

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE 3RD QUARTER ENDED 31 OCTOBER 2018**

	Current Quarter Ended 31-Oct-18 RM'000	Comparative Quarter Ended 31-Oct-17 RM'000	9 Months Cumulative To Date 31-Oct-18 RM'000	Comparative 9 Months Cumulative To Date 31-Oct-17 RM'000
Revenue	1,567	2,034	5,972	13,872
Cost of sales	(1,467)	(1,544)	(5,620)	(12,508)
Gross profit	100	490	352	1,364
Other operating income	1	8	2	36
Operating expenses	(1,014)	(1,379)	(2,092)	(3,235)
<b>Loss from operations</b>	<b>(913)</b>	<b>(881)</b>	<b>(1,738)</b>	<b>(1,835)</b>
Share of result in associated company	-	50	-	132
Finance costs	-	-	-	-
<b>Loss before taxation</b>	<b>(913)</b>	<b>(831)</b>	<b>(1,738)</b>	<b>(1,703)</b>
Income Tax	-	(24)	-	(99)
<b>Loss for the period / Total comprehensive loss</b>	<b>(913)</b>	<b>(855)</b>	<b>(1,738)</b>	<b>(1,802)</b>
<b>Loss for the period attributable to:</b>				
Owners of the Parent	(913)	(855)	(1,738)	(1,802)
Non-controlling Interest	-	-	-	-
	<u>(913)</u>	<u>(855)</u>	<u>(1,738)</u>	<u>(1,802)</u>
<b>Total comprehensive loss attributable to:</b>				
Owners of the Parent	(913)	(855)	(1,738)	(1,802)
Non-controlling Interest	-	-	-	-
	<u>(913)</u>	<u>(855)</u>	<u>(1,738)</u>	<u>(1,802)</u>
Basic loss per ordinary share (sen)	(0.10)	(0.10)	(0.20)	(0.21)

*(The unaudited condensed consolidated Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 January 2018 and the accompanying explanatory notes attached to this interim financial statements)*

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AS AT 31 OCTOBER 2018**

	(Unaudited) As at 31-Oct-18 RM'000	(Audited) As at 31-Jan-18 RM'000
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	2,095	2,167
<b>Current Assets</b>		
Trade receivables	28,662	31,717
Other receivables, deposits and prepayment	3,033	2,289
Amount owing by contract customer	-	30
Amount due from associated company	54	54
Cash and bank balances	584	1,190
	<u>32,333</u>	<u>35,280</u>
<b>TOTAL ASSETS</b>	<b><u>34,428</u></b>	<b><u>37,447</u></b>
<b>EQUITY AND LIABILITIES</b>		
Share capital	22,461	22,461
Share premium	8,815	8,815
Warrants reserve	518	518
Merger deficit	(2,575)	(2,575)
Retained earnings	2,434	4,172
<b>Total equity attributable to the owners of the Company</b>	<u>31,653</u>	<u>33,391</u>
<b>Total Equity</b>	<u>31,653</u>	<u>33,391</u>
<b>Non-current liabilities</b>		
Deferred tax liabilities	10	10
<b>Current Liabilities</b>		
Trade payables	701	1,733
Other payables, provisions and accruals	827	1,017
Amount owing to contract customer	1	-
Amount due to directors	124	75
Current tax liabilities	1,112	1,221
	<u>2,765</u>	<u>4,046</u>
<b>Total Liabilities</b>	<u>2,775</u>	<u>4,056</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>34,428</u></b>	<b><u>37,447</u></b>
Net assets per share attributable to equity holders of the Company		
- basic (RM)	0.036	0.038

*(The unaudited condensed consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 January 2018 and the accompanying explanatory notes attached to this interim financial statements)*

**SC ESTATE BUILDER BERHAD (Company No. 655665-T)**

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31 OCTOBER 2018**

	Attributable to Owners of the Company								
	Non-Distributable								
	Share capital	Share premium	Warrants reserve	Foreign exchange translation reserve	Merger deficit	Accumulated profit/ losses	Attributable to owners of the Company	Non- controlling interest	Total equity
<b>9 Months Period Ended 31 October 2018</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Balance at 1 February 2018	22,461	8,815	518	-	(2,575)	4,172	33,391	-	33,391
Total comprehensive loss for the period	-	-	-	-	-	(1,738)	(1,738)	-	(1,738)
Balance at 31 October 2018	<u>22,461</u>	<u>8,815</u>	<u>518</u>	<u>-</u>	<u>(2,575)</u>	<u>2,434</u>	<u>31,653</u>	<u>-</u>	<u>31,653</u>
<b>9 Months Period Ended 31 October 2017</b>									
Balance at 1 February 2017	43,948	8,815	1,106	146	(2,575)	(19,192)	32,248	-	32,248
Total comprehensive loss for the period	-	-	-	-	-	(1,802)	(1,802)	-	(1,802)
Exercise of warrants	206	-	-	-	-	-	206	-	206
Expenses incurred in relation to Rights Issue with Warrants	-	(431)	-	-	-	-	(431)	-	(431)
Capital reduction	(21,711)	-	-	-	-	21,711	-	-	-
Balance at 31 October 2017	<u>22,443</u>	<u>8,384</u>	<u>1,106</u>	<u>146</u>	<u>(2,575)</u>	<u>717</u>	<u>30,221</u>	<u>-</u>	<u>30,221</u>

*(The unaudited condensed consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 January 2018 and the accompanying explanatory notes attached to this interim financial statements )*

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE PERIOD ENDED 31 OCTOBER 2018**

	<b>9 Months Ended 31-Oct-18 RM'000</b>	<b>9 Months Ended 31-Oct-17 RM'000</b>
<b>Cash Flows From Operating Activities</b>		
Loss before taxation	(1,738)	(1,703)
Adjustments for :-		
Depreciation	270	312
Provision for taxation	-	(99)
Interest income	(2)	(30)
<b>Operating loss before working capital changes</b>	<b>(1,470)</b>	<b>(1,520)</b>
(Increase)/decrease in inventories	-	(334)
Decrease/(Increase) in receivables	2,341	582
Increase/(decrease) in payables	(1,218)	1,647
<i>Cash (used in)/generated from operations</i>	<i>(347)</i>	<i>375</i>
Interest received	2	30
Tax paid	(112)	(145)
<b>Net cash (used in)/generated from operating activities</b>	<b>(457)</b>	<b>260</b>
<b>Cash Flows From Investing Activities</b>		
Advances to associated company	-	(281)
Purchase of property, plant and equipment	(198)	(27)
<b>Net cash used in investing activities</b>	<b>(198)</b>	<b>(308)</b>
<b>Cash Flows From Financing Activities</b>		
Proceeds from issuance of share capital	-	206
Expenses incurred in relation to Rights Issue with Warrants	-	(431)
Advance from/(Repayment to) director	49	(9)
Repayment of hire purchase payables	-	(246)
<b>Net cash generated from/(used in) financing activities</b>	<b>49</b>	<b>(480)</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(606)</b>	<b>(528)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD</b>	<b>1,190</b>	<b>1,649</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD</b>	<b>584</b>	<b>1,121</b>
<b>CASH AND CASH EQUIVALENTS COMPRISE:</b>		
Cash and bank balances	584	395
Fixed deposits with a licensed bank	-	726
	<b>584</b>	<b>1,121</b>

*(The unaudited condensed consolidated Statements of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 January 2018 and the accompanying explanatory notes attached to this interim financial statements)*

**NOTES TO THE QUARTERLY REPORT – 31 OCTOBER 2018**  
**A. EXPLANATORY NOTES AS PER MFRS 134 - INTERIM FINANCIAL REPORTING**

---

**A1. Basis of Preparation**

The interim financial statements are unaudited and have been prepared in compliance with MFRS 134 – Interim Financial Reporting, and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) for the ACE Market.

The accounting policies and method of computation adopted for the interim financial statements were consistent with those adopted for the audited financial statements for the year ended 31 January 2018.

**A2. Auditors’ Report**

The auditors’ report on the audited annual financial statements for the financial year ended 31 January 2018 was not subject to any qualification.

**A3. Seasonal or Cyclical Factors**

The operations of the Group were not affected by any seasonal or cyclical factors.

**A4. Unusual Items**

During the current quarter under review, there were no items or events that arose, which affected the assets, liabilities, equity, net income or cash flows, which are unusual by reason of their nature, size or incidence.

**A5. Changes in Estimates**

There were no changes in the estimates of amounts reported that have a material effect on the results in the current quarter under review.

**A6. Issuance and Repayment of Debt and Equity Securities**

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities in the current quarter under review.

**A7. Dividend Paid**

There was no dividend declared or paid by the Company during the quarter under review.

**NOTES TO THE QUARTERLY REPORT – 31 OCTOBER 2018**  
**A. EXPLANATORY NOTES AS PER MFRS 134 - INTERIM FINANCIAL REPORTING**

**A8. Segmental Information**

Segment information is presented in respect of the Group's business segments which are based on internal reporting structure presented to the management of the Company.

	<b>Current Quarter</b>			<b>Year-To-Date</b>		
	<b>31-Oct-18</b>	<b>31-Oct-17</b>	<b>Change</b>	<b>31-Oct-18</b>	<b>31-Oct-17</b>	<b>Change</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>
<b>Segment Revenue</b>						
Construction/Project management	1,197	-	100%	4,976	3,086	61%
Trading of building materials	370	336	10%	996	4,207	-76%
Trading of aluminium and machine parts	-	2,220	-100%	-	7,798	-100%
	<u>1,567</u>	<u>2,556</u>		<u>5,972</u>	<u>15,091</u>	
Elimination of inter-segment revenue	-	(522)		-	(1,219)	
Total revenue	<u><b>1,567</b></u>	<u><b>2,034</b></u>	-23%	<u><b>5,972</b></u>	<u><b>13,872</b></u>	-57%
<b>Segment Results</b>						
Construction/Project management	(155)	(145)	-7%	(576)	109	-628%
Trading of building materials	(27)	(48)	44%	(109)	30	-463%
Trading of aluminium and machine parts	(74)	(415)	82%	(235)	(1,016)	77%
Investment holdings & others	<u>(657)</u>	<u>(273)</u>	-141%	<u>(818)</u>	<u>(959)</u>	15%
Results from operations	(913)	(881)		(1,738)	(1,836)	
Share of results in associated company	-	50		-	133	
Finance cost	-	-		-	-	
Loss before taxation	<u><b>(913)</b></u>	<u><b>(831)</b></u>	-10%	<u><b>(1,738)</b></u>	<u><b>(1,703)</b></u>	-2%

**A9. Valuation of Property, Plant and Equipment**

The property, plant and equipment of the Group have not been revalued during the current quarter under review.

**A10. Material Events Subsequent to the end of the Interim Reporting Period**

There were no material events since the end of the current quarter to the date of this announcement that have not been reflected in the interim financial statements.

**A11. Changes in the Composition of the Group**

There were no changes in the composition of the Group for the current quarter under review.

**NOTES TO THE QUARTERLY REPORT – 31 OCTOBER 2018**  
**A. EXPLANATORY NOTES AS PER MFRS 134 - INTERIM FINANCIAL REPORTING**

---

**A12. Contingent Liabilities**

As at 31 October 2018, the Group has no outstanding contingent liabilities.

**A13. Capital Commitments**

As at 31 October 2018, the Group did not have any capital commitments.

**NOTES TO THE QUARTERLY REPORT – 31 OCTOBER 2018**  
**A. EXPLANATORY NOTES AS PER MFRS 134 - INTERIM FINANCIAL REPORTING**

**B1. Review of Performance**

	Current Quarter Ended 31-Oct-18 RM'000	Comparative Quarter Ended 31-Oct-17 RM'000	Change %	9 Months Cumulative To Date 31-Oct-18 RM'000	Comparative 9 Months Cumulative To Date 31-Oct-17 RM'000	Change %
Revenue	1,567	2,034	-23%	5,972	13,872	-57%
Cost of sales	(1,467)	(1,544)	5%	(5,620)	(12,508)	55%
Gross profit	100	490		352	1,364	
Other operating income	1	8	-88%	2	36	-94%
Operating expenses	(1,014)	(1,379)	26%	(2,092)	(3,235)	35%
<b>Loss from operations</b>	<b>(913)</b>	<b>(881)</b>		<b>(1,738)</b>	<b>(1,835)</b>	
Share of result in associated company	-	50	-100%	-	132	-100%
Finance costs	-	(24)	100%	-	-	
<b>Loss before taxation</b>	<b>(913)</b>	<b>(855)</b>	7%	<b>(1,738)</b>	<b>(1,703)</b>	2%

The Group registered a lower revenue of RM1.567 million for the current quarter as compared to RM2.034 million for the preceding year corresponding quarter. This was due the business from the trading of aluminium and machines parts has been inactive despite there was an increase in the revenue generated from the construction/project management segment and the trading of building materials segment.

As for the 9-month period to date, the Group registered a lower revenue of RM5.972 million as compared to RM13.872 million for the preceding year corresponding 9-month period to date. The decrease in revenue for the 9-month period to date was mainly due to the absence of revenue contributed by the subsidiaries that were disposed of in preceding year and a decrease in the revenue generated from the trading of building materials segment.

In consequent thereto, the Group registered a loss before taxation of RM0.913 million and RM1.738 million for the current quarter and 9-month period to date as compared to a loss before taxation of RM0.855 million and RM1.703 million for the preceding year corresponding quarter and 9-month period to date respectively. Further, the higher losses for the current quarter and 9-month period to date were also due to the one-off expenses incurred for the rights issue.

**NOTES TO THE QUARTERLY REPORT – 31 OCTOBER 2018**  
**A. EXPLANATORY NOTES AS PER MFRS 134 - INTERIM FINANCIAL REPORTING**

---

**B2. Material Changes in Quarterly Results Compared to the Results of the Preceding Quarter**

	<b>Current quarter 31-Oct-18 RM'000</b>	<b>Preceding quarter 31-Jul-18 RM'000</b>
Turnover	1,567	3,548
Loss before taxation	(913)	(283)

Turnover of RM1.567 million was recorded for current quarter as compared to immediate preceding quarter of RM3.548 million. A decrease of RM1.981 million in turnover was recorded for the current quarter as compared to immediate preceding quarter. The decrease in turnover was mainly due to the decrease in revenue from both the construction/project management segment and the building materials segment.

The Group recorded a loss before taxation of RM0.913 million on a turnover of RM1.567 million for the current quarter under review as compared to a loss before taxation of RM0.283 million on a turnover of RM3.548 million for the immediate preceding quarter.

**B3. Commentary on Prospects**

Currently, the Group is focusing its efforts to complete the existing construction contract in hand and will continue to secure more contract to replenish the Group's order book as well as to improve the overall performance of the Group.

The current construction project is progressing within expectation. Despite that the Group is cautious about the current challenges in the construction industry and the Group will continue to seek ways to improve the financial performance of the Group for the current financial year.

**B4. Variance of Actual Profit from Forecast Profit**

This is not applicable as no profit forecast was published.

**B5. Profits on Sale of Unquoted Investments and/or Properties**

There were no disposals of unquoted investments or properties during the current quarter under review.

**NOTES TO THE QUARTERLY REPORT – 31 OCTOBER 2018**  
**A. EXPLANATORY NOTES AS PER MFRS 134 - INTERIM FINANCIAL REPORTING**

---

**B6. Corporate Proposals**

(a) Status of Corporate Proposals

There were no corporate proposals announced during the current quarter under review.

**B7. Off Balance Sheet Financial Instruments**

There were no off balance sheet financial instruments as at the date of this report.

**B8. Material Litigation**

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

**B9. Loss per Share**

The basic loss per share was calculated by dividing the net loss for the period by the weighted average number of ordinary shares in issue during the period.

	<b>Quarter ended</b>		<b>Year to date</b>	
	<b><u>31-Oct-18</u></b>	<b><u>31-Oct-17</u></b>	<b><u>31-Oct-18</u></b>	<b><u>31-Oct-17</u></b>
Net loss for the financial period (RM'000)	(913)	(885)	(1,738)	(1,802)
Weighted average number of ordinary shares in issue ('000)	883,078	883,078	883,078	883,078
Basic loss per ordinary share (sen)	(0.10)	(0.10)	(0.20)	(0.20)

**NOTES TO THE QUARTERLY REPORT – 31 OCTOBER 2018**  
**A. EXPLANATORY NOTES AS PER MFRS 134 - INTERIM FINANCIAL REPORTING**

---

**B10. Realised and Unrealised Profits or Losses**

	<b>As at 31-Oct-18 RM'000</b>	<b>As at 31-Oct-17 RM'000</b>
Total retained earnings/(accumulated losses) of the Group		
- Realised	2,434	(18,447)
- Unrealised	-	-
	<u>2,434</u>	<u>(18,447)</u>
Total share of retained earnings from associated company		
- Realised	-	45
- Unrealised	-	-
	<u>2,434</u>	<u>(18,402)</u>
Less: Consolidation adjustments	-	(1,737)
	<u><u>2,434</u></u>	<u><u>(20,139)</u></u>

**B11. Notes to the Statements of Profit or Loss and Other Comprehensive Income**

	<b>Current quarter ended 31-Oct-18 RM'000</b>	<b>Current year to date 31-Oct-18 RM'000</b>
Depreciation	96	270
Interest income	-	(2)

Other than as disclosed above, the Group does not have other material items that are recognised as profit or loss in the Statements of Profit or Loss and Other Comprehensive Income.

BY ORDER OF THE BOARD

LOH BOON GINN  
Managing Director