

SCOMI GROUP BERHAD  
(COMPANY NO: 571212-A)

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET  
AS AT 31 MARCH 2007

|   | 31-Mar-07<br>RM'000<br>Unaudited | 31-Dec-06<br>RM'000<br>Audited |
|---|----------------------------------|--------------------------------|
| <b>ASSETS</b>   |                                  |                                |
| <b>Non-current assets</b>   |                                  |                                |
| Property, plant and equipment   | 398,063                          | 409,312                        |
| Intangible assets   | 548,778                          | 552,888                        |
| Investment properties   | 1,744                            | 1,782                          |
| Prepaid lease payments  | 4,196                            | 4,196                          |
| Investment in Associates  | 367,022                          | 367,818                        |
| Investment in Jointly Controlled Entities   | 19                               | 19                             |
| Amount due from jointly controlled entities   | 5,069                            | 5,171                          |
| Other Investment  | 2,735                            | 990                            |
| Deferred Tax Assets   | 5,278                            | 8,860                          |
|   | <b>1,332,904</b>                 | <b>1,351,036</b>               |
| <b>Current assets</b>   |                                  |                                |
| Inventories   | 262,597                          | 294,454                        |
| Receivables, deposits and prepayments   | 583,673                          | 624,416                        |
| Tax Recoverable   | 7,415                            | 7,161                          |
| Short-term investment   | 650                              | 7,750                          |
| Short-term deposits, cash and bank balances   | 232,941                          | 300,787                        |
|   | <b>1,087,276</b>                 | <b>1,234,568</b>               |
| Assets of disposal group classified as held for sale  | 22,817                           | -                              |
| <b>Total current assets</b>   | <b>1,110,093</b>                 | <b>1,234,568</b>               |
| <b>Total assets</b>   | <b>2,442,997</b>                 | <b>2,585,604</b>               |
| <b>EQUITY AND LIABILITIES</b>   |                                  |                                |
| <b>Equity attributable to equity holders of the parent</b>                                    |                                  |                                |
| Share capital   | 100,612                          | 100,535                        |
| Treasury shares   | (3,870)                          | (3,364)                        |
| Share premium   | 233,993                          | 233,823                        |
| Other reserves  | (54,453)                         | (45,964)                       |
| Retained profit   | 333,398                          | 307,346                        |
|   | <b>609,680</b>                   | <b>592,376</b>                 |
| <b>Minority interest</b>  | <b>45,673</b>                    | <b>44,622</b>                  |
| <b>Total equity</b>   | <b>655,353</b>                   | <b>636,998</b>                 |
| <b>Non-current liabilities</b>  |                                  |                                |
| Long term borrowings  | 1,070,302                        | 1,084,882                      |
| Deferred taxation   | 2,659                            | 8,149                          |
| Retirement benefit obligation   | 4,100                            | 4,162                          |
| Provision for redundancy  | 2,149                            | 2,192                          |
| Other Payables  | 76,413                           | 76,045                         |
|   | <b>1,155,623</b>                 | <b>1,175,430</b>               |
| <b>Current liabilities</b>  |                                  |                                |
| Trade payables  | 236,637                          | 335,899                        |
| Other payables  | 144,811                          | 148,380                        |
| Short term borrowings   | 194,786                          | 245,865                        |
| Provision for redundancy  | 477                              | 3,304                          |
| Taxation  | 42,113                           | 39,728                         |
|   | <b>618,824</b>                   | <b>773,176</b>                 |
| Liabilities directly associated with the assets of disposal group classified as held for sale | 13,197                           | -                              |
| <b>Total current liabilities</b>  | <b>632,021</b>                   | <b>773,176</b>                 |
| <b>Total liabilities</b>  | <b>1,787,644</b>                 | <b>1,948,606</b>               |
| <b>Total equity and liabilities</b>   | <b>2,442,997</b>                 | <b>2,585,604</b>               |
| <b>Net assets per share attributable to equity holders of the parent (RM)</b>                 | <b>0.59</b>                      | <b>0.58</b>                    |

(The Unaudited Condensed Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statements for the year ended 31st December 2006)

SCOMI GROUP BERHAD  
(COMPANY NO: 571212-A)

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT  
FOR THE PERIOD ENDED 31 MARCH 2007

|  | Note | Individual Quarter                |                                   | Cumulative Quarter                |   |
|--|------|-----------------------------------|-----------------------------------|-----------------------------------|---|
|  |      | Current Year<br>Quarter           | Preceding Year<br>Quarter         | Current Year<br>Period Ended      | Preceding Year<br>Corresponding<br>Period |
|  |      | 31-Mar-07<br>RM '000<br>Unaudited | 31-Mar-06<br>RM '000<br>Unaudited | 31-Mar-07<br>RM '000<br>Unaudited | 31-Mar-06<br>RM '000<br>Unaudited         |
| Revenue                                      | A8   | 436,121                           | 326,461                           | 436,121                           | 326,461                                   |
| Cost of sales                                |      | <u>(310,166)</u>                  | <u>(228,887)</u>                  | <u>(310,166)</u>                  | <u>(228,887)</u>                          |
| Gross Profit                                 |      | 125,955                           | 97,574                            | 125,955                           | 97,574                                    |
| Other income                                 |      | 7,329                             | 2,082                             | 7,329                             | 2,082                                     |
| Operating expenses                           |      | <u>(83,914)</u>                   | <u>(63,474)</u>                   | <u>(83,914)</u>                   | <u>(63,474)</u>                           |
| Finance costs                                |      | <u>(22,328)</u>                   | <u>(15,065)</u>                   | <u>(22,328)</u>                   | <u>(15,065)</u>                           |
| Share of profit in jointly controlled entity |      | <u>(243)</u>                      | -                                 | <u>(243)</u>                      | -   |
| Share of profit in associates                |      | <u>6,282</u>                      | <u>3,911</u>                      | <u>6,282</u>                      | <u>3,911</u>                              |
| <b>Profit before taxation</b>                | A8   | <b>33,081</b>                     | <b>25,028</b>                     | <b>33,081</b>                     | <b>25,028</b>                             |
| Taxation                                     | B4   | <u>(5,347)</u>                    | <u>(6,223)</u>                    | <u>(5,347)</u>                    | <u>(6,223)</u>                            |
| <b>Profit for the period</b>                 |      | <b><u>27,734</u></b>              | <b><u>18,805</u></b>              | <b><u>27,734</u></b>              | <b><u>18,805</u></b>                      |
| Attributable to:                             |      |                                   |                                   |                                   |   |
| Equity holders of the parent                 |      | 26,052                            | 16,069                            | 26,052                            | 16,069                                    |
| Minority interest                            |      | 1,682                             | 2,736                             | 1,682                             | 2,736                                     |
|  |      | <u>27,734</u>                     | <u>18,805</u>                     | <u>27,734</u>                     | <u>18,805</u>                             |
| Earnings per share                           | B12  | sen                               | sen                               | sen                               | sen                                       |
| - Basic                                      |      | 2.59                              | 1.62                              | 2.59                              | 1.62                                      |
| - Diluted                                    |      | <u>2.52</u>                       | <u>1.55</u>                       | <u>2.52</u>                       | <u>1.55</u>                               |

(The Unaudited Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the year ended 31st December 2006)

**SCOMI GROUP BERHAD**  
(COMPANY NO: 571212-A)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED 31 MARCH 2007**

|   | Share<br>capital | Share<br>premium | Treasury<br>shares | Exchange<br>Fluctuation<br>Reserve | Share<br>Option<br>Reserve | Retained<br>Profits | Held for<br>Sale * | Total          | Minority<br>Interest | Total          |
|---|------------------|------------------|--------------------|------------------------------------|----------------------------|---------------------|--------------------|----------------|----------------------|----------------|
|   | RM'000           | RM'000           | RM'000             | RM'000                             | RM'000                     | RM'000              | RM'000             | RM'000         | RM'000               | RM'000         |
| <b>At 1st January 2007</b>  | 100,535          | 233,823          | (3,364)            | (57,881)                           | 11,917                     | 307,346             | -                  | 592,376        | 44,622               | 636,998        |
| Foreign exchange difference   | -                | -                | -                  | (4,090)                            | -                          | -                   | -                  | (4,090)        | -                    | (4,090)        |
| Net income/(expense) recognised directly in equity  | 100,535          | 233,823          | (3,364)            | (61,971)                           | 11,917                     | 307,346             | -                  | 588,286        | 44,622               | 632,908        |
| Net profit for the period   | -                | -                | -                  | -                                  | -                          | 26,052              | -                  | 26,052         | 1,682                | 27,734         |
| Total recognised income and expense for the period  | 100,535          | 233,823          | (3,364)            | (61,971)                           | 11,917                     | 333,398             | -                  | 614,338        | 46,304               | 660,642        |
| Issue of shares pursuant to:  |                  |                  |                    |                                    |                            |                     |                    |                |                      |                |
| - Private placement   | -                | -                | -                  | -                                  | -                          | -                   | -                  | -              | -                    | -              |
| - Bonus issue   | -                | -                | -                  | -                                  | -                          | -                   | -                  | -              | -                    | -              |
| - Exercise of share options   | 77               | 170              | -                  | -                                  | -                          | -                   | -                  | 247            | -                    | 247            |
| Recognition of share-based payments   | -                | -                | -                  | -                                  | 1,500                      | -                   | -                  | 1,500          | -                    | 1,500          |
| Shares repurchased  | -                | -                | (506)              | -                                  | -                          | -                   | -                  | (506)          | -                    | (506)          |
| Shares of reserves in subsidiaries and associate  | -                | -                | -                  | (6,064)                            | 165                        | -                   | -                  | (5,899)        | (1,193)              | (7,092)        |
| (Dilution)/Accretion of minority interest   | -                | -                | -                  | -                                  | -                          | -                   | -                  | -              | 562                  | 562            |
| <b>At 31st March 2007</b>   | <b>100,612</b>   | <b>233,993</b>   | <b>(3,870)</b>     | <b>(68,035)</b>                    | <b>13,582</b>              | <b>333,398</b>      | <b>-</b>           | <b>609,680</b> | <b>45,673</b>        | <b>655,353</b> |
| * No income or expense have been recognised directly in equity relating to the assets classified as held for sale |                  |                  |                    |                                    |                            |                     |                    |                |                      |                |
| <b>At 1st January 2006</b>  | 99,208           | 231,748          | -                  | (13,888)                           | 6,028                      | 227,129             | -                  | 550,225        | 45,904               | 596,129        |
| Foreign exchange difference   | -                | -                | -                  | (1,036)                            | -                          | -                   | -                  | (1,036)        | -                    | (1,036)        |
| Net income/(expense) recognised directly in equity  | 99,208           | 231,748          | -                  | (14,924)                           | 6,028                      | 227,129             | -                  | 549,189        | 45,904               | 595,093        |
| Net profit for the period   | -                | -                | -                  | -                                  | -                          | 16,069              | -                  | 16,069         | 2,736                | 18,805         |
| Total recognised income and expense for the period  | 99,208           | 231,748          | -                  | (14,924)                           | 6,028                      | 243,198             | -                  | 565,258        | 48,640               | 613,898        |
| Issue of shares pursuant to:  |                  |                  |                    |                                    |                            |                     |                    |                |                      |                |
| - Private placement   | -                | -                | -                  | -                                  | -                          | -                   | -                  | -              | -                    | -              |
| - Exercise of share options   | 316              | 222              | -                  | -                                  | -                          | -                   | -                  | 538            | -                    | 538            |
| Recognition of share-based payments   | -                | -                | -                  | -                                  | 1,323                      | -                   | -                  | 1,323          | -                    | 1,323          |
| <b>At 31st March 2006</b>   | <b>99,524</b>    | <b>231,970</b>   | <b>-</b>           | <b>(14,924)</b>                    | <b>7,351</b>               | <b>243,198</b>      | <b>-</b>           | <b>567,119</b> | <b>48,640</b>        | <b>615,759</b> |

(The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31st December 2006)

**SCOMI GROUP BERHAD**  
**(COMPANY NO: 571212-A)**

**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE PERIOD ENDED 31 MARCH 2007**

|   | 3 months ended  |                 |
|---|-----------------|-----------------|
|   | 31-Mar-07       | 31-Mar-06       |
|   | RM'000          | RM'000          |
|   | Unaudited       | Unaudited       |
| <b>Cash flows from operating activities</b>                       |                 |                 |
| Profit before taxation  | 33,081          | 25,028          |
| Adjustments for:  |                 |                 |
| Depreciation  | 15,068          | 14,236          |
| Amortisation  | 60              | 49              |
| Allowance for doubtful debts and bad debts written off            | 1,145           | 277             |
| Provision for obsolete stocks                                     | 208             | 15              |
| Share option expense  | 1,500           | 1,323           |
| Unrealised gain on foreign exchange                               | (4,695)         | -               |
| Gain on disposal of property, plant and equipment                 | (415)           | (189)           |
| Share of profit and other reserves in associates                  | (6,282)         | (3,911)         |
| Share of profit and other reserves in jointly controlled entities | 243             | -               |
| Interest expense  | 22,328          | 15,065          |
| Interest income   | (1,749)         | (49)            |
|   | <b>60,492</b>   | <b>51,844</b>   |
| Operating profit before working capital changes                   |                 |                 |
| Changes in working capital:                                       |                 |                 |
| Inventories   | 31,649          | 3,847           |
| Trade and other receivables                                       | 38,446          | (74,831)        |
| Trade and other payables  | (141,099)       | (5,675)         |
|   | <b>(10,512)</b> | <b>(24,815)</b> |
| Cash used in operations   |                 |                 |
| Tax paid  | (5,244)         | (3,115)         |
| Interest paid   | (593)           | (942)           |
| <b>Net cash used in operating activities</b>                      | <b>(16,349)</b> | <b>(28,872)</b> |
| <b>Cash flows from investing activities</b>                       |                 |                 |
| Purchase of property, plant and equipment                         | (26,096)        | (16,200)        |
| Proceeds from disposal of property, plant and equipment           | 2,287           | 265             |
| Decrease/(increase) in other investment and intangible assets     | 4,703           | (5,000)         |
| Interest received   | 1,749           | 179             |
| <b>Net cash used in investing activities</b>                      | <b>(17,357)</b> | <b>(20,756)</b> |
| <b>Cash flows from financing activities</b>                       |                 |                 |
| Issue of share capital arising from the exercise of ESOS          | 247             | 538             |
| Issue of ordinary shares of a subsidiary to minority shareholders | 562             | 67,335          |
| Acquisition of treasury shares                                    | (506)           | -               |
| Net proceeds from/(payments of) short term borrowings             | (25,281)        | (3,701)         |
| Payment of hire purchase/lease liabilities                        | (526)           | (20,446)        |
| Proceeds from term loan/bonds                                     | 3,239           | 156,425         |
| Repayment of term loans   | (13,485)        | (11,932)        |
| Interest paid   | (8,300)         | (14,054)        |
| (Increase)/Decrease in Short term Deposit pledged as Security     | (2,646)         | (42)            |
| Dividends paid  | -               | -               |
| <b>Net cash (used in)/generated from financing activities</b>     | <b>(46,697)</b> | <b>174,123</b>  |
| <b>Net (decrease)/increase in cash and cash equivalents</b>       | <b>(80,403)</b> | <b>124,495</b>  |
| <b>Cash and cash equivalents at beginning of period</b>           | <b>217,879</b>  | <b>58,160</b>   |
| Currency translation differences                                  | (3,059)         | -               |
| <b>Cash and cash equivalents at end of period</b>                 | <b>134,417</b>  | <b>182,655</b>  |
| <b>Cash and cash equivalents comprise:</b>                        |                 |                 |
| Fixed deposits placed with licensed banks                         | 75,697          | 112,535         |
| Cash and bank balances  | 158,403         | 107,463         |
| Bank overdrafts   | (71,165)        | (16,301)        |
|   | <b>162,935</b>  | <b>203,697</b>  |
| Less: Short-term deposit pledged as securities                    | (28,518)        | (21,042)        |
|   | <b>134,417</b>  | <b>182,655</b>  |

(The Unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the year ended 31st December 2006)