

CONDENSED CONSOLIDATED INCOME STATEMENT

(the figures have not been audited)

	Note	Individual Quarter		Cumulative Quarter	
		Current Year Quarter 31/03/2020 RM'000	Preceding Year Quarter 31/03/2019 RM'000	Current Year To Date 31/03/2020 RM'000	Preceding Year To Date 31/03/2019 RM'000
Revenue	28)	16,903	16,395	16,903	16,395
Cost of Sales		(14,111)	(13,265)	(14,111)	(13,265)
Gross Profit		2,793	3,130	2,793	3,130
Operating Expenses		(4,402)	(4,652)	(4,402)	(4,652)
Other Operating Income		3,864	3,520	3,864	3,520
Profit/(Loss) from Operations		2,255	1,998	2,255	1,998
Finance Costs		(1,191)	(1,293)	(1,191)	(1,293)
Profit/(Loss) before tax	29)	1,063	705	1,063	705
Income tax expense	23)	(475)	(458)	(475)	(458)
Profit/(Loss) for the period		588	247	588	247
Other comprehensive income, net of tax		-	-	-	-
Total Comprehensive Income for the period		588	247	588	247
Profit attributable to:-					
Owners of the Company		541	200	541	200
Minority Interest		47	47	47	47
		588	247	588	247
Total Comprehensive Income attributable to:-					
Owners of the Company		541	200	541	200
Minority Interest		47	47	47	47
		588	247	588	247
Earnings/(Loss) per share:-	32)				
- Basic (sen)		0.13	0.05	0.13	0.05
- Diluted (sen)		NA	NA	NA	NA

CONDENSED CONSOLIDATED BALANCE SHEETS

	Note	Unaudited At 31.03.2020 RM'000	Audited As at 31.12.2019 RM'000
ASSETS			
NON-CURRENT ASSETS			
Property, Plant and Equipment		46,888	46,936
Right-of-use assets		9,984	10,440
Inventory	8	70,580	70,580
Receivables & deposits	9	3,641	3,641
Deferred tax assets		4,696	4,696
		135,789	136,293
CURRENT ASSETS			
Inventory	8	88,435	88,142
Receivables	9	259,994	251,799
Contract Assets	10	14,765	14,865
Tax recoverable		63	63
Cash and bank balances	11	5,676	6,581
		368,933	361,450
TOTAL ASSETS		504,722	497,743
EQUITY AND LIABILITIES			
EQUITY			
Share Capital	12	120,764	120,764
Reserves	13	158,061	157,520
Total Equity Attributable to Owners of the Company		278,825	278,284
Non-controlling Interests		3,038	2,991
TOTAL EQUITY		281,863	281,275
NON-CURRENT LIABILITIES			
Payables	14	384	384
Leased Liabilities		8,524	8,944
Bank Borrowings	15	39,679	40,310
Deferred liabilities		2,966	2,966
Deferred tax Liabilities		912	912
		52,465	53,516
CURRENT LIABILITIES			
Payables	14	100,892	96,668
Leased Liabilities		1,907	1,907
Contract Liabilities	10	41,081	38,005
Bank borrowings	15	7,079	7,372
Provisions	16	1,275	1,275
Taxation		18,160	17,725
		170,394	162,952
TOTAL LIABILITIES		222,859	216,468
TOTAL EQUITY & LIABILITIES		504,722	497,743
Net Assets per share (RM)		0.6697	0.6684

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 2019.

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the period ended 31 March 2020

	<----- Attributable to Equity Holders of the Parent ----->						Non-controlling Total	Non-controlling Interests	Total Equity
	Issued Capital	Share Premium	Capital Reserve	Revaluation Reserve	Exchange Translation Reserve	Distributable Retained Earnings			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 01.01.2020	120,764	-	34,770	-	(1,008)	123,758	278,284	2,991	281,275
Effects of adoption of MFRS						-	-		
Total comprehensive income for the period	-	-	-	-	-	541	541	47	588
Dividends paid to non-controlling interests	-	-	-	-	-	-	-		-
At 31.03.2020	120,764	-	34,770	-	(1,008)	124,299	278,825	3,038	281,863

For the period ended 31 March 2019

	<----- Attributable to Equity Holders of the Parent ----->						Non-controlling Total	Non-controlling Interests	Total Equity
	Issued Capital	Share Premium	Capital Reserve	Revaluation Reserve	Exchange Translation Reserve	Distributable Retained Earnings			
	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						200	200	47	247
At 31.03.2019	120,764	-	34,770	-	(1,047)	118,400	272,887	3,391	276,278

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 2019.

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS

	Cumulative 3 months to 31.03.2020 RM'000	Cumulative 3 months to 31.03.2019 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation	1,063	705
Adjustments for:-		
Depreciation of property, plant & equipment	571	508
Depreciation of right-of-use assets	456	-
Interest expenses	1,191	1,293
Interest income	(3,816)	(3,520)
Operating profit/(loss) before working capital changes	(535)	(1,014)
(Increase)/Decrease in :-		
Inventories	33	33
Held for sale properties	-	-
Receivables	(4,302)	(4,724)
Land held for property development and property development costs	(326)	(1,135)
Contract assets/(liabilities)	3,176	5,253
Amount due from related parties	-	-
Increase/(Decrease) in :-		
Payables	4,225	6,681
Other liabilities	-	-
Net cash generated from/(absorbed by) operations	2,271	5,094
Interest received	2	3,520
Interest paid	(1,191)	(1,148)
Tax paid	(40)	(50)
Net Cash Flow from Operating Activities	1,042	7,416
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(523)	(6,321)
Net Cash Flow from Investing Activities	(523)	(6,321)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from/(Repayment of) finance lease payables	(750)	427
Proceeds from/(Repayment of) term loans	(174)	(897)
Net Cash Flow from Financing Activities	(924)	(470)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS C/F	(405)	625

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS

	Cumulative 3 months to 31.03.2020 RM'000	Cumulative 3 months to 31.03.2019 RM'000
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS B/F	(405)	625
EFFECT OF EXCHANGE RATE CHANGES	-	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	2,525	5,870
CASH AND CASH EQUIVALENTS AT END OF YEAR	2,120	6,495
CASH AND CASH EQUIVALENTS AT END OF YEAR		
Fixed and security deposits	4,228	6,640
Short term funds	-	-
Cash and bank balances	1,448	2,518
	5,676	9,158
Deposits pledged for bank facilities	(3,556)	(2,663)
	2,120	6,495

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 2019.

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 2019.

For financial year ending 31 December 2020, 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 2019 except for the adoption of the relevant new MFRS, amendments to MFRS and IC Interpretations that are effective for financial periods beginning on or after 1 January 2020. 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 year ending 31.12.2020.

2) Previous Year's Audit Qualification and Current Status

The audited financial statements of the Company for the financial year ended 31 December 2019 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 @ 31.03.2020 RM'000	Audited @ 31.12.2019 RM'000
<u>Non-current</u>		
<i>At cost</i>		
- Land held for property development	59,029	59,029
<i>At net realisable value</i>		
- Land held for property development	11,551	11,551
	70,580	70,580

8) Inventory (cont'd)	Unaudited @ 31.03.2020 RM'000	Audited @ 31.12.2019 RM'000
Current		
<i>At cost</i>		
- Held-for-sale properties	3,315	3,315
- Property development costs	55,708	55,382
- Completed units of development properties	16,732	16,765
- Building materials	400	400
	76,155	75,862
<i>At net realisable value</i>		
- Held-for-sale properties	6,400	6,400
- Completed units of development properties	5,880	5,880
	12,280	12,280
	88,435	88,142

9) Receivables	Unaudited @ 31.03.2020 RM'000	Audited @ 31.12.2019 RM'000
Non-current		
Prepayments	3,641	3,641
Total non-current receivables	3,641	3,641
Current		
Trade receivables	193,786	185,046
Other receivables	58,691	59,236
Amount due by related parties	21,189	21,189
Deposits	2,627	2,627
Prepayments	3,213	3,213
Total current receivables	279,506	271,311
Less: Accumulated impairment losses:		
- Trade receivables	19,283	19,283
- Other receivables	229	229
	19,512	19,512
Net current receivables	259,994	251,799
Total receivables	263,635	255,440

10) Contract Assets / (Liabilities)	Unaudited @ 31.03.2020 RM'000	Audited @ 31.12.2019 RM'000
Contract assets		
- property development activities	-	-
- construction contracts	14,765	14,865
	14,765	14,865
Contract liabilities		
- property development activities	(3,050)	(3,050)
- construction contracts	(38,031)	(34,955)
	(41,081)	(38,005)

11) Cash and Cash Equivalent	Unaudited @ 31.03.2020 RM'000	Audited @ 31.12.2019 RM'000
Deposits with financial institutions	4,228	4,729
Cash and bank balances	1,448	1,852
	5,676	6,581
Less : Deposits pledged for bank facilities	(3,556)	(4,056)
	2,120	2,525

12) Share Capital	Number of ordinary shares		Amount	
	@ 31.03.2020 '000	@ 31.12.2019 '000	@ 31.03.2020 RM'000	@ 31.12.2019 RM'000
<u>Issued and fully paid:</u>				
Ordinary shares				
At 1 January	416,325	416,325	120,764	120,764
Issuance of ordinary shares	-	-	-	-
At end of period	416,325	416,325	120,764	120,764

13) Reserves	Unaudited @ 31.03.2020 RM'000	Audited @ 31.12.2019 RM'000
<u>Non-distributable:-</u>		
Capital Reserve	34,770	34,770
Exchange Translation Reserve	(1,008)	(1,008)
	33,762	33,762
<u>Distributable:-</u>		
Retained earnings	124,299	123,758
	158,061	157,520

14) Payables	Unaudited @ 31.03.2020 RM'000	Audited @ 31.12.2019 RM'000
<u>Non-current</u>		
Accruals	384	384
<u>Current</u>		
Trade payables	34,011	33,409
Amount due to related parties	98	98
Other payables	38,076	34,469
Accruals	24,175	24,160
Deposits received	4,532	4,532
	100,892	96,668
	101,276	97,052

15) Bank Borrowings

	Unaudited @ 31.03.2020 RM'000	Audited @ 31.12.2019 RM'000
Current		
Revolving credit (secured)	1,529	1,528
Term loans (secured)	4,527	4,707
Finance lease payables	1,023	1,137
	7,079	7,372
Non-current		
Term loans (secured)	39,197	39,623
Finance lease payables	482	687
	39,679	40,310

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 2019	500	725	396	1,621
Reversal during the year	-	-	(309)	(309)
Utilisation during the year @ 31.12.2019	-	(37)	-	(37)
	500	688	87	1,275
At 1 January 2020	500	688	87	1,275
Reversal during the year	-	-	-	-
Utilisation during the year @ 31.03.2020	-	-	-	-
	500	688	87	1,275

17) Segmental Information

	Construction RM'000	Property Development & Management RM'000	Manufacturing and Trading RM'000	Unaudited @ 31.03.2020 Total RM'000
Segment profit/(loss)	(682)	(575)	336	(921)
Included in the measure of segment profit are:-				
Revenue from external customers	9,637	250	7,827	17,714
Less : Inter-segment revenue	(811)	-	-	(811)
	8,827	250	7,827	16,903
Not included in the measure of segment profit but provided to Chief Executive Officer ("CEO"):-				
Depreciation of property, plant & equipment	(333)	(115)	(122)	(571)
Finance costs	(135)	(1,039)	(17)	(1,191)
Interest income	1,901	1,913	-	3,815
Taxation	(180)	(256)	(39)	(475)
Segment Assets	262,797	410,556	15,853	689,206
Included in the measure of segment assets are:-				
Additions to non-current assets other than financial instruments	13	485	25	523

17) Segmental Information (cont'd)

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

				Unaudited	
				@ 31.03.2020	
				RM'000	
Profit / (Loss)					
Total profit/(loss) for reportable segments				(921)	
Other non-reportable segments				(70)	
Depreciation of property, plant and equipment				(571)	
Finance costs				(1,191)	
Interest income				3,816	
Consolidated profit before taxation				1,063	
				Elimination of	Unaudited
				inter-segment	@ 31.03.2020
				transactions or	Consolidated
				balances	total
				RM'000	RM'000
	Total reportable	Non-reportable	Components not		
	segments	segments	monitored by CEO		
	RM'000	RM'000	RM'000		
External revenue	17,714	-	-	(811)	16,903
Depreciation of property, plant & equipment	(571)	-	-	-	(571)
Finance costs	(1,191)	-	-	-	(1,191)
Interest income	3,815	-	-	-	3,815
Segment assets	689,206	3,270	4,696	(192,450)	504,722
Additions to non-current assets	523	-	-	-	523

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

The Group has entered into a composite settlement scheme with Harta Mesra Development Sdn. Bhd. and its associates, namely SYC Capital Sdn. Bhd., Greenridge Commerce Sdn. Bhd., Prima Ace Sdn. Bhd. and Marina Cove Resort Management Sdn. Bhd. ("Composite Debtors") to partially settle the outstanding debts owing to the Group with contra payment of land/properties at Klebang Ipoh at a total value of RM98,000,000. The composite settlement scheme was completed upon the execution of the Power of Attorney by the Company on 9 June 2020.

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 24 June 2020, 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 31.03.2020 RM'000	Cumulative year to date RM'000
Malaysian taxation based on profit for the year:-		
Current year	475	475
Deferred taxation:-		
Relating to reversal of temporary differences	-	-
	475	475

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 31 March 2020.

26) Status of Corporate Proposals

As announced by SJ Securities Sdn Bhd on behalf of the Company on 6 December 2019, the Company proposes to undertake proposed renounceable rights issue of up to 6,244,866,420 irredeemable convertible preference shares ("ICPS") on the basis of 15 ICPS for every 1 existing ordinary share in the Company ("SVB") held on an entitlement date to be determined later at an issue price of RM0.01 per ICPS and proposed adoption of new Constitution of SVB to conform to the Companies Act 2016 and to facilitate the issuance of the ICPS ("Proposals"). An EGM will be held to seek the shareholders' approvals on the Proposals.

27) Financial Instruments

The Group has no outstanding derivatives as at 31 March 2020.

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 RM16.9 million and gross profit of RM2.79 million for current quarter as compared to revenue of RM26.616 million and gross profit of RM3.047 million announced for previous quarter.

The Group's revenue and gross profit had decreased as construction works was affected by the festive seasons in Q1 2020.

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

The Group recorded revenue of RM16.9 million and net profit before taxation of RM1.063 million for Q1 2020 compared to revenue of RM16.395 million and net profit before taxation of RM0.705 million for Q1 2019.

There is no material change in the Group's revenue as construction activities are generally affected by the festive seasons in Quarter 1 of the year. The management expects the effects of the COVID-19 pandemic will only be shown in subsequent periods for 2020.

30) Current Year Prospects

The Board is of the opinion that the near term prospect is expected to be challenging for the domestic construction and property industries due to the COVID-19 pandemic and the Movement Control Orders implemented by the Government.

The Group will be focusing on cautious working capital management in planning its construction and development activities and with the expected implementation of the corporate proposals (Note 26) in 2020, the management expects the Group's activities will pick up towards the end of 2020. The Group will continue to adopt a cautious approach in launching new projects/tendering for new contracts and will continue to review and closely monitor the situation and take appropriate action as needed.

With the various fiscal and monetary stimulus initiated by the Government towards rejuvenating the domestic economy, the Board remains cautiously optimistic on the Group's prospects for the remaining periods of the year.

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

Not applicable as the Company did not issue any profit forecast or profit guarantee during the period under review.

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 RM0.541 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 RM278.825 million by the number of ordinary shares in issue of 416,324,428 as at today.

33) Authorised for issue

The condensed consolidated interim financial statements were authorised for issue by the Board of Directors on 26 June 2020.

Part A1 : QUARTERLY REPORT

* Quarterly report for the financial period ended : 31 March 2020

* 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
31 March 2020**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31/03/2020 RM'000	Preceding Year Quarter 31/03/2019 RM'000	Current Year To Date 31/03/2020 RM'000	Preceding Year To Date 31/03/2019 RM'000
1 Revenue	16,903	16,395	16,903	16,395
2 Profit/(loss) before tax	1,063	705	1,063	705
3 Profit/(loss) for the period	588	247	588	247
4 Profit/(loss) attributable to ordinary equity holders of the parent	541	200	541	200
5 Basic earnings/(loss) per share (sen)	0.13	0.05	0.13	0.05
6 Proposed/Declared dividend per share (sen)	-	-	-	-

	AS AT END OF CURRENT QUARTER 31 March 2020	AS AT PRECEDING FINANCIAL YEAR END
7 Net assets/(liabilities) per share attributable to equity holders of the parent (RM)	0.6697	0.6684

Part 3 : ADDITIONAL INFORMATION

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31/03/2020 RM'000	Preceding Year Quarter 31/03/2019 RM'000	Current Year To Date 31/03/2020 RM'000	Preceding Year To Date 31/03/2019 RM'000
1 Gross interest income	3,816	3,520	3,816	3,520
2 Gross interest expense	1,191	1,293	1,191	1,293