



SEREMBAN ENGINEERING BERHAD ("SEB")  
(Company No. 45332X)

CONDENSED INTERIM FINANCIAL STATEMENTS  
UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOW  
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2011

	12 months ended 31/12/2011 RM	12 months ended 31/12/2010 RM
<b>Cash flows from operating activities</b>		
Profit before tax	4,866,765	3,920,943
Adjustments for:		
Depreciation of property, plant and equipment	1,532,933	1,266,616
Allowance for impairment losses of trade receivables - effect of adopting FRS 139	347,152	70,222
Write-back of allowance for impairment losses of trade receivables - collective impairment	(3,000)	(4,000)
(Gain) on disposal of PPE	(149,996)	(82,176)
Loss on disposal of PPE	3,534	-
Property, plant & equipment written off	36,073	2,717
Interest expenses	870,244	432,070
Interest income	(279,201)	(273,216)
Doubtful debts recovered - individual	-	(6,000)
Bad debts written off	2,512	-
Share of loss of jointly controlled entities	4,655	12,584
Operating profit before changes in working capital	<u>7,231,672</u>	<u>5,339,760</u>
Changes in working capital:		
Inventories	(9,526,053)	(9,336,537)
Trade and other receivables	1,803,242	(5,610,133)
Trade and other payables	16,301,003	4,498,297
Amount due from contract customers	442,763	506,242
Cash generated from operating activities	<u>16,353,327</u>	<u>(4,602,371)</u>
Tax paid	(1,206,798)	(2,186,053)
Interest paid	(870,244)	(432,070)
Interest received	279,201	273,216
<b>Net cash from / (used in) operating activities</b>	<u>14,555,488</u>	<u>(6,947,278)</u>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(6,928,473)	(4,219,020)
Proceeds from disposal of PPE	391,001	166,892
Investment in jointly controlled entity	22,312	(1)
Proceeds from Issuance of shares to minority shareholders in subsidiary coy	400,000	-
Net Cash in / (out) flow arising on acquisition	22,312	-
<b>Net cash used in investing activities</b>	<u>(6,115,160)</u>	<u>(4,052,129)</u>
<b>Cash flows from financing activities</b>		
Net (increase) in fixed deposit pledged	(508,302)	(23,940)
Drawdown from term loans	-	2,359,800
Drawdown from hire-purchase payable	59,000	-
Dividend paid	(800,000)	(5,500,000)
Listing expenses paid	-	(1,266,363)
Repayment to hire-purchase payables	(134,975)	(122,950)
Repayment of term loans	(1,610,106)	(1,971,223)
Net movement in trade bills	1,513,294	5,908,000
Proceeds from public issue	-	16,938,800
Purchase of treasury shares	(22,048)	-
<b>Net cash from / (used in) financing activities</b>	<u>(1,503,137)</u>	<u>16,322,124</u>
Net increase / (decrease) in cash and cash equivalents	6,937,190	5,322,717
Cash and cash equivalents at beginning of financial year	15,587,752	10,265,037
Cash and cash equivalents at end of financial period	<u>22,524,943</u>	<u>15,587,754</u>
<b>Cash and cash equivalents at end of year comprise:</b>		
Cash & bank balances	14,497,191	3,143,676
Deposits with licensed banks	9,975,684	13,785,706
	<u>24,472,875</u>	<u>16,929,382</u>
Less : Fixed deposits not readily available for use	(1,661,283)	(1,152,981)
	<u>22,811,593</u>	<u>15,776,401</u>
Bank overdraft- unsecured	(286,650)	(188,647)
	<u>22,524,943</u>	<u>15,587,754</u>

The Condensed Interim Financial Statements should be read in conjunction with SEB's audited consolidated financial statements for the financial year ended 31 December 2010 with the accompanying explanatory notes attached to the financial statements.