

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE 3RD QUARTER ENDED 31 OCTOBER 2019**

	Current Quarter Ended 31-Oct-19 RM'000	Comparative Quarter Ended 31-Oct-18 RM'000	9 Months Cumulative To Date 31-Oct-19 RM'000	Comparative 9 Months Cumulative To Date 31-Oct-18 RM'000
Revenue	517	1,567	1,487	5,972
Cost of sales	(487)	(1,467)	(1,400)	(5,620)
Gross profit	<u>30</u>	<u>100</u>	<u>87</u>	<u>352</u>
Other operating income	1	1	7	2
Operating expenses	(381)	(1,014)	(1,394)	(2,092)
<b>Loss from operations</b>	<u>(350)</u>	<u>(913)</u>	<u>(1,300)</u>	<u>(1,738)</u>
Finance costs	-	-	-	-
<b>Loss before taxation</b>	<u>(350)</u>	<u>(913)</u>	<u>(1,300)</u>	<u>(1,738)</u>
Income Tax	-	-	-	-
<b>Loss for the period / Total comprehensive loss</b>	<u>(350)</u>	<u>(913)</u>	<u>(1,300)</u>	<u>(1,738)</u>
<b>Loss for the period attributable to:</b>				
Owners of the Parent	(350)	(913)	(1,300)	(1,738)
Non-controlling Interest	-	-	-	-
	<u>(350)</u>	<u>(913)</u>	<u>(1,300)</u>	<u>(1,738)</u>
<b>Total comprehensive loss attributable to:</b>				
Owners of the Parent	(350)	(913)	(1,300)	(1,738)
Non-controlling Interest	-	-	-	-
	<u>(350)</u>	<u>(913)</u>	<u>(1,300)</u>	<u>(1,738)</u>
Basic loss per ordinary share (sen)	(0.04)	(0.10)	(0.15)	(0.20)

*(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 31 OCTOBER 2019**

	(Unaudited) As at 31-Oct-19 RM'000	(Audited) As at 31-Jan-19 RM'000
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	302	365
<b>Current Assets</b>		
Trade receivables	22,191	23,839
Other receivables, deposits and prepayment	13,935	14,120
Cash and bank balances	64	1,230
	<u>36,190</u>	<u>39,189</u>
<b>TOTAL ASSETS</b>	<b><u>36,492</u></b>	<b><u>39,554</u></b>
<b>EQUITY AND LIABILITIES</b>		
Share capital	31,276	31,276
Warrants reserve	518	518
Retained earnings	1,670	2,970
<b>Total equity attributable to the owners of the Company</b>	<u>33,464</u>	<u>34,764</u>
<b>Total Equity</b>	<u>33,464</u>	<u>34,764</u>
<b>Non-current liabilities</b>		
Deferred tax liabilities	10	10
<b>Current Liabilities</b>		
Trade payables	101	1,350
Other payables, provisions and accruals	1,566	410
Amount owing to contract customer	17	9
Amount due to directors	72	1,117
Tax liabilities	1,262	1,894
	<u>3,018</u>	<u>4,780</u>
<b>Total Liabilities</b>	<u>3,028</u>	<u>4,790</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>36,492</u></b>	<b><u>39,554</u></b>
Net assets per share attributable to equity holders of the Company		
- basic (RM)	0.038	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 31 OCTOBER 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				
<b><u>9 Months Period Ended 31 October 2019</u></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 2019	31,276	-	518	-	2,970	34,764	-	34,764
Total comprehensive loss for the period	-	-	-	-	(1,300)	(1,300)	-	(1,300)
Balance at 31 October 2019	<u>31,276</u>	<u>-</u>	<u>518</u>	<u>-</u>	<u>1,670</u>	<u>33,464</u>	<u>-</u>	<u>33,464</u>
<b><u>9 Months Period Ended 31 October 2018</u></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>(2,575)</u>	<u>2,434</u>	<u>31,653</u>	<u>-</u>	<u>31,653</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 31 OCTOBER 2019**

	<b>9 Months Ended 31-Oct-19 RM'000</b>	<b>9 Months Ended 31-Oct-18 RM'000</b>
<b>Cash Flows From Operating Activities</b>		
Loss before taxation	(1,300)	(1,738)
Adjustments for :-		
Depreciation	66	270
Interest income	(7)	(2)
<b>Operating loss before working capital changes</b>	<b>(1,241)</b>	<b>(1,470)</b>
Decrease/(Increase) in receivables	(331)	2,341
Increase/(decrease) in payables	573	(1,218)
<i>Cash used in operations</i>	(999)	(347)
Interest received	7	2
Tax paid	(171)	(112)
<b>Net cash used in operating activities</b>	<b>(1,163)</b>	<b>(457)</b>
<b>Cash Flows From Investing Activities</b>		
Purchase of property, plant and equipment	(3)	(198)
<b>Net cash used in investing activities</b>	<b>(3)</b>	<b>(198)</b>
<b>Cash Flows From Financing Activities</b>		
Advance from director	-	49
<b>Net cash generated from financing activities</b>	<b>-</b>	<b>49</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(1,166)</b>	<b>(606)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD</b>	<b>1,230</b>	<b>1,190</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD</b>	<b>64</b>	<b>584</b>
<b>CASH AND CASH EQUIVALENTS COMPRISE:</b>		
Cash and bank balances	64	35
	<b>64</b>	<b>35</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 2019 and the accompanying explanatory notes attached to this interim financial statements)*

**NOTES TO THE QUARTERLY REPORT – 31 OCTOBER 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 – 31 OCTOBER 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		
	31-Oct-19 RM'000	31-Oct-18 RM'000	Change %	31-Oct-19 RM'000	31-Oct-18 RM'000	Change %
<b>Segment Revenue</b>						
Construction/Construction services	505	1,197	-137%	1,387	4,976	-72%
Trading of building materials	12	370	-97%	100	996	-90%
Trading of aluminium and machine parts	-	-		-	-	
	<u>517</u>	<u>1,567</u>		<u>1,487</u>	<u>5,972</u>	
Elimination of inter-segment revenue	-	-		-	-	
Total revenue	<u><b>517</b></u>	<u><b>1,567</b></u>	-67%	<u><b>1,487</b></u>	<u><b>5,972</b></u>	-75%
<b>Segment Results</b>						
Construction/Construction services	(536)	(155)	-246%	(1,047)	(576)	82%
Trading of building materials	(38)	(27)	-41%	(137)	(109)	26%
Trading of aluminium and machine parts	-	(74)	100%	-	(235)	100%
Investment holdings & others	<u>224</u>	<u>(657)</u>	134%	<u>(116)</u>	<u>(818)</u>	86%
Results from operations	(350)	(913)		(1,300)	(1,738)	
Finance cost	-	-		-	-	
Loss before taxation	<u><b>(350)</b></u>	<u><b>(913)</b></u>	62%	<u><b>(1,300)</b></u>	<u><b>(1,738)</b></u>	25%

**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**

Other than as disclosed below, there were no changes in the composition of the Group for the current quarter under review.

On 12 September 2019, the Company incorporated a wholly-owned subsidiary, SC Estate Energy Sdn. Bhd. with a fully paid up share capital of RM1.00.

**A12. Contingent Liabilities**

As at the end of the current quarter, the Group has no outstanding contingent liabilities.

**NOTES TO THE QUARTERLY REPORT – 31 OCTOBER 2019**  
**A. EXPLANATORY NOTES AS PER MFRS 134 - INTERIM FINANCIAL REPORTING**

**A13. Capital Commitments**

As at the end of the current quarter, the Group did not have any capital commitments.

**B1. Review of Performance**

Profit and Loss

	<b>Current Quarter Ended 31-Oct-19 RM'000</b>	<b>Comparative Quarter Ended 31-Oct-18 RM'000</b>	<b>Change %</b>	<b>9 Months Cumulative To Date 31-Oct-19 RM'000</b>	<b>Comparative 9 Months Cumulative To Date 31-Oct-18 RM'000</b>	<b>Change %</b>
Revenue	517	1,567	-67.0%	1,487	5,972	-75%
Cost of sales	(487)	(1,467)	67%	(1,400)	(5,620)	75%
Gross profit	<u>30</u>	<u>100</u>		<u>87</u>	<u>352</u>	
Other operating income	1	1	0%	7	2	250%
Operating expenses	(381)	(1,014)	62%	(1,394)	(2,092)	33%
<b>Loss from operations</b>	<u>(350)</u>	<u>(913)</u>		<u>(1,300)</u>	<u>(1,738)</u>	
Finance costs	-	-		-	-	
<b>Loss before taxation</b>	<u><b>(350)</b></u>	<u><b>(913)</b></u>	-62%	<u><b>(1,300)</b></u>	<u><b>(1,738)</b></u>	-25%

The Group registered a lower revenue of RM0.517 million for the current quarter as compared to RM1.567 million for the preceding year corresponding quarter. As for the 9-month period to date, the Group registered a lower revenue of RM1.487 million as compared to RM5.972 million for the preceding year corresponding 9-month period to date.

The decrease in revenue for the current quarter and the 9-month period to date was mainly due to the slow work progress in the construction works as well as a drop in the sales of building materials as compared to the preceding year corresponding quarter and 9-month period to date.

In consequent thereto, the Group registered a lower loss before taxation of RM0.35 million and RM1.3 million for the current quarter and 9-month period to date as compared to a loss before taxation of RM0.913 million and RM1.738 million for the preceding year corresponding quarter and 6-month period to date respectively. The lower loss was mainly due to the absence of one-off corporate exercise expenses and expenses incurred by a subsidiary that was disposed of in the previous financial year.

**NOTES TO THE QUARTERLY REPORT – 31 OCTOBER 2019**  
**A. EXPLANATORY NOTES AS PER MFRS 134 - INTERIM FINANCIAL REPORTING**

---

Financial Position

As at the current quarter, the trade receivables were reduced slightly by approximately 7% to RM22.191 million from RM23.839 million as at the previous financial year ended 31 January 2019 as a result of debt off-setting settlement.

As at the end of the current quarter, the net assets of the Group stood at RM33.464 million which was equivalent to RM0.038 per share as compared to RM34.764 million as at the previous financial year ended 31 January 2019. The reduction in net assets was due to the loss of RM1.3 million recorded for the 9-month period to date.

Cash Flow

The cash position of the Group for the current quarter under review had reduced to RM0.064 million as compared to RM0.584 million for the preceding year corresponding quarter ended 31 October 2018. The reduction in cash and bank balances was mainly due to the increase in net cash used in operating activities.

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

	<b>Current quarter 31-Oct-19 RM'000</b>	<b>Preceding quarter 31-Jul-19 RM'000</b>
Revenue	517	455
Loss before taxation	(350)	(483)

Revenue of RM0.517 million was recorded for current quarter as compared to immediate preceding quarter of RM0.455 million. A minor increase of RM0.062 million in turnover was recorded for the current quarter as compared to immediate preceding quarter. The increase was mainly due to the minor increase in the revenue in construction segment.

The Group recorded a loss before taxation of RM0.35 million on a revenue of RM0.517 million for the current quarter under review as compared to a loss before taxation of RM0.483 million on a revenue of RM0.455 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, venturing into the business of Industrilised Building System (IBS) and Renewable Energy (RE) in solar power generation that would contribute positively to the Group.



**NOTES TO THE QUARTERLY REPORT – 31 OCTOBER 2019**  
**A. EXPLANATORY NOTES AS PER MFRS 134 - INTERIM FINANCIAL REPORTING**

---

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.

**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. 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-19</u></b>	<b><u>31-Oct-18</u></b>	<b><u>31-Oct-19</u></b>	<b><u>31-Oct-18</u></b>
Net loss for the financial period (RM'000)	(350)	(913)	(1,300)	(1,738)
Weighted average number of ordinary shares in issue ('000)	883,078	883,078	883,078	883,078
Basic loss per ordinary share (sen)	(0.04)	(0.10)	(0.15)	(0.20)

**NOTES TO THE QUARTERLY REPORT – 31 OCTOBER 2019**  
**A. EXPLANATORY NOTES AS PER MFRS 134 - INTERIM FINANCIAL REPORTING**

---

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

	<b>As at 31-Oct-19 RM'000</b>	<b>As at 31-Oct-18 RM'000</b>
Total retained earnings of the Group		
- Realised	1,670	2,434
- Unrealised	-	-
	<u>1,670</u>	<u>2,434</u>

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

	<b>Current quarter ended 31-Oct-19 RM'000</b>	<b>Current year to date 31-Oct-19 RM'000</b>
Depreciation	22	66
Interest income	(1)	(7)

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