

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE 1ST QUARTER ENDED 30 APRIL 2019

	Current Quarter Ended 30-Apr-19 RM'000	Comparative Quarter Ended 30-Apr-18 RM'000	3 Months Cumulative To Date 30-Apr-19 RM'000	Comparative 3 Months Cumulative To Date 30-Apr-18 RM'000
Revenue	515	857	515	857
Cost of sales	(483)	(808)	(483)	(808)
Gross profit	<u>32</u>	<u>49</u>	<u>32</u>	<u>49</u>
Other operating income	1	1	1	1
Operating expenses	(500)	(592)	(500)	(592)
Profit from operations	<u>(467)</u>	<u>(542)</u>	<u>(467)</u>	<u>(542)</u>
Finance costs	-	-	-	-
Loss before taxation	<u>(467)</u>	<u>(542)</u>	<u>(467)</u>	<u>(542)</u>
Income Tax	-	-	-	-
Loss for the period / Total comprehensive loss	<u>(467)</u>	<u>(542)</u>	<u>(467)</u>	<u>(542)</u>
Loss for the period attributable to:				
Owners of the Parent	(467)	(542)	(467)	(542)
Non-controlling Interest	-	-	-	-
	<u>(467)</u>	<u>(542)</u>	<u>(467)</u>	<u>(542)</u>
Total comprehensive loss attributable to:				
Owners of the Parent	(467)	(542)	(467)	(542)
Non-controlling Interest	-	-	-	-
	<u>(467)</u>	<u>(542)</u>	<u>(467)</u>	<u>(542)</u>
Basic loss per ordinary share (sen)	(0.05)	(0.06)	(0.05)	(0.06)

(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 2019 and the accompanying explanatory notes attached to this interim financial statements)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 30 APRIL 2019**

	(Unaudited) As at 30-Apr-19 RM'000	(Audited) As at 31-Jan-19 RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	343	365
Current Assets		
Trade receivables	23,229	23,839
Other receivables, deposits and prepayment	14,020	14,120
Amount owing by contract customer	5	-
Cash and bank balances	1,108	1,230
	<u>38,362</u>	<u>39,189</u>
TOTAL ASSETS	<u>38,705</u>	<u>39,554</u>
EQUITY AND LIABILITIES		
Share capital	31,276	31,276
Warrants reserve	518	518
Retained earnings	2,503	2,970
Total equity attributable to the owners of the Company	<u>34,297</u>	<u>34,764</u>
Total Equity	<u>34,297</u>	<u>34,764</u>
Non-current liabilities		
Deferred tax liabilities	10	10
Current Liabilities		
Trade payables	1,224	1,350
Other payables, provisions and accruals	1,325	410
Amount owing to contract customer	-	9
Amount due to directors	99	1,117
Provision for taxation	1,750	1,894
	<u>4,398</u>	<u>4,780</u>
Total Liabilities	<u>4,408</u>	<u>4,790</u>
TOTAL EQUITY AND LIABILITIES	<u>38,705</u>	<u>39,554</u>
Net assets per share attributable to equity holders of the Company		
- basic (RM)	0.039	0.039

(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 2019 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 30 APRIL 2019**

	Attributable to Owners of the Company				Accumulated profit/ losses	Attributable to owners of the Company	Non- controlling interest	Total equity
	Share capital	Share premium	Warrants reserve	Merger deficit				
<u>3 Months Period Ended 30 April 2019</u>	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance at 1 February 2019	31,276	-	518	-	2,970	34,764	-	34,764
Total comprehensive loss for the period	-	-	-	-	(467)	(467)	-	(467)
Balance at 30 April 2019	<u>31,276</u>	<u>-</u>	<u>518</u>	<u>-</u>	<u>2,503</u>	<u>34,297</u>	<u>-</u>	<u>34,297</u>
<u>3 Months Period Ended 30 April 2018</u>								
Balance at 1 February 2018	22,461	8,815	518	(2,575)	4,172	33,391	-	33,391
Total comprehensive loss for the period	-	-	-	-	(542)	(542)	-	(542)
Balance at 30 April 2018	<u>22,461</u>	<u>8,815</u>	<u>518</u>	<u>(2,575)</u>	<u>3,630</u>	<u>32,849</u>	<u>-</u>	<u>32,849</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 2019 and the accompanying explanatory notes attached to this interim financial statements)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE PERIOD ENDED 30 APRIL 2019**

	3 Months Ended 30-Apr-19 RM'000	3 Months Ended 30-Apr-18 RM'000
Cash Flows From Operating Activities		
Loss before taxation	(467)	(542)
Adjustments for :-		
Depreciation	22	88
Interest income	(1)	(1)
Operating loss before working capital changes	(446)	(455)
Decrease/(Increase) in receivables	696	561
Increase/(decrease) in payables	(202)	(792)
<i>Cash generated from/(used in) operations</i>	48	(686)
Interest received	1	1
Tax paid	(171)	(112)
Net cash used in operating activities	(122)	(797)
Cash Flows From Investing Activities		
Purchase of property, plant and equipment	-	(191)
Net cash used in investing activities	-	(191)
Cash Flows From Financing Activities		
Advance from director	-	54
Net cash generated from financing activities	-	54
NET DECREASE IN CASH AND CASH EQUIVALENTS	(122)	(934)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	1,230	1,190
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	1,108	256
CASH AND CASH EQUIVALENTS COMPRISE:		
Cash and bank balances	1,108	256
	1,108	256

(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 2019 and the accompanying explanatory notes attached to this interim financial statements)

NOTES TO THE QUARTERLY REPORT – 30 APRIL 2019
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 2019.

A2. Auditors’ Report

The auditors’ report on the audited annual financial statements for the financial year ended 31 January 2019 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 – 30 APRIL 2019
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.

	Current Quarter			Year-To-Date		
	30-Apr-19 RM'000	30-Apr-18 RM'000	Change %	30-Apr-19 RM'000	30-Apr-18 RM'000	Change %
Segment Revenue						
Construction/Construction services	441	688	-56%	441	688	-36%
Trading of building materials	74	169	-56%	74	169	-56%
Trading of aluminium and machine parts	-	-		-	-	
	<u>515</u>	<u>857</u>		<u>515</u>	<u>857</u>	
Elimination of inter-segment revenue	-	-		-	-	
Total revenue	<u>515</u>	<u>857</u>	-40%	<u>515</u>	<u>857</u>	-40%
Segment Results						
Construction/Construction services	(335)	(320)	-5%	(335)	(320)	5%
Trading of building materials	(71)	(65)	-9%	(71)	(65)	9%
Trading of aluminium and machine parts	-	(87)	100%	-	(87)	100%
Investment holdings & others	<u>(61)</u>	<u>(70)</u>	13%	<u>(61)</u>	<u>(70)</u>	13%
Results from operations	(467)	(542)		(467)	(542)	
Finance cost	-	-		-	-	
Loss before taxation	<u>(467)</u>	<u>(542)</u>	14%	<u>(467)</u>	<u>(542)</u>	14%

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.

A12. Contingent Liabilities

As at 30 April 2019, the Group has no outstanding contingent liabilities.

NOTES TO THE QUARTERLY REPORT – 30 APRIL 2019
A. EXPLANATORY NOTES AS PER MFRS 134 - INTERIM FINANCIAL REPORTING

A13. Capital Commitments

As at 30 April 2019, the Group did not have any capital commitments.

B1. Review of Performance

Profit and Loss

	Current Quarter Ended 30-Apr-19 RM'000	Comparative Quarter Ended 30-Apr-18 RM'000	Change %	3 Months Cumulative To Date 30-Apr-19 RM'000	Comparative 3 Months Cumulative To Date 30-Apr-18 RM'000	Change %
Revenue	515	857	-39.9%	515	857	-40%
Cost of sales	(483)	(808)	40%	(483)	(808)	40%
Gross profit	<u>32</u>	<u>49</u>		<u>32</u>	<u>49</u>	
Other operating income	1	1	0%	1	1	0%
Operating expenses	(500)	(592)	16%	(500)	(592)	16%
Profit from operations	<u>(467)</u>	<u>(542)</u>		<u>(467)</u>	<u>(542)</u>	
Finance costs	-	-		-	-	
Loss before taxation	<u>(467)</u>	<u>(542)</u>	-14%	<u>(467)</u>	<u>(542)</u>	-14%

The Group registered a lower revenue of RM0.515 million for the current quarter and cumulative quarter to date as compared to RM0.857 million for the preceding year corresponding quarter and cumulative quarter to date. This was due to the slow progress in the construction/construction services segment as well as the building materials segment.

In consequent thereto, the Group registered a loss before taxation of RM0.467 million for the current quarter and cumulative quarter to date as compared to a loss before taxation of RM0.542 million for the preceding year corresponding quarter and cumulative to date.

Financial Position

As at the current 1st quarter ended 30 April 2019, the trade receivables were reduced slightly by 2.5% to RM23.229 million from RM23.839 million as at the previous quarter ended 31 January 2019 as a result of payment received from trade debtors during the current quarter under review.

As at 30 April 2019, the net assets of the Group stood at RM34.297 million which was equivalent to RM0.039 per share as compared to RM34.764 million as at 31 January 2019. The reduction in net assets was due to the loss of RM0.467 million recorded for the current quarter under review.

NOTES TO THE QUARTERLY REPORT – 30 APRIL 2019
A. EXPLANATORY NOTES AS PER MFRS 134 - INTERIM FINANCIAL REPORTING

Cash Flow

The cash position of the Group for the current quarter under review had improved to RM1.108 million as compared to RM0.256 million for the preceding year corresponding quarter ended 30 April 2018. The increase in cash and bank balances was mainly due to the increase in cash generated from operations.

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

	Current quarter 30-Apr-19 RM'000	Preceding quarter 31-Jan-19 RM'000
Revenue	515	7,661
(Loss)/Profit before taxation	(467)	3,952

Revenue of RM0.515 million was recorded for current quarter as compared to immediate preceding quarter of RM7.661 million. A decrease of RM7.146 million in turnover was recorded for the current quarter as compared to immediate preceding quarter. The decrease was mainly due to the slow down in construction works as requested by our contract customer.

The Group recorded a loss before taxation of RM0.467 million on a revenue of RM0.515 million for the current quarter under review as compared to a profit before taxation of RM3.952 million on a revenue of RM7.661 million for the immediate preceding quarter.

B3. Commentary on Prospects

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 future performance of the Group. In addition, the Group is exploring other business opportunities including acquisition of company that is in the business of construction and its related industry and venturing into the business of Industrialised Building System (IBS) that would contribute positively to the Group.

Besides, the Group will also strengthening its manpower with relevant expertise in construction industry to tender construction jobs and to submit proposals to government for affordable housing projects and other construction related projects.

Despite the prevailing challenges faced by the Group in the construction industry, the Group is optimistic in the outlook for the Group in the coming years.

NOTES TO THE QUARTERLY REPORT – 30 APRIL 2019
A. EXPLANATORY NOTES AS PER MFRS 134 - INTERIM FINANCIAL REPORTING

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 was no disposal of unquoted investments or properties during the current quarter under review.

B6. Corporate Proposals

There was no corporate proposal announced during the current quarter under review.

B7. Off Balance Sheet Financial Instruments

There was 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. Earnings per Share

The basic earnings 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.

	Quarter ended		Year to date	
	<u>30-Apr-19</u>	<u>30-Apr-18</u>	<u>30-Apr-19</u>	<u>30-Apr-18</u>
Net loss for the financial period (RM'000)	(467)	(542)	(467)	(542)
Weighted average number of ordinary shares in issue ('000)	883,078	883,078	883,078	883,078
Basic loss per ordinary share (sen)	(0.05)	(0.06)	(0.05)	(0.06)

NOTES TO THE QUARTERLY REPORT – 30 APRIL 2019
A. EXPLANATORY NOTES AS PER MFRS 134 - INTERIM FINANCIAL REPORTING

B10. Realised and Unrealised Profits or Losses

	As at 30-Apr-19 RM'000	As at 30-Apr-18 RM'000
Total accumulated losses of the Group		
- Realised	(1,254)	(29,290)
- Unrealised	-	-
	<u>(1,254)</u>	<u>(29,290)</u>
Less: Consolidation adjustments	3,757	32,920
	<u>2,503</u>	<u>3,630</u>

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

	Current quarter ended 30-Apr-19 RM'000	Current year to date 30-Apr-19 RM'000
Depreciation	22	22
Interest income	(1)	(1)

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