

**CONDENSED CONSOLIDATED INCOME STATEMENT**

(the figures have not been audited)

	Note	Individual Quarter		Cumulative Quarter	
		Current Year Quarter 31/03/2018 RM'000	Preceding Year Quarter 31/03/2017 RM'000	Current Year To Date 31/03/2018 RM'000	Preceding Year To Date 31/03/2017 RM'000
Revenue	20	13,418	23,912	13,418	23,912
Cost of Sales		(9,172)	(17,998)	(9,172)	(17,998)
Gross Profit		4,246	5,915	4,246	5,915
Operating Expenses		(4,304)	(5,120)	(4,304)	(5,120)
Other Operating Income		2,408	2,059	2,408	2,059
Profit/(Loss) from Operations		2,350	2,854	2,350	2,854
Finance Costs		(295)	(325)	(295)	(325)
Profit/(Loss) before tax	21	2,055	2,529	2,055	2,529
Income tax expense	14	(589)	(573)	(589)	(573)
Profit/(Loss) for the period		1,465	1,956	1,465	1,956
Other comprehensive income, net of tax		-	-	-	-
Total Comprehensive Income for the period		1,465	1,956	1,465	1,956
Profit attributable to:-					
Owners of the Company		1,428	1,724	1,428	1,724
Minority Interest		37	231	37	231
		1,465	1,956	1,465	1,956
Total Comprehensive Income attributable to:-					
Owners of the Company		1,428	1,724	1,428	1,724
Minority Interest		37	231	37	231
		1,465	1,956	1,465	1,956
Earnings/(Loss) per share:-	24				
- Basic (sen)		0.41	0.54	0.41	0.54
- 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 2017.

**CONDENSED CONSOLIDATED BALANCE SHEETS**

	Note	Unaudited At 31.03.2018 RM'000	Audited As at 31.12.2017 RM'000
<b>Property, Plant and Equipment</b>		25,758	26,403
<b>Other Investments</b>		60	60
<b>Land Held for Property Development &amp; Property Development Costs</b>		16,332	16,332
<b>Trade receivables</b>		2,884	2,884
<b>Deferred tax assets</b>		4,352	4,352
		<b>49,386</b>	<b>50,031</b>
<b>Current Assets</b>			
Held-for-sale properties		10,328	10,328
Inventories		22,270	22,099
Property Development Costs		30,189	28,056
Joint-venture development costs		72,133	72,068
Due by contract customers		112,255	111,935
Amount due by related parties		24,631	23,946
Current tax assets		189	189
Trade receivables		154,280	151,384
Other receivables, deposits and prepayments		31,782	31,752
Fixed and security deposits		4,723	4,562
Cash and bank balances		1,702	5,738
		464,482	462,057
<b>TOTAL ASSETS</b>		<b>513,868</b>	<b>512,088</b>
<b>Represented by:-</b>			
<b>Share Capital</b>		103,495	103,495
<b>Reserve</b>	25	151,134	149,706
<b>Total Equity Attributable to Owners of the Company</b>		254,629	253,201
<b>Non-controlling Interests</b>		4,372	4,335
<b>Total Equity</b>		<b>259,001</b>	<b>257,536</b>
<b>Non-Current Liabilities</b>			
Bank Borrowings	18	49,629	49,985
Deferred liabilities		2,966	2,966
Deferred Tax Liabilities		2,911	2,911
		55,506	55,862
<b>Current Liabilities</b>			
Trade payables		55,550	53,657
Due to contract customers		93,855	95,874
Amount due to related parties		697	697
Other payables, deposits received and accruals		25,097	24,471
Bank borrowings	18	8,003	8,346
Provisions		2,901	2,901
Tax Liabilities		13,259	12,744
		199,362	198,690
<b>TOTAL LIABILITIES</b>		<b>254,868</b>	<b>254,552</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>513,868</b>	<b>512,088</b>
<b>Net Assets per share (RM)</b>		<b>0.7459</b>	<b>0.7416</b>

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 2017.

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

For the quarter ended 31 March 2018

	<----- Attributable to Equity Holders of the Parent ----->						Total RM'000	Minority Interests RM'000	Total Equity RM'000
	Issued Capital RM'000	Exchange		Capital Reserve RM'000	Distributable				
		Translation Reserve RM'000	Revaluation Reserve RM'000		Share Premium RM'000	Retained Earnings RM'000			
At 01.01.2018	103,495	(925)	-	34,770	-	115,861	253,201	4,335	257,536
Total comprehensive income for the period	-	-	-	-	-	1,428	1,428	37	1,465
At 31.03.2018	103,495	(925)	-	34,770	-	117,289	254,629	4,372	259,001

For the period ended 31 March 2017

	<----- Attributable to Equity Holders of the Parent ----->						Total RM'000	Minority Interests RM'000	Total Equity RM'000
	Issued Capital RM'000	Translation Reserve RM'000	Revaluation Reserve RM'000	Capital Reserve RM'000	Share Premium RM'000	Distributable			
						Accumulated Loss RM'000			
At 01.01.2017	320,250	(1,731)	85	-	16,683	(92,008)	243,279	4,376	247,655
Total comprehensive income for the period	-	-	-	-	-	1,724	1,724	231	1,956
At 31.03.2017	320,250	(1,731)	85	-	16,683	(90,284)	245,003	4,607	249,611

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 2017.

**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS**

	Cumulative 3 months to 31.03.2018 RM'000	Cumulative 3 months to 31.03.2017 RM'000
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before taxation	2,055	2,529
Adjustments for:-		
Depreciation	609	752
Interest expenses	295	325
Interest income	(2,180)	(1,359)
<b>Operating profit/(loss) before working capital changes</b>	<u>779</u>	<u>2,247</u>
<b>(Increase)/Decrease in :-</b>		
Inventories	(171)	115
Held for sale properties	-	-
Receivables	(1,836)	5,894
Land held for property development and property development costs	(2,133)	(538)
Joint-venture development costs	(65)	(927)
Due by/to contract customers	(1,730)	(2,184)
Amount due from related parties	405	(106)
<b>Increase/(Decrease) in :-</b>		
Payables	1,982	(1,623)
<b>Net cash generated from/(absorbed by) operations</b>	<u>(2,769)</u>	<u>2,879</u>
Interest received	-	-
Interest paid	(295)	(325)
Tax paid	(74)	(338)
<b>Net Cash Flow from Operating Activities</b>	<u>(3,138)</u>	<u>2,215</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(37)	(38)
<b>Net Cash Flow from Investing Activities</b>	(37)	(38)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from/(Repayment of) hire-purchase arrangement	(192)	(359)
Proceeds from/(Repayment of) term loans	(507)	(1,643)
<b>Net Cash Flow from Financing Activities</b>	<u>(700)</u>	<u>(2,002)</u>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(3,875)	175
<b>EFFECT OF EXCHANGE RATE CHANGES</b>	-	-
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<u>6,525</u>	<u>2,405</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<u><b>2,650</b></u>	<u><b>2,580</b></u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>		
Cash and bank balances	1,702	1,662
Fixed and security deposits	948	918
	<u><b>2,650</b></u>	<u><b>2,580</b></u>

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 2017.

**NOTES TO THE INTERIM FINANCIAL REPORT**

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

The unaudited interim financial report of the Group has been prepared in accordance with MFRS 134 "Interim Financial Reporting" and Paragraph 9.22 of the Main Market Listing Requirements 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 2017.

For financial year ending 31 December 2018, 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 2017 except for adoption of the relevant new/revised MFRSs which came into effect in the current financial period/year:-

<b>Description</b>	<b>Effective for periods beginning on or after</b>
Amendment to MFRS 1: "First-time Adoption of MFRS" (Annual improvements to MFRS Standards 2014-2016 cycle)	1 January 2018
Amendment to MFRS 128: "Investment in Associates and Joint Ventures" (Annual improvements to MFRS Standards 2014-2016 cycle)	1 January 2018
Amendments to MFRS 2 "Classification and Measurement of Share-based payment Transactions"	1 January 2018
Amendments to MFRS 140 "Transfers of Investment Property"	1 January 2018
IC Interpretation 22 "Foreign Currency Transactions and Advance Consideration"	1 January 2018
MFRS 15 "Revenue from Contracts with Customers"	1 January 2018
MFRS 9 "Financial Instruments" (IFRS issued by IASB in July 2014)	1 January 2018

Except for the adoption of MFRS 9 and MFRS 15 as further explained below, the adoption of the above amendments and IC Interpretation have no significant financial impact on the Group and the Company, and did not result in substantial changes in the Group's accounting policies.

**Impact of initial application of MFRS 9 "Financial Instruments"**

MFRS 9 retains but simplifies the mixed measurement model in MFRS 139 and establishes three primary measurement categories for financial assets: amortised cost, fair value through profit or loss and fair value through other comprehensive income ('OCI'). MFRS 9 introduces an expected credit loss ('ECL') model on impairment for all financial assets that replaces the incurred loss impairment model used in MFRS 139. The ECL model is forward-looking and delimitates the need for a trigger event to have occurred before credit losses are recognised.

Classification and measurement: The Group anticipates that the classification and measurement basis for its financial assets will not be affected by the adoption of MFRS 9.

Impairment: The Group has applied the simplified approach to measure ECL uses a life time expected loss allowance for all trade receivables and contract assets. Based on the Group's initial assessment, the introduction of ECL model for the assessment of impairment of financial assets is not expected to have a material impact on the Group's results.

Presentation & disclosure: MFRS 9 allows reclassification of financial asset from one category to another when and only when an entity changes its business model for managing financial assets. No material changes in presentation and disclosure of financial instruments are expected as the Group does not intend to change its business model.

**Impact of initial application of MFRS 15 "Revenue from Contracts with Customers"**

The core principle in MFRS 15 is that an entity recognised revenue to depict the transfer of promised goods and services to customers for an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Revenue is recognised when a customer obtains control of goods or services, i.e. when the customer has the ability to direct the use of and obtain the benefits from the goods or services.

The Group does not expect the adoption of MFRS 15 to have significant impact on the timing and measurement of its revenue.

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 2017 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>	(661)	1,283	158	780
Included in the measure of segment profit are:-				
Revenue from external customers	1,551	3,286	8,581	13,418
Inter-segment revenue	2,062	-	-	2,062
Not included in the measure of segment profit but provided to Chief Executive Officer ("CEO"):-				
Depreciation and amortisation	(284)	(179)	(145)	(609)
Finance costs	(274)	(19)	(2)	(295)
Interest income	1,312	725	142	2,180
Taxation	(64)	(463)	(63)	(589)
<b>Segment Assets</b>	315,220	286,454	19,917	621,591
Included in the measure of segment assets are:-				
Additions to non-current assets other than financial instruments	-	-	37	37

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

	<b>RM'000</b>
<b>Profit or Loss</b>	
Total profit for reportable segments	780
Other non-reportable segments	(1)
Depreciation of plant and equipment	(609)
Finance costs	(295)
Interest income	2,180
<b>Consolidated profit before taxation</b>	<b>2,055</b>

**8) Segmental Information (cont'd)**

	Total reportable segments RM'000	Non-reportable segments RM'000	Components not monitored by CEO RM'000	Elimination of inter-segment transactions or balances RM'000	Consolidated total RM'000
External revenue	13,418	-	-	-	13,418
Depreciation of plant and equipment	(609)	-	-	-	(609)
Finance costs	(295)	-	-	-	(295)
Interest income	2,123	57	-	-	2,180
Segment assets	621,591	10,522	4,412	(122,658)	513,868
Additions to non-current assets	37	-	-	-	37

**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**

Other than the completion of the private placement exercise as announced in April 2018, there is no other material event affecting the earnings of the Group for the period under review had occurred between 31 March 2018 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 May 2018, being the latest practicable date which is not earlier than 7 days from the date of this announcement.

**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 announced earlier, on 21 June 2016 the Adjudicator 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, for construction works done and related services rendered.

On 9 March 2017 the High Court dismissed GDC's application to set aside the Awarded Sum. GDC then filed an appeal to the Court of Appeal and on 2 March 2018 the Court of Appeal allowed GDC's appeal and set aside the Awarded Sum. Sycal had consulted its legal advisor and has on 28 March 2018 applied for leave from Federal Court to appeal against the Court of Appeal's setting-aside decision. The Company is now contemplating further courses of action to be taken against GDC.

**14) Taxation**

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

	<b>Current Quarter At 31.03.2018 RM'000</b>	<b>Cumulative year to date RM'000</b>
Malaysian taxation based on profit for the year:-		
Current year	589	589
Deferred taxation:-		
Relating to reversal of temporary differences	-	-
	589	589

**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 31.03.2018 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 @ 24.05.2018	2

The Group has no other investment in quoted securities as at 31 March 2018 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.

As announced in December 2017 and April 2018, the Company had implemented private placements of 96,074,868 new shares at RM0.25 per share. The gross proceeds of RM24,018,717.00 have been/will be utilized for purposes as detailed in the Shareholders' Circular dated 25 January 2017.



18) Group's Borrowings and Debt Securities as at 31 March 2018

	RM'000
<b>Short Term Borrowings</b>	
Secured:-	
Term Loan	6,586
Hire-purchase payables - repayable within 1 year	1,417
<b>Total Short Term Borrowings</b>	<b>8,003</b>
<b>Long Term Borrowings</b>	
Secured:-	
Term Loan	47,790
Hire-purchase payables - repayable between 2 to 5 years	1,839
<b>Total Long Term Borrowings</b>	<b>49,629</b>

19) Financial Instruments

The Group has no outstanding derivatives as at 31 March 2018.

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 RM13.418 million and gross profit of RM4.246 million for current quarter as compared to revenue of RM19.266 million and gross profit of RM1.734 million for previous quarter.

Works on the Group's new projects in Ipoh Greentown and Genting Sempah had started and expected to generate revenue and profits from third quarter of 2018 onwards.

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

The Group recorded revenue of RM13.418 million and net profit before taxation of RM2.055 million for the 1st quarter ended 31.03.2018 with the Property Development Division being the main contributor in terms of operating profits from its projects management services rendered.

Construction and property development activities are expected to pick up from third quarter of 2018 as works and sales for the Group's Genting Park project in Genting Sempah and ICC Commercial Suites in Ipoh started.

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, and the recently announced GST revision to 0% from 1 June onwards, the Board remains cautiously optimistic that the Group's performance will be satisfactory for the remaining periods for financial year ending 31 December 2018.

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 earnings per share is calculated by dividing the Group's profit after taxation and minority interests of RM1.428 million by the number of ordinary shares in issue of 347,249,560 as at to date.

**NA per share**

The net assets per share is calculated by dividing the Group's total equity of RM259.001 million by the number of ordinary shares in issue of 347,249,560 as at to date.

**25) Reserves**

	<b>As at</b>	<b>As at</b>
	<b>31/03/2018</b>	<b>31/12/2017</b>
	<b>RM'000</b>	<b>RM'000</b>
<b><u>Non-distributable:-</u></b>		
Capital Reserve	34,770	34,770
Exchange Translation Reserve	(925)	(925)
	33,845	33,845
<b><u>Distributable:-</u></b>		
Retained earnings / (Accumulated Losses)	117,289	115,861
	<b>151,134</b>	<b>149,706</b>

**26) Authorised for issue**

The condensed consolidated interim financial statements were authorised for issue by the Board of Directors on 24 May 2018.

**SYCAL VENTURES BERHAD**

(Company No. : 547651-U)

**Part A1 : QUARTERLY REPORT**\* Quarterly report for the : 31 March 2018  
financial period ended\* Quarter :  1 Qtr  2 Qtr  3 Qtr  4 Qtr  Other

\* Financial Year End : 31 December 2018

\* 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  
31 March 2018

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31/03/2018 RM'000	Preceding Year Quarter 31/03/2017 RM'000	Current Year To Date 31/03/2018 RM'000	Preceding Year To Date 31/03/2017 RM'000
1 Revenue	13,418	23,912	13,418	23,912
2 Profit/(loss) before tax	2,055	2,529	2,055	2,529
3 Profit/(loss) for the period	1,465	1,956	1,465	1,956
4 Profit/(loss) attributable to ordinary equity holders of the parent	1,428	1,724	1,428	1,724
5 Basic earnings/(loss) per share (sen)	0.41	0.54	0.41	0.54
6 Proposed/Declared dividend per share (sen)	-	-	-	-

	AS AT END OF CURRENT QUARTER 31 March 2018	AS AT PRECEDING FINANCIAL YEAR END
7 Net assets/(liabilities) per share attributable to equity holders of the parent (RM)	0.7459	0.7416

**Part 3 : ADDITIONAL INFORMATION**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31/03/2018 RM'000	Preceding Year Quarter 31/03/2017 RM'000	Current Year To Date 31/03/2018 RM'000	Preceding Year To Date 31/03/2017 RM'000
1 Gross interest income	2,180	1,359	2,180	1,359
2 Gross interest expense	295	325	295	325