*	–	(60)	–	(60)
Depreciation	(111)	(168)	(828)	(1,107)
At 31 December 2020	4,558	1,628	2,164	8,350
Reconciliation of carrying amount – year ended 31 December 2021				
At 1 January 2021	4,558	1,628	2,164	8,350
Additions	–	70	1,044	1,114
Reclassified from investment properties *(Note 13(a))*	1,694	–	–	1,694
Depreciation	(211)	(628)	(857)	(1,696)
At 31 December 2021	6,041	1,070	2,351	9,462
Reconciliation of carrying amount – period ended 30 April 2022				
At 1 January 2022	6,041	1,070	2,351	9,462
Depreciation	(62)	(201)	(252)	(515)
At 30 April 2022	5,979	869	2,099	8,947
At 31 December 2019				
Cost	5,663	352	4,632	10,647
Accumulated depreciation	(994)	(202)	(2,650)	(3,846)
	4,669	150	1,982	6,801
At 31 December 2020				
Cost	5,663	1,867	5,642	13,172
Accumulated depreciation	(1,105)	(239)	(3,478)	(4,822)
	4,558	1,628	2,164	8,350

	Leasehold land *RM'000*	Leased properties *RM'000*	Motor vehicles *RM'000*	Total *RM'000*
At 31 December 2021				
Cost	7,945	1,780	6,686	16,411
Accumulated depreciation	(1,904)	(710)	(4,335)	(6,949)
	6,041	1,070	2,351	9,462
At 30 April 2022				
Cost	7,945	1,780	6,686	16,411
Accumulated depreciation	(1,966)	(911)	(4,587)	(7,464)
	5,979	869	2,099	8,947

The Group leases various properties and motor vehicles for its daily operations, the lease terms range from 2 to 6 years during each of the reporting period under the Track Record Period. The leasehold lands represent lump sum considerations paid by the Group, which are with initial lease period range from 35 to 93 years and there are no ongoing payments to be made under the terms of the land leases.

The Group's leasehold lands with a total carrying amount of approximately RM4,669,000, RM4,558,000, RM4,404,000 and RM4,367,000 at 31 December 2019, 2020 and 2021 and 30 April 2022, respectively, were pledged to secure bank facilities *(Note 21)* granted to the Group.

The Group's motor vehicles with a total carrying amount of approximately RM1,982,000, RM2,164,000, RM2,351,000 and RM2,099,000 at 31 December 2019, 2020 and 2021 and 30 April 2022, respectively, were pledged to secure the lease liabilities *(Note 22)*.

Extension and termination options

The lease contracts of leased properties contain extension or termination options. These options aim to provide flexibility to the Group in managing the leased assets. The extension option of the leased properties is normally exercised because the Group does not want to incur additional costs, such as leasehold improvements, while exercising the termination option is normally unusual unless the Group could replace the leased properties without significant cost or acquisition of a new property. The Group seldom exercises options that were not included in the lease liabilities. During the Track Record Period, all of lease contracts for leased properties contains an extension or termination option, in which the total lease payment made amounted to approximately RM1,254,000, RM991,000, RM1,864,000, RM565,000 and RM627,000, representing the total cash outflows for lease during the Track Record Period. Except for certain measures imposed by the relevant government authority in Malaysia which allow the Group to defer the lease payments from 1 April 2020 and for a period of 6 months optionally, no optional lease payments were made.

Restriction or covenants

Most of the leases impose a restriction that, unless approval is obtained from the lessor, the right-of-use asset can only be used by the Group and the Group is prohibited from selling or pledging the underlying assets. The Group is also required to keep those leased assets in a good state of repair and return the leased assets in their original condition at the end of the lease.

Commitments under leases

At 31 December 2019, 2020 and 2021 and 30 April 2022, the Group was committed to short-term leases or low-value asset leases of approximately RM78,000, RM50,000, RM121,000 and RM83,000, respectively.

During the Track Record Period, no lease contract contains variable lease payment terms.

16. FINANCIAL ASSETS AT FVPL

	At 31 December		At 30 April
	2020	2021	2022
	RM'000	*RM'000*	*RM'000*
Financial assets mandatorily measured at FVPL			
Unlisted investments – Money market funds	5,954	233	234

The money market funds represented unlisted investments acquired by the Group which are managed by banks in Malaysia and mainly invested in deposit and money market instruments and/or liquid assets. They can be redeemed from time to time and bear return at market rates. During the years ended 31 December 2020 and 2021 and the four months ended 30 April 2022, the actual rates of return for the money market funds are ranging from 1.47% to 2.88% per annum. The fair values of the money market funds are reported by the banks with reference to the fair value of the underlying instruments at the end of each reporting period.

The movements of the money market funds are analysed as follows:

	At 31 December		Four months ended 30 April
	2020	2021	2022
	RM'000	*RM'000*	*RM'000*
At the beginning of the reporting period	–	5,954	233
Additions	43,554	11,731	1
Redemptions	(37,600)	(17,452)	–
Gain on redemptions of money market funds	–*	–*	–
Fair value changes recognised in profit or loss	–*	–*	–*
At the end of the reporting period	5,954	233	234

* Represents amount less than RM1,000

17. INVENTORIES

	At 31 December			At 30 April
	2019	2020	2021	2022
	RM'000	*RM'000*	*RM'000*	*RM'000*
Raw materials	1,889	1,401	1,579	1,551
Finished goods	43,765	45,480	57,299	64,913
	45,654	46,881	58,878	66,464
Less: Write-down provision	(1,712)	(1,850)	(2,586)	(2,830)
	43,942	45,031	56,292	63,634

18. TRADE AND OTHER RECEIVABLES

		At 31 December			At 30 April
		2019	**2020**	**2021**	**2022**
	Note	*RM'000*	*RM'000*	*RM'000*	*RM'000*
Trade receivables					
From related companies	*18(a)*	1,218	738	979	1,358
From third parties		69,107	69,294	89,796	113,400
		70,325	70,032	90,775	114,758
Less: Loss allowances	29	(2,206)	(2,211)	(2,673)	(3,540)
	18(b)	68,119	67,821	88,102	111,218
Other receivables					
Prepayments *(Note i)*		[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Deposits paid to suppliers		159	1,542	2,745	3,202
Other deposits and receivables *(Note ii)*		2,536	3,626	3,713	4,798
		2,695	5,203	6,930	8,414
		70,814	73,024	95,032	119,632

Note i: The amounts represent prepaid [**REDACTED**].

Note ii: The amount at 31 December 2020 included (i) consideration receivable of RM0.4 million in regard to the disposal of EC Maju Frozen *(Note 28)* and (ii) a deposit paid to an independent third party of approximately RM0.1 million, representing 10% of the total consideration for acquisition of a land located in Pahang Darul Makmur, Malaysia (the "Land") *(Note 14)* for which the corresponding sale and purchase agreement was signed in November 2020 (the "Transaction") and the Transaction was completed in March 2021.

18(a) Trade receivables from related companies

The trade receivables from related companies are unsecured, interest-free and have credit terms up to 60 days from the date of issuance of invoices. No provision has been made for non-repayment of the amount due during the Track Record Period. The Group does not hold any collateral over these balances.

	Year ended 31 December 2019		
	Maximum amount outstanding during the year	**Balance at 31 December 2019**	**Balance at 1 January 2019**
	RM'000	*RM'000*	*RM'000*
Alfa Indah (Beserah) Sdn. Bhd. ("Alfa Indah (Beserah)") *(Note 18(a)(i))*	147	118	144
Alfa Indah (Jaya Gading) Sdn. Bhd. ("Alfa Indah (Jaya Gading)") *(Note 18(a)(ii))*	174	106	121
Just Relax Restaurant *(Note 18(a)(iii))*	42	18	33
Megamart Sdn. Bhd. ("Megamart") *(Note 18(a)(iv))*	1,830	934	1,310
Owl Cafe *(Note 18(a)(iii))*	19	17	16
Pak Su Seafood Restaurant Sdn. Bhd. ("Pak Su Seafood") *(Note 18(a)(v))*	24	10	6
The Eight Th *(Note 18(a)(vi))*	15	15	13
Tropicana Food Garden *(Note 18(a)(vii))*	27	–	10
	2,278	1,218	1,653

	Year ended 31 December 2020		
	Maximum amount outstanding during the year	**Balance at 31 December 2020**	**Balance at 1 January 2020**
	RM'000	*RM'000*	*RM'000*
Alfa Indah (Beserah)	250	86	118
Alfa Indah (Jaya Gading)	222	118	106
JR Grill & Bistro *(Note 18(a) (iii))*	25	14	–
Just Relax Restaurant	59	46	18
Mega Jaya Seafood Sdn. Bhd. ("Mega Jaya Seafood") *(Note 18(a)(viii))*	59	6	–
Megamart	1,706	438	934
Owl Cafe	40	13	17
Pak Su Seafood	29	17	10
The Eight Th	15	–	15
	2,405	738	1,218

	Year ended 31 December 2021		
	Maximum amount outstanding during the year	**Balance at 31 December 2021**	**Balance at 1 January 2021**
	RM'000	*RM'000*	*RM'000*
Alfa Indah (Beserah)	366	263	86
Alfa Indah (Jaya Gading)	187	118	118
JR Grill & Bistro	16	–	14
Just Relax Restaurant	52	56	46
Mega Jaya Seafood	56	–	6
Megamart	813	495	438
Owl Cafe	30	29	13
Pak Su Seafood	31	18	17
	1,551	979	738

	Four months ended 30 April 2022		
	Maximum amount outstanding during the period	**Balance at 30 April 2022**	**Balance at 1 January 2022**
	RM'000	*RM'000*	*RM'000*
Alfa Indah (Beserah)	302	236	263
Alfa Indah (Jaya Gading)	152	127	118
Just Relax Restaurant	68	45	56
Megamart	1,210	921	495
Owl Cafe	33	14	29
Pak Su Seafood	27	9	18
The Eight Th	14	6	–
	1,806	1,358	979

Notes:

(i) At 31 December 2019, 2020 and 2021 and 30 April 2022, 16.67% equity interests of Alfa Indah (Beserah) was held by SB Soon.

(ii) At 31 December 2019, 2020 and 2021 and 30 April 2022, 15% equity interests of Alfa Indah (Jaya Gading) was held by SB Soon.

(iii) At 31 December 2019, 2020 and 2021 and 30 April 2022, CA Soon, and his spouse, Ms. Ng Kar Wei ("Ms. KW Ng") were the partners of Just Relax Restaurant, Owl Cafe and JR Grill & Bistro.

(iv) At 31 December 2019, 2020 and 2021 and 30 April 2022, 25%, 26% and 49% equity interests of Megamart were held by SB Soon, Mr. Lim Tau Hong ("Mr. TH Lim"), who is the spouse of LS Soon, and Mack Food Pte Ltd., which equity interests are equally held by SB Soon and Mr. TH Lim, respectively.

(v) At 31 December 2019, 2020 and 2021 and 30 April 2022, 80% and 20% equity interests of Pak Su Seafood was held by the Ultimate Controlling Party and Mr. TH Lim, respectively.

(vi) At 31 December 2019, 2020 and 2021 and 30 April 2022, SL Soon and CA Soon were the partners of The Eight Th.

(vii) At 31 December 2019, 2020 and 2021 and 30 April 2022, SB Soon, SL Soon, CA Soon, and Mr. TH Lim were the partners of Tropicana Food Garden.

(viii) At 31 December 2019, 2020 and 2021 and 30 April 2022, 50% equity interests of Mega Jaya Seafood was held by SL Soon.

18(b) Trade receivables

The ageing analysis of trade receivables, net of loss allowances, based on invoice date at the end of each reporting period is as follows:

	At 31 December			At 30 April
	2019	**2020**	**2021**	**2022**
	RM'000	*RM'000*	*RM'000*	*RM'000*
Within 30 days	36,321	41,263	52,101	66,941
31 to 60 days	24,436	21,575	28,719	36,430
61 to 90 days	6,860	4,983	6,116	6,279
Over 90 days	502	–	1,166	1,568
	68,119	67,821	88,102	111,218

At the end of each reporting period, the ageing analysis of the trade receivables, net of loss allowances, by due date is as follows:

	At 31 December			At 30 April
	2019	**2020**	**2021**	**2022**
	RM'000	*RM'000*	*RM'000*	*RM'000*
Not yet due	37,961	42,411	53,280	69,130
Past due:				
Within 30 days	22,534	20,683	28,434	35,051
31 to 60 days	6,130	4,201	5,511	5,841
61 to 90 days	1,494	526	877	1,196
	30,158	25,410	34,822	42,088
	68,119	67,821	88,102	111,218

The Group normally grants credit terms up to 90 days from the date of issuance of invoices.

18(c) Information about the Group's exposure to credit risks and loss allowance for trade and other receivables is included in Note 29.

19. PLEDGED BANK DEPOSITS

At 31 December 2019, 2020 and 2021 and 30 April 2022, pledged bank deposits are bank deposits which are pledged as securities in favour of banks for banking facilities granted *(Note 21)*. The pledged bank deposits are denominated in RM and bear annual interest rates ranging from 1.50% to 3.65% during each of the periods under the Track Record Period.

20. TRADE AND OTHER PAYABLES

		At 31 December			At 30 April
		2019	**2020**	**2021**	**2022**
	Note	*RM'000*	*RM'000*	*RM'000*	*RM'000*
Trade payables					
To third parties	*20(a)*	26,652	30,758	37,111	48,781
Other payables					
Contract liabilities – Marketing Incentive	*20(b)*	559	4,421	7,032	8,113
Salary payables		2,121	4,828	4,523	4,911
Other accruals and other payables *(Note i)*		2,196	4,489	4,423	4,385
Rental and other deposits		135	197	258	262
Due to the Ultimate Controlling Party	*20(c)*	3,446	4,657	2,430	352
Due to related parties	*20(d)*	3	1,687	–	–
		8,460	20,279	18,666	18,023
		35,112	51,037	55,777	66,804

Note i: The amounts at 31 December 2019, 2020 and 2021 and 30 April 2022 included accrued [**REDACTED**] of approximately RM[**REDACTED**], RM[**REDACTED**], RM[**REDACTED**] and RM[**REDACTED**], respectively.

20(a) Trade payables

The trade payables are unsecured, interest-free and with normal credit terms up to 60 days.

At the end of each reporting period, the ageing analysis of the trade payables based on invoice date is as follows:

	At 31 December			At 30 April
	2019	**2020**	**2021**	**2022**
	RM'000	*RM'000*	*RM'000*	*RM'000*
Within 30 days	15,072	19,485	18,995	32,994
31 to 60 days	10,760	11,102	17,100	15,186
61 to 90 days	528	83	855	316
Over 90 days	292	88	161	285
	26,652	30,758	37,111	48,781

20(b) Contract liabilities – Marketing Incentive

The balance represented accumulated unused obligations at the end of each reporting period which will be recognised as revenue in the next reporting period. The movements (excluding those arising from increase and decrease both occurred within the same reporting period) of contract liabilities within IFRS 15 are as follows:

	Year ended 31 December			Four months ended 30 April
	2019	**2020**	**2021**	**2022**
	RM'000	*RM'000*	*RM'000*	*RM'000*
At the beginning of the reporting period	551	559	4,421	7,032
Addition for the reporting period	559	4,421	7,032	3,526
Revenue recognised for the reporting period *(Note 5)*	(551)	(559)	(4,421)	(2,445)
At the end of the reporting period	559	4,421	7,032	8,113

The contract liabilities of approximately RM559,000, RM4,421,000, RM7,032,000 and RM8,113,000 at 31 December 2019, 2020 and 2021 and 30 April 2022, respectively, represented the aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied as of the end of each reporting period. The Group expects the transaction price of approximately RM559,000, RM4,421,000, RM7,032,000 and RM8,113,000 at 31 December 2019, 2020 and 2021 and 30 April 2022, respectively, allocated to the unsatisfied performance obligations will be recognised as revenue in one year or less when the obligations are performed.

20(c) Due to the Ultimate Controlling Party

The amounts due are non-trade in nature, unsecured, interest-free, repayable on demand and will be fully settled prior to the Initial [**REDACTED**].

	At 31 December			At 30 April
	2019	**2020**	**2021**	**2022**
	RM'000	*RM'000*	*RM'000*	*RM'000*
SB Soon	1,409	2,290	1,862	84
SL Soon	505	789	339	79
CA Soon	1,028	789	40	–
LS Soon	504	789	189	189
	3,446	4,657	2,430	352

20(d) Due to related parties

The amounts due are non-trade in nature, unsecured, interest-free and repayable on demand.

	At 31 December			At 30 April
	2019	**2020**	**2021**	**2022**
	RM'000	*RM'000*	*RM'000*	*RM'000*
Tropicana Food Garden *(Note 18(a)(vii))*	3	–	–	–
NSB Marketing *(Note)*	–	1,687	–	–
	3	1,687	–	–

Note: At 31 December 2020, 100% equity interests of NSB Marketing was held by SB Soon.

21. BANK OVERDRAFTS AND INTEREST-BEARING BORROWINGS

At the end of each reporting period, details of the bank overdrafts and interest-bearing borrowings of the Group are as follows:

		At 31 December			At 30 April
		2019	2020	2021	2022
	Note	*RM'000*	*RM'000*	*RM'000*	*RM'000*
Bank overdrafts – secured	*21(a)*	255	–	110	–
Interest-bearing borrowings – secured	*21(b)*	49,059	38,209	41,315	54,526
	21(c)	49,314	38,209	41,425	54,526

21(a) Bank overdrafts – secured

The secured bank overdrafts are interest-bearing at base lending rate plus a percentage ranging from 0.75% per annum to 3.50% per annum during the Track Record Period.

21(b) Interest-bearing borrowings – secured

The secured bank borrowings are repayable ranging from within one year to over five years since their inception. At 31 December 2019, 2020 and 2021 and 30 April 2022, the secured bank borrowings carried weighted average effective interest rate of approximately 4.60%, 3.85%, 3.51% and 3.61% per annum, respectively.

At the end of each reporting period, details of the interest-bearing borrowings of the Group are as follows:

	At 31 December			At 30 April
	2019	2020	2021	2022
	RM'000	*RM'000*	*RM'000*	*RM'000*
Secured bank borrowings				
– Current portion	25,980	21,088	26,065	39,864
– Non-current portion	23,079	17,121	15,250	14,662
	49,059	38,209	41,315	54,526
Carrying amounts of the above borrowings are repayable:				
Within one year	25,980	21,088	26,065	39,864
More than one year, but not exceeding two years	1,909	1,914	1,943	1,912
More than two years, but not exceeding five years	8,399	7,498	6,626	6,193
Over five years	12,771	7,709	6,681	6,557
	49,059	38,209	41,315	54,526
Less: amounts shown under current liabilities	25,980	21,088	26,065	39,864
Amounts shown under non-current liabilities	23,079	17,121	15,250	14,662

21(c) The bank overdrafts and interest-bearing borrowings are secured by:

(i) guarantees provided by the Ultimate Controlling Party;

(ii) guarantees provided by the government of Malaysia;

(iii) properties owned by the related party, the parents of the Ultimate Controlling Party;

(iv) certain investment properties with aggregate net carrying amounts of approximately RM10,559,000, RM1,815,000, nil and nil at 31 December 2019, 2020 and 2021 and 30 April 2022, respectively, as set out in Note 13(a);

(v) certain property, plant and equipment with aggregate net carrying amounts of approximately RM18,985,000, RM18,751,000, RM18,778,000 and RM18,701,000 at 31 December 2019, 2020 and 2021 and 30 April 2022, respectively, as set out in Note 14;

(vi) certain non-current assets held for distribution to owners with aggregate net carrying amounts of approximately RM6,455,000 at 31 December 2020 as set out in Note 13(b);

(vii) certain right-of-use assets with aggregate net carrying amounts of approximately RM4,669,000, RM4,558,000, RM4,404,000 and RM4,367,000 at 31 December 2019, 2020 and 2021 and 30 April 2022, respectively, as set out in Note 15; and/or

(viii) pledged bank deposits with carrying amounts of approximately RM15,674,000, RM12,844,000, RM13,430,000 and RM13,419,000 at 31 December 2019, 2020 and 2021 and 30 April 2022, respectively, as set out in Note 19.

All banking facilities are subject to the fulfilment of covenants, as is commonly found in lending arrangements with financial institutions. If the Group was to breach the covenants, the drawn down facilities would become repayable on demand. At 31 December 2019, 2020 and 2021 and 30 April 2022, none of the covenants relating to drawn down facilities had been breached.

The guarantees and the pledged properties provided by the Ultimate Controlling Party and the related party are expected to be released and replaced by a corporate guarantee to be given by the Company upon the Initial [**REDACTED**] and the banks have provided their consent in this regard.

22. LEASE LIABILITIES

	At 31 December			At 30 April
	2019	**2020**	**2021**	**2022**
	RM'000	*RM'000*	*RM'000*	*RM'000*
Current portion	777	1,380	1,412	1,338
Non-current portion	1,178	2,431	1,980	1,574
	1,955	3,811	3,392	2,912

The Group has recognised the following amounts relating to short-term leases during the Track Record Period:

	Year ended 31 December			Four months ended 30 April	
	2019	**2020**	**2021**	**2021**	**2022**
	RM'000	*RM'000*	*RM'000*	*RM'000*	*RM'000*
Lease payments – Short-term leases	134	132	168	52	100

Commitments and present value of lease liabilities:

	Lease payments				Present value of lease payments			
	At 31 December			At 30 April	At 31 December			At 30 April
	2019	**2020**	**2021**	**2022**	**2019**	**2020**	**2021**	**2022**
	RM'000	*RM'000*	*RM'000*	*RM'000*	*RM'000*	*RM'000*	*RM'000*	*RM'000*
Amounts payable:								
Within one year	871	1,456	1,530	1,436	777	1,380	1,412	1,338
In the second to third years inclusive	1,261	2,593	2,086	1,653	1,178	2,431	1,980	1,574
	2,132	4,049	3,616	3,089	1,955	3,811	3,392	2,912
Less: future finance charges	(177)	(238)	(224)	(177)	–	–	–	–
Total lease liabilities	1,955	3,811	3,392	2,912	1,955	3,811	3,392	2,912

The total cash outflows for leases for the Track Record Period were approximately RM1,254,000, RM991,000, RM1,864,000, RM565,000 and RM627,000, respectively.

The lease liabilities are secured by certain right-of-use assets with aggregate net carrying amount of approximately RM1,982,000, RM2,164,000, RM2,351,000 and RM2,099,000 at 31 December 2019, 2020 and 2021 and 30 April 2022, respectively, as set out in Note 15.

At 31 December 2019, 2020 and 2021 and 30 April 2022, the weighted average effective interest rates of the lease liabilities of the Group were 6.22%, 5.48%, 4.69% and 4.96% per annum, respectively.

23. DEFERRED TAX ASSETS (LIABILITIES)

For the purpose of presentation in the combined financial statements, the following is the analysis of the deferred taxation:

	At 31 December			At 30 April
	2019	**2020**	**2021**	**2022**
	RM'000	*RM'000*	*RM'000*	*RM'000*
Deferred tax assets	354	1,053	1,774	2,219
Deferred tax liabilities	(456)	(531)	(592)	(365)
	(102)	522	1,182	1,854

The movements in the Group's deferred tax assets (liabilities) were as follows:

	Provision for impairment allowances for trade and other receivables	Marketing Incentive/ accrued revenue and costs	Accelerated tax depreciation	Total
	RM'000	*RM'000*	*RM'000*	*RM'000*
At 1 January 2019	585	177	(704)	58
Income tax expense	(56)	(9)	(95)	(160)
At 31 December 2019	529	168	(799)	(102)
At 1 January 2020	529	168	(799)	(102)
Income tax credit (expense)	1	1,095	(472)	624
At 31 December 2020	530	1,263	(1,271)	522
At 1 January 2021	530	1,263	(1,271)	522
Income tax credit	111	424	125	660
At 31 December 2021	641	1,687	(1,146)	1,182
At 1 January 2022	641	1,687	(1,146)	1,182
Income tax credit	208	335	129	672
At 30 April 2022	849	2,022	(1,017)	1,854

24. SHARE CAPITAL AND THE FINANCIAL INFORMATION OF THE COMPANY

24(a) Share capital

The Company was incorporated as an exempted company with limited liability in the Cayman Islands on 14 February 2019. Upon its incorporation, the authorised share capital of HK$380,000 was divided into 38,000,000 ordinary shares at HK$0.01 each and 200 ordinary shares were issued.

Pursuant to the Reorganisation completed on 21 January 2021, the Company became the holding company of the entities now comprising the Group. Further details of the change in authorised and issued capital of the Company since its incorporation are set out in the paragraph headed "Reorganisation" of the section headed "History, Development and Reorganisation" of the Document.

Save as disclosed above, the Company has not commenced any significant business or operation since its incorporation.

24(b) Investment in a subsidiary

Investment in a subsidiary represents 100% of the issued share capital of SCC Holdings.

24(c) Amount due to the immediate holding company

The amount due to the immediate holding company is non-trade in nature, unsecured, interest-free and repayable on demand and will be fully settled prior to the Initial [**REDACTED**].

24(d) Amounts due to subsidiaries

The amounts due to subsidiaries are non-trade in nature, unsecured, interest-free and repayable on demand.

24(e) Reserves of the Company

	Translation reserve *RM'000*	**Accumulated losses** *RM'000*	**Total** *RM'000*
At 14 February 2019 (date of incorporation), 31 December 2019 and 1 January 2020	–	–	–
Loss for the year	–	(3,149)	(3,149)
Other comprehensive income			
Exchange difference on translation	133	–	133
At 31 December 2020 and 1 January 2021	133	(3,149)	(3,016)
Loss for the year	–	(5,082)	(5,082)
Other comprehensive loss			
Exchange difference on translation	(81)	–	(81)
At 31 December 2021 and 1 January 2022	52	(8,231)	(8,179)
Loss for the period	–	(1,636)	(1,636)
Other comprehensive loss			
Exchange difference on translation	(25)	–	(25)
At 30 April 2022	27	(9,867)	(9,840)

During the years ended 31 December 2020 and 2021 and the four months ended 30 April 2022, certain corporate administrative costs of the Company and the expenses for the Initial [**REDACTED**] were borne by the subsidiaries of the Company without recharge.

25. RESERVES

25(a) Capital reserve

The capital reserve represents the aggregate amount of the nominal value of the issued/paid-up capital of the entities now comprising the Group less consideration paid to acquire the relevant interests (if any).

25(b) Translation reserve

The translation reserve comprises all foreign exchange differences arising from the translation of foreign operations for combination/consolidation.

26. RELATED PARTY TRANSACTIONS

During the Track Record Period, the Group had the following significant related party transactions.

(a) Related party transactions of the Group:

		Year ended 31 December			Four months ended 30 April	
		2019	2020	2021	2021	2022
	Note	*RM'000*	*RM'000*	*RM'000*	*RM'000*	*RM'000*
Revenue arising from distribution and sales of F&B						
Just Relax Restaurant	*18(a)(iii)*	205	229	243	89	102
Tropicana Food Garden	*18(a)(vii)*	58	–	–	–	–
The Eight Th	*18(a)(vi)*	68	13	30	20	22
Alfa Indah (Beserah)	*18(a)(i)*	731	1,026	1,145	298	444
Alfa Indah (Jaya Gading)	*18(a)(ii)*	878	844	800	214	278
Megamart	*18(a)(iv)*	6,697	6,833	6,346	2,287	2,686
JR Grill & Bistro	*18(a)(iii)*	–	40	16	13	–
Pak Su Seafood	*18(a)(v)*	108	96	48	16	35
Owl Cafe	*18(a)(iii)*	77	127	87	29	43
Mega Jaya Seafood	*18(a)(viii)*	–	112	51	47	–
Purchase of F&B						
Just Relax Restaurant	*18(a)(iii)*	(199)	(172)	–	–	–
The Nine Th*		(66)	(78)	–	–	–
Owl Cafe	*18(a)(iii)*	(140)	(4)	–	–	–
Mega Jaya Seafood	*18(a)(viii)*	–	(48)	–	–	–
Sales and marketing expenses						
Alfa Indah (Beserah)	*18(a)(i)*	(21)	(10)	(7)	–	(3)
Alfa Indah (Jaya Gading)	*18(a)(ii)*	(21)	(8)	(7)	–	(3)
Megamart	*18(a)(iv)*	(34)	(37)	(50)	(12)	(9)
Just Relax Restaurant	*18(a)(iii)*	–	–	(5)	–	–

* At 31 December 2019, 2020 and 2021 and 30 April 2022, CA Soon and Ms. KW Ng were the partners of The Nine Th.

(b) Remuneration for key management personnel (including directors) of the Group:

	Year ended 31 December			Four months ended 30 April	
	2019	2020	2021	2021	2022
	RM'000	*RM'000*	*RM'000*	*RM'000*	*RM'000*
Salaries, allowances, discretionary bonus, and other benefits in kind	2,154	2,204	2,156	719	846
Contributions to defined contribution plans	380	396	470	133	150
	2,534	2,600	2,626	852	996

Further details of the directors' remuneration are set out in Note 8.

27. ADDITIONAL INFORMATION ON THE COMBINED STATEMENTS OF CASH FLOWS

(a) Major non-cash transactions

The Group had the following major non-cash transactions:

During the years ended 31 December 2019, 2020 and 2021 and the four months ended 30 April 2021 and 2022, the Group entered into lease arrangements in respect of right-of-use assets with total capital value at the inception of leases of approximately RM507,000, RM2,644,000, RM1,114,000, RM70,000 and nil, respectively.

During the year ended 31 December 2020, dividend of approximately RM2,850,000 was settled through the current account with the Ultimate Controlling Party included in other payables.

During the year ended 31 December 2021 and the four months ended 30 April 2021, dividend of approximately RM10,017,000 was settled through distribution of investment properties and property, plant and equipment included in non-current assets held for distribution to owners.

(b) Reconciliation of liabilities arising from financing activities

The movements during the Track Record Period in the Group's liabilities arising from financing activities are as follows:

	At 1 January 2019	Net cash inflow (outflow)	Non-cash changes: Declaration of dividends	Settlement via offsetting	Addition of right-of-use assets	Lease termination	Derecognised on disposal of a subsidiary	Settlement via distribution	At 31 December 2019
	RM'000	*RM'000*	*RM'000*	*RM'000*	*RM'000*	*RM'000*	*RM'000*	*RM'000*	*RM'000*
Year ended 31 December 2019									
Interest-bearing borrowings	40,441	8,618	–	–	–	–	–	–	49,059
Lease liabilities	2,550	(984)	–	–	507	(118)	–	–	1,955
Due to the Ultimate Controlling Party	7,508	(4,062)	–	–	–	–	–	–	3,446
Due to related parties, net	53	(50)	–	–	–	–	–	–	3
Dividend payables	–	(150)	13,500	–	–	–	–	–	13,350
Total liabilities from financing activities	50,552	3,372	13,500	–	507	(118)	–	–	67,813

	At 1 January 2020	Net cash inflow (outflow)	Non-cash changes: Declaration of dividends	Settlement via offsetting	Addition of right-of-use assets	Lease termination	Derecognised on disposal of a subsidiary	Settlement via distribution	At 31 December 2020
	RM'000	*RM'000*	*RM'000*	*RM'000*	*RM'000*	*RM'000*	*RM'000*	*RM'000*	*RM'000*
Year ended 31 December 2020									
Interest-bearing borrowings	49,059	(10,010)	–	–	–	–	(840)	–	38,209
Lease liabilities	1,955	(718)	–	–	2,644	(6)	(64)	–	3,811
Due to the Ultimate Controlling Party	3,446	(1,639)	–	2,850	–	–	–	–	4,657
Due to related parties, net	3	1,684	–	–	–	–	–	–	1,687
Dividend payables	13,350	(10,500)	20,517	(2,850)	–	–	–	–	20,517
Total liabilities from financing activities	67,813	(21,183)	20,517	–	2,644	(6)	(904)	–	68,881

			Non-cash changes						
	At 1 January 2021	Net cash inflow (outflow)	Declaration of dividends	Settlement via offsetting	Addition of right-of-use assets	Lease termination	Derecognised on disposal of a subsidiary	Settlement via distribution	At 31 December 2021
	RM'000	*RM'000*	*RM'000*	*RM'000*	*RM'000*	*RM'000*	*RM'000*	*RM'000*	*RM'000*
Year ended 31 December 2021									
Interest-bearing borrowings	38,209	3,106	–	–	–	–	–	–	41,315
Lease liabilities	3,811	(1,533)	–	–	1,114	–	–	–	3,392
Due to the Ultimate Controlling Party	4,657	(2,227)	–	–	–	–	–	–	2,430
Due to related parties, net	1,687	(1,687)	–	–	–	–	–	–	–
Dividend payables	20,517	(10,500)	–	–	–	–	–	(10,017)	–
Total liabilities from financing activities	68,881	(12,841)	–	–	1,114	–	–	(10,017)	47,137

			Non-cash changes						
	At 1 January 2021	Net cash inflow (outflow)	Declaration of dividends	Settlement via offsetting	Addition of right-of-use assets	Lease termination	Derecognised on disposal of a subsidiary	Settlement via distribution	At 30 April 2021
	RM'000	*RM'000*	*RM'000*	*RM'000*	*RM'000*	*RM'000*	*RM'000*	*RM'000*	*RM'000*
Four months ended 30 April 2021									
Interest-bearing borrowings	38,209	5,084	–	–	–	–	–	–	43,293
Lease liabilities	3,811	(457)	–	–	70	–	–	–	3,424
Due to the Ultimate Controlling Party	4,657	248	–	–	–	–	–	–	4,905
Due to related parties, net	1,687	(1,687)	–	–	–	–	–	–	–
Dividend payables	20,517	(10,500)	–	–	–	–	–	(10,017)	–
Total liabilities from financing activities	68,881	(7,312)	–	–	70	–	–	(10,017)	51,622

	At 1 January 2022	Net cash inflow (outflow)	Non-cash changes: Declaration of dividends	Settlement via offsetting	Addition of right-of-use assets	Lease termination	Derecognised on disposal of a subsidiary	Settlement via distribution	At 30 April 2022
	RM'000	*RM'000*	*RM'000*	*RM'000*	*RM'000*	*RM'000*	*RM'000*	*RM'000*	*RM'000*
Four months ended 30 April 2022									
Interest-bearing borrowings	41,315	13,211	–	–	–	–	–	–	54,526
Lease liabilities	3,392	(480)	–	–	–	–	–	–	2,912
Due to the Ultimate Controlling Party	2,430	(2,078)	–	–	–	–	–	–	352
Total liabilities from financing activities	47,137	10,653	–	–	–	–	–	–	57,790

28. DISPOSAL OF SUBSIDIARIES

On 31 December 2020, the Group disposed of its 100% equity interests in (i) EC Maju Frozen to an independent third party at a cash consideration of RM400,000 and (ii) NSB Marketing to SB Soon at a cash consideration of RM100 (collectively the "Disposal"). The net assets of the EC Maju Frozen and NSB Marketing at the date of the Disposal were as follows:

(a) Disposal of EC Maju Frozen

	RM'000
Investment properties	1,042
Property, plant and equipment	9
Right-of-use assets	60
Inventories	346
Trade and other receivables	200
Cash and cash equivalents	339
Income tax recoverable	54
Trade and other payables	(615)
Interest-bearing borrowings	(840)
Lease liabilities	(64)
Deferred tax liabilities	(1)
Net assets	530
Loss on disposal of a subsidiary recognised in profit or loss	(130)
Total consideration *(Note 18)*	400
Net cash flow arising on disposal:	
Cash and cash equivalents disposed of	(339)

(b) Disposal of NSB Marketing

	RM'000
Other receivable	1,687
Cash and cash equivalents	18
Income tax recoverable	23
Other payables	(2)
Net assets	1,726
Loss on disposal of a subsidiary recognised in equity	(1,726)
Total cash consideration	–*
Net cash flow arising on disposal:	
Cash consideration	–*
Cash and cash equivalents disposed of	(18)
	(18)

* Represent amount less than RM1,000.

29. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise of financial assets at FVPL, pledged bank deposits, bank balances and cash, bank overdrafts, interest-bearing borrowings, lease liabilities and dividend payables. The main purpose of these financial instruments is to raise and maintain finance for the Group's operations. The Group has various other financial instruments such as trade and other receivables and trade and other payables, which arise directly from its business activities.

The main risks arising from the Group's financial instruments are price risk, interest rate risk, foreign currency risk, credit risk and liquidity risk. The Group generally adopts conservative strategies on the Group's risk management and limits the Group's exposure to these risks to a minimum. The management of the Group reviews and agrees policies for managing each of these risks and they are summarised below. The Group also monitors the market price risk arising from all financial instruments.

Price risk

The Group is exposed to price risk arising from unlisted investments in money market funds classified as financial assets measured at FVPL which their fair value will fluctuate.

At 31 December 2019, 2020 and 2021 and 30 April 2022, if the fair value of the investments has been 1% higher/lower with all other variables held constant, the Group's pre-tax results would increase/decrease by nil, approximately RM60,000, RM2,000 and RM800 for the years ended 31 December 2019, 2020 and 2021 and the four months ended 30 April 2022, respectively.

The sensitivity analysis has been determined assuming that the reasonably possible changes in the fair value of the unlisted investments in money market funds had occurred at 31 December 2019, 2020 and 2021 and 30 April 2022 and had been applied to the exposure to price risk in existence at that date. The stated changes represent the management's assessment of reasonably possible changes in the fair value of the unlisted investment in money market funds over the next 12 months after the year/period end 31 December 2019, 2020 and 2021 and 30 April 2022.

In the opinion of the management of the Group, the sensitivity analysis is unrepresentative of the price risk because the exposure at 31 December 2019, 2020 and 2021 and 30 April 2022 does not reflect the exposure for the years ended 31 December 2019, 2020 and 2021 and the four months ended 30 April 2022.

Interest rate risk

The Group's exposure to market risk for changes in interest rates relates primarily to the Group's bank overdrafts and interest-bearing borrowings with floating interest rates of approximately RM26,803,000, RM24,111,000, RM17,230,000 and RM16,492,000 at 31 December 2019, 2020 and 2021 and 30 April 2022, respectively. The Group currently does not have a policy to hedge against the interest rate risk as the management of the Group does not expect any significant interest rate risk at 31 December 2019, 2020 and 2021 and 30 April 2022.

At 31 December 2019, 2020 and 2021 and 30 April 2022, if interest rates had been 1% higher/lower and all other variables were held constant, the Group's pre-tax results would decrease/increase by approximately RM268,000, RM241,000, RM172,000 and RM55,000 for the years ended 31 December 2019, 2020 and 2021 and the four months ended 30 April 2022, respectively.

The sensitivity analysis above has been determined assuming that the changes in interest rate had occurred throughout the years ended 31 December 2019, 2020 and 2021 and the four months ended 30 April 2022 and had been applied to the exposure to interest rate risk for the closing balances of bank overdrafts and interest-bearing borrowings in existence at 31 December 2019, 2020 and 2021 and 30 April 2022. The stated changes represent management's assessment of a reasonably possible change in interest rates over the years ended 31 December 2019, 2020 and 2021 and the four months ended 30 April 2022.

In the opinion of the management of the Group, the sensitivity analysis is unrepresentative of the inherent interest rate risk because the exposure at 31 December 2019, 2020 and 2021 and 30 April 2022 does not reflect the exposure during the years ended 31 December 2019, 2020 and 2021 and the four months ended 30 April 2022.

In addition, the Group's financial liabilities measured at amortised cost are considered not to expose to fair value interest rate risk at 31 December 2019, 2020 and 2021 and 30 April 2022.

Foreign currency risk

The Group's transactions are mainly denominated in RM.

Certain financial liabilities of the Group are denominated in currencies other than the functional currency of the respective group entities and therefore exposed to foreign currency risk. The carrying amounts of those financial liabilities are analysed as follows:

	At 31 December			At 30 April
	2019	**2020**	**2021**	**2022**
	RM'000	*RM'000*	*RM'000*	*RM'000*
Australian Dollars ("AU$")	305	2,089	2,757	826

The following table indicates the approximate change in the Group's pre-tax results if exchange rates of AU$ had changed against the functional currencies of the respective group entities by 10% and all other variables were held constant at 31 December 2019, 2020 and 2021 and 30 April 2022.

	At 31 December			At 30 April
	2019	**2020**	**2021**	**2022**
	RM'000	*RM'000*	*RM'000*	*RM'000*
AU$	(31)	(209)	(276)	(83)

The sensitivity analysis has been determined assuming that the changes in foreign exchange rates had occurred at 31 December 2019, 2020 and 2021 and 30 April 2022 and had been applied to the Group's exposure to currency risk for financial instruments in existence at that date, and that all other variables, in particular interest rates, remain constant.

The stated changes represent management's assessment of reasonably possible changes in foreign exchange rates over the period until the end of the next reporting period.

In the opinion of the management, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at 31 December 2019, 2020 and 2021 and 30 April 2022 does not reflect the exposure during the years ended 31 December 2019, 2020 and 2021 and the four months ended 30 April 2022.

Credit risk

The carrying amount of financial assets recognised on the Historical Financial Information, which is net of loss allowances, represents the Group's exposure to credit risk on these financial assets without taking into account the credit enhancements.

	At 31 December			At 30 April
	2019	**2020**	**2021**	**2022**
	RM'000	*RM'000*	*RM'000*	*RM'000*
Trade and other receivables	70,814	72,989	94,560	119,218
Pledged bank deposits	15,674	12,844	13,430	13,419
Bank balances and cash	11,883	13,012	4,480	8,339
	98,371	98,845	112,470	140,976

Trade receivables

The Group trades only with recognised, creditworthy customers. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. The Group limits its exposure to credit risk from trade receivables by establishing a maximum payment period of 90 days.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The default risk of the industry and region in which customers operate also has an influence on credit risk but to a lesser extent. Credit quality of a customer is assessed based on an extensive credit rating and individual credit limit assessment which is mainly based on the Group's own trading records.

At 31 December 2019, 2020 and 2021 and 30 April 2022, the Group had a concentration of credit risk as approximately 8%, 7%, 7% and 10% of the total trade receivables was due from the Group's largest trade debtor, respectively, and approximately 29%, 27%, 29% and 28% of the total trade receivables was due from the Group's five largest trade debtors, respectively.

The Group's customer base consists of a wide range of customers and the trade receivables are categorised by common risk characteristics that are representative of the customers' abilities to pay all amounts due in accordance with the contractual terms. The Group applies a simplified approach in calculating ECL for trade receivables and recognises loss allowances based on lifetime ECL at the end of each reporting period and has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. The expected loss rate used in the provision matrix is calculated for each category based on actual credit loss experience over the past periods and adjusted for current and forward-looking factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group's estimate on future economic conditions over the expected lives of the receivables. There was no change in the estimation techniques or significant assumptions made during the Track Record Period.

The information about the exposure to credit risk and ECL for trade receivables using a provision matrix is summarised as follows:

At 31 December 2019

	Expected credit loss rate (approximately)	Gross carrying amount	Loss allowance	Net carrying amount	Credit-impaired
	%	*RM'000*	*RM'000*	*RM'000*	
Not yet due	–	37,961	–	37,961	No
1 to 30 days past due	4	23,409	(875)	22,534	No
31 to 60 days past due	5	6,453	(323)	6,130	No
61 to 90 days past due	20	1,868	(374)	1,494	No
Over 90 days past due	100	634	(634)	–	Yes
		70,325	(2,206)	68,119	

At 31 December 2020

	Expected credit loss rate (approximately)	Gross carrying amount	Loss allowance	Net carrying amount	Credit-impaired
	%	*RM'000*	*RM'000*	*RM'000*	
Not yet due	–	42,411	–	42,411	No
1 to 30 days past due	6	21,954	(1,271)	20,683	No
31 to 60 days past due	5	4,422	(221)	4,201	No
61 to 90 days past due	20	658	(132)	526	No
Over 90 days past due	100	587	(587)	–	Yes
		70,032	(2,211)	67,821	

At 31 December 2021

	Expected credit loss rate (approximately)	Gross carrying amount	Loss allowance	Net carrying amount	Credit-impaired
	%	*RM'000*	*RM'000*	*RM'000*	
Not yet due	–	53,280	–	53,280	No
1 to 30 days past due	6	30,249	(1,815)	28,434	No
31 to 60 days past due	7	5,926	(415)	5,511	No
61 to 90 days past due	20	1,096	(219)	877	No
Over 90 days past due	100	224	(224)	–	Yes
		90,775	(2,673)	88,102	

At 30 April 2022

	Expected credit loss rate (approximately)	Gross carrying amount	Loss allowance	Net carrying amount	Credit-impaired
	%	*RM'000*	*RM'000*	*RM'000*	
Not yet due	–	69,130	–	69,130	No
1 to 30 days past due	6	37,289	(2,238)	35,051	No
31 to 60 days past due	7	6,281	(440)	5,841	No
61 to 90 days past due	20	1,494	(298)	1,196	No
Over 90 days past due	100	564	(564)	–	Yes
		114,758	(3,540)	111,218	

The Group does not hold any collateral over trade receivables at 31 December 2019, 2020 and 2021 and 30 April 2022.

At 31 December 2019, 2020 and 2021 and 30 April 2022, the Group recognised the loss allowance of approximately RM2,206,000, RM2,211,000, RM2,673,000 and RM3,540,000 on trade receivables, respectively. The movement in the loss allowance for trade receivables is summarised below.

	Year ended 31 December			Four months ended 30 April
	2019	2020	2021	2022
	RM'000	*RM'000*	*RM'000*	*RM'000*
At the beginning of the reporting period	2,440	2,206	2,211	2,673
Increase in allowance	5	5	718	867
Reversal of allowance	–	–	(256)	–
Amount written off	(239)	–	–	–
At the end of the reporting period	2,206	2,211	2,673	3,540

For the years ended 31 December 2019, 2020 and 2021 and the four months ended 30 April 2022, amounts written off under provision for loss allowance of trade receivables of approximately RM239,000, nil, nil and nil, respectively, and bad debts written off directly to profit or loss of approximately RM54,000, RM249,000, RM331,000, and RM156,000, respectively, are still subject to enforcement activity.

The following significant changes in the gross carrying amounts of trade receivables contributed to the increase in the loss allowance:

(a) changes because of financial instruments originated, acquired and derecognised (including those that were written-off) during the period; and

(b) modification of contractual cash flows on trade receivables that do not result in the derecognition of those trade receivables.

Other financial assets carried at amortised costs

The Group's other financial assets carried at amortised costs include pledged bank deposits, bank balances and cash and other receivables in the combined statements of financial position.

The majority of the Group's pledged bank deposits and bank balances are deposited in major financial institutions located in the Malaysia, which are of high credit rating. The management of the Group does not expect any losses arising from non-performance by these counterparties.

The management of the Group considers that the other receivables have low credit risk based on the borrowers' strong capacity to meet its contractual cash flow obligations in the near term and low risk of default. Loss allowances on other receivables is measured on 12-month ECL and reflects the short maturities of the exposures.

In estimating the ECL, the management of the Group has taken into account the historical actual credit loss experience over the past years and the financial position of the counterparties, past collection history, current creditworthiness, adjusted for forward-looking factors that are specific to the counterparties and general economic conditions of the industry in which the counterparties operate, in estimating the probability of default of these financial assets, as well as the loss upon default in each case. The management of the Group considers the ECL of other receivables to be negligible after taking into account the financial position, credit quality and past settlement records of the counterparties.

There was no change in the estimation techniques or significant assumptions made during the Track Record Period.

Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility. The Group has no specific policy for managing its liquidity. The undiscounted contractual maturity profile of the Group's financial liabilities, based on the contractual undiscounted payments, is summarised below:

	Total carrying amount	Total contractual undiscounted cash flow	On demand or less than 1 year	1 to 2 years	2 to 5 years	Over 5 years
	RM'000	*RM'000*	*RM'000*	*RM'000*	*RM'000*	*RM'000*
At 31 December 2019						
Trade and other payables	34,553	34,553	34,553	–	–	–
Bank overdrafts	255	255	255	–	–	–
Interest-bearing borrowings	49,059	56,006	27,271	2,920	11,432	14,383
Lease liabilities	1,955	2,132	871	1,261	–	–
Dividend payables	10,500	10,500	10,500	–	–	–
	96,322	103,446	73,450	4,181	11,432	14,383
At 31 December 2020						
Trade and other payables	46,616	46,616	46,616	–	–	–
Interest-bearing borrowings	38,209	43,529	21,939	2,670	9,585	9,335
Lease liabilities	3,811	4,049	1,456	2,593	–	–
Dividend payables	10,500	10,500	10,500	–	–	–
	99,136	104,694	80,511	5,263	9,585	9,335
At 31 December 2021						
Trade and other payables	48,745	48,745	48,745	–	–	–
Bank overdrafts	110	110	110	–	–	–
Interest-bearing borrowings	41,315	45,896	26,783	2,579	8,364	8,170
Lease liabilities	3,392	3,616	1,530	2,086	–	–
	93,562	98,367	77,168	4,665	8,364	8,170

	Total carrying amount	Total contractual undiscounted cash flow	On demand or less than 1 year	1 to 2 years	2 to 5 years	Over 5 years
	RM'000	*RM'000*	*RM'000*	*RM'000*	*RM'000*	*RM'000*
At 30 April 2022						
Trade and other payables	58,691	58,691	58,691	–	–	–
Interest-bearing borrowings	54,526	58,892	40,539	2,524	7,831	7,998
Lease liabilities	2,912	3,089	1,436	1,653	–	–
	116,129	120,672	100,666	4,177	7,831	7,998

30. FAIR VALUE MEASUREMENTS

The following presents the assets and liabilities measured at fair value or required to disclose their fair value in the Historical Financial Information on a recurring basis across the three levels of the fair value hierarchy defined in IFRS 13, *Fair Value Measurement*, with the fair value measurement categorised in its entirety based on the lowest level input that is significant to the entire measurement. The levels of inputs are defined as follows:

- Level 1 (highest level): quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

- Level 3 (lowest level): unobservable inputs for the asset or liability.

(a) Assets measured at fair value

	Level 2		
	At 31 December		At 30 April
	2020	2021	2022
	RM'000	*RM'000*	*RM'000*
Financial assets at FVPL			
– Money market funds, unlisted *(Note 16)*	5,954	233	234

During the years ended 31 December 2020 and 2021 and the four months ended 30 April 2022, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair measurements. The details of the measurement basis and movements of the financial assets at FVPL are set out in Note 16.

The Group reviews estimation of fair values of the unlisted investments in money market funds which are categorised into Level 2 of the fair value hierarchy. Reports with estimation of the fair values are prepared by the banks on a monthly basis.

(b) Assets and liabilities with fair value disclosure, but not measured at fair value

All other financial assets and liabilities are carried at amounts not materially different from their fair values at the end of each reporting period.

Information about the Group's fair values of investment properties/non-current assets held for distribution to owners under Level 3 of the three-level fair value hierarchy as defined under IFRS 13 is set out in Note 13.

31. COMMITMENTS

(a) Capital Expenditure Commitments

	At 31 December			At 30 April
	2019	**2020**	**2021**	**2022**
	RM'000	*RM'000*	*RM'000*	*RM'000*
Contracted but not provided net of deposits paid for acquisition of property, plant and equipment	–	1,271	1,023	10,473

On 16 March 2022, the Group entered into a sales and purchase agreement (the "S&P Agreement") with an independent third party, pursuant to which, the Group agreed to purchase a factory located in Terengganu, Malaysia, at a consideration of RM10,500,000. In January 2022, the Group has paid 10% of the total consideration which is refundable subject to certain terms and conditions set out in the S&P Agreement. The remaining consideration is expected to be settled within 3 months upon the completion date of the S&P Agreement.

(b) Commitments under leases

The Group as lessor

The Group leases out its properties under operating leases with lease terms ranging from one year to three years. The future aggregate minimum rental receivables under non-cancellable operating leases are as follows:

	At 31 December			At 30 April
	2019	**2020**	**2021**	**2022**
	RM'000	*RM'000*	*RM'000*	*RM'000*
Within one year	454	9	18	31
More than one year but less than two years	336	4	18	12
More than two years but less than three years	29	–	–	–
	819	13	36	43

32. CAPITAL MANAGEMENT

The objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to provide returns for equity owners. The Group manages its capital structure and makes adjustments, including payment of dividend, call for additional capital from equity owners or sale of assets to reduce debts. No changes were made in the objectives, policies or processes during the Track Record Period.

33. EVENTS AFTER THE REPORTING PERIOD

Subsequent to 30 April 2022, the Group has the following subsequent events:

(i) Pursuant to the resolution of the Company's sole shareholder passed on 14 July 2022, inter-alia, the authorised share capital of the Company was increased from HK$380,000 to HK$15,000,000 by the creation of an additional 1,462,000,000 shares of HK$0.01 each and the Capitalisation Issue (as defined below) was conditionally approved.

(ii) Pursuant to the resolution in writing of the Company's sole shareholder passed on 14 July 2022, subject to the share premium account of the Company being credited as a result of the [**REDACTED**] of the Company's shares, the directors of the Company were authorised to allot and issue a total of [**REDACTED**] shares of HK$0.01 each to the existing shareholders, credited as fully paid at par by way of capitalisation of the sum of HK$[**REDACTED**] standing to be credit of the share premium account of the Company (the "Capitalisation Issue") and the shares to be allotted and issued pursuant to this resolution shall carry the same rights as all shares in issue (save for the right to participate in the Capitalisation Issue).

(iii) The relevant government authorities have imposed certain measures in response to the outbreak of COVID-19. At the date of this report, the Group does not expect those events or measures have any significant adverse impacts to the financial position at 30 April 2022 and the application of going concern basis for the preparation of the Historical Financial Information.

34. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared in accordance with IFRSs and/or other applicable financial reporting standards for the Company or any of its subsidiaries in respect of any period subsequent to 30 April 2022.