

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE 4TH QUARTER ENDED 31 JANUARY 2020

	Current Quarter Ended 31-Jan-20 RM'000	Comparative Quarter Ended 31-Jan-19 RM'000	12 Months Cumulative To Date 31-Jan-20 RM'000	Comparative 12 Months Cumulative To Date 31-Jan-19 RM'000
Revenue	1,559	7,661	3,046	13,633
Cost of sales	(528)	(3,076)	(1,927)	(8,696)
Gross profit	<u>1,031</u>	<u>4,585</u>	<u>1,119</u>	<u>4,937</u>
Other operating income	1	52	8	54
Operating expenses	(599)	(685)	(1,994)	(2,777)
Profit/ (Loss) from operations	<u>433</u>	<u>3,952</u>	<u>(867)</u>	<u>2,214</u>
Finance costs	-	-	-	-
Profit/ (Loss) before taxation	<u>433</u>	<u>3,952</u>	<u>(867)</u>	<u>2,214</u>
Income Tax	-	(841)	-	(841)
Profit/ (Loss) for the period / Total comprehensive profit/ (loss)	<u><u>433</u></u>	<u><u>3,111</u></u>	<u><u>(867)</u></u>	<u><u>1,373</u></u>
Profit/ (Loss) for the period attributable to:				
Owners of the Parent	433	3,111	(867)	1,373
Non-controlling Interest	-	-	-	-
	<u>433</u>	<u>3,111</u>	<u>(867)</u>	<u>1,373</u>
Total comprehensive profit/ (loss) attributable to:				
Owners of the Parent	433	3,111	(867)	1,373
Non-controlling Interest	-	-	-	-
	<u><u>433</u></u>	<u><u>3,111</u></u>	<u><u>(867)</u></u>	<u><u>1,373</u></u>
Basic earnings/ (loss) per ordinary share (sen)	0.05	0.35	(0.10)	0.16

(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 JANUARY 2020**

	(Unaudited) As at 31-Jan-20 RM'000	(Audited) As at 31-Jan-19 RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	283	365
Current Assets		
Trade receivables	22,166	23,839
Other receivables, deposits and prepayment	13,789	14,120
Cash and bank balances	217	1,230
	<u>36,172</u>	<u>39,189</u>
TOTAL ASSETS	<u>36,455</u>	<u>39,554</u>
EQUITY AND LIABILITIES		
Share capital	31,277	31,276
Warrants reserve	-	518
Retained earnings	2,621	2,970
Total equity attributable to the owners of the Company	<u>33,898</u>	<u>34,764</u>
Total Equity	<u>33,898</u>	<u>34,764</u>
Non-current liabilities		
Deferred tax liabilities	10	10
Current Liabilities		
Trade payables	19	1,350
Other payables, provisions and accruals	1,333	410
Amount owing to contract customer	20	9
Amount due to directors	73	1,117
Tax liabilities	1,102	1,894
	<u>2,547</u>	<u>4,780</u>
Total Liabilities	<u>2,557</u>	<u>4,790</u>
TOTAL EQUITY AND LIABILITIES	<u>36,455</u>	<u>39,554</u>
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 JANUARY 2020**

	Attributable to Owners of the Company							Total equity
	Non-Distributable				Accumulated profit/losses	Attributable to owners of the Company	Non-controlling interest	
	Share capital	Share premium	Warrants reserve	Merger deficit				
12 Months Period Ended 31 January 2020	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
Exercise of warrants	1	-	-	-	-	1	-	1
Expiry of warrants	-	-	(518)	-	518	-	-	-
Total comprehensive loss for the period	-	-	-	-	(867)	(867)	-	(867)
Balance at 31 January 2020	<u>31,277</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,621</u>	<u>33,898</u>	<u>-</u>	<u>33,898</u>
12 Months Period Ended 31 January 2019								
Balance at 1 February 2018	22,461	8,815	518	(2,575)	4,172	33,391	-	33,391
Transition to no par value regime	8,815	(8,815)	-	-	-	-	-	-
Disposal of subsidiary	-	-	-	2,575	(2,575)	-	-	-
Total comprehensive profit for the period	-	-	-	-	1,373	1,373	-	1,373
Balance at 31 January 2019	<u>31,276</u>	<u>-</u>	<u>518</u>	<u>-</u>	<u>2,970</u>	<u>34,764</u>	<u>-</u>	<u>34,764</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 JANUARY 2020**

	12 Months Ended 31-Jan-20 RM'000	12 Months Ended 31-Jan-19 RM'000
Cash Flows From Operating Activities		
(Loss)/ Profit before taxation	(867)	2,214
Adjustments for :-		
Depreciation	89	338
Provision for impairment on other receivables	-	750
Gain on disposal of subsidiary	-	(1,025)
Interest income	(8)	(3)
Operating (loss)/ profit before working capital changes	(786)	2,274
Decrease/(Increase) in receivables	254	(4,798)
Increase/(decrease) in payables	730	1,843
<i>Cash generated from/(used in) operations</i>	198	(681)
Interest received	8	3
Tax paid	(171)	(171)
Net cash generated from/(used in) operating activities	35	(849)
Cash Flows From Investing Activities		
Purchase of property, plant and equipment	(6)	(198)
Net cash flow form disposal of subsidiary	-	46
Net cash used in investing activities	(6)	(152)
Cash Flows From Financing Activities		
(Repaymnet to)/Advance from director	(1,042)	1,042
Net cash (used in)/generated from financing activities	(1,042)	1,042
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(1,013)	40
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	217	1,230
CASH AND CASH EQUIVALENTS COMPRISE:		
Cash and bank balances	217	1,230
	217	1,230

(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 JANUARY 2020

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.

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.

NOTES TO THE QUARTERLY REPORT – 31 JANUARY 2020
A. EXPLANATORY NOTES AS PER MFRS 134 - INTERIM FINANCIAL REPORTING

	<u>Current Quarter</u>			<u>Year-To-Date</u>		
	<u>31-Jan-20</u> <u>RM'000</u>	<u>31-Jan-19</u> <u>RM'000</u>	<u>Change</u> <u>%</u>	<u>31-Jan-20</u> <u>RM'000</u>	<u>31-Jan-19</u> <u>RM'000</u>	<u>Change</u> <u>%</u>
Segment Revenue						
Construction/Construction services	1,546	7,522	-387%	2,933	12,498	-77%
Trading of building materials	13	139	-91%	113	1,135	-90%
Trading of aluminium and machine parts	-	-		-	-	
	<u>1,559</u>	<u>7,661</u>		<u>3,046</u>	<u>13,633</u>	
Elimination of inter-segment revenue	-	-		-	-	
Total revenue	<u>1,559</u>	<u>7,661</u>	-80%	<u>3,046</u>	<u>13,633</u>	-78%
Segment Results						
Construction/Construction services	815	4,221	81%	(232)	3,645	-106%
Trading of building materials	(91)	(60)	-52%	(228)	(169)	35%
Trading of aluminium and machine parts	-	(48)	100%	-	(283)	100%
Investment holdings & others	<u>(291)</u>	<u>(161)</u>	-81%	<u>(407)</u>	<u>(979)</u>	58%
Results from operations	433	3,952		(867)	2,214	
Finance cost	-	-		-	-	
Profit/ (Loss) before taxation	<u>433</u>	<u>3,952</u>	89%	<u>(867)</u>	<u>2,214</u>	139%

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

A13. Capital Commitments

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

NOTES TO THE QUARTERLY REPORT – 31 JANUARY 2020
A. EXPLANATORY NOTES AS PER MFRS 134 - INTERIM FINANCIAL REPORTING

B1. Review of Performance

Profit and Loss

	Current Quarter Ended 31-Jan-20 RM'000	Comparative Quarter Ended 31-Jan-19 RM'000	Change %	12 Months Cumulative To Date 31-Jan-20 RM'000	Comparative 12 Months Cumulative To Date 31-Jan-19 RM'000	Change %
Revenue	1,559	7,661	-79.7%	3,046	13,633	-78%
Cost of sales	(528)	(3,076)	83%	(1,927)	(8,696)	78%
Gross profit	<u>1,031</u>	<u>4,585</u>		<u>1,119</u>	<u>4,937</u>	
Other operating income	1	52	-98%	8	54	-85%
Operating expenses	(599)	(685)	13%	(1,994)	(2,777)	28%
Profit/ (Loss) from operations	<u>433</u>	<u>3,952</u>		<u>(867)</u>	<u>2,214</u>	
Finance costs	-	-		-	-	
Profit/ (Loss) before taxation	<u><u>433</u></u>	<u><u>3,952</u></u>	-89%	<u><u>(867)</u></u>	<u><u>2,214</u></u>	-139%

The Group registered a lower revenue of RM1.559 million for the current quarter as compared to RM7.661 million for the preceding year corresponding quarter. As for the 12-month period to date, the Group registered a lower revenue of RM3.046 million as compared to RM13.633 million for the preceding year corresponding 12-month period to date.

The decrease in revenue for the current quarter and the 12-month period to date was mainly due to the slow work progress in the construction works, lesser revenue from construction services as well as a drop in the sales of building materials as compared to the preceding year corresponding quarter and 12-month period to date.

In consequent thereto, the Group registered a lower profit before taxation of RM0.433 million and a loss before taxation of RM0.867 million for the current quarter and 12-month period to date as compared to a profit before taxation of RM3.952 million and RM2.214 million for the preceding year corresponding quarter and 6-month period to date respectively.

Financial Position

As at the current quarter, the trade receivables were decreased to RM22.166 million from RM23.839 million as at the previous financial year ended 31 January 2019 as a result of debt repayment and debt off-setting settlement.

As at the end of the current quarter, the net assets of the Group stood at RM33.898 million which was equivalent to RM0.041 per share as compared to RM34.764 million as at the previous

NOTES TO THE QUARTERLY REPORT – 31 JANUARY 2020
A. EXPLANATORY NOTES AS PER MFRS 134 - INTERIM FINANCIAL REPORTING

financial year ended 31 January 2019. The decrease in net assets was mainly due to the loss of RM0.867 million recorded for the 12-month period to date.

Cash Flow

The cash position of the Group for the current quarter under review had reduced to RM0.217 million as compared to RM1.23 million for the preceding year corresponding quarter ended 31 January 2019. The reduction in cash and bank balances was mainly due to the increase in net cash used in financing activities.

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

	Current quarter 31-Jan-20 RM'000	Preceding quarter 31-Oct-19 RM'000
Revenue	1,559	517
Profit/ (Loss) before taxation	433	(350)

Revenue of RM1.559 million was recorded for current quarter as compared to immediate preceding quarter of RM0.517 million. An increase of RM1.042 million in turnover was recorded for the current quarter as compared to immediate preceding quarter. The increase was mainly due to the increase in the revenue in construction segment.

The Group recorded a profit before taxation of RM0.433 million on a revenue of RM1.559 million for the current quarter under review as compared to a loss before taxation of RM0.35 million on a revenue of RM0.517 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.

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 – 31 JANUARY 2020
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>31-Jan-20</u>	<u>31-Jan-19</u>	<u>31-Jan-20</u>	<u>31-Jan-19</u>
Net profit/ (loss) for the financial period (RM'000)	433	3,111	(867)	1,373
Weighted average number of ordinary shares in issue ('000)	883,091	883,078	883,091	883,078
Basic earnings/ (loss) per ordinary share (sen)	0.05	0.35	(0.10)	0.16

NOTES TO THE QUARTERLY REPORT – 31 JANUARY 2020
A. EXPLANATORY NOTES AS PER MFRS 134 - INTERIM FINANCIAL REPORTING

B10. Realised and Unrealised Profits or Losses

	As at 31-Jan-20 RM'000	As at 31-Jan-19 RM'000
Total retained earnings of the Group		
- Realised	2,621	2,970
- Unrealised	-	-
	<u>2,621</u>	<u>2,970</u>

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

	Current quarter ended 31-Jan-20 RM'000	Current year to date 31-Jan-20 RM'000
Depreciation	23	89
Interest income	(1)	(8)

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