

CONDENSED CONSOLIDATED INCOME STATEMENT

(the figures have not been audited)

	Note	Individual Quarter		Cumulative Quarter	
		Current Year Quarter 30/06/2019 RM'000	Preceding Year Quarter 30/06/2018 RM'000	Current Year To Date 30/06/2019 RM'000	Preceding Year To Date 30/06/2018 RM'000
Revenue	28)	9,618	12,133	26,013	25,551
Cost of Sales		(8,326)	(9,478)	(21,591)	(18,650)
Gross Profit		1,292	2,655	4,422	6,901
Operating Expenses		(3,376)	(4,164)	(8,028)	(8,468)
Other Operating Income		3,566	2,032	7,086	4,440
Profit/(Loss) from Operations		1,482	523	3,480	2,873
Finance Costs		(1,287)	(295)	(2,580)	(590)
Profit/(Loss) before tax	29)	195	228	900	2,283
Income tax expense	23)	(112)	(108)	(570)	(698)
Profit/(Loss) for the period		83	120	330	1,585
Other comprehensive income, net of tax		-	-	-	-
Total Comprehensive Income for the period		83	120	330	1,585
Profit attributable to:-					
Owners of the Company		138	81	338	1,509
Minority Interest		(55)	39	(8)	76
		83	120	330	1,585
Total Comprehensive Income attributable to:-					
Owners of the Company		138	81	338	1,509
Minority Interest		(55)	39	(8)	76
		83	120	330	1,585
Earnings/(Loss) per share:-	32)				
- Basic (sen)		0.03	0.02	0.08	0.40
- Diluted (sen)		NA	NA	NA	NA

CONDENSED CONSOLIDATED BALANCE SHEETS

	Note	Unaudited At 30.06.2019 RM'000	Audited As at 31.12.2018 RM'000
ASSETS			
NON-CURRENT ASSETS			
Property, Plant and Equipment		44,040	38,908
Inventory	8	73,970	73,970
Receivables	9	5,641	5,641
Deferred tax assets		4,696	4,696
		128,347	123,215
CURRENT ASSETS			
Inventory	8	80,602	77,901
Receivables	9	233,763	234,087
Contract Assets	10	17,442	15,604
Current tax assets		1	101
Cash and cash equivalent	11	6,965	8,533
		338,773	336,226
TOTAL ASSETS		467,120	459,441
EQUITY AND LIABILITIES			
EQUITY			
Share Capital	12	120,764	120,764
Reserve	13	152,261	151,923
Total Equity Attributable to Owners of the Company		273,025	272,687
Non-controlling Interests		3,036	3,344
TOTAL EQUITY		276,061	276,031
NON-CURRENT LIABILITIES			
Payables	14	-	384
Bank Borrowings	15	45,001	47,704
Deferred liabilities		2,966	2,966
Deferred tax Liabilities		1,991	1,991
		49,958	53,045
CURRENT LIABILITIES			
Payables	14	66,296	63,882
Contract Liabilities	10	49,567	41,426
Bank borrowings	15	6,146	6,535
Provisions	16	1,621	1,621
Current tax liabilities		17,471	16,901
		141,101	130,365
TOTAL LIABILITIES		191,059	183,410
TOTAL EQUITY & LIABILITIES		467,120	459,441
Net Assets per share (RM)		0.6558	0.6550

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 2018.

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the period ended 30 June 2019

	<----- Attributable to Equity Holders of the Parent ----->								
	Issued Capital	Share Premium	Capital Reserve	Revaluation Reserve	Exchange Translation Reserve	Distributable Retained Earnings	Total	Non-controlling Interests	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 01.01.2019	120,764	-	34,770	-	(1,047)	118,200	272,687	3,344	276,031
Total comprehensive income for the period	-	-	-	-	-	338	338	(8)	330
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	(300)	(300)
At 30.06.2019	120,764	-	34,770	-	(1,047)	118,538	273,025	3,036	276,061

For the period ended 30 June 2018

	<----- Attributable to Equity Holders of the Parent ----->								
	Issued Capital	Share Premium	Capital Reserve	Revaluation Reserve	Exchange Translation Reserve	Distributable Retained Earnings	Total	Non-controlling Interests	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 01.01.2018	103,495	-	34,770	-	(925)	115,861	253,201	4,335	257,536
Private placement of shares	17,269	-	-	-	-	-	17,269	-	17,269
Total comprehensive income for the period	-	-	-	-	-	1,509	1,509	76	1,585
At 30.06.2018	120,764	-	34,770	-	(925)	117,370	271,979	4,411	276,390

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 2018.

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS

	Cumulative 6 months to 30.06.2019 RM'000	Cumulative 6 months to 30.06.2018 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation	900	2,283
Adjustments for:-		
Depreciation	1,191	1,501
Interest expenses	2,580	590
Interest income	(7,086)	(4,359)
Operating profit/(loss) before working capital changes	(2,415)	15
(Increase)/Decrease in :-		
Inventories	84	(191)
Held for sale properties	-	499
Receivables	8,402	1,116
Land held for property development and property development costs	(2,785)	(6,381)
Joint-venture development costs	-	161
Contract assets/(liabilities)	5,026	(2,333)
Amount due from related parties	-	811
Increase/(Decrease) in :-		
Payables	2,126	(3,366)
Net cash generated from/(absorbed by) operations	10,438	(9,669)
Interest received	-	-
Interest paid	(1,947)	(590)
Tax paid	-	(661)
Net Cash Flow from Operating Activities	8,491	(10,920)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(6,323)	360
Net Cash Flow from Investing Activities	(6,623)	360
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from/(Repayment of) hire-purchase arrangement	427	7
Proceeds from/(Repayment of) term loans	(3,863)	(1,131)
Proceeds from placement of shares	-	17,269
Net Cash Flow from Financing Activities	(3,436)	16,145
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(1,568)	5,585
EFFECT OF EXCHANGE RATE CHANGES	-	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	5,870	6,525
CASH AND CASH EQUIVALENTS AT END OF YEAR	4,302	12,110
CASH AND CASH EQUIVALENTS AT END OF YEAR		
Cash and bank balances	3,325	9,513
Fixed and security deposits	3,640	6,372
	6,965	15,885
Deposits pledged for bank facilities	(2,663)	(3,775)
	4,302	12,110

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 2018.

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 2018.

For financial year ending 31 December 2019, the Group will continue to prepare financial statements using applicable Malaysian Financial Reporting Standards ("MFRS") and International Financial Reporting Standards and the requirements of the Companies Act 2016. The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2018 except for the adoption of the new MFRS, amendments to MFRS and IC Interpretations that are effective for financial periods beginning on or after 1 January 2019. The adoption of the relevant new MFRS, amendments to MFRS and IC Interpretations do not have any significant impact on the financial statements of the Group for the quarter ended 30.06.2019.

2) Previous Year's Audit Qualification and Current Status

The audited financial statements of the Company for the financial year ended 31 December 2018 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) Inventory

	Unaudited @ 30.06.2019 RM'000	Audited @ 31.12.2018 RM'000
<u>Non-current</u>		
<i>At cost</i>		
- Land held for property development	58,514	58,514
<i>At net realisable value</i>		
- Land held for property development	15,456	15,456
	73,970	73,970

8) Inventory (cont'd)	Unaudited @ 30.06.2019 RM'000	Audited @ 31.12.2018 RM'000
Current		
<i>At cost</i>		
- Held-for-sale properties	3,315	3,315
- Property development costs	47,067	44,282
- Completed units of development properties	16,978	17,029
- Building materials	408	441
	67,768	65,067
<i>At net realisable value</i>		
- Held-for-sale properties	6,954	6,954
- Completed units of development properties	5,880	5,880
	12,834	12,834
	80,602	77,901

9) Receivables	Unaudited @ 30.06.2019 RM'000	Audited @ 31.12.2018 RM'000
Non-current		
Trade receivables	-	-
Prepayments	5,641	5,641
Total non-current receivables	5,641	5,641
Current		
Trade receivables	205,061	206,119
Other receivables	20,113	20,173
Amount due by related parties	21,538	20,744
Deposits	2,420	2,420
Prepayments	4,143	4,143
Total current receivables	253,275	253,599
Less: Accumulated impairment losses:		
- Trade receivables	19,283	19,283
- Other receivables	229	229
	19,512	19,512
Net current receivables	233,763	234,087
Total receivables	239,404	239,728

10) Contract Assets / (Liabilities)	Unaudited @ 30.06.2019 RM'000	Audited @ 31.12.2018 RM'000
Contract assets		
- property development activities	356	356
- construction contracts	17,086	15,248
	17,442	15,604
Contract liabilities		
- property development activities	5,094	5,094
- construction contracts	44,473	36,332
	49,567	41,426

11) Cash and Cash Equivalent	Unaudited @ 30.06.2019 RM'000	Audited @ 31.12.2018 RM'000
Deposits with financial institutions	3,640	3,640
Short term funds	-	3,000
Cash and bank balances	3,325	1,893
	6,965	8,533
Less : Deposits pledged for bank facilities	(2,663)	(2,663)
	4,302	5,870

12) Share Capital	Number of ordinary shares		Amount	
	@ 30.06.2019 '000	@ 31.12.2018 '000	@ 30.06.2019 RM'000	@ 31.12.2018 RM'000
<u>Issued and fully paid:</u>				
Ordinary shares				
At 1 January	416,325	347,250	120,764	103,495
Issuance of ordinary shares	-	69,075	-	17,269
At end of period	416,325	416,325	120,764	120,764

13) Reserves	Unaudited @ 30.06.2019 RM'000	Audited @ 31.12.2018 RM'000
<u>Non-distributable:-</u>		
Capital Reserve	34,770	34,770
Exchange Translation Reserve	(1,047)	(1,047)
	33,723	33,723
<u>Distributable:-</u>		
Retained earnings	118,538	118,200
	152,261	151,923

14) Payables	Unaudited @ 30.06.2019 RM'000	Audited @ 31.12.2018 RM'000
<u>Non-current</u>		
Accruals	-	384
<u>Current</u>		
Trade payables	45,032	42,848
Amount due to related parties	98	98
Other payables	15,889	15,686
Accruals	2,810	2,782
Deposits received	2,468	2,468
	66,297	63,882
	66,297	64,266

15) Bank Borrowings

	Unaudited @ 30.06.2019 RM'000	Audited @ 31.12.2018 RM'000
Current		
Revolving credit (secured)	1,474	1,530
Term loans (secured)	3,441	3,572
Finance lease payables	1,231	1,433
	6,146	6,535
Non-current		
Term loans (secured)	43,845	46,507
Finance lease payables	1,156	1,197
	45,001	47,704

16) Provisions

	Anticipated cost in respect of development projects RM'000	Late delivery interest RM'000	Employee benefits - Short term accumulating compensated absences RM'000	Total RM'000
At 1 January 2018	500	1,969	432	2,901
Reversal during the year	-	(668)	-	(668)
Utilisation during the year @ 31.12.2018	-	(576)	(36)	(612)
	500	725	396	1,621
At 1 January 2019	500	725	396	1,621
Reversal during the year	-	-	-	-
Utilisation during the year @ 30.06.2019	-	-	-	-
	500	725	396	1,621

17) Segmental Information

	Construction RM'000	Property Development & Management RM'000	Manufacturing and Trading RM'000	Unaudited @ 30.06.2019 Total RM'000
Segment profit/(loss)	(2,019)	(622)	226	(2,415)
Included in the measure of segment profit are:-				
Revenue from external customers	12,105	2,071	12,792	26,968
Less : Inter-segment revenue	(955)	-	-	(955)
	11,150	2,071	12,792	26,013
Not included in the measure of segment profit but provided to Chief Executive Officer ("CEO"):-				
Depreciation and amortisation	(634)	(252)	(306)	(1,191)
Finance costs	(441)	-	(2,139)	(2,580)
Interest income	4,170	-	2,915	7,086
Taxation	(372)	-	(198)	(570)
Segment Assets	267,517	322,845	13,183	603,545
Included in the measure of segment assets are:-				
Additions to non-current assets other than financial instruments	-	5,531	792	6,323

17) Segmental Information (cont'd)

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

	Unaudited				
	Quarter ended 30.06.2019				
	RM'000				
<u>Profit / (Loss)</u>					
Total profit/(loss) for reportable segments	(2,415)				
Other non-reportable segments	-				
Depreciation of plant and equipment	(1,191)				
Finance costs	(2,580)				
Interest income	7,086				
Consolidated profit before taxation	900				
	Total reportable segments	Non-reportable segments	Components not monitored by CEO	Elimination of inter-segment transactions or balances	Unaudited @ 30.06.2019 Consolidated total
	RM'000	RM'000	RM'000	RM'000	RM'000
External revenue	26,968	-	-	-	26,968
Depreciation of plant and equipment	(1,191)	-	-	-	(1,191)
Finance costs	(2,580)	-	-	-	(2,580)
Interest income	7,086	-	-	-	7,086
Segment assets	603,545	3,348	4,696	(144,469)	467,120
Additions to non-current assets	6,323	-	-	-	6,323

By Geographical Segments

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

18) Valuation of Property, Plant and Equipment

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

19) Material Subsequent Events

There is no material event affecting the earnings of the Group for the period under review had occurred between 30 June 2019 and the date of this announcement.

20) Changes in the composition of the Group

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

21) Contingent Liabilities

There is no contingent liabilities for the Group as at 26 August 2019, being the latest practicable date which is not earlier than 7 days from the date of this announcement.

22) 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/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.

There are no material changes in previously announced material litigations.

23) Taxation

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

	Current Quarter At 30.06.2019 RM'000	Cumulative year to date RM'000
Malaysian taxation based on profit for the year:-		
Current year	112	570
Deferred taxation:-		
Relating to reversal of temporary differences	-	-
	112	570

24) 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 investment and/or properties for the current financial quarter and financial year to date.

25) 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) The Group has no other investment in quoted securities as at 30 June 2019.

26) 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.

27) Financial Instruments

The Group has no outstanding derivatives as at 30 June 2019.

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

28) Material change in the Quarterly Results compared to previous quarter

The Group recorded revenue of RM9.62 million and gross profit of RM1.29 million for current quarter as compared to revenue of RM16.395 million and gross profit of RM3.13 million for previous quarter.

The drop in the Group's revenue was due to lower construction activities for the quarter under review as the management re-scheduled the construction work programmes for the Genting Sempah project in line to the revised launched date due to delay in obtaining the advertising permit and developers' license for the said project.

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

The Group recorded revenue of RM26.01 million and net profit before taxation of RM0.9 million for the 6 months ended 30.06.2019. Construction activities were mainly on the launched Ipoh commercial suites and the Ipoh Hotel as the management is cautious in planning for new launches in Genting Sempah and Tronoh, Sri Iskandar as property sales was affected by the sluggish domestic condition.

Joint venture arrangements with interested parties were also in progress to reduce the Group's financial commitments.

30) 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 planned developments, the Board remains optimistic that the Group's performance will be satisfactory for the financial year ending 31 December 2019.

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

Not applicable.

32) 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 RM0.33 million by the number of ordinary shares in issue of 416,324,428 for the period under review.

NA per share

The net assets per share is calculated by dividing the Group's total equity attributable to owners of the Company of RM273.025 million by the number of ordinary shares in issue of 416,324,428 as at todate.

33) Authorised for issue

The condensed consolidated interim financial statements were authorised for issue by the Board of Directors on 27 August 2019.

SYCAL VENTURES BERHAD

(Company No. : 547651-U)

Part A1 : QUARTERLY REPORT* Quarterly report for the : 30 June 2019
financial period ended* Quarter : 1 Qtr 2 Qtr 3 Qtr 4 Qtr Other

* Financial Year End : 31 December 2019

* 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 2019**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30/06/2019 RM'000	Preceding Year Quarter 30/06/2018 RM'000	Current Year To Date 30/06/2019 RM'000	Preceding Year To Date 30/06/2018 RM'000
1 Revenue	9,618	12,133	26,013	25,551
2 Profit/(loss) before tax	195	228	900	2,283
3 Profit/(loss) for the period	83	120	330	1,585
4 Profit/(loss) attributable to ordinary equity holders of the parent	138	81	338	1,509
5 Basic earnings/(loss) per share (sen)	0.03	0.02	0.08	0.40
6 Proposed/Declared dividend per share (sen)	-	-	-	-

	AS AT END OF CURRENT QUARTER 30 June 2019	AS AT PRECEDING FINANCIAL YEAR END
7 Net assets/(liabilities) per share attributable to equity holders of the parent (RM)	0.6558	0.6550

Part 3 : ADDITIONAL INFORMATION

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30/06/2019 RM'000	Preceding Year Quarter 30/06/2018 RM'000	Current Year To Date 30/06/2019 RM'000	Preceding Year To Date 30/06/2018 RM'000
1 Gross interest income	3,566	2,179	7,086	4,359
2 Gross interest expense	1,287	295	2,580	590