

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current Quarter Ended 31/12/2022 RM' 000	Comparative Quarter Ended 31/12/2021 RM' 000	Current Year To Date 31/12/2022 RM' 000	Comparative Year To Date 31/12/2021 RM' 000
Revenue	B1 & B2	12,237	4,276	37,850	8,746
Cost of Sale	B1 & B2	(7,584)	(2,120)	(23,879)	(7,821)
Gross Profit / (Loss)		4,653	2,156	13,971	925
Other Operating Income	B1 & B2	1,120	599	9,370	1,685
Administrative Expenses	B1 & B2	(2,083)	(1,024)	(7,415)	(3,230)
Operating Expenses	B1 & B2	(3,221)	(12,802)	(7,402)	(15,936)
Profit/ (Loss) from Operation		469	(11,071)	8,524	(16,556)
Share of result in Associates		60	(202)	(342)	(202)
Finance costs		(78)	153	(229)	(211)
Profit/ (Loss) before tax	B1 & B2	451	(11,120)	7,953	(16,969)
Income tax expense		25	(240)	(738)	(239)
Profit/ (Loss) after taxation for the financial period		476	(11,360)	7,215	(17,208)
Other Comprehensive Income/ (Expenses)		-	-	-	-
Total Comprehensive Income/ (Expense) for the financial period		476	(11,360)	7,215	(17,208)
Profit/ (Loss) after taxation attributable to:					
Owners of the Company		548	(11,360)	7,049	(17,203)
Non-Controlling interest		(72)	-	166	(5)
		476	(11,360)	7,215	(17,208)
Earnings/ (Loss) Per Share - Basic (sen)	B14	0.28	(6.56)	3.63	(9.93)
- Diluted (sen)		0.19	(4.20)	2.42	(6.36)

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	As at 31/12/2022 (Unaudited) RM' 000	As At 31/12/2021 (Audited) RM' 000
ASSETS		
Non-current assets		
Property, plant and equipment	21,809	6,835
Leased assets	1,943	3,382
Investment properties	8,325	10,764
Investment in associates	-	4,799
Goodwill	10,393	1,064
Other financial assets	3,691	3,136
Other investments	3	3
Deferred tax assets	255	109
Total non-current assets	46,419	30,092
Current Assets		
Trade receivables	8,646	4,793
Other receivables	8,655	10,866
Other financial assets	489	1,209
Cash and bank balances	5,973	9,565
Tax recoverable	900	756
Total current assets	24,663	27,189
TOTAL ASSETS	71,082	57,281
EQUITY & LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	56,405	56,405
Retained profits	(3,241)	(10,290)
	53,164	46,115
Non-controlling interest	1,224	294
Total Equity	54,388	46,409
Non-current liabilities		
Leased liabilities	-	1,659
Borrowings	312	-
Total non-current liabilities	312	1,659
Current liabilities		
Trade payables	5,733	2,406
Other payables	6,504	2,379
Leased liabilities	2,669	1,914
Borrowings	170	-
Advance billings	1,306	2,402
Tax Liabilities	-	112
Total current liabilities	16,382	9,213
Total Liabilities	16,694	10,872
TOTAL EQUITY & LIABILITIES	71,082	57,281
Net assets per share (RM)	0.28	0.24

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

Period Ended	Attributable to Owner of the Company			Non-Controlling Interest	Total Equity
	Share Capital	Distributable Retained Profits	Total		
31/12/2022	RM' 000	RM' 000	RM' 000	RM'000	RM' 000
As at 1 January 2021	56,405	(10,290)	46,115	294	46,409
Profit for the period	-	7,049	7,049	166	7,215
Non-controlling interests arising from acquisition of shares of subsidiaries	-	-	-	764	764
As at 31 December 2022	56,405	(3,241)	53,164	1,224	54,388

Period Ended	Attributable to Owner of the Company			Minority Interest	Total Equity
	Share Capital	Distributable Retained Profits	Total		
31/12/2021	RM' 000	RM' 000	RM' 000	RM'000	RM' 000
As at 1 January 2021	40,533	6,913	47,446	-	47,446
Loss for the period	-	(17,203)	(17,203)	(5)	(17,208)
Issuance of ordinary shares via private placement	15,872	-	15,872	-	15,872
Non-controlling interests arising from disposal of shares of subsidiary	-	-	-	299	299
As at 31 December 2021	56,405	(10,290)	46,115	294	46,409

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	As at 31/12/2022 (Unaudited) RM' 000	As At 31/12/2021 (Audited) RM' 000
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit/ (loss) before tax	7,951	(17,208)
Adjustment for non-cash flow :		
Non cash items	(614)	16,923
Operating profit before changes in working capital	<u>7,337</u>	<u>(285)</u>
Changes in working capital		
Net change in assets	(374)	(7,461)
Net change in liabilities	2,035	2,453
Cash flow used in operation	8,998	(5,293)
Tax paid	(1,130)	(156)
Interest paid	(25)	(14)
Interest received	8	15
Net cash flow generated from/ (used in) operating activities	<u>7,851</u>	<u>(5,448)</u>
CASHFLOW FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(12,714)	(2,018)
Equity investment	(134)	(1,177)
Proceeds from disposal of fixed assets	280	593
Interest received	37	39
Proceed from disposal of Investment in subsidiaries	-	300
Proceed from disposal of quoted shares	519	-
Uplift of investment in unit trust	-	6,475
Proceed from private placement	-	15,872
Acquisition of subsidiaries, net of cash and cash equivalents	(6,651)	-
Proceeds from disposal of investment properties	9,500	-
Investment in associate	-	(5,002)
Net cash generated from/(used in) investing activities	<u>(9,163)</u>	<u>15,082</u>
CASHFLOW FROM FINANCING ACTIVITIES		
Repayment of loan borrowings	(164)	-
Interest paid on lease liabilities	-	(200)
Repayment of leased liabilities	(2,116)	(4,001)
Net cash used in financing activities	<u>(2,280)</u>	<u>(4,201)</u>
Net decrease in cash and cash equivalents	(3,592)	5,433
Cash and cash equivalents at the beginning of the Period	9,565	4,132
Cash and cash equivalents at the end of the Period	<u>5,973</u>	<u>9,565</u>
Cash and cash equivalent at the end of the financial period comprise the following:		
Cash on hand and at banks	3,779	382
Deposits with licensed banks	2,194	9,183
	<u>5,973</u>	<u>9,565</u>

Notes to the interim financial report

Part A: Explanatory notes pursuant to Malaysian Financial Reporting Standards (“MFRS”) 134

A1. Basis of Preparation, Changes in Accounting Policies & Comparatives

The financial report is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”), International Financial Reporting Standards (“IFRSs”) and paragraph 9.22 and Appendix 9B of the Bursa Malaysia Securities Berhad (“Bursa Malaysia”) Listing Requirements.

The financial statements should be read in conjunction with the audited financial statements of the Group for the financial period ended 31 December 2021. The explanatory notes attached to the financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the period ended 31 December 2021.

A2. Summary of Significant Accounting Policies

At the date of authorisation for issue of this financial report, the relevant new and revised Standards, IC Interpretations and Amendments relevant to the Group and the Company which were in issue but not yet effective and not early adopted by the Group and the Company are as listed below:

		Effective Date
Amendment to MFRS 16	Covid-19 Related Rent Concessions	1 June 2020
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16	Interest Rate Benchmark Reform - Phase 2	1 January 2021
Amendments to MFRS 1, MFRS 9, MFRS 16 and MFRS 141	Annual Improvements to MFRS Standards 2018–2020	1 January 2022
Amendments to MFRS 3	Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 116	Property, Plant and Equipment – Proceeds before Intended Use	1 January 2022
MFRS 17	Insurance Contracts	1 January 2023
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be announced by the MASB

The directors anticipate that the abovementioned Standards, IC Interpretations and Amendments adopted in the annual financial statements of the Group and of the Company when they become effective and that the adoption of these Standards, IC Interpretations and Amendments will have no material impact on the financial statements of the Group and of the Company in the period of initial application.

A3. Auditors’ Report on Preceding Annual Financial Statements

The audit report in respect of the financial statements for the year ended 31 December 2021 was not subject to any qualification.

A4. Seasonal or Cyclical Factors

The business operations of the Group are not materially affected by seasonal or cyclical factors.

A5. Nature and Amount of Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows That Are Unusual Because of Nature, Size or Incidence

There were no items during this quarter affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size or incidence.

A6. Accounting Estimates

There were no changes in estimates of amount reported in previous financial year that have a material effect in the current quarter.

A7. Debt and Equity Securities

There was an issuance of 145,600,590 new ordinary shares (“Bonus Shares”) in the Company on 9 November 2022 pursuant to the bonus issue on the basis of 3 Bonus Share for every 1 existing ordinary share held in the Company. Hence, additional 72,799,395 of warrants were issued accordingly.

Save as disclosed above, there were no other issuance, cancellation, repurchase, resale and repayment of debt and equity securities.

A8. Dividends Paid

No interim dividend has been recommended for the current quarter under review (Quarter 4, 2021: Nil).

A9. Segmental Reporting

No segment reporting is provided as the Group’s activities are predominantly in the outdoor advertising industry and are conducted in Malaysia.

A10. Valuation of Property, Plant and Equipment

The valuation of property, plant and equipment has been brought forward without any amendment from the previous annual report.

A11. Subsequent Material Events

No material event has occurred for the current quarter under review.

A12. Changes in Composition of the Group

In the current quarter, the Company acquired 11.1% in Noisy Sherbert Sdn Bhd (“NSSB”) at RM0.3 million which NSSB was previously an associate company with 40.12% equity. As a result, NSSB became a subsidiary of the Group.

A13. Contingent Liabilities

Contingent liabilities of the Company as at 31 December 2022 are in respect of a corporate guarantee with the guaranteed sum of RM 5,000,000.00 issued by the Company in favour of RHB bank as security for banking facilities granted by RHB bank to a subsidiary. The said banking facilities granted by RHB bank comprised of:

- (a) Overdraft facility of RM5,000,000.00; and
- (b) Bank Guarantee facility of RM2,800,000.00

A14. Capital Commitments

As at 31 December 2022, there were no commitments other than those stated below:

	Financial Quarter Ended 31/12/2022
Contracted but not provided for	RM’000
- Purchase of property, plant and equipment	4,375

A15. Related Party Transactions

Significant related party transactions of the Group are as follows:-

	Group Cumulative Quarter 12 months ended	
	31/12/2022	31/12/2021
	RM’000	RM’000
A Company which is controlled by a Director		
- Collaboration fee payable	3,250	-

The transaction has been entered into in the normal course of business and has been established under negotiated terms.

Part B: Explanatory notes pursuant to Part A, Appendix 9B of the Listing Requirements**B1. Review of Performance For The Current Quarter VS. Corresponding Quarter of the Preceding Financial Year**

For the quarter under review, the Company recorded a revenue of RM12.24 million and a profit after tax of RM0.48 million, as compared with the revenue of RM4.28 million and a loss after tax of RM11.36 million in the corresponding quarter of preceding financial year.

The 186% increase in revenue compared to preceding quarter was supported by the recovery of the outdoor advertising spend and demand, as well as the enlarged inventory due to the successful implementation of business transformation plan..

Higher cost of sale was in line with increase in sales activities compared to preceding quarter. Higher administrative expense was mainly due to an increase in payroll expenses and consolidation of acquired companies.

The quarter under review also registered an one-off loss from derecognition of investment in associate company, NSSB, amounting to RM1.81 million, which was reflected in other operating expenses

B2. Review of Performance for the Current Year VS. Preceding Year

In the year under review, the Company recorded a revenue of RM37.85 million, as compared to RM8.75 million in the preceding year. The 333% year-on-year (“yoy”) increase was supported by the recovery of demand for outdoor advertising as well as the successful implementation of business transformation plan which enabled the group to offer more comprehensive solutions through an enlarged inventory. Meanwhile, profit after tax in the period under review was RM 7.21 million, as opposed to loss after tax of RM17.21 million in the preceding year. The turnaround was in line with the higher revenue achieved and the gain on disposal of properties, which negated the higher operating expenses due to the expansion of the team.

B3. Prospects

Since the Group embarked on its transformation journey in mid-2021, it has managed to build an enlarged portfolio of OOH assets with greater comprehensiveness. With that, the Company is well-positioned to capitalise on the favourable industry trend ahead. In addition, the Group is poised to further solidify its product offerings in FY 2023 through implementation of a series of new digital and static assets throughout the whole nation, especially making an inroads to other key market centres. Based on the aforementioned factors, the Group is anticipating a positive year ahead and is confident that the strategies in place will sustain the present growth trend over the course of financial year 2023.

B4. Profit Forecast or Profit Guarantee

The Group did not issue any profit forecast during the current quarter and financial period under review in any public document.

B5. Taxation

The effective rate of taxation of the Group is lower than the statutory rate of taxation mainly due to utilisation of brought forward unabsorbed business losses. Tax expense from disposal of properties was accrued in accordance with Real Property Gains Tax Act 1976.

B6. Status of Corporate Proposals

On 27 October 2021, the Company proposed the followings:

- (i) a private placement of up to 14,560,000 new ordinary shares in SJC subject to the issuance of the placement shares not exceeding 20% of the total number of issued SJC Shares, at an issue price to be determined later (“Proposal 1”); and
- (ii) a bonus issue of shares of up to 262,079,985 new SJC Shares on the basis of 3 Bonus Shares for every 1 existing SJC Share held by the entitled shareholders of the Company on an entitlement date to be determined and announced later by the Board (“Proposal 2”).

On the same date, the Company also announce that the additional listing application in relation to the Proposals has been submitted to Bursa Securities. The application had via its letter dated 16 November 2021 been approved. The proposal was subsequently approved in the EGM held on 13 December 2021.

On 26 April 2022, the Company submitted an application for extension of time to complete the Proposals. On 10 May 2022, the application was approved to grant an extension of time until 16 November 2022.

On 27 September 2022, the Company announced to hold an extraordinary general meeting on 14 October 2022 to seek for resolution of Proposed Waiver of Statutory Pre-Emptive Rights of Shareholders (“Proposed Waiver”). The Proposed Waiver was approved in the meeting on 14 October 2022.

On 21 October 2022, the Company announced Entitlement date of 8 November 2022 for the Proposal 2.

On 25 October 2022, the Company submitted an application for the extension of time to complete the Proposal 1 and the application was approved on 31 October 2022 that an extension of time until 16 May 2023 was granted.

On 9 November 2022, the Company announced that additional bonus issue of 145,600,590 and 72,799,395 warrants have been completed.

Save as disclosed above, there were no corporate proposals pending completion as at the date of this report.

B7. Group Borrowings and Debt Securities

	Financial Quarter Ended 31/12/2022 RM'000	Financial Quarter Ended 31/12/2021 RM'000
Secured		
Non-current	312	-
Terms loan	312	-
Current		
Terms loan	170	-
	170	-
	482	-

The borrowings were due to consolidation of AMSB, SBSB and TJSB in second quarter of this financial year.

B8. Material Litigation

There was no material litigation as at the date of this report.

B9. Profit before tax is arrived at after charging / (crediting):

	Individual Quarter 3 months ended		Cumulative Quarter 12 months ended	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Interest Income	(14)	(24)	(45)	(89)
Other income	(1,106)	(211)	(2,030)	(1,232)
Interest (adjustment)/ expense	41	(155)	159	198
Depreciation on property, plant and equipment	422	357	2,129	1,429
Depreciation on investment properties	50	63	234	251
(Adjustment)/ Depreciation on leased assets	363	(576)	1,869	2,902
Gain on disposal of investment property	-	-	(7,295)	-

B10. Dividend payable

No interim dividend has been recommended for the current quarter under review (Quarter 4, 2021: Nil).

B11. Earnings/ (Loss) Per Share

(a) Basic earnings/ (loss) per share

	Individual Quarter 3 months ended		Cumulative Quarter 12 months ended	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Profit/ (Loss) after tax attributable to owners of the Company (RM'000)	593	(11,360)	7,094	(17,203)
Weighted average number of ordinary shares in issue ('000) ¹	194,133	173,244	194,133	173,244
Basic earnings/ (loss) per share (sen)	0.31	(6.56)	3.65	(9.93)

(b) Diluted earnings/ (loss) per share

	Individual Quarter 3 months ended		Cumulative Quarter 12 months ended	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Profit/ (Loss) after tax attributable to owners of the Company (RM'000)	593	(11,360)	7,094	(17,203)
Weighted average number of ordinary shares in issue ('000) ¹	194,133	173,244	194,133	173,244
Adjustments for assumed conversion of Warrant ('000) ²	97,066	97,066	97,066	97,066
Weighted average number of ordinary shares in issue ('000)	291,199	270,310	104,347	270,310
Diluted earnings/ (loss) per share (sen)	0.20	(4.20)	2.44	(6.36)

¹ Weighted average number of ordinary shares are computed with the effect of bonus issue on the basis of 3 Bonus Share for every 1 existing ordinary share held in the Company.

² Assumed conversion of Warrant is adjusted with the effect of bonus issue.

B12. Authority For Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Board of Directors

By Order of the Board
TAN TONG LANG (MAICSA 7045482)
 SSM PC No. 202208000250
 Company Secretary