



**SARAWAK CABLE BERHAD**  
**(456400-V)**  
**(Incorporated in Malaysia)**

**UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2016**

**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE**  
**INCOME**

	Note	Current quarter 3 months ended		Cumulative quarter 12 months ended	
		31.12.2016 RM'000	31.12.2015 RM'000	31.12.2016 RM'000	31.12.2015 RM'000
Revenue		275,219	422,491	1,299,777	1,454,443
Cost of sales		(245,689)	(393,224)	(1,191,477)	(1,334,8132)
Gross profit		29,530	29,267	108,300	119,631
Other operating income		2,615	4,779	13,688	13,804
Administrative expenses		(7,955)	(11,909)	(29,927)	(33,264)
Other operating expenses		(6,562)	(5,444)	(28,532)	(24,178)
Operating profit		17,628	16,693	63,529	75,993
Finance costs		(10,288)	(2,258)	(29,271)	(21,984)
Profit before tax	A7	7,340	14,435	34,258	54,009
Income tax expense	A8	(4,183)	(3,526)	(14,229)	(14,517)
Profit for the period		3,157	10,909	20,029	39,492
Other comprehensive income					
Exchange differences on translation of foreign operation		(341)	404	2,442	770
Net movement of cash flow hedge		(583)	98	1,116	(537)
Other comprehensive (loss)/income for the period, net of tax		(924)	502	3,558	233
Total comprehensive income for the period, net of tax		2,233	11,411	23,587	39,725
<b>Profit for the period attributable to:</b>					
Owners of the parent		3,365	10,821	19,116	39,185
Non-controlling interests		(208)	88	913	307
		3,157	10,909	20,029	39,492
<b>Total comprehensive income for the period, net of tax attributable to:</b>					
Owners of the parent		1,988	11,235	22,146	39,251
Non-controlling interests		245	176	1,441	474
		2,233	11,411	23,587	39,725
<b>Earnings per share attributable to owners of the parent (sen per share):</b>					
Basic	A9	1.06	3.41	6.03	12.36
Diluted	A9	1.06	3.41	6.03	12.36

*The condensed consolidated statements of profit or loss and other comprehensive income should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.*



**SARAWAK CABLE BERHAD**  
**(456400-V)**  
**(Incorporated in Malaysia)**

**UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT 31 DECEMBER 2016**  
**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

	Note	31.12.2016 RM'000	31.12.2015 RM'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	A10	463,604	343,769
Intangible assets		2,535	2,714
Deferred tax assets		41,824	46,684
Concession financial assets	A11	83,787	63,586
Other assets	A12	-	107,646
Long term retention sum		68,178	52,062
		<u>659,928</u>	<u>616,461</u>
<b>Current assets</b>			
Inventories		119,134	153,811
Trade and other receivables		357,904	402,702
Other current assets		127,217	58,140
Tax recoverable		3,122	3,214
Derivatives assets		762	27
Cash and bank balances	A13	73,350	65,445
		<u>681,489</u>	<u>683,339</u>
<b>TOTAL ASSETS</b>		<u>1,341,417</u>	<u>1,299,800</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Current liabilities</b>			
Derivatives liabilities		19	1,362
Loans and borrowings	A14	553,506	449,898
Trade and other payables		228,060	331,843
Other current liabilities		1,815	5,982
Income tax payable		1,753	3,532
		<u>785,153</u>	<u>792,617</u>
<b>Net current liabilities</b>		<u>(103,664)</u>	<u>(109,278)</u>
<b>Non-current liabilities</b>			
Loans and borrowings	A14	181,755	142,595
Trade payables		27,868	27,868
Deferred tax liabilities		13,923	11,735
		<u>223,546</u>	<u>182,198</u>
<b>Total liabilities</b>		<u>1,008,699</u>	<u>974,815</u>
<b>Net assets</b>		<u>332,718</u>	<u>324,985</u>
<b>Equity attributable to equity holders of the Company</b>			
Share capital		158,525	158,525
Reverse acquisition reserve		(37,300)	(37,300)
Share premium		79,796	79,796
Foreign currency translation reserves		1,512	(402)
Hedge reserve		579	(537)
Revenue reserves		127,511	124,249
		<u>330,623</u>	<u>324,331</u>
Non-controlling interests		2,095	654
<b>Total equity</b>		<u>332,718</u>	<u>324,985</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>1,341,417</u>	<u>1,299,800</u>
Net assets per share attributable to owners of the Company (sen)		105	103

*The condensed consolidated statements of financial position should be read in conjunction with the accompanying notes attached to the interim financial statement.*



**SARAWAK CABLE BERHAD**  
**(456400-V)**  
**(Incorporated in Malaysia)**

**UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016**

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

	Equity, total RM'000	Attributable to owners of the parent							Non- controlling interests RM'000
		Equity attributable to owners of the Company, total RM'000	Non-distributable				Distributable		
		Share capital RM'000	Reverse acquisition reserve RM'000	Share premium RM'000	Foreign currency translation reserve RM'000	Hedge reserve RM'000	Revenue reserves RM'000		
At 1 January 2015									
As previously stated	297,669	297,489	158,525	(37,300)	79,796	(1,005)	-	97,473	180
Adjustment to provisional negative goodwill	(1,312)	(1,312)	-	-	-	-	-	(1,312)	-
As stated	296,357	296,177	158,525	(37,300)	79,796	(1,005)	-	96,161	180
Profit for the period	39,492	39,185	-	-	-	-	-	39,185	307
Other comprehensive income	233	66	-	-	-	603	(537)	-	167
Total comprehensive income	39,725	39,251	-	-	-	603	(537)	39,185	474
Dividends on ordinary shares	(11,097)	(11,097)	-	-	-	-	-	(11,097)	-
At 31 December 2015	324,985	324,331	158,525	(37,300)	79,796	(402)	(537)	124,249	654

*The condensed consolidated statements of changes in equity should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.*



**SARAWAK CABLE BERHAD**  
**(456400-V)**  
**(Incorporated in Malaysia)**

**UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016**

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

	Equity, total	Attributable to owners of the parent							Non-controlling interests
		Equity attributable to owners of the Company, total	Non-distributable					Distributable	
	RM'000	RM'000	Share capital RM'000	Reverse acquisition reserve RM'000	Share premium RM'000	Foreign currency translation reserve RM'000	Hedge reserve RM'000	Revenue reserves RM'000	RM'000
At 1 January 2016	324,985	324,331	158,525	(37,300)	79,796	(402)	(537)	124,249	654
Profit for the period	20,029	19,116	-	-	-	-	-	19,116	913
Other comprehensive income	3,558	3,030	-	-	-	1,914	1,116	-	528
Total comprehensive income	23,587	22,146	-	-	-	1,914	1,116	19,116	1,441
Dividends on ordinary shares	(15,854)	(15,854)	-	-	-	-	-	(15,854)	-
At 31 December 2016	332,718	330,623	158,525	(37,300)	79,796	1,512	579	127,511	2,095

*The condensed consolidated statements of changes in equity should be read in conjunction with the accompanying explanatory notes attached to the interim financial statement.*



**SARAWAK CABLE BERHAD**  
**(456400-V)**  
**(Incorporated in Malaysia)**

**UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2016**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	Current year to date	Preceding year corresponding period
	31.12.2016	31.12.2015
	RM'000	RM'000
	<b>Note</b>	
<b>Operating activities</b>		
Profit before tax	34,258	54,009
Adjustments for:		
Amortisation of intangible assets	179	913
Amortisation of trade payables	-	87
Bad debts recovered	(463)	(4,257)
Depreciation of property, plant and equipment	22,438	19,502
Deposit written off	-	65
Gain on disposal of property, plant and equipment, net	(89)	(169)
Finance income from concessions financial assets	(3,750)	(2,192)
Impairment of property, plant and equipment	-	172
Interest expense	29,271	21,984
Interest income	(1,370)	(2,264)
Inventories written-off	1,568	130
Net fair value gain on derivatives	(496)	-
Property, plant and equipment written off	143	8
(Reversal of)/allowance for impairment loss of trade receivables	(6)	1,107
Reversal of provision for inventories obsolescence	-	(292)
Unrealised gain on foreign exchange	(3,525)	(4,462)
Unwinding of discount on finance lease	(22)	(23)
Operating cash flows before working capital changes	78,136	84,318
Changes in working capital:		
Decrease/(increase) in inventories	33,109	(31,218)
Decrease in trade and other receivables	29,151	57,315
Increase in other current assets	(73,244)	(12,872)
Decrease in trade and other payables	(100,258)	(72,477)
(Decrease)/increase in derivative liabilities	(981)	685
Increase in concession financial assets	(16,451)	(28,209)
Total changes in working capital	(128,674)	(86,776)
Cash used in operations	(50,538)	(2,458)
Interest paid	(29,271)	(26,389)
Tax paid, net of refund	(8,353)	(13,329)
Net cash flows used in operating activities	(88,162)	(42,176)



**SARAWAK CABLE BERHAD**  
**(456400-V)**  
**(Incorporated in Malaysia)**

**UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2016**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTD.)**

	<b>Current year to date</b>	<b>Preceding year corresponding period</b>
<b>Note</b>	<b>31.12.2016 RM'000</b>	<b>31.12.2015 RM'000</b>
<b>Investing activities</b>		
Deposit paid for purchase of helicopters	-	(40,450)
Purchase of property, plant and equipment	(34,771)	(10,391)
Interest received	1,370	2,264
Proceeds from disposal of property, plant and equipment	90	275
Net cash used in investing activities	<u>(33,311)</u>	<u>(48,302)</u>
<b>Financing activities</b>		
Net drawdown from borrowings	140,722	102,439
Dividend paid on ordinary shares	(15,854)	(11,097)
Decrease in cash and bank balances pledged for bank borrowings	153	1,329
Net cash from financing activities	<u>125,021</u>	<u>92,671</u>
<b>Net increase in cash and cash equivalents</b>	3,548	2,193
Effect on exchange rate changes	2,442	770
Cash and cash equivalents at 1 January	42,700	39,737
<b>Cash and cash equivalents at 31 December</b>	<u>48,690</u>	<u>42,700</u>

A13

*The condensed consolidated statement of cash flows should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.*



**SARAWAK CABLE BERHAD**  
**(456400-V)**  
**(Incorporated in Malaysia)**

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2016**

**PART A – EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134: INTERIM FINANCIAL REPORTING**

**A1. Corporate information**

Sarawak Cable Berhad (“the company”) is a public limited liability company incorporated and domiciled in Malaysia, and is listed on Bursa Malaysia Securities Berhad.

These condensed consolidated interim financial statements were approved by the Board of Directors on 23 February 2017.

**A2. Significant accounting policies**

The audited financial statements of the Group for the year ended 31 December 2015 were prepared in accordance with Malaysian Financial Reporting Standards (MFRS). The significant accounting policies adopted in preparing these condensed consolidated interim financial statements are consistent with those of the audited financial statements for the year ended 31 December 2015.

**A3. Changes in estimates**

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

**A4. Item of unusual nature, size or incidence**

There was no item of unusual nature, size or incidence.

THE REMAINDER OF THIS PAGE HAS BEEN INTENTIONAL LEFT BLANK



**SARAWAK CABLE BERHAD**  
**(456400-V)**  
**(Incorporated in Malaysia)**

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2016**

**PART A – EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134: INTERIM FINANCIAL REPORTING**

**A5. Segment information**

	Sales of power and telecommunication cables		Sales of galvanised products and steel structures		Transmission lines construction		Power generation, helicopter services and corporate		Total		Adjustments/ elimination		Per condensed consolidated financial statements	
	31 Dec 2016 RM'000	31 Dec 2015 RM'000	31 Dec 2016 RM'000	31 Dec 2015 RM'000	31 Dec 2016 RM'000	31 Dec 2015 RM'000	31 Dec 2016 RM'000	31 Dec 2015 RM'000	31 Dec 2016 RM'000	31 Dec 2015 RM'000	31 Dec 2016 RM'000	31 Dec 2015 RM'000	31 Dec 2016 RM'000	31 Dec 2015 RM'000
<b>Revenue</b>														
External customers	856,592	760,549	35,830	129,639	385,512	510,464	21,843	53,771	1,299,777	1,454,443	-	-	1,299,777	1,454,443
Inter-segment	146,685	3,950	32	31	-	-	10,400	5,400	157,117	9,381	(157,117)	(9,381)	-	-
<b>Total revenue</b>	<b>1,003,277</b>	<b>764,519</b>	<b>35,862</b>	<b>129,670</b>	<b>385,512</b>	<b>510,464</b>	<b>32,243</b>	<b>59,171</b>	<b>1,456,894</b>	<b>1,463,824</b>	<b>(157,117)</b>	<b>(9,381)</b>	<b>1,299,777</b>	<b>1,454,443</b>
<b>Segment profit/(loss)</b>	<b>29,035</b>	<b>17,843</b>	<b>2,265</b>	<b>(303)</b>	<b>15,018</b>	<b>17,575</b>	<b>(12,060)</b>	<b>18,850</b>	<b>34,258</b>	<b>53,965</b>	<b>-</b>	<b>44</b>	<b>34,258</b>	<b>54,009</b>

THE REMAINDER OF THIS PAGE HAS BEEN INTENTIONAL LEFT BLANK





**SARAWAK CABLE BERHAD**  
**(456400-V)**  
**(Incorporated in Malaysia)**

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2016**

**PART A – EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134: INTERIM FINANCIAL REPORTING**

**A5. Segment information (contd.)**

The Group is organised into business units based on their products and services, and has four operating segments as follows:

- (a) The sales of power and telecommunication cables segment supplies power and telecommunication cables and cable components to consumers.
- (b) The sales of galvanised products and steel structures segment supplies galvanised products and steel structures. It also offers galvanising services.
- (c) The transmission lines construction segment involves the supply, installation and commissioning of transmission line projects.
- (d) The power generation, helicopter services and corporate segment is involved in power generation business, provision of helicopter services and Group-level corporate and management services.

**Sales of power and telecommunication cables**

The sales of power and telecommunication cables segment contributed 65.9% (31 December 2015: 52.3%) of the total revenue of the Group for the period ended 31 December 2016.

The segment recorded a revenue and profit before tax of RM856.6 million and RM29.0 million respectively for the year ended 31 December 2016 as compared to revenue and profit before tax of RM760.5 million and RM17.8 million respectively in the corresponding year ended 31 December 2015. The increase of sales in this segment was mainly due to recovery of cable sales from projects and mass market. The operating profit increase was in line with the increased in revenue.

The Group remains positive that the demands for power and telecommunication cables will continue to grow.

**Sales of galvanised products and steel structures**

The sales of galvanised products and steel structures segment contributed 2.8% (31 December 2015: 8.9%) of the total revenue of the Group for the year ended 31 December 2016.

This segment recorded profit before tax of RM2.3 million when compared with corresponding period ended 31 December 2015 loss before tax of RM0.3million. The loss in 2015 was due to adverse foreign exchange impact arising from overseas purchase of raw materials.

Market demand for products under this segment has been relatively weak in 2016. However, the Group remains confident that the demand for galvanised steel products and transmission tower will continue to improve.



**SARAWAK CABLE BERHAD**  
**(456400-V)**  
**(Incorporated in Malaysia)**

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2016**

**PART A – EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134: INTERIM FINANCIAL REPORTING**

**A5. Segment information (contd.)**

**Transmission lines construction**

The transmission line construction segment contributed 29.7% (31 December 2015: 35.1 %) of the total revenue of the Group and was one of the main contributor to the Group’s operating profit for the period ended 31 December 2016.

The segment recorded a revenue and profit before tax of RM385.5 million and RM15.0 million respectively for the financial year ended 31 December 2016 as compared to RM510.5 million and RM17.6 million respectively for the corresponding year in 2015.

Segment results for the financial year ended 31 December 2016 had decreased as compared to corresponding year in 2015 as the current projects in hand are near completion.

The Group remains positive that performance for this segment will continue to improve with the Group’s development plans for the power transmission industry, which includes expanding market coverage.

**Power generation, helicopter services and corporate**

The power generation, helicopter services and corporate segment provides power generation business, provision of helicopter services and Group-level corporate and management services. In the financial year ended 31 December 2016, power generation, helicopter services and corporate segment contributed RM21.8 million to the total revenue of the Group.

The Group is making continuous effort and time to nurture, strategize and plan this segment.

**Consolidated profit before tax**

The Group recorded a profit before tax of RM34.3 million (31 December 2015: RM54.0 million) for the year ended 31 December 2016, which was lower than corresponding period in 2015 principally due to lower contribution from the power generation, helicopter services and corporate segment.

The main factors which had affected the current quarter’s profit before tax are explained above.

**A6. Seasonality of operations**

The Group's operations were not significantly affected by seasonal or cyclical factors.



**SARAWAK CABLE BERHAD**  
**(456400-V)**  
**(Incorporated in Malaysia)**

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2016**

**PART A – EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134: INTERIM FINANCIAL REPORTING**

**A7. The following items have been included in arriving at profit before tax:**

	Current quarter 3 months ended		Cumulative quarter 12 months ended	
	31 December 2016 RM'000	31 December 2015 RM'000	31 December 2016 RM'000	31 December 2015 RM'000
Amortisation of intangible assets	7	80	179	913
Amortization of trade payables	-	49	-	87
Bad debts recovered	(14)	(1,243)	(463)	(4,257)
Depreciation of property, plant and equipment	5,415	4,479	22,438	19,502
Deposit written off	-	-	-	65
Finance income from concession financial assets	(933)	(626)	(3,750)	(2,192)
Gain on disposal of property, plant and equipment, net	-	(177)	(89)	(169)
Impairment of property, plant and equipment	-	172	-	172
Interest expense	10,288	2,597	29,271	21,984
Interest income	(421)	(341)	(1,370)	(2,264)
Inventories written off	1,549	14	1,568	130
Net fair value gain on derivatives	(496)	-	(496)	-
Property, plant and equipment written off	-	-	143	8
(Reversal of)/allowance for impairment loss of trade receivables	71	84	(6)	1,107
Reversal of provision for inventories obsolescence	-	-	-	(292)
Unrealised gain on foreign exchange	(2,956)	245	(3,525)	(4,462)
Unwinding of discount on finance lease	(6)	(6)	(22)	(23)

THE REMAINDER OF THIS PAGE HAS BEEN INTENTIONAL LEFT BLANK



**SARAWAK CABLE BERHAD**  
**(456400-V)**  
**(Incorporated in Malaysia)**

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2016**

**PART A – EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134: INTERIM FINANCIAL REPORTING**

**A8. Income tax expense**

	Current quarter 3 months ended		Cumulative quarter 12 months ended	
	31 December 2016 RM'000	31 December 2015 RM'000	31 December 2016 RM'000	31 December 2015 RM'000
Current income tax:				
Based on results for the period	929	3,933	6,237	13,752
Under/(over) provision of income tax in respect of previous year	23	(189)	144	(189)
Deferred income tax	3,231	(218)	7,848	954
	<u>4,183</u>	<u>3,526</u>	<u>14,229</u>	<u>14,517</u>

The effective tax rate for the current quarter, current year and corresponding year was higher than the statutory tax rate principally due to the certain expenses which were not deductible for tax purposes and losses of a subsidiary which cannot be off set against taxable profits made by other subsidiaries.

**A9. Earnings per share**

Basic earnings per share amounts are calculated by dividing profit for the period, net of tax, attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the period.

The Group had no potential ordinary shares in issue as at the reporting date and therefore, diluted earnings per share is presented as equal to basic earnings per share.

The following are the profit and share data used in the computation of basic and diluted earnings per share:

	Current year quarter		Current year to date	
	31 December 2016	31 December 2015	31 December 2016	31 December 2015
Profit net of tax attributable to equity holders of The Company (RM'000)	<u>3,365</u>	<u>10,821</u>	<u>19,116</u>	<u>39,185</u>
Weighted average number of ordinary shares in issue (‘000)	<u>317,050</u>	<u>317,050</u>	<u>317,050</u>	<u>317,050</u>
Basic earnings per share (sen per ordinary share)	<u>1.06</u>	<u>3.41</u>	<u>6.03</u>	<u>12.36</u>
Diluted earnings per share (sen per ordinary share)	<u>1.06</u>	<u>3.41</u>	<u>6.03</u>	<u>12.36</u>



**SARAWAK CABLE BERHAD**  
**(456400-V)**  
**(Incorporated in Malaysia)**

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2016**

**PART A – EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134: INTERIM FINANCIAL REPORTING**

**A10. Property, plant and equipment**

During the twelve months ended 31 December 2016, the Group acquired assets at the cost of RM34.77 million (31 December 2015: RM50.84 million).

**A11. Concession financial assets**

	<b>2016</b> <b>RM’000</b>	<b>2015</b> <b>RM’000</b>
At 1 January	63,586	33,185
Concession construction revenue	13,133	23,072
Accrued financial income	3,750	2,192
Foreign exchange difference	3,318	5,137
At 31 December	<u>83,787</u>	<u>63,586</u>

**A12. Other assets**

	<b>31 December</b> <b>2016</b> <b>RM’000</b>	<b>31 December</b> <b>2015</b> <b>RM’000</b>
Downpayment for purchase of helicopters	<u>-</u>	<u>107,646</u>

**A13. Cash and bank balances**

Cash and bank balances comprised the following amounts:

	<b>31 December</b> <b>2016</b> <b>RM’000</b>	<b>31 December</b> <b>2015</b> <b>RM’000</b>
Cash in hand and at banks	50,972	50,400
Deposits with licensed banks	22,378	15,045
<b>Cash and bank balances</b>	<u>73,350</u>	<u>65,445</u>

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following as at the reporting date:

	<b>31 December</b> <b>2016</b> <b>RM’000</b>	<b>31 December</b> <b>2015</b> <b>RM’000</b>
Cash in hand and at banks	51,513	43,379
Deposits with licensed banks	-	200
Less: Bank overdraft	(2,823)	(879)
<b>Cash and cash equivalents</b>	<u>48,690</u>	<u>42,700</u>



**SARAWAK CABLE BERHAD**  
**(456400-V)**  
**(Incorporated in Malaysia)**

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2016**

**PART A – EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134: INTERIM FINANCIAL REPORTING**

**A14. Loans and borrowings**

	<b>31 December 2016 RM’000</b>	<b>31 December 2015 RM’000</b>
<b>Current</b>		
Secured	147,428	80,278
Unsecured	406,078	369,620
	<u>553,506</u>	<u>449,898</u>
<b>Non-current</b>		
Secured	171,261	125,335
Unsecured	10,494	17,260
	<u>181,755</u>	<u>142,595</u>
	<u>735,261</u>	<u>592,493</u>

Included in the long term secured borrowing is a borrowing denominated in foreign currency:

	<b>USD’000</b>	<b>RM’000</b>
USD term loan	<u>7,700</u>	<u>34,555</u>

**A15. Dividend Paid**

A final single tier dividend of 5.0 sen (31 December 2015: final single tier dividend of 2.5 sen) per ordinary share in respect of the financial year ended 31 December 2015 was paid on 29 July 2016 to depositors whose names appeared in the Record of Depositors on 1 July 2016.

**A16. Commitments**

	<b>31 December 2016 RM’000</b>	<b>31 December 2015 RM’000</b>
Capital expenditure		
Approved and contracted for:		
Property, plant and equipment	28,794	63,738
Approved but not contracted for:		
Property, plant and equipment	9,506	7,699
	<u>38,300</u>	<u>71,437</u>

THE REMAINDER OF THIS PAGE HAS BEEN INTENTIONAL LEFT BLANK



**SARAWAK CABLE BERHAD**  
**(456400-V)**  
**(Incorporated in Malaysia)**

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2016**

**PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS**

**B1. Contingencies**

In November 2016, Sarwaja Timur Sdn Bhd (“Sarwaja”) a wholly owned subsidiary of the Company was issued with a claim currently under arbitration proceedings. Sarwaja is contesting and disputing this claim.

**B2. Related party transactions**

The following table provides information on the transactions which were entered into with related parties during the year ended 31 December 2016 and 31 December 2015 as well as the balances with the related parties as at 31 December 2016 and 31 December 2015.

		December	December	December	December
		Sales to related parties RM'000	Purchases from related parties RM'000	Amounts owed by related parties RM'000	Amounts owed to related parties RM'000
Transactions with subsidiaries of Sarawak Energy Berhad:					
Sarawak Energy Berhad	2016	11,652	-	4,637	-
	2015	3,707	-	-	-
Syarikat SESCO Berhad	2016	13,763	-	3,222	-
	2015	39,560	-	1,093	-
Transactions with subsidiaries of Hng Capital Sdn Bhd:					
Alpha Industries Sdn. Bhd.	2016	2,128	241,271	333	14,356
	2015	3,134	260,941	-	44,281
Leader Universal Aluminium Sdn. Bhd.	2016	1,827	149,556	-	13,661
	2015	2,555	129,407	-	16,037



**SARAWAK CABLE BERHAD**  
**(456400-V)**  
**(Incorporated in Malaysia)**

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2016**

**PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS**

**B3. Review of performance**

Explanatory comments on the performance of each of the Group’s business segments are provided in Note A5.

**B4. Comment on material change in profit before taxation**

The profit before taxation for the quarter ended 31 December 2016 was lower than the immediate preceding quarter mainly due to projects had come to the tail end.

**B5. Commentary on prospects**

The Group will continuously participate in all major tenders related to the business of the Group and anticipate improving performance in the financial year ending 31 December 2017.

**B6. Profit forecast or profit guarantee**

Not applicable as the Group did not publish any profit forecast or profit guarantee.

**B7. Corporate proposals**

**Private placement of up to 10% of the issued and paid-up share capital of the Company (“Private Placement”)**

On 8 January 2016, 12 January 2016, 14 January 2016 and 11 July 2016, the Company made announcements in relation to the Private Placement.

On 12 January 2017, the Company made an announcement that the extension of time of six (6) months from 13 July 2016 until 12 January 2017 which was approved by Bursa Malaysia Securities Berhad to complete the implementation of the Private Placement will lapse after 12 January 2017.

The Company made an announcement on 12 January 2017 that after taking into consideration the prevailing market conditions as well as the trading price for the company’s shares for the past six (6) months, the Company has decided not to proceed with the Private Placement.

**B8. Changes in material litigation**

There was no material litigation against the Group except as disclosed in Note B1.





**SARAWAK CABLE BERHAD**  
**(456400-V)**  
**(Incorporated in Malaysia)**

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2016**

**PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS**

**B9. Dividends payable**

The Board of Directors proposes to recommend for shareholders’ approval at the forthcoming Annual General Meeting a first and final single-tier dividend of 3.0 sen (31 December 2015: 5.0 sen) per ordinary share in respect of the financial year ended 31 December 2016, to be paid on a date to be determined later.

**B10. Disclosure of nature of outstanding derivatives**

The outstanding derivatives were for the forward hedges with the London Metal Exchange (“LME”) brokers.

**B11. Risks and policies of derivatives**

The Group will only enter into a LME or currency derivative to hedge against potential commodity or currency fluctuation.

**B12. Disclosure of gains/losses arising from fair value changes of financial liabilities**

The Group did not have any financial liabilities measured at fair value through profit or loss as at 31 December 2016 and 31 December 2015 other than the derivatives as disclosed in Note B10 above.

**B13. Breakdown of realised and unrealised profits or losses**

The breakdown of the revenue reserves of the Group as at 31 December 2016 and 31 December 2015 into realised and unrealised profits is presented in accordance with the directives issued by Bursa Malaysia Securities Berhad dated 24 March 2010, prepared in accordance with *Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses* in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

	<b>Current quarter ended 31 December 2016 RM’000</b>	<b>Previous financial year ended 31 December 2015 RM’000</b>
Total revenue reserves of the Company and its subsidiaries:		
Realised	96,353	84,357
Unrealised	31,426	39,411
	<u>127,779</u>	<u>123,768</u>
(Less)/Add: Consolidation adjustments	(268)	481
Revenue reserves as per financial statements	<u>127,511</u>	<u>124,249</u>

**B14. Auditors’ report on preceding annual financial statements**

The auditors’ report on the financial statements for the year ended 31 December 2015 was not qualified.



**SARAWAK CABLE BERHAD**  
**(456400-V)**  
**(Incorporated in Malaysia)**

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2016**

**PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS**

**B15. Authorised for issue**

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 23 February 2017.

By order of the Board

Teoh Wen Jinq  
Company Secretary  
23 February 2017