

CONDENSED CONSOLIDATED INCOME STATEMENT

(the figures have not been audited)

	Note	Individual Quarter		Cumulative Quarter	
		Current Year Quarter 30/09/2019 RM'000	Preceding Year Quarter 30/09/2018 RM'000	Current Year To Date 30/09/2019 RM'000	Preceding Year To Date 30/09/2018 RM'000
Revenue	28)	8,759	17,351	34,772	42,902
Cost of Sales		(7,267)	(12,387)	(28,858)	(31,038)
Gross Profit		1,492	4,964	5,914	11,865
Operating Expenses		(3,627)	(6,376)	(11,655)	(14,844)
Other Operating Income		4,741	2,285	11,827	6,725
Profit/(Loss) from Operations		2,606	872	6,086	3,746
Finance Costs		(1,149)	(264)	(3,729)	(855)
Profit/(Loss) before tax	29)	1,457	608	2,357	2,891
Income tax expense	23)	(761)	(411)	(1,331)	(1,108)
Profit/(Loss) for the period		696	197	1,026	1,782
Other comprehensive income, net of tax		-	-	-	-
Total Comprehensive Income for the period		696	197	1,026	1,782
Profit attributable to:-					
Owners of the Company		674	138	1,012	1,648
Minority Interest		22	59	14	135
		696	197	1,026	1,782
Total Comprehensive Income attributable to:-					
Owners of the Company		674	138	1,012	1,648
Minority Interest		22	59	14	135
		696	197	1,026	1,782
Earnings/(Loss) per share:-	32)				
- Basic (sen)		0.16	0.04	0.24	0.42
- Diluted (sen)		NA	NA	NA	NA

CONDENSED CONSOLIDATED BALANCE SHEETS

	Note	Unaudited At 30.09.2019 RM'000	Audited As at 31.12.2018 RM'000
ASSETS			
NON-CURRENT ASSETS			
Property, Plant and Equipment		46,212	38,908
Inventory	8	73,970	73,970
Receivables	9	5,641	5,641
Deferred tax assets		4,696	4,696
		130,519	123,215
CURRENT ASSETS			
Inventory	8	80,625	77,901
Receivables	9	233,274	234,087
Contract Assets	10	16,701	15,604
Current tax assets		-	101
Cash and cash equivalent	11	5,046	8,533
		335,646	336,226
TOTAL ASSETS		466,165	459,441
EQUITY AND LIABILITIES			
EQUITY			
Share Capital	12	120,764	120,764
Reserve	13	152,935	151,923
Total Equity Attributable to Owners of the Company		273,699	272,687
Non-controlling Interests		3,058	3,344
TOTAL EQUITY		276,757	276,031
NON-CURRENT LIABILITIES			
Payables	14	-	384
Bank Borrowings	15	45,354	47,704
Deferred liabilities		2,966	2,966
Deferred tax Liabilities		1,991	1,991
		50,311	53,045
CURRENT LIABILITIES			
Payables	14	61,698	63,882
Contract Liabilities	10	52,715	41,426
Bank borrowings	15	5,228	6,535
Provisions	16	1,621	1,621
Current tax liabilities		17,835	16,901
		139,097	130,365
TOTAL LIABILITIES		189,408	183,410
TOTAL EQUITY & LIABILITIES		466,165	459,441
Net Assets per share (RM)		0.6574	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 September 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	-	-	-	-	-	1,012	1,012	14	1,026
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	(300)	(300)
At 30.09.2019	120,764	-	34,770	-	(1,047)	119,212	273,699	3,058	276,757

For the period ended 30 September 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	-	-	-	-	-	1,648	1,648	135	1,783
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	(600)	(600)
At 30.09.2018	120,764	-	34,770	-	(925)	117,509	272,118	3,870	275,988

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 9 months to 30.09.2019 RM'000	Cumulative 9 months to 30.09.2018 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation	2,357	2,891
Adjustments for:-		
Depreciation	1,260	2,226
Interest expenses	3,729	855
Interest income	(11,827)	(6,616)
Operating profit/(loss) before working capital changes	(4,481)	(644)
(Increase)/Decrease in :-		
Inventories	97	(144)
Held for sale properties	-	499
Receivables	12,949	(1,057)
Land held for property development and property development costs	(2,821)	(14,391)
Joint-venture development costs	-	(188)
Contract assets/(liabilities)	10,192	3,344
Amount due from related parties	201	1,422
Increase/(Decrease) in :-		
Payables	(2,182)	7,136
Net cash generated from/(absorbed by) operations	13,955	(4,023)
Interest received	-	-
Interest paid	(3,170)	(855)
Tax paid	(397)	(3,150)
Net Cash Flow from Operating Activities	10,388	(8,028)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(9,358)	775
Net Cash Flow from Investing Activities	(9,658)	775
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from/(Repayment of) hire-purchase arrangement	427	(541)
Proceeds from/(Repayment of) term loans	(4,643)	(4,352)
Proceeds from placement of shares	-	17,269
Net Cash Flow from Financing Activities	(4,216)	12,376
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(3,487)	5,123
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	2,383	11,648
CASH AND CASH EQUIVALENTS AT END OF YEAR		
Cash and bank balances	1,406	2,432
Fixed and security deposits	3,640	12,991
	5,046	15,423
Deposits pledged for bank facilities	(2,663)	(3,775)
	2,383	11,648

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 30.09.2019.

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 @ 30.09.2019 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 @ 30.09.2019 RM'000	Audited @ 31.12.2018 RM'000
Current		
<i>At cost</i>		
- Held-for-sale properties	3,315	3,315
- Property development costs	47,103	44,282
- Completed units of development properties	16,965	17,029
- Building materials	408	441
	67,791	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
	80,625	77,901

9) Receivables	Unaudited @ 30.09.2019 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	206,632	206,119
Other receivables	17,757	20,173
Amount due by related parties	21,834	20,744
Deposits	2,420	2,420
Prepayments	4,143	4,143
Total current receivables	252,786	253,599
Less: Accumulated impairment losses:		
- Trade receivables	19,283	19,283
- Other receivables	229	229
	19,512	19,512
Net current receivables	233,274	234,087
Total receivables	238,915	239,728

10) Contract Assets / (Liabilities)	Unaudited @ 30.09.2019 RM'000	Audited @ 31.12.2018 RM'000
Contract assets		
- property development activities	356	356
- construction contracts	16,345	15,248
	16,701	15,604
Contract liabilities		
- property development activities	5,262	5,094
- construction contracts	47,453	36,332
	52,715	41,426

11) Cash and Cash Equivalent	Unaudited @ 30.09.2019 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	1,406	1,893
	5,046	8,533
Less : Deposits pledged for bank facilities	(2,663)	(2,663)
	2,383	5,870

12) Share Capital	Number of ordinary shares		Amount	
	@ 30.09.2019 '000	@ 31.12.2018 '000	@ 30.09.2019 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 @ 30.09.2019 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	119,212	118,200
	152,935	151,923

14) Payables	Unaudited @ 30.09.2019 RM'000	Audited @ 31.12.2018 RM'000
<u>Non-current</u>		
Accruals	-	384
<u>Current</u>		
Trade payables	37,911	42,848
Amount due to related parties	98	98
Other payables	18,411	15,686
Accruals	2,810	2,782
Deposits received	2,468	2,468
	61,698	63,882
	61,698	64,266

15) Bank Borrowings

	Unaudited @ 30.09.2019 RM'000	Audited @ 31.12.2018 RM'000
Current		
Revolving credit (secured)	1,165	1,530
Term loans (secured)	2,718	3,572
Finance lease payables	1,345	1,433
	5,228	6,535
Non-current		
Term loans (secured)	44,812	46,507
Finance lease payables	542	1,197
	45,354	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 @ 30.09.2019	-	-	-	-
	500	725	396	1,621

17) Segmental Information

	Construction RM'000	Property Development & Management RM'000	Manufacturing and Trading RM'000	Unaudited @ 30.09.2019 Total RM'000
Segment profit/(loss)	(4,627)	(326)	472	(4,481)
Included in the measure of segment profit are:-				
Revenue from external customers	20,319	2,928	20,197	43,443
Less : Inter-segment revenue	(8,671)	-	-	(8,671)
	11,648	2,928	20,197	34,772
Not included in the measure of segment profit but provided to Chief Executive Officer ("CEO"):-				
Depreciation and amortisation	(393)	(409)	(458)	(1,260)
Finance costs	(708)	(3,021)	-	(3,729)
Interest income	6,683	-	5,144	11,827
Taxation	(774)	(15)	(542)	(1,331)
Segment Assets	262,296	334,413	14,158	610,867
Included in the measure of segment assets are:-				
Additions to non-current assets other than financial instruments	-	8,566	792	9,358

17) Segmental Information (cont'd)

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

	Unaudited				
	@ 30.09.2019				
	RM'000				
<u>Profit / (Loss)</u>					
Total profit/(loss) for reportable segments	(4,481)				
Other non-reportable segments	-				
Depreciation of plant and equipment	(1,260)				
Finance costs	(3,729)				
Interest income	11,827				
Consolidated profit before taxation	2,357				
	Total reportable segments	Non-reportable segments	Components not monitored by CEO	Elimination of inter-segment transactions or balances	Unaudited @ 30.09.2019 Consolidated total
	RM'000	RM'000	RM'000	RM'000	RM'000
External revenue	43,443	-	-	-	43,443
Depreciation of plant and equipment	(1,260)	-	-	-	(1,260)
Finance costs	(3,729)	-	-	-	(3,729)
Interest income	11,827	-	-	-	11,827
Segment assets	610,867	3,348	4,696	(152,746)	466,165
Additions to non-current assets	9,358	-	-	-	9,358

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 September 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 20 November 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 30.09.2019 RM'000	Cumulative year to date RM'000
Malaysian taxation based on profit for the year:-		
Current year	761	1,331
Deferred taxation:-		
Relating to reversal of temporary differences	-	-
	761	1,331

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 September 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 September 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 RM8.759 million and gross profit of RM1.492 million for current quarter as compared to revenue of RM9.62 million and gross profit of RM1.29 million for previous quarter.

There is no material change in the quarterly results compared to previous quarter. The Group continued to concentrate its activities mainly at the Ipoh Greentown projects currently with planned launches for new projects such as Genting Sempah, Tronoh (Perak), Segari (Lumut) and Sitiawan (Lumut) being deferred to late 2019.

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

The Group recorded revenue of RM34.772 million and net profit before taxation of RM2.357 million for the 9 months ended 30.09.2019. 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 other sites (as mentioned in Item 28) since property sales was affected by the sluggish domestic condition.

Joint venture arrangements with interested parties were in progress towards reducing 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 remaining periods for 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 RM1.012 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 RM273.698 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 21 November 2019.

SYCAL VENTURES BERHAD

(Company No. : 547651-U)

Part A1 : QUARTERLY REPORT

* Quarterly report for the financial period ended : 30 September 2019

* 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 September 2019**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30/09/2019 RM'000	Preceding Year Quarter 30/09/2018 RM'000	Current Year To Date 30/09/2019 RM'000	Preceding Year To Date 30/09/2018 RM'000
1 Revenue	8,759	17,351	34,772	42,902
2 Profit/(loss) before tax	1,457	608	2,357	2,891
3 Profit/(loss) for the period	696	197	1,026	1,782
4 Profit/(loss) attributable to ordinary equity holders of the parent	674	138	1,012	1,648
5 Basic earnings/(loss) per share (sen)	0.16	0.04	0.24	0.42
6 Proposed/Declared dividend per share (sen)	-	-	-	-

	AS AT END OF CURRENT QUARTER 30 September 2019	AS AT PRECEDING FINANCIAL YEAR END
7 Net assets/(liabilities) per share attributable to equity holders of the parent (RM)	0.6574	0.6550

Part 3 : ADDITIONAL INFORMATION

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30/09/2019 RM'000	Preceding Year Quarter 30/09/2018 RM'000	Current Year To Date 30/09/2019 RM'000	Preceding Year To Date 30/09/2018 RM'000
1 Gross interest income	4,742	2,257	11,827	6,616
2 Gross interest expense	1,148	264	3,729	855