

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2019

	Unaudited as at 30.6.2019	(Audited) As At Preceding Financial Year End 31.12.2017
	RM'000	RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	849,300	848,188
Goodwill	-	2,999
	<u>849,300</u>	<u>851,187</u>
Current Assets		
Property development cost	-	229
Inventories	1,219	22,662
Trade and other receivables	38,680	115,474
Amount due from contract customers	-	38,041
Tax recoverable	-	1,352
Cash and Cash Equivalents	84	27,971
	<u>39,983</u>	<u>205,729</u>
Total Assets	<u><u>889,283</u></u>	<u><u>1,056,916</u></u>
EQUITY AND LIABILITIES		
Capital and Reserves		
Share Capital	397,512	353,005
Treasury shares	(181)	(181)
Reserves	145,223	334,078
	<u>542,554</u>	<u>686,902</u>
Redeemable convertible preference shares	166,009	161,632
Non Controlling Interest	(1,659)	(1,060)
Total Equity	<u>706,904</u>	<u>847,474</u>
Non-Current Liabilities		
Long Term Borrowing	363	6,237
Long Term Provisions	1,064	1,048
Deferred tax liabilities	43,907	46,100
Total Non-Current Liabilities	<u>45,334</u>	<u>53,385</u>
Current Liabilities		
Trade And Other Payables	111,838	87,486
Short Term Borrowings	23,399	67,874
Tax Liabilities	1,808	697
Total Current Liabilities	<u>137,045</u>	<u>156,057</u>
Total Liabilities	<u>182,379</u>	<u>209,442</u>
Total Equity and Liabilities	<u><u>889,283</u></u>	<u><u>1,056,916</u></u>
Net Assets per share attributable to ordinary equity holders of the parent (RM)	<u>1.14</u>	<u>1.95</u>

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31st December 2017)

SEACERA GROUP BERHAD (Company No. 163751-H)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SIXTH FINANCIAL QUARTER ENDED 30 JUNE 2019

	Current Quarter Ended 30.6.2019 RM'000	Corresponding Quarter Ended 30.6.2018 RM'000	18 months to Date Ended 30.6.2019 RM'000	Preceding 18 months Corresponding Period Ended 30.6.2018 RM'000
Revenue	952	N/A	25,047	N/A
Net Operating Expenses	(37,621)	N/A	(210,813)	N/A
Finance Cost	(209)	N/A	(5,804)	N/A
Loss Before Taxation	(36,878)	N/A	(191,570)	N/A
Taxation	(24)	N/A	(211)	N/A
Net loss for the Period from continuing operation	(36,902)	N/A	(191,781)	N/A
Other comprehensive income				
Surplus on revaluation of property, plant and equipment	-	N/A	2,327	N/A
Total comprehensive loss for the year	(36,902)	N/A	(189,454)	N/A
Loss attributable to :				
Equity holders of the parent	(36,902)	N/A	(191,182)	N/A
Non-controlling Interest	-	N/A	(599)	N/A
Loss for the year	(36,902)	N/A	(191,781)	N/A
Total comprehensive income attributable to :				
Equity holders of the parent	(36,902)	N/A	(188,855)	N/A
Non-controlling Interest	-	N/A	(599)	N/A
Total comprehensive income for the year	(36,902)	N/A	(189,454)	N/A
EPS				
Net profit/(loss) per share (sen) - Basic	(7.78)	N/A	(40.28)	N/A
- Diluted	(7.78)	N/A	(40.28)	N/A

Note: Due to change in the Financial year ended from 31 December 2018 to 30 June 2019, the results for the corresponding 18 months period in the prior year are not presented.

(The Condensed Consolidated Statements of Profit or Loss and other Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31st December 2017)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES EQUITY
FOR THE SIXTH FINANCIAL QUARTER ENDED 30 JUNE 2019**
Attributable to Equity Holders of the Parent

	Share Capital RM'000	Retained Earnings RM'000	Non- Distributable Revaluation Reserve RM'000	Warrants Reserve RM'000	Total Reserves RM'000	Redeemable convertible Preference Shares RM'000	Non- Distributable Treasury Shares RM'000	Non Controlling interests RM'000	Total Equity RM'000
Balance at 1 January 2017	235,277	18,546	306,608	-	325,154	-	(181)	581	560,831
Issuance of new ordinary shares	117,728								117,728
Acquisition through business combination						161,632			161,632
Profit for the period		8,924			8,924			(1,641)	7,283
Balance at 31 December 2017	<u>353,005</u>	<u>27,470</u>	<u>306,608</u>	<u>-</u>	<u>334,078</u>	<u>161,632</u>	<u>(181)</u>	<u>(1,060)</u>	<u>847,474</u>
Balance at 1 January 2018	353,005	27,470	306,608		334,078	161,632	(181)	(1,060)	847,474
Issuance of new ordinary shares	44,507								44,507
RCPS						4,377			4,377
(Loss) for the period		(191,182)			(191,182)			(599)	(191,781)
Revaluation reserves			2,327		2,327				2,327
Balance at 30 June 2019	<u>397,512</u>	<u>(163,712)</u>	<u>308,935</u>		<u>145,223</u>	<u>166,009</u>	<u>(181)</u>	<u>(1,659)</u>	<u>706,904</u>

SEACERA GROUP BERHAD (Company No. 163751-H)

Unaudited Condensed Consolidated Cash Flow Statements
For the period ended 30 JUNE 2019

	Current year 18 months to date 30.6.2019 (RM '000)	Preceding year 18 months Corresponding Corresponding Ended 30.6.2018 (RM '000)
Loss before taxation	(191,570)	N/A
Adjustment for non-cash flow items	<u>5,349</u>	<u>N/A</u>
Operating profit before changes in working capital	(186,221)	-
(Increase)/Decrease in inventories	<u>21,443</u>	N/A
(Increase) /Decrease in receivables	114,835	N/A
(Decrease)/Increase in payables	<u>24,352</u>	N/A
Changes flows (used in)/from operations	(25,591)	N/A
Incomes tax paid/refund	<u>(171)</u>	N/A
Interest paid	(5,803)	N/A
Retirement benefit paid	(22)	N/A
Interest received	<u>2,462</u>	N/A
Cash flow (used in)/generated from operations	(29,125)	N/A
Issuance of new ordinary shares	<u>44,507</u>	N/A
Disposal of property,plant and equipment	25,636	N/A
Purchase/revaluation of property, plant and equipment	<u>2,327</u>	N/A
Net cash (used in)/ generated from investing activities	72,470	N/A
Decrease/(Increase)in deposit pledged	<u>20,205</u>	N/A
Bank borrowing	<u>(50,349)</u>	N/A
Net cash from/(used in)Financing Activities	(30,144)	N/A
Net Change in Cash & Cash Equivalents	<u>13,201</u>	<u>N/A</u>
Cash & Cash Equivalentents at beginning of year	(13,117)	N/A
Cash & Cash Equivalentents at end of period	<u><u>84</u></u>	<u><u>N/A</u></u>
Cash & Cash Equivalentents	2019 RM'000	2017 RM'000
Cash and bank balances	84	N/A
Cash and bank balances	<u><u>84</u></u>	<u><u>N/A</u></u>

Note: Due to change in the Financial year ended from 31 December 2018 to 30 June 2019, the cash flow for the corresponding 18 months period in the prior year are not presented.

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the year ended 31 December 2017)

NOTES TO THE INTERIM FINANCIAL STATEMENTS

A. Notes Required Under MFRS 134

A1. Basis of preparation of financial statements

This Interim Financial Statements are unaudited and has been prepared in accordance with MFRS 134 "Interim Financial Reporting" issued by Malaysian Accounting Standards Board ("MASB") and Paragraph 9.22 of the Bursa Malaysia Securities Berhad's Listing Requirements and should be read in conjunction with the Group's annual audited financial statements for the financial year ended 31 December 2017. These explanatory notes accompanied the Interim Financial Statements provide an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the last financial year ended 31 December 2017.

A2. Significant Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the financial statements for the year ended 31 December 2017.

A3. Qualification in Auditor's Report

There are no qualifications in the Auditors' Report of the audited financial statements for year ended 31 December 2017.

A4. Seasonality or Cyclicity of Operations

The Group's performance is directly related to the level of respective market activity which normally experiences slowdown during festive seasons.

A5. Unusual Items

There are no unusual items affecting assets, liabilities, equity, net income or cash flow that are unusual because of their nature, sizes, or incidence that had affected the current quarter ended 30 June 2019 except as disclosed in the interim financial statements.

A6. Material Changes in Estimates

There were no material changes in estimates of amounts reported in prior financial years that have a material effect in the current quarter ended 30 June 2019.

A7. Issuance, Cancellation, Repurchases, Resale & Repayments of Debt and Equity Securities

- a) On 30 June 2009, the Company had obtained approval from its shareholders to buy-back its own shares. The latest approval obtained for the renewal of share Buy-back Authority was on 28 June 2018.

On a cumulative basis, as at 30.6.2019, the Company has purchased 306,000 ordinary shares for RM180,830.74, representing in average RM0.59 per share.

None of the treasury shares held were resold or cancelled during the financial quarter.

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- b) The Company had made an offer of options to eligible persons to subscribe for new shares in the Company's under the Company's Employees' Shares Option Scheme. As at 30 August 2019, the offers have been granted, exercised, and cancelled/lapsed as below:

Date of option	Option Price(RM)	No. of Option Granted	Exercised	Cancelled/ Lapsed	Balance
17 October 2017-29 June 2021	0.900	7,420,000	3,350,000	4,070,000	-
8 October 2018 - 29 June 2021	0.305	23,132,000	20,000,000	3,132,000	-
29 January 2019-29 June 2021	0.195	49,000,000	41,500,000	7,500,000	-
Total		79,552,000	64,850,000	14,702,000	-

A8. Dividend Paid

There was no payment of dividend for the current quarter under review.

A9. Segmental Reporting

Segment information is presented in respect of the Group business segments. The business segment is based on the Group's management and internal report structure. Segment information by geographical segments is not provided as the activities of the Group are located principally in Malaysia. Inter-segment pricing is determined based on negotiated terms.

Segments result, asset and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise corporate assets and expenses.

Business Segments

The Group is organized into the following business segments:-

- i) Tiles- manufacturing, trading and marketing of all kinds of ceramic and related building material products.
- ii) Property/Construction – property development and construction

The directors are of the opinion that all inter-segment transactions have been entered during the normal course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

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30 June 2019

	Tiles RM'000	Property/ Construction RM'000	Eliminations RM'000	Consolidated RM'000
Revenue-External	20,941	4,106		25,047
Operating profit/(loss)	(173,779)	(11,987)		(185,766)
Interest expenses	(3,644)	(2,160)		(5,804)
Profit/(Loss)before taxation	(177,423)	(14,147)		(191,570)
Tax expenses	(168)	(43)		(211)
Profit/(Loss)for the period	(177,591)	(14,190)		(191,781)
Revaluation reserves	2,327	-		2,327
Total comprehensive income	(175,264)	(14,190)		(189,454)
Segments assets	410,329	1,004,791	(525,837)	889,283
Segments liabilities	134,040	608,215	(559,876)	182,379
Depreciation and amortization	3,152	622		3,774

Geographical segments

The Group's production facilities are located in Malaysia only.

In determining the geographical segment of the Group, revenue is based on the geographical location of customers.

	Revenue RM'000
Malaysia	23,029
Other countries	2,018
	<u>25,047</u>

A10. Valuations of Property, Plant & Equipment

The property, plant and equipment have not been revalued since the previous annual audited financial statements except for valuation of land and property in Subang Jaya.

A11. Material Events Subsequent to End of Interim Period

There were no material events subsequent to the end of the quarter under review that have not been reflected in the financial statements.

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A12. Changes in the Composition of the Group

There was no change in the composition of the Group during the current quarter under review.

A13. Capital Commitments

There were no other material capital commitments during the current quarter ended 30 June 2019.

Notes Required Under Bursa Malaysia Securities Berhad's Listing Requirements.

B1. Current Quarter and Preceding Year Quarter

The Group's revenue for the sixth quarter ended 30 June 2019 was RM0.952 million and loss before taxation of RM36.87million.

Due to the change of financial year end from 31 December 2018 to 30 June 2019, the figures for the quarter period ended 30 June 2019 are in respect of the sixth quarter and accordingly, there are no comparative figures for the preceding year corresponding quarter. Loss before taxation of RM36.87million in the current quarter was mainly due to:-

- a) Dividend on RCPS of Duta Nilai Holdings Sdn Bhd of RM1.93million.
- b) Interest / profit charge of RM18.89million.
- c) Impairment on Asset Held for Sales of RM4million
- d) Additional impairment of trade and other receivables of RM3.6million
- e) Factory rental of RM1.5million.

For the current financial period ended 30 June 2019, the Group recorded revenue of RM25 million and loss before taxation of RM191million.

Due to the change of financial year end from 31 December 2018 to 30 June 2019, there are no comparative figures presented for the 18 month period ended 30 June 2019.

B2. Material Changes for the Current and Preceding Quarter.

The Group's revenue for the sixth quarter ended 30 June 2019 was higher by RM0.169 million (31.3.2019: Revenue of RM 0.783 million) compared to the preceding quarter. Higher revenue for the quarter ended 30.6.2019 was mainly due few secured order for the period under review.

The Group recorded loss before taxation for the current financial quarter of RM36.87 million compared to loss before taxation of RM102 million of the preceding quarter.

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B3. Prospects

The Board anticipates that the Year 2019 will be a challenging period for business of the Group in view of holding company's PN17 status and insufficient cash flow to support the operations and repayment of its banking facilities. In addition, there are uncertainties of local and global economies particularly slowdown in property development and construction industries, lower consumers demand and US-China trade war. Nevertheless, the Board will formulate and develop strategies especially to propose the regularization plan to uplift PN17 status within the 12 months period as required under the listing requirements.

B4. Provision of Profit Forecast of Profit Guarantee in Public Document

The Group did not announce any profit forecast or profit guarantee in a public document.

B5. Taxation

	2019 Quarter ended 30 June RM '000	Period to Date ended 30 June 2019 RM '000
Current year		
Taxation	24	211
	<hr/>	<hr/>
	24	211

B6. Status of Corporate Proposals

- a) On 10 April 2019, The Board of Directors of Seacera Group Berhad ("SEACERA" or "the Company") is pleased to announce that the Company has entered into a Memorandum of Understanding ("MOU") with Sinar Tile Industries Sdn Bhd ("STISB"). No further development on the matter.
- b) On 11 May 2019, the Company wishes to announce that SEACERA, had entered into a memorandum of understanding ("MOU") with KR EMS Co., Ltd ("KREMS") (collectively referred to as "Parties" and individually as "Party"). KREMS and SEACERA wish and plan to set up, based on mutual trust and positive collaboration, the international LED lighting products business base in Malaysia for future growth momentum as well as the economy of Malaysia and Korea through the Joint Venture System. No further development on the matter.

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B7. Group Borrowings

Group borrowings consist of the following:

	As at 30.6.2019 RM'000
Dominated in Ringgit Malaysia	
Secured	
Long term borrowings	363
Secured	
Short term borrowings	23,399
Total	<u>23,762</u>

B8. Off Balance Sheet Financial Instruments

There were no off balance sheet financial instruments entered into by the Group as at the date of this report except for the Corporate Guarantee issued by Seacera in favour of the financiers' of the subsidiary companies for their banking facilities amounting to RM12million.

B9. Changes in the Material Litigation

There were no other material litigation, claims or arbitration, either as plaintiff or defendant and the Directors have no knowledge of any proceedings pending or threatened against the Company and/or its subsidiaries or of any fact likely to give rise to any proceedings which might adversely and materially affect the financial position or business of the Company and/or its subsidiaries, saves as disclosed below.

CASE NO	PLAINTIFF/ PETITIONER	DEFENDANT/ RESPONDENT	AMOUNT CLAIM (RM)	STATUS
				1) Announcement dates 2) Latest Status
(WA-22NCC-433-08/2019)	MDI Energy Sdn Bhd	SPSB	6,000,000.00	1) 15.8.19 & 19.8.19 2) Latest CM date on 3.10.19
(BA-22NCC-61-05/2019)	SGB	OCR Holding Sdn Bhd & 2 Ors	a) 19,200,000.00 b) 6,722,637.84 (interest)	1) 31.5.19 , 3.6.19, 26.6.19 & 29.7.19 2) Latest CM on 11.9.19
(WA-22M-487-07/2019)	Ambank Islamic Berhad	SGB	12,908,777.49	1) 16.7.19, 19.7.19 & 29.7.19 2) Latest CM date on 30.8.19

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(WA-24NCC-268-05/2019)	SGB	Tan Wei Lian & Ors	Not Applicable	1) 21.5.19, 24.5.19, 27.5.19, 28.5.19, 30.5.19, 11.6.19, 14.6.19, 23.7.19 & 6.8.19 2) Hearing OS on 4.9.19
(WA-22NCC-114-03/2019)	Gan Hai Toh	SGB	5,500,000.00	1) 27.3.19, 27.5.19, 30.5.19, 4.6.19, 12.6.19, 9.7.19 & 18.7.19 2) Hearing O.18 app on 17.9.19
(WA-24NCC-294-05/2019)	Tan Wei Lian & Ors	SGB	Not Applicable	1) 4.6.19, 7.6.19, 11.6.19, 14.6.19, 23.7.19, 26.7.19 & 6.8.19 2) Hearing (stay app) and latest CM date on 1.10.19
(WA-22NCVC-792-11/2018)	Mahawira Niaga Sdn Bhd	SCSB	a) 2,042,573.78 b) 1,844,808.86 (interest)	1) 10.12.18, 13.12.18, 3.5.19, 18.6.19 & 19.8.19 2) Hearing O.29 app (amendment) on 20.9.19
(WA-22M-496-07/2019)	Ambank Islamic Berhad	SCSB & SGB (Ceramics)	18,306,705.17	1) 18.7.19, 23.7.19 & 1.8.19 2) Latest CM date on 30.8.19
(WA-22M-574-08/2019)	SME Bank Berhad	SGB & 2 Ors	36,459,691.73	1) 19.8.19 & 21.8.19 2) Latest CM date on 10.9.19
(WA-28NCC-800-08/2019)	Zaike Global Resources Sdn Bhd (W/Up Petition)	SPSB (Properties)	6,500,000.00	1) 21.8.19 & 26.8.19 2) Latest CM date on 26.9.19
(WA-28NCC-768-08/2019)	Suong Sdn Bhd (W/Up Petition)	SGB	15,531,105.99	1) 6.8.19 & 20.8.19 2) Latest CM date on 20.9.19
S.466 Notice	Odemax	SGB	11,297.30	1) 25.7.19

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(Winding Up Notice)	Petroleum Sdn Bhd			2) Received S.466 Notice on 25.7.19
S.466 Notice (Winding Up Notice)	GTS Contractor Sdn Bhd	SPSB (Porcelains)	2,689,425.39	1) 29.7.19 2) Received S.466 Notice on 26.7.19
S.466 Notice (Winding Up Notice)	Ahmad Zaki Sdn Bhd	SCSB (Ceramics)	699,666.73	1) 19.8.19 2) Received S.466 Notice on 19.8.19

B10. Dividend

The Board of Directors does not recommend any dividend for the current year under review.

B11. Earnings per Ordinary Share (EPS)

The earnings per ordinary share of the Group as at the end of this period are calculated as follows:

	Quarter ended 30 June 2019 RM'000	18 months Period to date ended 30 June 2019 RM'000
Net (loss/profit) for the Period (RM'000)	(36,902)	(189,454)
No. of ordinary shares ('000)	474,623	474,623
Owner of the parent	(36,902)	(188,855)
Non-controlling interest	-	(599)
EPS (sen) - Basic	(7.78)	(40.28)
EPS (sen) - Diluted	(7.78)	(40.28)

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B12. Profit/(loss) for the period/year

	Quarter ended 30 June 2019 RM'000	18 months Period to date ended 30 June 2019 RM'000
Profit for the period/year after charging/(crediting):		
Interest expense	209	5,804
Depreciation	99	3,774
Foreign exchange loss/(gain)	-	(11)
Interest income	(649)	(3,111)

B13. Authorisation for issue

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