

SELANGOR DREDGING BERHAD (4624-U)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2015

	As at 31.12.2015 (UNAUDITED)	As at 31.03.2015 (AUDITED)
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	176,887	177,007
Investment properties	318,679	336,616
Land held for development	0	0
Investment in jointly controlled entities	191,166	170,945
Available-for-sale financial assets	0	6
Deferred tax assets	2,965	2,988
	<u>689,697</u>	<u>687,562</u>
Current assets		
Inventories	91,109	96,633
Property Development Costs	440,513	321,007
Trade and other receivable	122,993	161,978
Tax recoverable	10,371	2,294
Cash and Cash Equivalents	179,132	164,331
	<u>844,118</u>	<u>746,243</u>
TOTAL ASSETS	<u>1,533,815</u>	<u>1,433,805</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share Capital	213,064	213,064
Reserves	621,231	557,584
	<u>834,295</u>	<u>770,648</u>
Non-controlling interest	0	0
Total equity	<u>834,295</u>	<u>770,648</u>
Non-current liabilities		
Bank Borrowings	424,711	341,200
Deferred taxation	12,347	13,292
	<u>437,058</u>	<u>354,492</u>
Current liabilities		
Trade and other payables	123,562	140,595
Bank Borrowings	138,900	163,900
Bank Overdraft	0	0
Taxation	0	4,170
	<u>262,462</u>	<u>308,665</u>
Total liabilities	<u>699,520</u>	<u>663,157</u>
TOTAL EQUITY AND LIABILITIES	<u>1,533,815</u>	<u>1,433,805</u>
Net assets per ordinary share attributable to owners of the Company (sen)	195.79	180.85

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31st March 2015

SELANGOR DREDGING BERHAD (4624-U)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED INCOME STATEMENT
for the 3rd quarter ended 31 December 2015
(The figures have not been audited)

	Current quarter ended 31.12.2015	Comparative quarter ended 31.12.2014	Current 9 months ended 31.12.2015	Corresponding 9 months ended 31.12.2014
	RM'000	RM'000	RM'000	RM'000
Revenue	62,591	112,822	179,552	296,117
Operating expenses	(55,943)	(95,499)	(162,550)	(248,766)
Other operating income	(597)	4,351	24,868	7,287
Profit from operations	6,051	21,674	41,870	54,638
Depreciation	(1,579)	(1,593)	(4,654)	(4,382)
Finance costs	(5,456)	(5,193)	(17,059)	(12,528)
Share of jointly controlled entities results	<u>7,992</u>	<u>(2,954)</u>	<u>19,623</u>	<u>4,678</u>
Profit before taxation	7,008	11,934	39,780	42,406
Taxation	<u>(784)</u>	<u>(3,892)</u>	<u>(2,948)</u>	<u>(11,379)</u>
Profit for the period	<u>6,224</u>	<u>8,042</u>	<u>36,832</u>	<u>31,027</u>
Attributable to:				
Owners of the Company	6,224	8,042	36,832	31,027
Non-controlling interest	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Profit for the period	<u><u>6,224</u></u>	<u><u>8,042</u></u>	<u><u>36,832</u></u>	<u><u>31,027</u></u>
Earning per share - basic (sen)	1.46	1.89	8.64	7.28
- diluted (sen)	-	-	-	-

*The Condensed Consolidated Income Statement should be read in conjunction with the
Annual Financial Report for the year ended 31st March 2015*

SELANGOR DREDGING BERHAD (4624-U)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the 3rd quarter ended 31 December 2015
(The figures have not been audited)

	Current quarter ended 31.12.2015	Comparative quarter ended 31.12.2014	Current 9 months ended 31.12.2015	Corresponding 9 months ended 31.12.2014
	RM'000	RM'000	RM'000	RM'000
Profit for the period	6,224	8,042	36,832	31,027
Fair value changes in available-for-sale financial asset	0	0	0	0
Foreign currency translation differences for foreign operations	(2,544)	7,506	39,598	8,305
Fair Value changes in PPE	0	0	0	0
Other comprehensive income	<u>(2,544)</u>	<u>7,506</u>	<u>39,598</u>	<u>8,305</u>
Total comprehensive income	<u>3,680</u>	<u>15,548</u>	<u>76,430</u>	<u>39,332</u>
Attributable to:				
Owners of the Company	3,680	15,548	76,430	39,332
Non-controlling interest	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total comprehensive income	<u>3,680</u>	<u>15,548</u>	<u>76,430</u>	<u>39,332</u>

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31st March 2015

SELANGOR DREDGING BERHAD (4624-U)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the 9 months ended 31 December 2015

(The figures have not been audited)

	Share capital RM'000	Share premium RM'000	Revaluation reserve RM'000	Capital reserve RM'000	Fair value reserve RM'000	Exchange Fluctuation RM'000	Retained profits RM'000	Total RM'000
<u>Current 9 months ended</u>								
<u>31 December 2015</u>								
As at 1 April 2015	213,064	477	34,640	7,861	-	26,345	488,261	770,648
Effects of adopting FRS 139 Restated	<u>213,064</u>	<u>477</u>	<u>34,640</u>	<u>7,861</u>	<u>-</u>	<u>26,345</u>	<u>488,261</u>	<u>770,648</u>
Movement during the period:								
- Total comprehensive income for the the period	-	-	-	-	-	39,598	36,832	76,430
- Dividend paid	-	-	-	-	-	-	(12,783)	(12,783)
As at 31 December 2015	<u>213,064</u>	<u>477</u>	<u>34,640</u>	<u>7,861</u>	<u>-</u>	<u>65,943</u>	<u>512,310</u>	<u>834,295</u>
<u>Preceding 9 months ended</u>								
<u>31 December 2014</u>								
As at 1 April 2014	213,064	477	34,640	7,861	0	14,278	434,097	704,417
Effects of adopting FRS 139 Restated	<u>213,064</u>	<u>477</u>	<u>34,640</u>	<u>7,861</u>	<u>0</u>	<u>14,278</u>	<u>434,097</u>	<u>704,417</u>
Movement during the period:								
- Total comprehensive income for the the period	-	-	-	-	-	8,305	31,027	39,332
- Dividend paid	-	-	-	-	-	-	(12,783)	(12,783)
As at 31 December 2014	<u>213,064</u>	<u>477</u>	<u>34,640</u>	<u>7,861</u>	<u>0</u>	<u>22,583</u>	<u>452,341</u>	<u>730,966</u>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31st March 2015

SELANGOR DREDGING BERHAD (4624-U)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
for the 9 months ended 31 December 2015

(The figures have not been audited)

	Current 9 months ended 31.12.2015 RM'000	Corresponding 9 months ended 31.12.2014 RM'000
CASHFLOW FROM OPERATING ACTIVITIES		
Profit before taxation	39,780	42,406
Adjustment for :		
Non-cash items	4,613	4,242
Non-operating items (which are investing / financing)	(16,803)	7,362
Operating profit before working capital changes	27,590	54,010
Changes in working capital		
Receipts from customer	(70,987)	(59,335)
Payments to supplier, contractors and employee	(29,220)	27,134
Interest paid	(16,896)	(12,365)
Income tax paid	(8,874)	(11,755)
Net cashflows from operating activities	(98,387)	(2,311)
CASHFLOW FROM INVESTING ACTIVITIES		
Equity investments	-	-
Other investments	30,650	(359)
Investment in jointly controlled entities	25,602	33,416
Purchase/Disposal of property, plant and equipment	(1,821)	(2,862)
Proceeds from disposal of property, plant and equipment	130	140
Net cashflows from investing activities	54,561	30,335
CASHFLOW FROM FINANCING ACTIVITIES		
Dividend paid to MI Shareholders of subsidiary companies	-	-
Dividend paid to Shareholder of Company	(12,783)	(12,783)
Withdrawal of fixed deposit pledged	-	-
Drawdown of bank borrowings	82,800	25,000
Repayment of bank borrowings	(24,289)	(49,888)
Repayment of hire purchase liability	-	-
Net cashflows from financing activities	45,728	(37,671)
NET CHANGE IN CASH & CASH EQUIVALENTS	1,902	(9,647)
CASH & CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	163,682	148,279
EFFECT OF EXCHANGE RATE CHANGES	12,963	1,263
CASH & CASH EQUIVALENTS AT END OF THE PERIOD	178,547	139,895
Represented by:		
Cash and Cash Equivalents	179,132	140,480
less:		
Amount pledged as security for bank facilities	(585)	(585)
	178,547	139,895

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31st March 2015

SELANGOR DREDGING BERHAD (4624-U)
QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE 3RD FINANCIAL QUARTER ENDED 31 DECEMBER 2015

Part A - Selected Explanatory Notes pursuant to Financial Reporting Standard 134 ("FRS 134")

A1. Accounting Policies and Method of Computation

The interim financial report has been prepared in accordance with FRS 134 - Interim Financial Reporting and Chapter 9 Part K of the Listing Requirements of Bursa Malaysia Securities Berhad. The same accounting policies and method of computation are followed in the interim financial statements as compared with the most recent annual financial statements for the year ended 31 March 2015.

The Group have not applied the following standards, amendments and interpretations that have been issued by the MASB but are not yet effective:

		Effective for annual periods beginning on or after
FRS 9	: Financial Instruments	1 January 2016
FRS 14	: Regulatory Deferral Accounts	1 January 2016
<i>Amendments to:</i>		
FRS 2, FRS 3, FRS 8, FRS 116, FRS 124 and FRS 138	: Annual Improvements to FRS 2010-2012 Cycle	1 July 2014
FRS 3, FRS 13 and FRS 140	: Annual Improvements to FRS 2011-2013 Cycle	1 July 2014
FRS 119	: Defined Benefit Plans: Employee Contributions	1 July 2014
FRS 116 and 138	: Acceptable Method of Depreciation	1 January 2016
FRS 11	: Accounting for Acquisition of Interests in Joint operation	1 January 2016
FRS 127	: Equity Method in Separate Financial Statement	1 January 2016
FRS 5, FRS 7, FRS 119 and FRS 134	: Annual Improvements to FRSs 2012-2014 Cycle	1 January 2016
FRS 101	: Disclosure Initiative	1 January 2016
FRS 10, FRS 12 and FRS 128	: Consolidation Exception	1 January 2016

The above new/revised standards, amendments and improvements are not expected to have any significant financial impact on the Group upon their initial application.

Malaysian Financial Reporting Standards ("MFRS")

On 19 November 2011, the Malaysian Accounting Standards Board ("MASB") issued a new MASB approved accounting framework, the MFRS. The MFRS is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities subject to the application of MFRS 141 Agriculture ("MFRS 141") and IC Interpretation 15 Instruments Agreements for Construction of Real Estate ("IC 15"), including its parent, significant investor and venture (here in referred to as "Transitioning Entities"). Transitioning Entities will be allowed to defer adoption of the new MFRS for an additional one year.

On 8 September 2015, MASB further announced that the Transitioning Entities are allowed to extend their deferment on the adoption of MFRS Framework for another year. As such, the MFRS Framework will be mandatory for all companies for annual period beginning on or after 1 January 2018.

The Group falls within the definition of Transitioning Entities and has opted to defer adoption of the new MFRS to 1 January 2018. Accordingly, the Group will be required to prepare its first MFRS financial statements for the year ending 31 March 2019. In presenting its first MFRS financial statements, the Group will quantify the financial effects of the differences between the current FRS and MFRS. The majority of the adjustments required on transition will be made, retrospectively, against opening retained earnings.

Accordingly, the consolidated financial performance and financial position as disclosed in these financial statements for the year ended 31 December 2015 could be different if prepared under the MFRS.

A2. Audit Report of Preceding Annual Financial Statements

The Group's preceding annual financial statements were reported without any qualification.

A3. Seasonality or Cyclicity of Operations

The business operations of the Group are generally not affected by seasonal or cyclical factors except for the hotel operations which are generally affected by major festive seasons.

A4. Unusual items affecting Assets, Liabilities, Equity, Net Income or Cashflows

There are no unusual items affecting assets, liabilities, equity, net income or cashflows during the financial year under review.

A5. Change in Estimate

There were no material changes in estimates reported in prior interim periods of the current financial year or in prior financial years which have a material effect in the current interim period.

A6. Debt and Equity Securities

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the current financial quarter and period-to-date ended 31 December 2015.

A7. Dividend Paid

A first and final dividend of RM12,783,829.86 for the year ended 31 March 2015 was paid during the last financial period to-date.

A8. Segment Revenue and Segment Result By Business Segments*(a) Primary reporting format – business segment*

All the operations of the Group are organised in Malaysia into six main business segments:

- (i) Property investments - letting of industrial and commercial properties
- (ii) Property development - property development
- (iii) Hotel operations - operation of hotel and related services
- (iv) Investment holding - holding of shares in quoted and non-quoted companies
- (v) Property Support Service - providing support service to purchasers of properties developed by the SDB Group
- (vi) Others - provision of management services and trading

Transactions between segments were entered into in the normal course of business and were established on terms and conditions that are not materially different from that obtainable in transactions with unrelated parties. The effects of such inter-segmental transactions are eliminated on consolidation.

RM'000	Property Investment	Hotel Operations	Property Development	Property Support Services	Investment Holding	Others/ Elimination	Consolidated
REVENUE							
External Sales	17,539	17,338	144,230	445	0	0	179,552
Inter-segment Sales	880	0	0	134	0	(1,014)	0
Total revenue	<u>18,419</u>	<u>17,338</u>	<u>144,230</u>	<u>579</u>	<u>0</u>	<u>(1,014)</u>	<u>179,552</u>
RESULTS							
Segment results	22,730	(2,042)	20,554	(484)	17,356	(18,963)	39,151
Unallocated corporate (expenses)/income							<u>(1,935)</u>
Operating profit							37,216
Finance cost, net							(17,059)
Share of net profit/(loss) of associated companies			19,623				19,623
Income taxes							<u>(2,948)</u>
Profit for the period							<u>36,832</u>

(b) Secondary reporting format – geographical segment

The operations of the Group are substantially carried out in Malaysia except for SDB Asia Pte Ltd and SDB UK Pte Ltd which is incorporated in Singapore.

A9. Valuation of property, plant and equipment

The valuations of property, plant and equipment have been brought forward without amendments from the most recent annual financial statements for the year ended 31 March 2015.

A10. Material Events Subsequent to the End of the Period

There are no material events subsequent to 31 March 2015 up to the date of this announcement that has not been reflected in the financial statements as at 31 December 2015.

A11. Effects of Changes in the Composition of the Group

There are no changes in the composition of the Group for the financial period to-date.

A12. Changes in Contingent Liabilities and Contingent Assets

The Group does not have any contingent liabilities and contingent assets as at the last annual balance sheet date up to the current financial period to-date.

Part B - Selected Explanatory Notes pursuant to Appendix 9B of the Bursa Malaysia Securities Berhad Listing Requirements

B1. Review of Performance of the Company and its Principal Subsidiaries

For the 9 months ended 31 December 2015, the Group turnover has reduced to RM179.55 million compared to the corresponding period to-date last year due to the completion of By The Sea, Laman & Bayu, and Hijauan. The increase of net profit amounting to RM36.83 million compared to the corresponding period of last financial year was mainly contributed from the sale of a piece of land during the financial period.

B2. Material Changes in Profit Before Tax of the Current Quarter compared to the Immediate Preceding Quarter

For the quarter ended 31 December 2015, the Group registered a lower profit before tax of RM7.01 million compared to RM10.37 million recorded in the preceding quarter ended 30 September 2015. The lower profit was mainly due to unrealized forex loss resulted from the weaker Singapore currency compared to last quarter.

B3. Prospects for the Current Financial Year

The outlook for coming year is expected to remain challenging in view of the current economic sentiment mainly due to post implementation of GST, depreciation of our national currency, lower oil price and tighter lending from banks.

The Group expects the above mentioned factors will soften the demand in the Malaysian real property market. However, with an unbilled sale of approximately RM399 million in hand, the Group expects the remaining financial year performance to be satisfactory.

B4. Variance of Actual Profit from Forecast Profit and Shortfall in Profit Guarantee

Not Applicable.

B5. Taxation

Tax charge comprises the following:-

	Current quarter 31/12/2015 RM'000	Financial year 31/12/2015 RM'000
- current taxation	1,260	4,346
- associated companies	0	0
- deferred taxation	0	(922)
- under/(over) provision in prior years		
- Current	(476)	(476)
- Deferred	0	0
	<u>784</u>	<u>2,948</u>

For the current quarter, the Group's taxation was lower compared to the statutory rate mainly due to movement in deferred tax provision in relation to the disposal of investment properties.

B6. Status of Corporate Proposal

- (a) Since the last balance sheet date, there were no corporate proposals announced.
(b) Status of utilization of proceeds raised from any corporate proposal – Not Applicable.

B7. Group Borrowings and Debts Securities

Total Group borrowings as at 31 December 2015 are as follows:-

<i>Long Term Bank Borrowing</i>	RM'000
<i>Secured:</i>	
Revolving Credit	112,500
Term Loan	308,111
Repayments due within the next 12 months	<u>(20,900)</u>
Sub-Total	<u>399,711</u>
<i>Unsecured:</i>	
Revolving Credit	0
Term Loan	25,000
Repayments due within the next 12 months	<u>0</u>
Sub-Total	<u>25,000</u>
<i>Short Term Bank Borrowing</i>	
<i>Secured:</i>	
Revolving Credit	58,000
Term Loan	0
Current portion of long term borrowing	<u>20,900</u>
Sub-Total	<u>78,900</u>
<i>Unsecured:</i>	
Revolving Credit	60,000
Term Loan	0
Current portion of long term borrowing	<u>0</u>
Sub-Total	<u>60,000</u>
Total	<u>563,611</u>

There were no borrowings or debt securities denominated in foreign currencies.

B8. Material Litigation

There were no significant changes in material litigation since the last annual balance sheet date.

B9. Dividend

No interim dividend has been recommended in respect of the current financial period.

B10. Realised and Unrealised Profits and Losses

The retained profits of the Group as at 31 December 2015 and 31 March 2015 are analysed as follows:

	31/12/2015 RM'000	31/03/2015 RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	240,432	222,327
- Unrealised	201,119	218,664
	441,551	440,991
Total share of retained profits from jointly controlled entities:		
- Realised	74,280	43,776
- Unrealised	1,907	1,906
	76,187	45,682
	517,738	486,673
Less: Consolidation adjustment	(5,428)	1,588
	512,310	488,261
Total Group retained profits	512,310	488,261

B11. Earnings Per Share

Basic earnings per share is calculated by dividing the Group's net profit for the period by the weighted average number of ordinary shares in issue during the period, disclosed as follows:-

	Current quarter ended 31/12/2015	Comparative quarter ended 31/12/2014	Current 9 months ended 31/12/2015	Corresponding 9 months ended 31/12/2014
(i) Net profit for the period (RM'000)	6,224	8,042	36,832	31,027
(ii) Weighted average number of ordinary shares in issue ('000)	426,127	426,127	426,127	426,127
Basic earnings per share (sen)	1.46	1.89	8.64	7.28

The company does not have any dilutive potential ordinary shares outstanding as at 31 December 2015. Accordingly, no diluted earnings per share is presented.

B12. Profit for the Year

	Current quarter ended 31.12.2015 RM'000	Comparative quarter ended 31.12.2014 RM'000	Current 9 months ended 31.12.2015 RM'000	Corresponding 9 months ended 31.12.2014 RM'000
Profit for the period is arrived at after crediting:				
Interest Income	277	252	551	488
Other Income	1,038	3,109	16,324	5,821
Foreign Exchange Gain	(1,911)	990	7,993	990
Gain on disposal of quoted investment	0	0	0	0
and after charging:				
Interest expense	5,456	5,193	17,059	12,528
Depreciation	1,579	1,593	4,654	4,382
Provision for/write off of receivables	0	0	0	0
Provision for/write off of inventories	0	0	0	0
Foreign Exchange Loss	0	0	0	(12)