

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 March 2016

	As at 31.03.2016 (UNAUDITED)	As at 31.03.2015 (AUDITED)
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	191,412	177,007
Investment properties	322,987	336,616
Land held for development	198,950	0
Investment in jointly controlled entities	166,095	170,945
Available-for-sale financial assets	0	6
Deferred tax assets	2,520	2,988
	<u>881,964</u>	<u>687,562</u>
Current assets		
Inventories	189,064	96,633
Property Development Costs	190,944	321,007
Trade and other receivable	92,906	161,978
Tax recoverable	10,878	2,294
Cash and Cash Equivalents	157,807	164,331
	<u>641,599</u>	<u>746,243</u>
TOTAL ASSETS	<u>1,523,563</u>	<u>1,433,805</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share Capital	213,064	213,064
Reserves	600,313	557,584
	<u>813,377</u>	<u>770,648</u>
Non-controlling interest	0	0
Total equity	<u>813,377</u>	<u>770,648</u>
Non-current liabilities		
Bank Borrowings	419,861	341,200
Deferred taxation	12,570	13,292
	<u>432,431</u>	<u>354,492</u>
Current liabilities		
Trade and other payables	133,855	140,595
Bank Borrowings	143,900	163,900
Bank Overdraft	0	0
Taxation	0	4,170
	<u>277,755</u>	<u>308,665</u>
Total liabilities	<u>710,186</u>	<u>663,157</u>
TOTAL EQUITY AND LIABILITIES	<u>1,523,563</u>	<u>1,433,805</u>
Net assets per ordinary share attributable to owners of the Company (sen)	190.88	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 4th quarter ended 31 March 2016

(The figures have not been audited)

	Current quarter ended 31.03.2016	Comparative quarter ended 31.03.2015	Current 12 months ended 31.03.2016	Corresponding 12 months ended 31.03.2015
	RM'000	RM'000	RM'000	RM'000
Revenue	36,712	104,388	216,264	400,505
Operating expenses	(38,460)	(81,933)	(201,010)	(330,699)
Other operating income	20,693	26,594	45,561	33,881
Profit from operations	18,945	49,049	60,815	103,687
Depreciation	(1,929)	(2,112)	(6,583)	(6,494)
Finance costs	(5,621)	(5,252)	(22,680)	(17,780)
Share of jointly controlled entities results	<u>(4,694)</u>	<u>12,433</u>	<u>14,929</u>	<u>17,111</u>
Profit before taxation	6,701	54,118	46,481	96,524
Taxation	<u>(445)</u>	<u>(18,197)</u>	<u>(3,393)</u>	<u>(29,576)</u>
Profit for the period	<u>6,256</u>	<u>35,921</u>	<u>43,088</u>	<u>66,948</u>
Attributable to:				
Owners of the Company	6,256	35,921	43,088	66,948
Non-controlling interest	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Profit for the period	<u><u>6,256</u></u>	<u><u>35,921</u></u>	<u><u>43,088</u></u>	<u><u>66,948</u></u>
Earning per share - basic (sen)	1.47	8.43	10.11	15.71
- 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 4th quarter ended 31 March 2016

(The figures have not been audited)

	Current quarter ended 31.03.2016	Comparative quarter ended 31.03.2015	Current 12 months ended 31.03.2016	Corresponding 12 months ended 31.03.2015
	RM'000	RM'000	RM'000	RM'000
Profit for the period	6,256	35,921	43,088	66,948
Fair value changes in available-for-sale financial asset	0	0	0	0
Foreign currency translation differences for foreign operations	(42,965)	3,762	(3,367)	12,067
Fair Value changes in PPE	15,792	0	15,792	0
Other comprehensive income	<u>(27,173)</u>	<u>3,762</u>	<u>12,425</u>	<u>12,067</u>
Total comprehensive income	<u>(20,917)</u>	<u>39,683</u>	<u>55,513</u>	<u>79,015</u>
Attributable to:				
Owners of the Company	(20,917)	39,683	55,513	79,015
Non-controlling interest	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total comprehensive income	<u>(20,917)</u>	<u>39,683</u>	<u>55,513</u>	<u>79,015</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 12 months ended 31 March 2016
(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 12 months ended</u>								
<u>31 March 2016</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	-	-	15,792	-	-	(3,367)	43,088	55,513
- Dividend paid	-	-	-	-	-	-	(12,784)	(12,784)
As at 31 March 2016	<u>213,064</u>	<u>477</u>	<u>50,432</u>	<u>7,861</u>	<u>-</u>	<u>22,978</u>	<u>518,565</u>	<u>813,377</u>
<u>Preceding 12 months ended</u>								
<u>31 March 2015</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	-	-	-	-	-	12,067	66,948	79,015
- Dividend paid	-	-	-	-	-	-	(12,784)	(12,784)
As at 31 March 2015	<u>213,064</u>	<u>477</u>	<u>34,640</u>	<u>7,861</u>	<u>0</u>	<u>26,345</u>	<u>488,261</u>	<u>770,648</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 12 months ended 31 March 2016

(The figures have not been audited)

	Current 12 months ended 31.03.2016 RM'000	Corresponding 12 months ended 31.03.2015 RM'000
CASHFLOW FROM OPERATING ACTIVITIES		
Profit before taxation	46,481	96,524
Adjustment for :		
Non-cash items	(4,361)	(17,902)
Non-operating items (which are investing / financing)	(6,788)	120
Operating profit before working capital changes	35,332	78,742
Changes in working capital		
Receipts from customer	(56,998)	(38,704)
Payments to supplier, contractors and employee	(34,903)	46,077
Interest paid	(22,517)	(17,324)
Income tax paid	(16,872)	(19,946)
Net cashflows from operating activities	(95,958)	48,845
CASHFLOW FROM INVESTING ACTIVITIES		
Equity investments	-	-
Other investments	29,550	(511)
Investment in jointly controlled entities	22,023	33,041
Purchase/Disposal of property, plant and equipment	(3,782)	(2,953)
Proceeds from disposal of property, plant and equipment	130	152
Net cashflows from investing activities	47,921	29,729
CASHFLOW FROM FINANCING ACTIVITIES		
Dividend paid to MI Shareholders of subsidiary companies	-	-
Dividend paid to Shareholder of Company	(12,784)	(12,784)
Withdrawal of fixed deposit pledged	-	-
Drawdown of bank borrowings	87,800	50,000
Repayment of bank borrowings	(29,141)	(100,701)
Repayment of hire purchase liability	-	-
Net cashflows from financing activities	45,875	(63,485)
NET CHANGE IN CASH & CASH EQUIVALENTS	(2,162)	15,089
CASH & CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	163,746	148,280
EFFECT OF EXCHANGE RATE CHANGES	(4,362)	377
CASH & CASH EQUIVALENTS AT END OF THE PERIOD	157,222	163,746
Represented by:		
Cash and Cash Equivalents	157,807	164,331
less:		
Amount pledged as security for bank facilities	(585)	(585)
	157,222	163,746

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 4TH FINANCIAL QUARTER ENDED 31 MARCH 2016

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 March 2016 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 year-to-date ended 31 March 2016.

A7. Dividend Paid

A first and final dividend of RM12,783,829.86 for the year ended 31 March 2015 was paid during the second financial quarter.

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.

	Property Investment	Hotel Operations	Property Development	Property Support Services	Investment Holding	Others/ Elimination	Consolidated
RM'000							
REVENUE							
External Sales	23,578	22,221	170,371	82	0	12	216,264
Inter-segment Sales	1,174	0	0	2,182	0	(3,356)	0
Total revenue	<u>24,752</u>	<u>22,221</u>	<u>170,371</u>	<u>2,264</u>	<u>0</u>	<u>(3,344)</u>	<u>216,264</u>
RESULTS							
Segment results	30,299	(3,527)	19,787	(664)	23,252	(12,558)	56,589
Unallocated corporate (expenses)/income							<u>(2,357)</u>
Operating profit							<u>54,232</u>
Finance cost, net							(22,680)
Share of net profit/(loss) of associated companies			14,929				14,929
Income taxes							<u>(3,393)</u>
Profit for the period							<u><u>43,088</u></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

In line with the Group's adoption of fair value method in relation to its investment properties, the Group's property, land and buildings were revalued by Rahim & Co Chartered Surveyors Sdn Bhd ("Rahim & Co") – for properties in Malaysia and Bernard Valuers & Real Estate Consultants Pte Ltd ("Bernard Valuer") – for properties in Singapore, both are registered independent professional valuer as at 31 March 2016 on an open market basis for existing use.

The resulting net surplus of RM4 million has been recognised directly to the income statement.

The Group's properties which categorised under property, plant and equipment ("PPE") were also revalued by Rahim & Co and Bernard Valuer in Malaysia and Singapore respectively.

The revaluation of PPE had resulted a net increase of RM9.36 million in Revaluation Reserve and this net surplus has been recognised to the comprehensive income statement.

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 March 2016.

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 12 months ended 31 March 2016, the Group turnover decreased to RM216.26 million compared to the corresponding period last year was mainly due to the completion of our projects Windows On The Park, By The Sea and Hijauan. This resulted in the drop of net profit amounting to RM43.09 million compared to the corresponding period of last financial year. The lower net profit was attributable to lower fair value surplus of investment properties in current year.

The revaluation of the Group's Investment Properties had resulted net surplus of RM4.0 million compared to RM24.26 million in the corresponding period last year.

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

For the quarter ended 31 March 2016, the Group registered a lower profit before tax of RM6.70 million compared to RM7.01 million recorded in the preceding quarter ended 31 December 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 due to the post impact of oil price slump, soft national currency and more prudent and stringent approach by financial institution in approving property loan.

In review of above mentioned factors, the Group expects the property market to remain soft for the second half of the year. However, with unbilled sale of approximately RM368 million in hand and with the launch of new marketing scheme "RAP" (Reside and Purchase), the Group expects the coming 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 31/03/2016 RM'000	Financial year 31/03/2016 RM'000
- current taxation	266	4,612
- associated companies	0	0
- deferred taxation	426	(496)
- under/(over) provision in prior years		
- Current	(247)	(723)
- Deferred	0	0
	<u>445</u>	<u>3,393</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 March 2016 are as follows:-

<i>Long Term Bank Borrowing</i>	RM'000
<i>Secured:</i>	
Revolving Credit	111,250
Term Loan	304,511
Repayments due within the next 12 months	<u>(20,900)</u>
Sub-Total	<u>394,861</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	65,000
Term Loan	0
Current portion of long term borrowing	<u>0</u>
Sub-Total	<u>65,000</u>
Total	<u>563,761</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

The Board has recommended a first and final single-tier dividend of 2.5 sen per share (FY2015: 3.0 sen) amounting to RM10,653,192 (FY2015: RM12,783,830) in respect of the financial year ended 31 March 2016 which will be proposed for shareholders' approval at the forthcoming Annual General Meeting.

B10. Realised and Unrealised Profits and Losses

The retained profits of the Group as at 31 March 2016 and 31 March 2015 are analysed as follows:

	31/03/2016 RM'000	31/03/2015 RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	238,076	222,327
- Unrealised	204,919	218,664
	442,995	440,991
Total share of retained profits from jointly controlled entities:		
- Realised	69,587	43,776
- Unrealised	1,906	1,906
	71,493	45,682
	514,488	486,673
Less: Consolidation adjustment	4,077	1,588
Total Group retained profits	518,565	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 31/03/2016	Comparative quarter ended 31/03/2015	Current 12 months ended 31/03/2016	Corresponding 12 months ended 31/03/2015
(i) Net profit for the period (RM'000)	6,256	35,921	43,088	66,948
(ii) Weighted average number of ordinary shares in issue ('000)	426,127	426,127	426,127	426,127
Basic earnings per share (sen)	1.47	8.43	10.11	15.71

The company does not have any dilutive potential ordinary shares outstanding as at 31 March 2016. Accordingly, no diluted earnings per share is presented.

B12. Profit for the Year

	Individual Quarter		Cumulative Quarter	
	Current	Comparative	Current	Corresponding
	quarter	quarter	12 months	12 months
	ended	ended	ended	ended
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
	RM'000	RM'000	RM'000	RM'000
Profit for the period is arrived at after crediting:				
Interest Income	300	61	851	549
Other Income	4,962	25,349	21,286	31,170
Foreign Exchange Gain	15,431	1,178	23,424	2,168
Gain on disposal of quoted investment	0	0	0	0
and after charging:				
Interest expense	5,621	5,252	22,680	17,780
Depreciation	1,929	2,112	6,583	6,494
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	(6)