

CONDENSED CONSOLIDATED INCOME STATEMENT

(the figures have not been audited)

	Note	Individual Quarter		Cumulative Quarter	
		Current Year Quarter 30/09/2017 RM'000	Preceding Year Quarter 30/09/2016 RM'000	Current Year To Date 30/09/2017 RM'000	Preceding Year To Date 30/09/2016 RM'000
Revenue	20	24,258	22,143	63,638	77,424
Cost of Sales		(19,411)	(16,918)	(48,333)	(60,964)
Gross Profit		4,847	5,225	15,305	16,461
Operating Expenses		(5,307)	(4,972)	(15,096)	(14,132)
Other Operating Income		1,352	1,386	4,816	3,947
Profit/(Loss) from Operations		893	1,639	5,025	6,276
Finance Costs		(255)	(303)	(916)	(1,008)
Profit/(Loss) before tax	21	638	1,336	4,109	5,268
Income tax expense	14	(286)	(457)	(1,215)	(1,610)
Profit/(Loss) for the period		352	879	2,894	3,658
Other comprehensive income, net of tax		-	-	-	-
Total Comprehensive Income for the period		352	879	2,894	3,658
Profit attributable to:-					
Owners of the Company		355	789	2,579	3,103
Minority Interest		(3)	90	314	555
		352	879	2,894	3,658
Total Comprehensive Income attributable to:-					
Owners of the Company		355	789	2,579	3,103
Minority Interest		(3)	90	314	555
		352	879	2,894	3,658
Earnings/(Loss) per share:-	24				
- Basic (sen)		0.11	0.25	0.81	0.97
- Diluted (sen)		NA	NA	NA	NA

The Condensed Consolidated Income Statement should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements and the audited financial statements for year ended 31 December 2016.

CONDENSED CONSOLIDATED BALANCE SHEETS

	Note	Unaudited At 30.09.2017 RM'000	Audited As at 31.12.2016 RM'000
Property, Plant and Equipment		13,005	15,094
Other Investments		63	63
Land Held for Property Development & Property Development Costs		16,262	16,262
Trade receivables		18,710	18,710
Amount due by Related Parties		13,121	13,121
Deferred tax assets		2,165	2,165
Current Assets			
Held-for-sale properties		8,063	8,063
Inventories		16,291	16,581
Trade receivables		152,067	175,263
Property Development Costs		21,540	18,921
Joint-venture development costs		77,682	74,901
Due by contract customers		107,718	125,129
Amount due by related parties		20,144	16,660
Other receivables, deposits and prepayments		33,468	32,743
Fixed and security deposits		4,598	4,598
Cash and bank balances		1,960	1,487
		443,530	474,346
Current Liabilities			
Trade payables		(56,577)	(68,644)
Due to contract customers		(102,914)	(120,506)
Amount due to related parties		(456)	(456)
Other payables, deposits received and accruals		(21,281)	(21,968)
Bank borrowings		(5,353)	(7,248)
Provisions		(3,621)	(3,621)
Tax Liabilities		(12,799)	(14,073)
		(203,001)	(236,516)
Net Current Assets		240,529	237,830
		303,856	303,245
Represented by:-			
Share Capital		96,745	320,250
Reserve	25	149,113	(76,971)
Total Equity Attributable to Owners of the Company		245,858	243,279
Non-controlling Interests		4,690	4,376
Total Equity		250,548	247,655
Non-Current Liabilities			
Bank borrowings		53,308	55,590
		303,856	303,245
Net Assets per share (RM)		0.7824	0.7733

The Condensed Consolidated Balance Sheets should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements and the audited financial statements for year ended 31 December 2016.

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the period ended 30 September 2017

	<----- Attributable to Equity Holders of the Parent ----->						Total RM'000	Minority Interests RM'000	Total Equity RM'000
	Exchange			Distributable					
	Issued Capital RM'000	Translation Reserve RM'000	Revaluation Reserve RM'000	Capital Reserve RM'000	Share Premium RM'000	Retained Earnings RM'000			
At 01.01.2017	320,250	(1,731)	85	-	16,683	(92,008)	243,279	4,376	247,655
Effects of par value reduction	(223,505)			34,770	(16,683)	205,419	0		0
Total comprehensive income for the period	-	-	-	-	-	2,579	2,579	314	2,893
At 30.09.2017	96,745	(1,731)	85	34,770	-	115,990	245,858	4,690	250,549

For the period ended 30 September 2016

	<----- Attributable to Equity Holders of the Parent ----->						Total RM'000	Minority Interests RM'000	Total Equity RM'000
				Distributable					
	Issued Capital RM'000	Translation Reserve RM'000	Revaluation Reserve RM'000	Capital Reserve RM'000	Share Premium RM'000	Accumulated Loss 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	-	-	-	-	-	3,103	3,103	555	3,658
At 30.09.2016	320,250	(1,390)	85	-	16,683	(94,322)	241,306	4,384	245,690

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements and the audited financial statements for year ended 31 December 2016.

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS

	Cumulative 9 months to 30.09.2017 RM'000	Cumulative 9 months to 30.09.2016 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation	4,109	5,268
Adjustments for:-		
Allowance for impairment loss on receivables	-	900
Depreciation	2,224	1,673
Interest expenses	916	1,008
Interest income	(3,829)	(3,885)
Operating profit/(loss) before working capital changes	3,420	4,964
(Increase)/Decrease in :-		
Inventories	290	(458)
Receivables	23,424	31,152
Land held for property development and property development costs	(2,619)	(449)
Joint-venture development costs	(2,782)	(2,679)
Due by/to contract customers	(181)	(20,583)
Amount due from related parties	(3,485)	(1,642)
Increase/(Decrease) in :-		
Payables	(8,960)	1,410
Net cash generated from/(absorbed by) operations	9,107	11,715
Interest received	-	4
Interest paid	(916)	(1,008)
Tax paid	(2,489)	(5,120)
Net Cash Flow from Operating Activities	5,702	5,591
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(136)	(347)
Proceeds from disposal of property, plant and equipment	-	301
Net Cash Flow from Investing Activities	(136)	(46)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from/(Repayment of) hire-purchase arrangement	(1,339)	(893)
Proceeds from/(Repayment of) term loans	(3,754)	(3,386)
Net Cash Flow from Financing Activities	(5,093)	(4,279)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	473	1,267
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	2,405	6,096
CASH AND CASH EQUIVALENTS AT END OF YEAR	2,878	7,363
CASH AND CASH EQUIVALENTS AT END OF YEAR		
Cash and bank balances	1,960	6,473
Fixed and security deposits	918	890
	2,878	7,363

The Condensed Consolidated Cashflow Statements should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements and the audited financial statements for year ended 31 December 2016.

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 2016.

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 2017, the Group will continue to prepare financial statements using applicable Financial Reporting Standards ("FRSs"). The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2016 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 2016 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

	Construction RM'000	Property Development RM'000	Manufacturing and Trading RM'000	Total RM'000
Segment profit	(2,780)	3,579	1,838	2,637
Included in the measure of segment profit are:-				
Revenue from external customers	23,516	6,946	33,375	63,837
Inter-segment revenue	-	-	(198)	(198)
Not included in the measure of segment profit but provided to Chief Executive Officer ("CEO"):-				
Depreciation and amortisation	(476)	(486)	(478)	(1,440)
Finance costs	(823)	(41)	(51)	(916)
Interest income	3,316	169	345	3,829
Taxation	-	(804)	(412)	(1,215)
Segment Assets	267,177	196,827	30,492	494,496
Included in the measure of segment assets are:-				
Additions to non-current assets other than financial instruments	98	-	38	136

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

Profit or Loss	RM'000
Total profit for reportable segments	2,637
Other non-reportable segments	(1)
Depreciation of plant and equipment	(1,440)
Finance costs	(916)
Interest income	3,829
Consolidated profit before taxation	4,109

	Total reportable segments RM'000	Non-reportable segments RM'000	Components not monitored by CEO RM'000	Elimintation of inter-segment transactions or balances RM'000	Consolidated total RM'000
External revenue	63,837	-	-	(198)	63,638
Depreciation of plant and equipment	(1,440)	-	-	-	(1,440)
Finance costs	(916)	-	-	-	(916)
Interest income	3,570	259	-	-	3,829
Segment assets	581,957	18,182	2,367	(95,655)	506,851
Additions to non-current assets	136	-	-	-	136

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 September 2017 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 24 November 2017, 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 below and 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/arbitration, either as plaintiff or defendant, and the Directors have no knowledge of any other proceeding pending or threatened against the Company or its subsidiaries or of any fact likely to give rise to any proceedings which may materially affect the position of the Company and its subsidiaries as at the date of this announcement:-

As stated in the shareholders' circular dated 25.01.2017, the Kuala Lumpur Regional Centre for Arbitration ("KLRC") has awarded Sycal Bhd ("Sycal") total sum of RM15.6 million, together with interest and costs ("Awarded Sum"), to be paid by Guangxi Dev & Cap Sdn Bhd ("GDC") within 4 weeks from 16.11.2016. GDC had on 7.12.2016 filed applications to the High Court to set aside the Awarded Sum ("GDC Application") and Sycal had filed applications to the High Court to enforce the Awarded Sum ("Sycal Enforcement Application"). The Court had on 9 March 2017 dismissed GDC Application and allowed Sycal Enforcement Application.

The Company had initiated garnishing action against GDC and is also seeking the advise from its lawyer for other possible action(s) against GDC to recover the Awarded Sum.

14) Taxation

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

	Current Quarter At 30.09.2017 RM'000	Cumulative year to date RM'000
Malaysian taxation based on profit for the year:-		
Current year	286	1,215
Deferred taxation:-		
Relating to reversal of temporary differences	-	-
	<u>286</u>	<u>1,215</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:-

	At 30.09.2017
	RM'000
Investment in quoted shares, at cost	6
Investment in quoted shares, at carrying value/book value	3
Investment in quoted shares, at market value @ 24.11.2017	2

The Group has no other investment in quoted securities as at 30 September 2017 other than as disclosed above.

17) Status of Corporate Proposals

At the Extraordinary General Meeting of the Company held on 23 February 2017, the shareholders of the Company had approved the following proposals:-

- (i) Proposed reduction of the issued and paid-up share capital of the Company involving the cancellation of RM0.75 of the par value of every existing ordinary shares of RM1.00 each ("Proposed Par Value Reduction");
- (ii) Proposed private placement of up to 96,074,868 new ordinary shares of RM0.25 each; and
- (iii) Proposed amendment to the Memorandum & Articles of Association of the Company to facilitate the Proposed Par Value Reduction.

The High Court of Malaya at Kuala Lumpur had on 3 May 2017 granted an order confirming the Par Value Reduction. The reduction of share capital has become effective on 5 July 2017 upon receiving the notice of confirming the reduction of share capital pursuant to the Companies Act 2016 from the Suruhanjaya Syarikat Malaysia.

The Company will work closely with the adviser on the implementation of the private placement and relevant announcement will be made in due course.

18) Group's Borrowings and Debt Securities as at 30 September 2017

	RM'000
Short Term Borrowings	
Secured:-	
Term Loan	3,938
Hire-purchase payables - repayable within 1 year	1,416
Total Short Term Borrowings	5,353
Long Term Borrowings	
Secured:-	
Term Loan	51,307
Hire-purchase payables - repayable between 2 to 5 years	2,001
Total Long Term Borrowings	53,308

19) Financial Instruments

The Group has no outstanding derivatives as at 30 September 2017.

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 RM24.258 million and gross profit of RM4.847 million for current quarter as compared to revenue of RM15.468 million and gross profit of RM4.543 million for previous quarter. Revenue and profit for Quarter 3 was higher with some additional sales of property units. The Group's new projects in Ipoh Greentown and Genting Sempah are expected to commence works and sales in 4th Quarter 2017 only.

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

The Group recorded revenue of RM63.638 million and gross profit of RM15.305 million for the 9 months ended 30.09.2017 with the ready-mix concrete supply operation contributing to 52% of the Group's business activities for the period under review. Construction and property development activities are expected to pick up in the Quarter 4 of 2017 with planned commencement of the Group's Genting Park project in Genting Sempah and ICC Commercial Suites in Ipoh.

The Genting Park project comprises 2 blocks of 42-storey condominium nested amongst the greens of Genting Sempah near Bukit Tinggi and approximately 500 meters from the McDonalds and Petronas rest area and is within 15-minutes drive from the Gombak toll and the Genting Premium Outlet/Awana cable car station.

The ICC Commercial Suite project comprises a 21-storey suites at the recently completed Ipoh Convention Centre located strategically in the heart of Ipoh Greentown business district, next to Majlis Bandaraya Ipoh and approximately 10-minutes from the train station.

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. 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 period of the financial year ending 31 December 2017.

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

Not applicable.

24) Earnings/(Loss) per share ("EPS") and Net Assets ("NA") per share

Basic EPS

The basic net profit per share is calculated by dividing the Group's profit after taxation and minority interests of RM2.579 million by the number of ordinary shares in issue of 320.25 million as at 30 September 2017.

NA per share

The net assets per share is calculated by dividing the Group's total equity of RM250.548 million by the number of ordinary shares in issue of 320.25 million as at 30 September 2017.

25) Reserves

	As at 30/09/2017	As at 31/12/2016
	RM'000	RM'000
<u>Non-distributable:-</u>		
Share Premium	-	16,683
Capital Reserve	34,770	-
Exchange Translation Reserve	(1,731)	(1,731)
Revaluation Reserve	85	85
	33,124	15,037
<u>Distributable:-</u>		
Retained earnings / (Accumulated Losses)	115,990	(92,008)
	149,113	(76,971)

Analysis of Accumulated Losses - Realised/Unrealised

	As at 30/09/2017	As at 31/12/2016
	RM'000	RM'000
Accumulated Losses:-		
Realised	(114,466)	(322,464)
Unrealised	4,723	4,723
	(109,743)	(317,741)
Consolidation adjustments	225,733	225,733
Accumulated losses as per financial statements	115,990	(92,008)

26) Authorised for issue

The condensed consolidated interim financial statements were authorised for issue by the Board of Directors on 24 November 2017.

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 September 2017
financial period ended

* Quarter : 1 Qtr 2 Qtr 3 Qtr 4 Qtr Other

* Financial Year End : 31 December 2017

* 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 September 2017**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30/09/2017 RM'000	Preceding Year Quarter 30/09/2016 RM'000	Current Year To Date 30/09/2017 RM'000	Preceding Year To Date 30/09/2016 RM'000
1 Revenue	24,258	22,143	63,638	77,424
2 Profit/(loss) before tax	638	1,336	4,109	5,268
3 Profit/(loss) for the period	352	879	2,894	3,658
4 Net profit/(loss) attributable to ordinary equity holders of the parent	355	789	2,579	3,103
5 Basic earnings/(loss) per share (sen)	0.11	0.25	0.81	0.97
6 Dividend per share (sen)	-	-	-	-

	AS AT END OF CURRENT QUARTER 30 September 2017	AS AT PRECEDING FINANCIAL YEAR END
7 Net assets/(liabilities) per share attributable to equity holders of the parent (RM)	0.7824	0.7733

Part 3 : ADDITIONAL INFORMATION

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30/09/2017 RM'000	Preceding Year Quarter 30/09/2016 RM'000	Current Year To Date 30/09/2017 RM'000	Preceding Year To Date 30/09/2016 RM'000
1 Gross interest income	1,064	1,374	3,829	3,885
2 Gross interest expense	255	303	916	1,008