



**SEREMBAN ENGINEERING BERHAD (“SEB”)**  
**(Company No: 45332-X)**

**UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31<sup>ST</sup> MARCH 2016**

	Unaudited as at 31.03.2016 RM	Audited as at 31.12.2014 RM
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	54,217,209	51,933,378
Other receivables	615,000	765,000
Deferred Tax Asset	-	90,700
Investment properties	88,303	90,352
Investment in Associate & Jointly Controlled Company	8,088	9,069,419
	54,928,600	61,948,849
<b>Current assets</b>		
Inventories	22,510,087	31,423,484
Trade and other receivables	48,470,111	47,457,570
Deposit, cash and bank balances	2,875,692	14,628,489
Asset held for sale	8,673,447	-
	82,529,337	93,509,543
<b>TOTAL ASSETS</b>	<b>137,457,937</b>	<b>155,458,392</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	40,000,000	40,000,000
Treasury Shares	(157,426)	(157,426)
Other Reserves	5,583,931	5,583,931
Reserves	(3,493,871)	16,258,892
<b>Equity attributable to owners of the parent</b>	41,932,634	61,685,397
<b>Non-controlling interest</b>	673,060	838,506
<b>Total equity</b>	42,605,694	62,523,903
<b>Non-current liabilities</b>		
Bank borrowings	11,208,229	6,786,220
Hire purchases and lease payables	996,230	1,357,955
Deferred tax liabilities	297,802	353,002
	12,502,261	8,497,177
<b>Current liabilities</b>		
Trade and other payables	40,211,716	33,500,275
Bank borrowings	41,628,231	50,424,796
Hire purchases and lease payables	510,035	512,241
	82,349,982	84,437,312
<b>TOTAL LIABILITIES</b>	94,852,243	92,934,489
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>137,457,937</b>	<b>155,458,392</b>
<b>Net Asset per share attributable to owners of the parent (RM)</b>	<b>0.53</b>	<b>0.77</b>

*The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with SEB's audited consolidated financial statements for the financial year ended 31<sup>st</sup> December 2014 with the accompanying explanatory notes attached to the financial statements.*



**SEREMBAN ENGINEERING BERHAD (“SEB”)**  
**(Company No: 45332-X)**

**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE QUARTER ENDED 31<sup>ST</sup> MARCH 2016**

	← Attributable to Owners of the Company →					Non-Controlling Interests	Total Equity
	← Non-distributable →		Distributable				
	Share Capital	Share Premium	Treasury Shares	Retained (Loss) / Profit	Total		
	RM	RM	RM	RM	RM	RM	RM
<b>As at 1<sup>st</sup> January 2015</b>	40,000,000	5,583,931	(157,426)	16,258,892	61,685,397	838,506	62,523,903
Total comprehensive income / (expense) for the period	-	-	-	(19,752,763)	(19,752,763)	(165,446)	(19,918,209)
<b>As at 31<sup>st</sup> March 2016</b>	40,000,000	5,583,931	(157,426)	(3,493,871)	41,932,634	673,060	42,605,694
<b>As at 1<sup>st</sup> January 2014</b>	40,000,000	5,583,931	(155,934)	23,761,006	69,189,003	753,719	69,942,722
Dividend paid	-	-	-	(1,593,636)	(1,593,636)	-	(1,593,636)
Total comprehensive income for the period	-	-	-	(5,908,478)	(5,908,478)	84,787	(5,823,691)
Share buy back	-	-	(1,492)	-	(1,492)	-	(1,492)
<b>As at 31<sup>st</sup> December 2014</b>	40,000,000	5,583,931	(157,426)	16,258,892	61,685,397	838,506	62,523,903



**SEREMBAN ENGINEERING BERHAD (“SEB”)**  
**(Company No: 45332-X)**

**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**  
**AND OTHER COMPREHENSIVE INCOME**  
**FOR THE QUARTER ENDED 31<sup>st</sup> MARCH 2016**

	Current quarter <b>31.03.2016</b> <b>RM</b>	Comparative quarter <b>31.03.2015</b> <b>RM</b>	Cumulative <b>(15 months)</b> <b>31.03.2016</b> <b>RM</b>	Comparative <b>(15 months)</b> <b>31.03.2015</b> <b>RM</b>
Revenue	20,577,849	36,248,350	134,937,187	N/A
Operating Loss	(227,949)	(8,389,914)	(15,820,125)	N/A
Interest Expense	(716,686)	(576,501)	(3,801,290)	N/A
Interest Income	24,036	20,794	64,087	N/A
Share of Loss of Associates	(2,887)	(29,328)	(387,885)	N/A
Loss before tax	<u>(923,486)</u>	<u>(8,974,949)</u>	<u>(19,945,213)</u>	<u>N/A</u>
Tax Credit	-	2,298,119	27,004	N/A
Loss after taxation	<u>(923,486)</u>	<u>(6,676,830)</u>	<u>(19,918,209)</u>	<u>N/A</u>
Total Comprehensive Expense for the period	<u>(923,486)</u>	<u>(6,676,830)</u>	<u>(19,918,209)</u>	<u>N/A</u>
Loss after taxation attributable to :				
Owners of the Company	(781,883)	(6,605,632)	(19,752,763)	N/A
Non-Controlling Interest	<u>(141,603)</u>	<u>(71,198)</u>	<u>(165,446)</u>	<u>N/A</u>
	<u>(923,486)</u>	<u>(6,676,830)</u>	<u>(19,918,209)</u>	<u>N/A</u>
Total Comprehensive Expense attributable to :				
Owners of the Company	(781,883)	(6,605,632)	(19,752,763)	N/A
Non-Controlling Interest	<u>(141,603)</u>	<u>(71,198)</u>	<u>(165,446)</u>	<u>N/A</u>
	<u>(923,486)</u>	<u>(6,676,8230)</u>	<u>(19,918,209)</u>	<u>N/A</u>
Basic Loss per share (sen)	(0.98)	(8.29)	(24.79)	N/A

*Due to the change in the current financial year end from 31<sup>st</sup> December 2015 to 30<sup>th</sup> June 2016, there were no comparative financial information available for the 15-month financial period ended 31<sup>st</sup> March 2016.*

*The unaudited Condensed Interim Financial Statements should be read in conjunction with SEB's audited consolidated financial statements for the financial year ended 31<sup>st</sup> December 2014 with the accompanying explanatory notes attached to the financial statements.*



**SEREMBAN ENGINEERING BERHAD (“SEB”)**  
**(Company No: 45332-X)**

**UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOW**  
**FOR THE QUARTER ENDED 31<sup>ST</sup> MARCH 2016**

	<b>Unaudited 15 months 31.03.2016 RM</b>	<b>Audited 12 months 31.12.2014 RM</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Loss before tax</b>	(19,945,213)	(7,866,408)
<b>Adjustment for:-</b>		
Impairment losses on trade receivables	2,326,320	671,015
Unrealised gain on foreign exchange	-	46,405
Depreciation on plant, property and equipment	3,327,630	2,506,436
Depreciation on investment property	2,049	1,640
Impairment loss of property, plant and equipment	37,240	-
Foreseeable losses from contractual customer	-	4,662,045
Gain on disposal of property, plant and equipment	-	(940)
Property, Plant & Equipment Written Off	67,679	26,468
Share of results in associates	387,884	12,493
Reversal of impairment losses on trade receivables	-	(209)
Interest expenses	3,801,290	1,862,569
Interest income	(64,087)	(189,212)
	<hr/>	<hr/>
	(10,059,208)	1,732,302
<b>Changes in working capital</b>		
Inventories	8,913,397	(4,927,228)
Amount due from contract customers	11,945,901	(13,473,396)
Trade and other receivables, prepayment and other assets	(13,354,013)	11,291,612
Trade and other payables	(6,469,777)	2,531,063
<b>Cash used in operations</b>	(9,023,700)	(2,845,647)
Interest paid	(3,801,290)	(1,862,569)
Interest received	64,087	189,212
Tax refund/(paid)	530,479	(2,046,770)
<b>Net cash used in operating activities</b>	(12,230,424)	(6,565,774)
<b>CASH FLOWS FOR INVESTING ACTIVITIES</b>		
Proceeds from disposal of property, plant and equipment	727,929	8,327
Purchase of property, plant and equipment	(6,444,309)	(6,269,691)
Investment in Associates	-	(600,000)
<b>Net cash used in investing activities</b>	(5,716,380)	(6,861,364)

*The unaudited Condensed Consolidated Statement of Cash Flow should be read in conjunction with SEB's audited consolidated financial statements for the financial year ended 31<sup>st</sup> December 2014 with the accompanying explanatory notes attached to the financial statements.*



**SEREMBAN ENGINEERING BERHAD (“SEB”)**  
**(Company No: 45332-X)**

**UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOW**  
**FOR THE QUARTER ENDED 31<sup>st</sup> MARCH 2016 – continued**

	<b>Unaudited 15 months 31.03.2016 RM</b>	<b>Audited RM 31.12.2014 RM</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Amount due to ultimate holding company	10,932,495	-
Drawdown from Term Loan	6,146,405	-
Dividend paid	-	(1,593,636)
Net movement in trade bills	(9,997,451)	20,074,254
Repayment of hire purchase and lease payables	(363,931)	(512,019)
Repayment of term loans	(1,215,149)	(964,363)
Purchase of treasury shares	-	(1,492)
<b>Net cash from financing activities</b>	<u>5,502,369</u>	<u>17,002,744</u>
<b>NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS</b>	(12,444,435)	3,575,606
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR</b>	<u>13,604,111</u>	<u>10,028,505</u>
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR</b>	<u><u>1,159,676</u></u>	<u><u>13,604,111</u></u>
<b>CASH AND CASH EQUIVALENTS COMPRISE OF:</b>		
Short term deposit placed with licensed banks	5,038	7,698,693
Cash and bank balances	<u>2,870,654</u>	<u>6,929,796</u>
	2,875,692	14,628,489
Bank overdraft	<u>(1,716,016)</u>	<u>(1,024,378)</u>
	<u><u>1,159,676</u></u>	<u><u>13,604,111</u></u>

*The unaudited Condensed Consolidated Statement of Cash Flow should be read in conjunction with SEB's audited consolidated financial statements for the financial year ended 31<sup>st</sup> December 2014 with the accompanying explanatory notes attached to the financial statements.*



**SEREMBAN ENGINEERING BERHAD (“SEB”)  
(Company No: 45332-X)**

**Notes to the quarterly report – 31<sup>st</sup> March 2016**

**PART A: SELECTED EXPLANATORY NOTES PURSUANT TO MALAYSIA FINANCIAL REPORTING STANDARD (“MFRS”) 134 INTERIM FINANCIAL REPORTING**

**A1. Basis of preparation**

These condensed consolidated interim financial statements, for the period ended 31<sup>st</sup> March 2016, have been prepared in accordance with MFRS 134 *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board (“MASB”), and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and should be read in conjunction with the Group’s Audited Financial Statements for the year ended 31<sup>st</sup> December 2014.

**A2. Significant Accounting Policies**

The financial information presented herein has been prepared in accordance with the accounting policies used in preparing the annual consolidated financial statements for 31 December 2014 under the Malaysian Financial Reporting Standards (MFRS) framework. These policies do not differ significantly from those used in the audited consolidated financial statements for 31 December 2014 except as described below.

As of 1 January 2015, the Group has adopted the following amendments to MFRSs and IC Interpretation which are effective for annual periods beginning on or after 1 January 2015.

**MFRSs and/or IC Interpretations (Including The Consequential Amendments)**

Amendments to MFRS 119: Defined Benefit Plans – Employee Contributions  
Annual Improvements to MFRSs 2010 – 2012 Cycle

- Amendments to MFRS 2 “Share-based Payment”
- Amendment to MFRS 3 “Business Combinations”
- Amendment to MFRS 8 “Operating Segments”
- Amendment to MFRS 13 “Fair Value Measurement”
- Amendment to MFRS 116 “Property, Plant and Equipment”
- Amendment to MFRS 124 “Related Party Disclosures”

Annual Improvements to MFRSs 2011 – 2013 Cycle

- Amendments to MFRS 3
- Amendments to MFRS 13
- Amendment to MFRS 140 “Investment Property”

The adoption of the above amendments to MFRSs and IC Interpretation do not have material impact to the financial statements of the Group.



**SEREMBAN ENGINEERING BERHAD (“SEB”)  
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**Notes to the quarterly report – 31<sup>st</sup> March 2016**

**A2. Significant Accounting Policies (cont)**

The Group has not applied in advance the following accounting standards and interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial period:-

<b>MFRSs and/or IC Interpretations (Including The Consequential Amendments)</b>	<b>Effective Date</b>
MFRS 9 Financial Instruments (IFRS 9 issued by IASB in July 2014)	1 January 2018
FRS 14 Regulatory Deferral Accounts	1 January 2016
MFRS 15 Revenue from Contracts with Customers	1 January 2018
MFRS 16 Leases	1 January 2019
Amendments to MFRS 10 and MFRS 128 (2011): Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice
Amendments to MFRS 11: Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 10, MFRS 12 and MFRS 128 (2011): Investment Entities – Applying the Consolidation Exception	1 January 2016
Amendments to MFRS 15: Effective Date of MFRS 15	1 January 2018
Amendments to MFRS 101: Presentation of Financial Statements – Disclosure Initiative	1 January 2016
Amendments to MFRS 107: Disclosure Initiative	1 January 2017
Amendments to MFRS 112: Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017
Amendments to MFRS 116 and MFRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 116 and MFRS 141: Agriculture – Bearer Plants	1 January 2016
Amendments to MFRS 127 (2011): Equity Method in Separate Financial Statements	1 January 2016
Annual Improvements to MFRSs 2012 – 2014 Cycle	1 January 2016

The above mentioned accounting standards and interpretations (including the consequential amendments) do not have any financial impact on the Group’s financial statements upon their initial application.

**A3. Qualification of Annual Financial Statements**

The latest audited consolidated financial statements of SEB for the financial year ended 31<sup>st</sup> December 2014 were not qualified.

**A4. Seasonal and cyclical factors**

The Group’s business operation results were not materially affected by any major seasonal or cyclical factors during the financial period ended 31<sup>st</sup> March 2016. However, the process equipment’s business operation result is very much dependent on the timing of completion of each project.



**SEREMBAN ENGINEERING BERHAD (“SEB”)  
(Company No: 45332-X)**

**Notes to the quarterly report – 31<sup>st</sup> March 2016**

**A5. Unusual nature and amounts of items affecting assets, liabilities, equity, net income or cash flows**

There were no items of unusual nature and amounts affecting assets, liabilities, equity, net income or cash flows during the financial period ended 31<sup>st</sup> March 2016.

**A6. Changes in accounting estimates**

There were no changes in accounting estimates that have a material effect in the current quarter results.

**A7. Debt and Equity Securities**

There were no issuance, cancellations, repurchases, resale or repayments of debt and equity securities during the quarter ended 31<sup>st</sup> March 2016.

As at 31<sup>st</sup> March 2016, the number of treasury shares held was 319,200 SEB Shares as treasury shares out of its 80,000,000 SEB Shares.

**A8. Dividend Paid**

There were no dividends paid for the financial period ended 31<sup>st</sup> March 2016.

**A9. Segmental information**

The Group is principally engaged in the fabrication of process equipment and metal structure and the provision of maintenance, repair and shutdown works. Therefore, business segmental information has not been prepared as the Group’s revenue, operating profit, assets employed, liabilities, capital expenditure, depreciation and non-cash expenses are confined to one business segment and located in Malaysia.

Major segments analysed by geographical location of customers are as follows:-

	Period ended	
	15 months 31.03.2016 <u>RM</u>	12 months 31.12.2014 <u>RM</u>
<b>Revenue</b>		
— Domestic	104,415,200	96,681,366
— Overseas	30,521,987	25,828,970
	<u>134,937,187</u>	<u>122,510,336</u>

**A10. Capital Commitment**

There were no capital commitment approved and contracted for during the current period ended 31<sup>st</sup> March 2016.





**SEREMBAN ENGINEERING BERHAD (“SEB”)  
(Company No: 45332-X)**

**Notes to the quarterly report – 31<sup>st</sup> March 2016**

**A11. Material events subsequent to the end of the interim**

The Group has, on 22<sup>nd</sup> July 2015, entered into a conditional Share Sale Agreement with Grand River Marketing Sdn Bhd (1140512-P) (“Purchaser”) for, inter alia, the proposed disposal of the entire 40% equity interest held by SEB in Selektta Spektra Sdn Bhd (942891-H) (“SELEKTA”) comprising 2,370,000 ordinary shares of RM1.00 each (“Sale Shares”) to the Purchaser at approximately RM4.22 per Sale Share for a cash consideration of RM10,000,000 (Ringgit Malaysia Ten Million) only upon the terms and subject to the conditions as stipulated in the Agreement (“Proposed Disposal”). The details of the arrangement was announced on 22<sup>nd</sup> July 2015 at the Company Announcement section of Bursa Malaysia.

Further to the company announcement made on 22<sup>nd</sup> July 2015, we have received RM2,000,000 ( Ringgit Malaysia Two Million) being the deposit pursuant to Clause 1.3(a) of the Share Sale Agreement.

On 23<sup>rd</sup> February 2016, purchaser solicitor confirmed their Client’s satisfaction with the Due Diligence Review report pursuant to Clause 2.6 of the share Sales Agreement dated 22<sup>nd</sup> July 2015

Pursuant to the announcement on 29<sup>th</sup> April 2016, the transaction was completed.

**A12. Changes in the composition of the Group**

There was no change in the composition of the Group during the current quarter under review.

**A13. Changes in contingent liabilities and contingent assets**

As at the date of this announcement, there were no material contingent liabilities and contingent assets incurred by the Group which, upon becoming enforceable, may have a material impact on the financial position of the Group.

**A14. Change in financial year end**

The Group had changed the financial year end from 31 December to 30 June.

**PART B : ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS  
OF BURSA SECURITIES**

**B1. Review of performance**

The current quarter results showed Group revenue of RM20.58 million and a net loss after taxation after non-controlling interest of RM0.78 million as compared to a revenue of RM36.25 million and loss after tax after non-controlling interest of RM6.60 million in the corresponding quarter in the previous financial year, mainly due to lower sales recognised as a result of lower order book obtained in last preceding quarter.

Meanwhile, for the financial period ended 31<sup>st</sup> March 2016, which covers a 15 months period, the current year results showed Group revenue of RM134.94 million and a net loss after taxation after non-controlling interest of RM19.75 million.

The results were mainly due to cost overrun on SAMUR project recognised during the financial period ended 31<sup>st</sup> March 2016.



**SEREMBAN ENGINEERING BERHAD (“SEB”)  
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**Notes to the quarterly report – 31<sup>st</sup> March 2016**

**B2. Variation of results against preceding quarter**

The Group recorded loss before taxation of RM0.92 million for the current quarter as compared to preceding quarter’s loss before tax of RM2.84 million mainly from positive contribution from new projects.

**B3. Prospects**

Despite economic outlook remain challenging, the company is stepping up its effort to focus on its core business in fabrication of pressure vessels and process equipment for oil and fats industries, chemical, downstream petrochemical, water treatment and power plants.

With the Company marketing strategy in broadening the customer base and products especially in steel structural works, the Board aim to streamline the operations and reduce losses so as to turnaround the Company.

**B4. Profit forecast or profit guarantee**

The Group did not disclose or announce any profit forecast or projection in a public document in the current quarter or prior financial period.

**B5. Tax expense**

	3 months ended		Period ended	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
	<u>RM’000</u>	<u>RM’000</u>	<u>RM’000</u>	<u>RM’000</u>
Income Tax	-	(11)	-	N/A
Deferred Tax	-	2,309	27	N/A
Total	-	2,298	27	N/A

No provision of tax is required as the company suffered losses for the financial year.



**SEREMBAN ENGINEERING BERHAD (“SEB”)**  
**(Company No: 45332-X)**

**Notes to the quarterly report – 31<sup>st</sup> March 2016**

**B6. Notes to the Statements of Comprehensive Income**

	3 months ended		Period ended	
	31.03.2016 RM'000	31.03.2015 RM'000	31.03.2016 RM'000	31.03.2015 RM'000
Interest income	(24)	(20)	(64)	N/A
Interest expense	717	576	3,801	N/A
Depreciation	612	717	3,336	N/A

**B7. Group Borrowings**

The Group's borrowings as at 31<sup>st</sup> March 2016 were as follows:-

<u>Current</u>		RM'000
Secured	— Trade bills and other short term borrowings	38,385
	— Bank Overdraft	1,716
	— Term Loan	1,527
	— Hire Purchase	510
		<u>42,138</u>
<u>Non-current</u>		
Secured	— Term Loan	11,208
	— Hire Purchase	996
		<u>12,204</u>
		<u><u>54,342</u></u>

**B8. Status of Corporate Proposals**

There were no corporate proposals announced by the Company as at the date of the issue of this quarterly report.

**B9. Changes in material litigation**

The Group is not engaged in any material litigation and arbitration, either as plaintiff or defendant, which has material effect on the financial position of the Group, and the Board is not aware of any proceedings pending or threatened, or of any facts likely to give rise to any proceedings, which might materially and adversely affect the position or business of the Group, save as disclosed below.

The Group was served with a notice pursuant to Section 218 of the Companies Act 1965 (“218 Notice”) by a vendor to demand repayment of a purported debt. In response, the Group filed an Originating Summons ( OS) together with a Notice of Application seeking an injunction to restrain the said vendor from taking any further action in relation to the 218 Notice. An interlocutory injunction pursuant to the said Notice of Application was granted on 23<sup>rd</sup> December 2015, pending final disposal of the OS.



**SEREMBAN ENGINEERING BERHAD (“SEB”)  
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**Notes to the quarterly report – 31<sup>st</sup> March 2016**

On 3<sup>rd</sup> February 2016, a decision in respect of the OS was delivered by the Kuala Lumpur High Court (KLHC) which found in the Group’s favour. The learned Judge found that the Group had shown that the purported debt was a bona fide disputed debt and satisfied the Court’s threshold for granting the declarations sought by the Group. In essence, the vendor is now prevented from presenting a winding-up petition against the Group for the purported debt and this decision constitutes final disposal of the KLHC proceedings.

However, the vendor has appealed to the Court of Appeal (COA) against both the decision to grant an interlocutory injunction (“Injunction Appeal”) as well as the decision in respect of the OS (“OS Appeal”). The Injunction Appeal is fixed for hearing before the Court of Appeal on 28<sup>th</sup> June 2016 whilst the OS Appeal is presently being case managed with the next case management being fixed for 2<sup>nd</sup> June 2016.

**B10. Dividends**

The Board does not recommend any dividend in respect of current quarter under review.

**B11. Loss per ordinary share**

**(a) Basic**

The basic loss per ordinary share amounts are calculated by dividing loss for the period attributable to ordinary equity owners of the parent by the weighted average number of ordinary shares in issue during the financial period ended 31<sup>st</sup> March 2016, computed as follow:-

<u>Basic loss per share</u>	Current quarter <u>RM</u>	Current period to date <u>RM</u>
Net loss attributable to the owners of the company	(781,883)	(19,752,763)
Weighted average number of ordinary shares in issue	79,680,800	79,680,800
Basic loss per share (sen)	(0.98)	(24.79)

**(b) Diluted**

The diluted loss per share of the Group were not presented as there were no dilutive potential ordinary shares during the financial year.



**SEREMBAN ENGINEERING BERHAD (“SEB”)  
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**Notes to the quarterly report – 31<sup>st</sup> March 2016**

**B12. Realised and unrealised profit / (losses) disclosure**

The breakdown of the accumulated losses of the Group into realised and unrealised profit / (losses) are presented pursuant to the directive issued by Bursa Malaysia Securities Berhad and prepared in accordance with Guidance of Special Matter No 1 “*Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements*”, issued by the Malaysian Institute of Accountants (Bursa Securities), as follows:

	As at <u>31.03.2016</u>	As at <u>31.12.2015</u>
Accumulated losses of the Company and its subsidiaries:-		
— Realised	(1,567,484)	(649,772)
— Unrealised	(297,802)	(297,802)
	<u>(1,865,286)</u>	<u>(947,574)</u>
Share of accumulated losses from associate and jointly controlled entities:-		
— Realised	(718,466)	(715,579)
	<u>(2,583,752)</u>	<u>(1,663,153)</u>
Less: Consolidation adjustments	(910,119)	(1,048,835)
Total Group accumulated losses as per Statement of Financial Position	<u>(3,493,871)</u>	<u>(2,711,988)</u>

The disclosure of realised and unrealised profits above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Securities and should not be applied for any other purposes.

By Order of the Board

Wong Wai Hung  
Executive Director