



SEREMBAN ENGINEERING BERHAD
(Company No. 45332X)

CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2017

	Unaudited as at 31.03.2017 RM'000	Audited as at 30.06.2016 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	50,917	54,086
Other receivables	690	690
Deferred Tax Asset	85	85
Investment properties	87	88
	<u>51,779</u>	<u>54,949</u>
Current assets		
Inventories	21,618	25,638
Trade and other receivables	32,052	32,120
Deposit, cash and bank balances	5,327	5,442
Current tax assets	1,120	1,315
	<u>60,117</u>	<u>64,515</u>
TOTAL ASSETS	<u><u>111,896</u></u>	<u><u>119,464</u></u>
EQUITY AND LIABILITIES		
Equity		
Share capital	40,000	40,000
Treasury Shares	(157)	(157)
Other Reserves	5,584	5,584
Reserves	(16,199)	(19,907)
Equity attributable to owners of the parent	<u>29,228</u>	<u>25,520</u>
Non-controlling interest	-	385
Total equity	<u>29,228</u>	<u>25,905</u>
Non-current liabilities		
Bank borrowings	13,944	10,823
Hire purchases and lease payables	686	1,055
	<u>14,630</u>	<u>11,878</u>
Current liabilities		
Trade and other payables	30,352	37,471
Amount due to Holding	11,014	9,565
Amount due to Associate	287	285
Bank borrowings	26,030	33,837
Hire purchases and lease payables	355	523
	<u>68,038</u>	<u>81,681</u>
TOTAL LIABILITIES	<u>82,668</u>	<u>93,559</u>
TOTAL EQUITY AND LIABILITIES	<u><u>111,896</u></u>	<u><u>119,464</u></u>
Net Asset per share attributable to owners of the parent (RM)	0.37	0.32

The Condensed Interim Financial Statements should be read in conjunction with SEB's audited consolidated financial statements for the financial year ended 30th June 2016 with the accompanying explanatory notes attached to the financial statements.

CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2017

	Current quarter 31.03.2017 RM'000	Comparative quarter 31.03.2016 RM'000	Cumulative 9 months 31.03.2017 RM'000	31.03.2016 RM'000
Revenue	20,339	20,578	65,805	N/A
Operating Profit / (Loss)	2,040	(228)	7,635	N/A
Interest expense	(536)	(716)	(1,991)	N/A
Interest income	69	24	71	N/A
Share of Loss of Associate	(2)	(3)	(2)	N/A
Profit / (Loss) before taxation	<u>1,571</u>	<u>(923)</u>	<u>5,713</u>	<u>N/A</u>
Tax	-	-	-	N/A
Profit / (Loss) after taxation	<u>1,571</u>	<u>(923)</u>	<u>5,713</u>	<u>N/A</u>
Total Comprehensive Income / (Expense) for the period	<u>1,571</u>	<u>(923)</u>	<u>5,713</u>	<u>N/A</u>
Profit / (Loss) after taxation attributable to :				
Owners of the Company	1,571	(781)	3,708	N/A
Non-Controlling Interests	-	(142)	2,005	N/A
	<u>1,571</u>	<u>(923)</u>	<u>5,713</u>	<u>N/A</u>
Total Comprehensive Income / (Expense) attributable to :				
Owners of the Company	1,571	(781)	3,708	N/A
Non-Controlling Interests	-	(142)	2,005	N/A
	<u>1,571</u>	<u>(923)</u>	<u>5,713</u>	<u>N/A</u>
Basic Earnings / (Loss) per share (sen)	1.97	(0.98)	4.65	N/A

Due to the change in the current financial year end from 31st December 2015 to 30th June 2016, there were no comparative financial information available for the cumulative 9 month financial period ended 31st 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 30th June 2016 with the accompanying explanatory notes attached to the financial



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CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2017

	Attributable to Owners of the Company					Total RM'000	Non-Controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Treasury Shares RM'000	Retained Profit RM'000	Distributable Profit RM'000			
As at 1st July 2016	40,000	5,584	(157)	(19,907)	25,520	385	25,905	
Total comprehensive income for the period	-	-	-	3,708	3,708	2,005	5,713	
Disposal of investment in subsidiary	-	-	-	-	-	(2,048)	(2,048)	
Dividend paid by subsidiary to non-controlling interests	-	-	-	-	-	(342)	(342)	
Total transactions with owners	-	-	-	-	-	(2,390)	(2,390)	
As at 31st March 2017	40,000	5,584	(157)	(16,199)	29,228	0	29,228	
As at 1st January 2015	40,000	5,584	(157)	16,259	61,686	839	62,525	
Total comprehensive expenses for the period	-	-	-	(36,166)	(36,166)	(454)	(36,620)	
As at 30th June 2016	40,000	5,584	(157)	(19,907)	25,520	385	25,905	

The unaudited Condensed Interim Financial Statements should be read in conjunction with SEB's audited consolidated financial statements for the financial year ended 30th June 2016 with the accompanying explanatory notes attached to the financial statements.



SEREMBAN ENGINEERING BERHAD
(Company No. 45332X)

CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2017

	9 months 31.03.2017 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES	
Profit / (Loss) before tax	5,713
Adjustment for:-	
Depreciation on plant, property and equipment	1,491
Depreciation on investment property	2
Gain on disposal of property, plant and equipment	(407)
Loss on disposal of subsidiary	536
Property, plant and equipment written off	11
Share of results in associates	2
Reversal of impairment losses on trade receivables	(4,354)
Reversal of unrealised gain on foreign exchange	84
Interest expenses	1,991
Interest income	(71)
	<hr/> 4,998
Changes in working capital	
Inventories	2,993
Trade and other receivables, prepayment and other assets	(973)
Trade and other payables	2,591
Cash generated from operations	<hr/> 9,609
Interest paid	(1,991)
Interest received	71
Tax refund	207
Tax paid	(4)
Net cash generated from operating activities	<hr/> <hr/> 7,892
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from disposal of property, plant and equipment	792
Purchase of property, plant and equipment	(737)
Net cash generated from investing activities	<hr/> <hr/> 55
CASH FLOWS FROM FINANCING ACTIVITIES	
Dividend paid by subsidiary to NCI	(342)
Drawdown from Term Loan	6,840
Net advance from ultimate holding company	1,411
Net cash outflow on disposal of subsidiary	(3,908)
Net increase in fixed deposits pledged	(2)
Net movement in trade bills	(4,478)
Repayment of hire purchase and lease payables	(538)
Repayment of term loans and revolving credit	(6,311)
Net cash used in financing activities	<hr/> <hr/> <hr/> (7,328)



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CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2017

	9 months 31.03.2017 RM'000
NET INCREASE IN CASH AND CASH EQUIVALENTS	619
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	<u>4,605</u>
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	<u><u>5,224</u></u>
CASH AND CASH EQUIVALENTS COMPRISE OF:	
Short term deposit placed with licensed banks	108
Cash and bank balances	<u>5,219</u>
	5,327
Less : FD pledged with licensed bank	<u>(103)</u>
	5,224
Bank overdraft	<u>-</u>
	<u><u>5,224</u></u>

In view of the change in the financial year end from 31 December to 30 June 2016, there were no comparative financial information available for the cumulative 9 month financial period ended 31 March 2016.

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 30th June 2016 with the accompanying explanatory notes attached to the financial statements.



NOTE TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRT QUARTER ENDED 31 MARCH 2017

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 31st March 2017, 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 financial year ended 30th June 2016.

The financial information presented herein has been prepared in accordance with the accounting policies used in preparing the annual consolidated financial statements for 30 June 2016 under the Malaysian Financial Reporting Standards (MFRS) framework. These policies do not differ significantly from those used in the audited consolidated financial statements for 30 June 2016 except as described below.

During the financial period, the Group has adopted the following new accounting standards and interpretations (including the consequential amendments, if any):-

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

MFRS 14 Regulatory Deferral Accounts

Amendments to MFRS 10, MFRS 12 and MFRS 128: Investment Entities – Applying the Consolidation Exception

Amendments to MFRS 11: Accounting for Acquisitions of Interests in Joint Operations

Amendments to MFRS 101: Disclosure Initiative

Amendments to MFRS 116 and MFRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation

Amendments to MFRS 116 and MFRS 141: Agriculture – Bearer Plants

Amendments to MFRS 127: Equity Method in Separate Financial Statements

Annual Improvements to MFRSs 2012 – 2014 Cycle

The adoption of the above accounting standards and interpretations (including the consequential amendments, if any) did not have any material impact on the Group’s financial statements.

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:-



A1. Basis of preparation (cont)

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
MFRS 9 Financial Instruments (IFRS 9 issued by IASB in July 2014)	1 January 2018
MFRS 15 Revenue from Contracts with Customers	1 January 2018
MFRS 16 Leases	1 January 2019
IC Interpretation 22 Foreign Currency Transaction and Advance Consideration	1 January 2018
Amendments to MFRS 2: Classification and Measurement of Share-based Payment Transactions	1 January 2018
Amendments to MFRS 4: Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts	1 January 2018*
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice
Amendments to MFRS 15: Effective Date of MFRS 15	1 January 2018
Amendments to MFRS 15: Clarification to MFRS 15 “Revenue from Contracts with Customers”	1 January 2018
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 140 – Transfers of Investment Property	1 January 2018
Annual Improvements to MFRS Standards 2014 – 2016 Cycles:	1 January 2017
- Amendments to MFRS 12: Clarification of the Scope of Standard	
Annual Improvements to MFRS Standards 2014- 2016 Cycles:	1 January 2018
- Amendments to MFRS 1: Deletion of Short term Exemptions for First time Adopter	
- Amendments to MFRS 128: Measuring an Associate or Joint Venture at Fair Value	

*Entities that meet the specific criteria in MFRS 4.2B may choose to defer the application of MFRS 9 until the earlier of the application of the forthcoming insurance contracts standard or annual periods beginning before 1 January 2021.

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.

A2. Qualification of financial statements

The preceding year annual audited financial statements were not subject to any qualification.