

**CONDENSED CONSOLIDATED INCOME STATEMENT**

(the figures have not been audited)

	Note	Individual Quarter		Cumulative Quarter	
		Current Year Quarter 30/06/2016 RM'000	Preceding Year Quarter 30/06/2015 RM'000	Current Year To Date 30/06/2016 RM'000	Preceding Year To Date 30/06/2015 RM'000
Revenue	20	34,711	71,734	55,281	195,332
Cost of Sales		(28,409)	(63,617)	(44,046)	(174,625)
Gross Profit		6,302	8,116	11,235	20,707
Operating Expenses		(5,432)	(4,937)	(9,159)	(10,051)
Other Operating Income		1,253	1,814	2,561	3,620
Profit/(Loss) from Operations		2,123	4,993	4,637	14,276
Finance Costs		(331)	(373)	(705)	(863)
Profit/(Loss) before tax	21	1,791	4,620	3,931	13,412
Income tax expense	14	(579)	(708)	(1,152)	(1,987)
Profit/(Loss) for the period		1,212	3,912	2,779	11,425
Other comprehensive income, net of tax		-	-	-	-
Total Comprehensive Income for the period		1,212	3,912	2,779	11,425
Profit attributable to:-					
Owners of the Company		938	3,524	2,314	10,500
Minority Interest		274	387	465	926
		1,212	3,912	2,779	11,425
Total Comprehensive Income attributable to:-					
Owners of the Company		938	3,524	2,314	10,500
Minority Interest		274	387	465	926
		1,212	3,912	2,779	11,425
Earnings/(Loss) per share:-	24				
- Basic (sen)		0.29	1.10	0.72	3.28
- Diluted (sen)		NA	NA	NA	NA

The Condensed Consolidated Balance Sheets should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED BALANCE SHEETS**

	Note	Unaudited At 30.06.2016 RM'000	Audited As at 31.12.2015 RM'000
<b>Property, Plant and Equipment</b>		15,899	16,882
<b>Other Investments</b>		63	63
<b>Land Held for Property Development &amp; Property Development Costs</b>		16,221	16,221
<b>Trade receivables</b>		28,710	28,710
<b>Amount due by Related Parties</b>		30,096	30,096
<b>Deferred tax assets</b>		1,524	1,524
<b>Current Assets</b>			
Held-for-sale properties		8,063	8,063
Inventories		20,363	19,932
Trade receivables		141,182	173,076
Property Development Costs		9,020	8,921
Joint-venture development costs		72,684	70,557
Due by contract customers		101,500	105,361
Amount due by related parties		5,070	3,689
Other receivables, deposits and prepayments		39,565	35,458
Fixed and security deposits		4,467	4,467
Cash and bank balances		2,487	5,205
		404,402	434,729
<b>Current Liabilities</b>			
Trade payables		(62,144)	(65,628)
Due to contract customers		(93,384)	(112,413)
Amount due to related parties		(246)	(452)
Other payables, deposits received and accruals		(14,731)	(21,616)
Bank borrowings		(7,199)	(7,048)
Provisions		(5,348)	(5,348)
Tax Liabilities		(12,043)	(13,343)
		(195,095)	(225,848)
<b>Net Current Assets</b>		209,307	208,881
		<b>301,820</b>	<b>302,377</b>
<b>Represented by:-</b>			
<b>Share Capital</b>		320,250	320,250
<b>Reserve</b>	25	(79,733)	(82,047)
<b>Total Equity Attributable to Owners of the Company</b>		240,517	238,203
<b>Non-controlling Interests</b>		4,294	3,829
<b>Total Equity</b>		244,811	242,032
<b>Non-Current Liabilities</b>			
Bank borrowings		57,009	60,345
		<b>301,820</b>	<b>302,377</b>
<b>Net Assets per share (RM)</b>		<b>0.7644</b>	<b>0.7558</b>

The Condensed Consolidated Balance Sheets should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

For the period ended 30 June 2016

	Attributable to Equity Holders of the Parent					Distributable Accumulated Loss	Total	Minority Interests	Total Equity
	Issued Capital	Exchange Translation Reserve	Revaluation Reserve	Capital Reserve	Share Premium				
	RM'000	0	0	0	0	RM'000	RM'000	RM'000	RM'000
At 01.01.2016	320,250	(1,390)	85	-	16,683	(97,425)	238,203	3,829	242,032
Total comprehensive income for the period	-	-	-	-	-	2,314	2,314	465	2,779
At 30.06.2016	320,250	(1,390)	85	-	16,683	(95,111)	240,517	4,294	244,811

For the period ended 30 June 2015

	Attributable to Equity Holders of the Parent					Distributable Accumulated Loss	Total	Minority Interests	Total Equity
	Issued Capital	Translation Reserve	Revaluation Reserve	Capital Reserve	Share Premium				
	RM'000	0	0	0	0	RM'000	RM'000	RM'000	RM'000
At 01.01.2015	320,250	12	85	-	16,683	(114,718)	222,312	2,970	225,282
Total comprehensive income for the period	-	-	-	-	-	10,500	10,500	926	11,426
At 30.06.2015	320,250	12	85	-	16,683	(104,218)	232,812	3,896	236,708

The Condensed Consolidated Balance Sheets should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS**

	Cumulative 6 months to 30.06.2016 RM'000	Cumulative 6 months to 30.06.2015 RM'000
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before taxation	3,931	13,412
Adjustments for:-		
Allowance for impairment losses on receivables	750	-
Depreciation	1,111	952
Interest expenses	705	863
Interest income	(2,511)	(3,620)
<b>Operating profit/(loss) before working capital changes</b>	<b>3,987</b>	<b>11,608</b>
<b>(Increase)/Decrease in :-</b>		
Inventories	(431)	(37)
Receivables	27,036	(29,138)
Property development costs	(99)	(1,822)
Joint-venture development costs	(2,127)	(3,484)
Due by/to contract customers	(15,169)	17,848
Amount due from related parties	(1,587)	1,565
<b>Increase/(Decrease) in :-</b>		
Payables	(9,030)	12,346
Net cash generated from/(absorbed by) operations	2,580	8,886
Interest received	4	-
Interest paid	(705)	(804)
Tax paid	(1,991)	(2,473)
<b>Net Cash Flow from Operating Activities</b>	<b>(112)</b>	<b>5,609</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(128)	(1,689)
<b>Net Cash Flow from Investing Activities</b>	<b>(128)</b>	<b>(1,689)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from/(Repayment of) hire-purchase arrangement	(365)	124
Proceeds from/(Repayment of) term loans	(2,114)	(493)
<b>Net Cash Flow from Financing Activities</b>	<b>(2,479)</b>	<b>(369)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(2,719)</b>	<b>3,551</b>
<b>EFFECT OF EXCHANGE RATE CHANGES</b>	<b>-</b>	<b>-</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>6,096</b>	<b>11,758</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>3,377</b>	<b>15,309</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>		
Cash and bank balances	2,487	13,771
Fixed and security deposits	890	1,538
	<b>3,377</b>	<b>15,309</b>

The Condensed Consolidated Balance Sheets should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

**NOTES TO THE INTERIM FINANCIAL REPORT**

**1) Basis of Accounting and Accounting Policies**

The interim financial report of the Group has been prepared in accordance with FRS 134 "Interim Financial Reporting" and Appendix B (Part A) of the Listing Requirements (Main Market) of the Bursa Malaysia Securities Bhd ("Bursa Securities") and should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2015.

The Group falls within the definition of Transitioning Entities and has opted to defer adoption of the new Malaysian Financial Reporting Standard ("MFRS"). Adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2018.

For financial year ending 31 December 2016, the Group will continue to prepare financial statements using Financial Reporting Standards ("FRSs"). The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2015 except for adoption of new/revised MFRSs which came into effect in the current financial period/year, if any. The adoption of new/revised MFRSs have no significant impact on the financial statements of the Group.

The Group has not adopted any new/revised MFRSs and IC Interpretations that have been issued but not yet effective for the Group.

**2) Previous Year's Audit Qualification and Current Status**

The audited financial statements of the Company for the financial year ended 31 December 2015 were not subject to any audit qualification.

**3) Seasonal or Cyclical Factors affecting Operations**

The construction activities of the Group can be materially affected by some seasonal or cyclical factors.

**4) Material Unusual Item**

There was no material unusual item for the current financial quarter and financial year to date.

**5) Material Changes in Estimates reported previously**

Not applicable.

**6) Issuance/Cancellation/Repurchase/Resale/Repayment of Debts/Equity Securities**

There was no issuance or repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current financial year to date.

**7) Dividends**

No dividend had been declared for the current financial quarter and financial year to date.

**8) Segmental Information**

	<b>Construction RM'000</b>	<b>Property Development RM'000</b>	<b>Manufacturing and Trading RM'000</b>	<b>Total RM'000</b>
<b>Segment profit</b>	(1,666)	2,713	2,204	3,251
Included in the measure of segment profit are:-				
Revenue from external customers	25,578	3,825	25,878	55,281
Inter-segment revenue	-	-	-	-
Not included in the measure of segment profit but provided to Chief Executive Officer ("CEO"):-				
Depreciation and amortisation	(419)	(324)	(369)	(1,111)
Finance costs	(615)	(39)	(51)	(705)
Interest income	2,134	115	262	2,511
Taxation	-	(644)	(509)	(1,152)
<b>Segment Assets</b>	274,488	193,107	29,220	496,815
Included in the measure of segment assets are:-				
Additions to non-current assets other than financial instruments	128	-	-	128

Reconciliations of reportable segment revenues, profit/loss, assets and liabilities and other material items are as follows:-

<b>Profit or Loss</b>	<b>RM'000</b>
Total profit for reportable segments	3,251
Other non-reportable segments	(14)
Depreciation of plant and equipment	(1,111)
Finance costs	(705)
Interest income	2,511
<b>Consolidated profit before taxation</b>	<b>3,931</b>

	<b>Total reportable segments RM'000</b>	<b>Non-reportable segments RM'000</b>	<b>Components not monitored by CEO RM'000</b>	<b>Elimintation of inter-segment transactions or balances RM'000</b>	<b>Consolidated total RM'000</b>
External revenue	55,281	-	-	-	55,281
Depreciation of plant and equipment	(1,111)	-	-	-	(1,111)
Finance costs	(705)	-	-	-	(705)
Interest income	2,252	259	-	-	2,511
Segment assets	569,522	7,250	1,690	(81,547)	496,915
Additions to non-current assets	128	-	-	-	128

**By Geographical Segments**

No geographical segment information is presented as the Group operates principally in Malaysia.

**9) Valuation of Property, Plant and Equipment**

Not applicable as the Group's property, plant and equipment are stated at cost less accumulated depreciation.

**10) Material Subsequent Events**

The Directors are of the opinion that no material events affecting the earnings of the Group for the period under review had occurred between 30 June 2016 and the date of this announcement.

**11) Changes in the composition of the Group**

There is no other changes in the composition of the Group for the current financial quarter and financial year to date.

**12) Contingent Liabilities**

There is no contingent liabilities for the Group as at 19 August 2016, being the latest practicable date which is not earlier than 7 days from the date of this announcement, as all the Group's performance/advance bonds had expired following the completion of the relevant contracts and fulfillment of the relevant contractual obligations pursuant to the contracts.

**13) Changes in Material Litigations**

Save as disclosed in previous quarterly result announcements and in the audited accounts of the Company and its subsidiary companies, neither the Company nor any of its subsidiaries is engaged in any material litigation either as plaintiff or defendant as at the date of this announcement.

To the best of their knowledge, the Directors do not have any knowledge of any proceeding pending or threatened against the Company or its subsidiaries or of any fact likely to give rise to any proceedings which might materially or adversely affect the position of the Company and its subsidiaries.

**14) Taxation**

Income tax expense for the current financial quarter and financial year to date are as follows:-

	<b>Current Quarter At 30.06.2016 RM'000</b>	<b>Cumulative year to date RM'000</b>
Malaysian taxation based on profit for the year:-		
Current year	579	1,152
Deferred taxation:-		
Relating to reversal of temporary differences	-	-
	<u>579</u>	<u>1,152</u>

**15) Profit/(Losses) on sale of Unquoted Investments and/or Properties**

Except for those occurred within the ordinary course of the Group's businesses, there were no profits on sale of investments and/or properties for the current financial quarter and financial year to date.

**16) Other Investments**

a) Purchases/Sales of Quoted Securities

There is no purchase of quoted securities for the current financial quarter and financial year to date.

b) Included in other investments is investment in quoted shares as follows:-

	<b>At 30.06.2016 RM'000</b>
Investment in quoted shares, at cost	6
Investment in quoted shares, at carrying value/book value	3
Investment in quoted shares, at market value @ 19.08.2016	2

The Group has no other investment in quoted securities as at 30 June 2016 other than as disclosed above.

**17) Status of Corporate Proposals**

There was no corporate proposal announced but not completed in the interval from the date of the last report and the date of this announcement.

**18) Group's Borrowings and Debt Securities as at 30 June 2016**

	<b>RM'000</b>
<b>Short Term Borrowings</b>	
Secured:-	
Term Loan	3,080
	<hr/>
Hire-purchase payables - repayable within 1 year	4,119
	<hr/>
<b>Total Short Term Borrowings</b>	<b>7,199</b>
<b>Long Term Borrowings</b>	
Secured:-	
Term Loan	56,670
	<hr/>
Hire-purchase payables - repayable between 2 to 5 years	339
	<hr/>
<b>Total Long Term Borrowings</b>	<b>57,009</b>

**19) Financial Instruments**

The Group has no outstanding derivatives as at 30 June 2016.

There were no gain/loss arising from fair value changes in financial liabilities for the year to date.

**20) Material change in the Quarterly Results compared to previous quarter**

The Group recorded revenue of RM34.7 million and gross profit of RM6.3 million for current quarter as compared to revenue of RM20.57 million and gross profit of RM4.93 million for previous quarter. The lower revenue and profit for Quarter 1 was mainly due to longer holidays for the festive seasons.

**21) Review of Performance of the Company and its Principal Subsidiaries**

The Group recorded revenue of RM55.28 million and gross profit of RM11.24 million for the half year ended 30 June 2016. Completion of some of the external construction contracts (eg the shopping mall project in Ipoh) and hand over of the Group's Bukit Cheras development in 2015, coupled with the effect of GST and slow-down in the properties sales in general had affected the Group's operational performance in 2016.



**22) Current Year Prospects**

The Board is of the opinion that the near term prospect is expected to remain challenging for the domestic construction and property industries in view of the slow down in domestic economy, effect of GST and stringent lending policies by banks.

However, based on the Group's on going and upcoming planned developments, the Board remains cautiously optimistic that the Group's performance will be satisfactory for the remaining financial period for 2016.

**23) Variance of Actual Profit from Forecast Profit and Shortfall in Profit Guarantee**

Not applicable.

**24) Earnings/(Loss) per share ("EPS")**

Basic

The basic net profit per share is calculated by dividing the Group's profit after taxation and minority interests of RM2.314 million by the number of ordinary shares in issue of 320.25 million as at 30 June 2016.

**25) Reserves**

	As at 30/06/2016 RM'000	As at 31/12/2015 RM'000
<b><u>Non-distributable:-</u></b>		
Share Premium	16,683	16,683
Exchange Translation Reserve	(1,390)	(1,390)
Revaluation Reserve	85	85
	15,378	15,378
<b><u>Distributable:-</u></b>		
Accumulated Losses	(95,111)	(97,425)
	<b>(79,733)</b>	<b>(82,047)</b>

**Analysis of Accumulated Losses - Realised/Unrealised**

	As at 30/06/2016 RM'000	As at 31/12/2015 RM'000
Accumulated Losses:-		
Realised	(325,539)	(327,853)
Unrealised	3,234	3,234
	(322,305)	(324,619)
Consolidation adjustments	227,194	227,194
<b>Accumulated losses as per financial statements:</b>	<b>(95,111)</b>	<b>(97,425)</b>

**26) Authorised for issue**

The condensed consolidated interim financial statements were authorised for issue by the Board of Directors on 23 August 2016.

By Order of the Board

Dato' Sri Haji Abd Rahim Bin Haji Abdul  
 Chairman

**SYCAL VENTURES BERHAD**

(Company No. : 547651-U)

**Part A1 : QUARTERLY REPORT**\* Quarterly report for the : 30 June 2016  
financial period ended\* Quarter :  1 Qtr  2 Qtr  3 Qtr  4 Qtr  Other

\* Financial Year End : 31 December 2016

\* The figures :  Have been audited  have not been audited**Part A2 : SUMMARY OF KEY FINANCIAL INFORMATION**Summary of Key Financial Information for the financial period ended  
30 June 2016

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30/06/2016 RM'000	Preceding Year Quarter 30/06/2015 RM'000	Current Year To Date 30/06/2016 RM'000	Preceding Year To Date 30/06/2015 RM'000
1 Revenue	34,711	71,734	55,281	195,332
2 Profit/(loss) before tax	1,791	4,620	3,931	13,412
3 Profit/(loss) for the period	1,212	3,912	2,779	11,425
4 Net profit/(loss) attributable to ordinary equity holders of the parent	938	3,524	2,314	10,500
5 Basic earnings/(loss) per share (sen)	0.29	1.10	0.72	3.28
6 Dividend per share (sen)	-	-	-	-

	AS AT END OF CURRENT QUARTER 30 June 2016	AS AT PRECEDING FINANCIAL YEAR END
7 Net assets/(liabilities) per share attributable to equity holders of the parent (RM)	0.7644	0.7558

**Part 3 : ADDITIONAL INFORMATION**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30/06/2016 RM'000	Preceding Year Quarter 30/06/2015 RM'000	Current Year To Date 30/06/2016 RM'000	Preceding Year To Date 30/06/2015 RM'000
1 Gross interest income	1,253	1,814	2,511	3,620
2 Gross interest expense	331	373	705	863